WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

44, Ceres, 6835
50 Voortrekker St/ Str, Ceres, 6835
Suid Afrika/ South Africa
☎ +27 23 316 1854
+27 23 316 1877
admin@witzenberg.gov.za
www.witzenberg.gov.za

Kennis word hiermee gegee ingevolge Artikel 29 van die Plaaslike Regering: Munisipale Strukture Wet, 1998 (Wet 117 van 1998), soos gewysig, dat 'n **Gewone Raadsvergadering** van die Munisipaliteit Witzenberg **virtueel** (*Microsoft Teams*) gehou sal word op **Woensdag, 26 Mei 2021** om **10:00**.	Notice is hereby given in terms of Section 29(2) of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998), as amended, that an **Ordinary Council Meeting** of the Witzenberg Municipality will be held **virtually** (*Microsoft Teams*) on **Wednesday, 26 May 2021** at **10:00**.

Raadslede en Amptenare / Councillors and officials		
Councillor TE Abrahams	Alderman K Adams (Deputy Executive Mayor)	Councillor P Daniels
Alderman TT Godden (Speaker)	Councillor P Heradien	Councillor MD Jacobs
Councillor D Kinnear	Alderman BC Klaasen (Executive Mayor)	Councillor GG Laban
Councillor C Lottering	Councillor M Mdala	Councillor TP Mgoboza
Councillor ZS Mzauziwa-Mdishwa	Councillor MJ Ndaba	Councillor N Phatsoane
Alderlady JT Phungula	Alderman JW Schuurman	Councillor EM Sidego
Councillor RJ Simpson	Alderman HJ Smit	Councillor D Swart
Councillor HF Visagie	Alderman JJ Visagie	
Municipal Manager	Director: Finance	Director: Technical Services
Director: Corporate Services	Deputy Director: Finance	Head: Internal Audit
Manager: Projects and Performance	Manager: Administration	IDP Manager
Manager: Legal Services	Committee Clerk	

p.p. **ALDERMAN TT GODDEN**
SPEAKER

19 May 2021

AGENDA

1. OPENING AND WELCOME

2. APPOINTMENT OF ACTING SPEAKER (3/1/1/4)

This item will only be applicable if Council decides on the appointment of an Acting Speaker.

NOTED

3. LEAVE OF ABSENCE AND CONFIDENTIALITY AND CONFLICT OF INTEREST DECLARATION

3.1 Consideration of application for leave of absence, if any (3/1/2/1)

3.2 Confidentiality and Conflict of Interest Declaration (3/2/1)

4. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED

4.1 Gratitude, Congratulations and Commiseration (11/4/3)

Council's congratulations are conveyed to the following spouses on their birthdays:

- Ms R Schuurman 12 May
- Ms N Simpson 24 May

NOTED.

4.2 Matters raised by the Speaker (09/1/1)

4.3 Matters raised by the Executive Mayor (09/1/1)

4.4 Matters raised by the Municipal Manager

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5. DELEGATED POWERS

None

NOTED

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6. GERESERVEERDE BEVOEGDHEDE / RESERVED POWERS

6.1 Direktoraat Finansies / Directorate Finance

6.1.1 Quarterly Budget Statement [Section 52(d)] Report: 3rd Quarter 2020/2021 (1 January 2021 until 31 March 2021) (9/1/2/2)

The following items refer:

(a) Item 7.1 of the meeting of the Municipal Public Accounts Committee, held on 28 April 2021.

(b) Item 7.1.1 of the Executive Mayoral Committee meeting still to be held.

The Quarterly Budget Statement [Section 52(d)] Report for the Third Quarter of 2020/2021 is attached as **annexure 6.1.1**.

Extract from the Municipal Public Accounts Committee minutes of 28 April 2021:

The Director: Finance tabled the Quarterly Budget Statement [Section 52(d)] report for the third quarter of 2020/2021 (1 January 2020 until 31 March 2021). The following were highlighted:

- TechEl137: that the electrification of meter processes are in progress in Nduli. Approximately 600 persons are paying for the services and about 30 meters are installed per day. The project will move thereafter to Pine Valley, Wolseley due to a lack of manpower. The backyard dwellers in particular are very happy with this method.

- FinAdm11: Financial viability expressed outstanding debtors. Still struggling with communities to pick up the payment process due to COVID-19. Public meetings were held and people come to the offices for arrangements. Struggling with the low target to the Deeds Office. Matter outside control of the municipality. People also slow to come to the municipal offices.

The Municipal Public Accounts Committee resolved on 28 April 2021 to recommend to Council:

(a) that the matter in respect of the Island Resort and Klip River Park Resort be placed before Council for deliberation and any actions deemed necessary.

(b) that the Quarterly Report of Mayor on implementation of budget and state of affairs of municipality / SDBIP: Section 52(d) for the Third Quarter of 2020/2021 (1 January 2020 until 31 March 2021) be approved and accepted.

The following recommendation is tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) That notice be taken of the tabling of the Quarterly Budget Statement Report in terms of Section 52(d) for the period 1 January 2021 until 31 March 2021.

(b) that the matter in respect of the Island Resort and Klip River Park Resort be placed before Council for deliberation and any actions deemed necessary.

(c) That the report be referred to Council's Performance, Risk and Audit Committee for their recommendation to Council.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

(a) That notice be taken of the tabling of the Quarterly Budget Statement Report in terms of Section 52(d) for the period 1 January 2021 until 31 March 2021.

(b) that the matter in respect of the Island Resort and Klip River Park Resort be placed before Council for deliberation and any actions deemed necessary.

(c) That the report be referred to Council's Performance, Risk and Audit Committee for their recommendation to Council.

6.1.2 Amended Integrated Development Plan (IDP) 2017 to 2022: Proposed amendments for 2021/2022 (2/2/1)

Item 7.1.2 of the Executive Mayoral Committee meeting, still to be held, refers.

The Amended Integrated Development Plan for 2017 to 2022 with proposed amendments for 2021/2022 is attached as **annexure 6.1.2**.

The reason for the amendments is adopting the Witzenberg Disaster Management Plan as a core component of the Integrated Development Plan.

The following recommendation is tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that the proposed Amended 2017 to 2022 Integrated Development Plan (IDP) be adopted.

(b) that the Witzenberg Disaster Management Plan be adopted as a core component of the 2017 to 2022 Integrated Development Plan.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

(a) that the proposed Amended 2017 to 2022 Integrated Development Plan (IDP) be adopted.

(b) that the Witzenberg Disaster Management Plan be adopted as a core component of the 2017 to 2022 Integrated Development Plan.

6.1.3 Finance: Draft Budget 2021/2022 – 2023/2024 (5/1/1/20)

Hard copies of annexure 6.1.3(d) (Budget related policies) are not required at this stage as there are only minor changes to the documents since the tabling at the March 2021 workshop as stipulated by the Chief Financial Officer.

Item 7.1.3 of the Executive Mayoral Committee meeting still to be held, refers.

The following documents are attached:

(a) Memorandum from Director: Finance, dated 19 May 2021: **Annexure 6.1.3(a)**.

(b) Budget report 2021/2022: **Annexure 6.1.3(b)**.

(c) Tariffs 2021/2022: **Annexure 6.1.3(c)**.

(d) Budget related policies: **Annexure 6.1.3(d)**.

(e) National Treasury Budget Circular 107: **Annexure 6.1.3(e)**.

(f) National Treasury Budget Circular 108: **Annexure 6.1.3(f)**.

(g) Provincial Treasury Budget Circular: **Annexure 6.1.3(g)**.

(h) Provincial Assessment: **Annexure 6.1.3(h)**.

(i) Procurement Plan: **Annexure 6.1.3(i)**.

(j) Service Standards: **Annexure 6.1.3(j)**.

(k) Budget schedules: **Annexure 6.1.3(k)**.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

(a) That the annual budget of Witzenberg Municipality for the financial year 2021/2022 and indicative for the two projected years 2022/2023 and 2023/2024, as set out in the schedules, 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 the budget report and any other municipal tax reflected in the said report are imposed for the budget year 2021/2022.

(c) Tariffs and charges reflected in the budget report are approved for the budget year 2021/2022.

(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 2021/2022.

(e) The measurable performance objectives for each vote reflected in SA8 are approved for the budget year 2021/2022.

(f) That the new amended budget related policies be approved with implementation as from 1 July 2021:

(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) Travel Management Policy
(xix) Cost Containment Policy

(g) That Council takes cognisance of the budget circulars issued by National Treasury and Provincial Treasury.

(h) That Council takes cognisance of the LG MTEC Integrated Planning and Budgeting Assessment and the responses by the municipality.

7. ADJOURNMENT

Quarterly Budget Statement Report {Section 52(d)} for the Period 1 January 2021 to 31 March 2021

Financial data is in respect of the period 1 July 2020 to 30 June 2021

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.

Glossary (Continued)

MIG – Municipal Infrastructure Grant

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

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, **s**pending 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

Legal requirements

In terms of Section 52 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003):

52. General Responsibilities. — The mayor of a municipality—

(*a*) must provide general political guidance over the fiscal and financial affairs of the municipality;

(*b*) in providing such general political guidance, may monitor and, to the extent provided in this Act, oversee the exercise of responsibilities assigned in terms of this Act to the accounting officer and the chief financial officer, but may not interfere in the exercise of those responsibilities;

(*c*) must take all reasonable steps to ensure that the municipality performs its constitutional and statutory functions within the limits of the municipality's approved budget;

(*d*) **must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality; and**

(*e*) must exercise the other powers and perform the other duties assigned to the mayor in terms of this Act or delegated by the council to the mayor.

In terms of section 11 (4) (a), the Accounting Officer must within 30 days after the end of each quarter table in the municipal council a consolidated report of all withdrawals made in terms of subsection (1) (b) to (j) during that quarter. Section 11(1) read as follow:

"11. (1) Only the accounting officer or the chief financial officer of a municipality, or any other senior financial official of the municipality acting on the written authority of the accounting officer, may withdraw money or authorise the withdrawal of money from any of the municipality's bank accounts, and may do so only—

(a) to defray expenditure appropriated in terms of an approved budget;
(b) to defray expenditure authorised in terms of section 26(4);
(c) to defray unforeseeable and unavoidable expenditure authorised in terms of section 29(1);
(d) in the case of a bank account opened in terms of section 12, to make payments from the account in accordance with subsection (4) of that section;
(e) to pay over to a person or organ of state money received by the municipality on behalf of that person or organ of state, including—
(i) money collected by the municipality on behalf of that person or organ of state by agreement; or
(ii) any insurance or other payments received by the municipality for that person or organ of state;
(f) to refund money incorrectly paid into a bank account;
(g) to refund guarantees, sureties and security deposits;
(h) for cash management and investment purposes in accordance with section 13;
(i) to defray increased expenditure in terms of section 31; or
(j) for such other purposes as may be prescribed."

In terms of Section 66 of the MFMA the Accounting Officer must prepare a report on all expenditure incurred with relation to staff benefits.

Section 66 reads as follow:
"66. The accounting officer of a municipality must, in a format and for periods as may be prescribed, report to the council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits, and in a manner that discloses such expenditure per type of expenditure, namely—

(a) salaries and wages;
(b) contributions for pensions and medical aid;

(c) travel, motor car, accommodation, subsistence and other allowances;
(d) housing benefits and allowances;
(e) overtime payments;
(f) loans and advances; and
(g) any other type of benefit or allowance related to staff."

The following regulations of the Local Government: Municipal Finance Management Act Municipal Budget and Reporting Regulations are relevant:

Quarterly reports on implementation of budget

31. (1) The mayor's quarterly report on the implementation of the budget and the financial state of affairs of the municipality as required by section 52(d) of the Act must be-
{a) in the format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act; and
(b) consistent with the monthly budget statements for September, December, March and June as applicable; and
(c) submitted to the National Treasury and the relevant provincial treasury within five days of tabling of the report in the council.

Publication of quarterly reports on implementation of budget

32. When publishing the quarterly reports on the implementation of the budget in terms of section 75(1)(k) of the Act, the municipal manager must make public any other information that the municipal council considers appropriate to facilitate public awareness of the quarterly report on the implementation of the budget and the financial state of affairs of the municipality, including -
(a) summaries of quarterly report in alternate languages predominant in the community; and
{b) information relevant to each ward in the municipality.

PART 1 - IN-YEAR REPORT

Mayors Report

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

It is my privilege to present to you the quarterly Budget Statement Report for the three months from 1 January 2021 to 31 March 2021.

It was a very tough period for stakeholders within the operational sphere of the municipality. We have not applied any credit control measures during this period to assist our communities and businesses. We also have to convey our thanks to all for their patriotism and resilience in still paying their accounts and enabling the municipality to still perform its functions.

I also want to say thank you to all those employees whom, against all odds, still embrace the spirit of Ubuntu. I salute you all.

The year to date recovery rate excluding traffic fines is 89% against the annual target of 94%. Cognisance should be taken that the comparative rate for the same period in the prior year was 88%. Government departments and commercial customers that are in arrears are receiving immediate attention in order to improve cash flow.

Capital expenditure is 46% of a budgeted amount of R 90 million. Two multiyear capital projects are planned to commence in the near future. The required approval for the Tulbagh dam is still outstanding.

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COUNCILLOR BC KLAASEN
EXECUTIVE MAYOR

Recommendation

It is recommended that council take cognisance of the quarterly budget assessment for the period 1 January 2021 to 31 March 2021.

Municipal Manager's quality certification

Quality Certificate

I, Mr D Nasson, Municipal Manager of Witzenberg Municipality, hereby certify that the quarterly budget assessment has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Mr D NASSON

Municipal Manager of WITZENBERG MUNICIPALITY

Signature: _____

Date _____

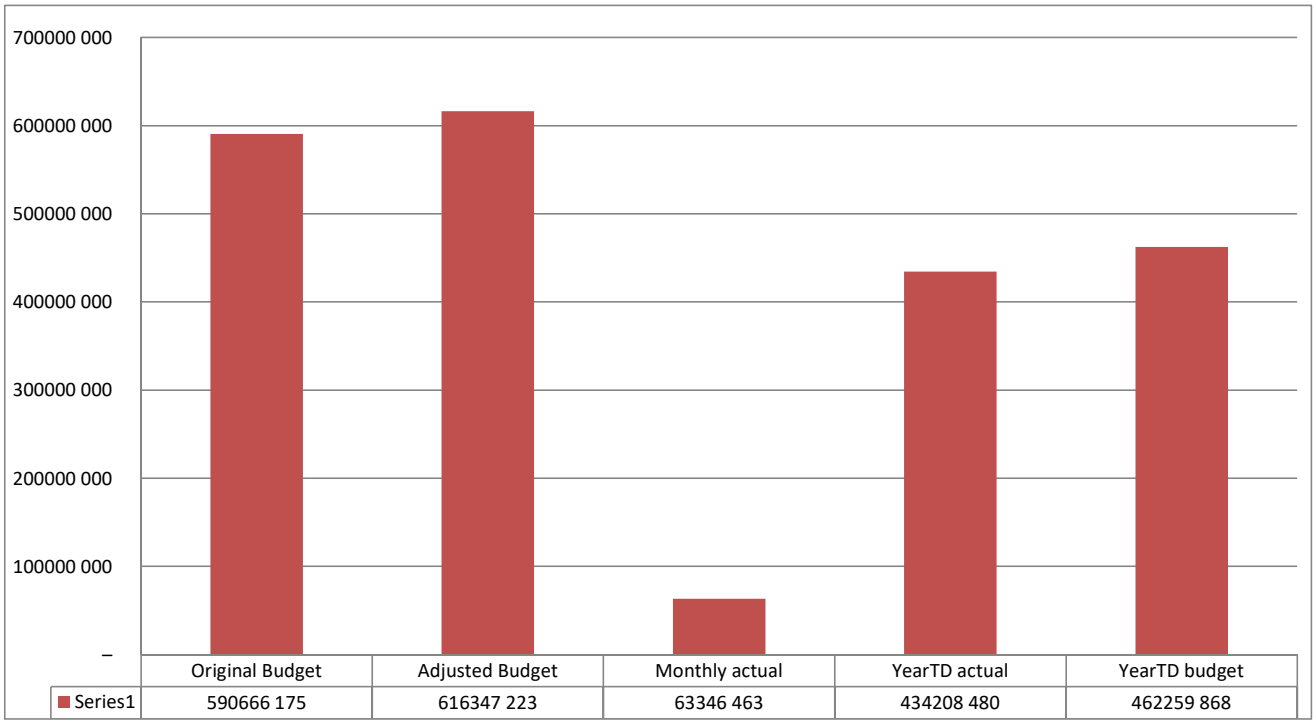
C EXECUTIVE SUMMARY

The following tables provides a summary of the financial information:

C OPSOMMING

Die volgende tabelle voorsien n opsomming van die finansiele inligting:

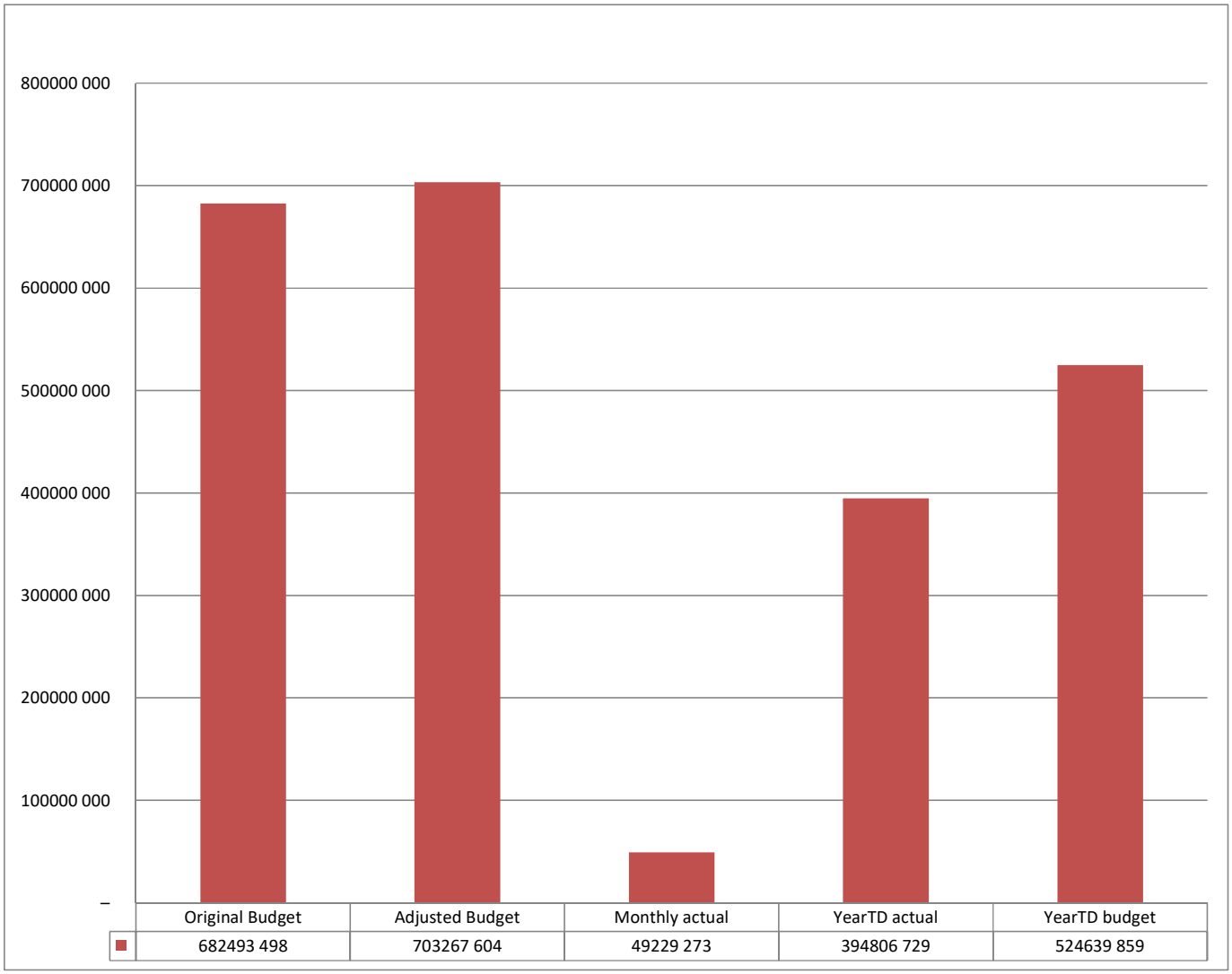
TOTAL OPERATIONAL REVENUE



For the period 1 July 2020 to 31 March 2021, 70,45% of the budgeted operational revenue was raised.

Vir die periode 1 Julie 2020 to 31 Maart 2021, is 70,45% van die begrote operasionele inkomste gehef.

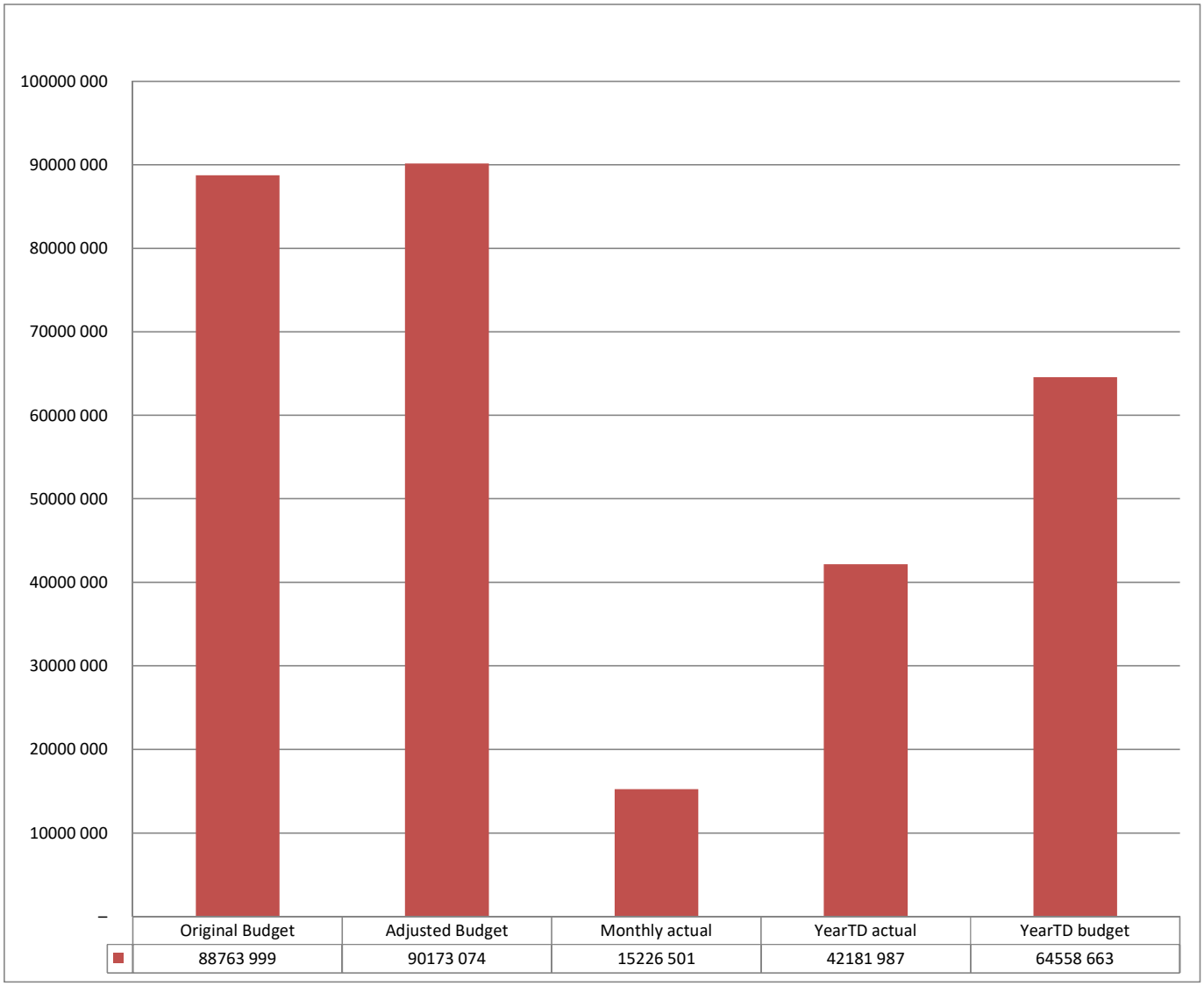
TOTAL OPERATIONAL EXPENDITURE



For the period 1 July 2020 to 31 March 2021, 56,14% of the budgeted operational expenditure was incurred. This figure will increase as some invoices are still outstanding.

Vir die periode 1 Julie 2020 to 31 Maart 2021, is 56,14% van die begrote operasionele uitgawes aangegaan. Die syfer mag verhoog aangesien daar nog uitstaande fakture is.

CAPITAL EXPENDITURE



For the period 1 July 2020 to 31 March 2021, 46,78% of the budgeted capital expenditure was incurred.

Vir die periode 1 Julie 2020 to 31 Maart 2021, is 46,78% van die begrote kapitale uitgawes aangegaan.

In-year budget statement tables

The following table provides a summary of the financial performance and financial position of the municipality as at 31 March 2021.

WC022 Witzenberg - Table C1 Monthly Budget Statement Summary - Q3 Third Quarter

Description	2019/20	Budget Year 2020/21							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	73 497	76 388	76 388	4 035	67 696	57 291	10 405	18%	76 388
Service charges	346 176	341 732	354 732	30 750	263 656	266 049	(2 394)	-1%	354 732
Investment revenue	7 446	9 129	3 358	240	2 322	2 519	(196)	-8%	8 393
Transfers recognised - operational	131 561	116 989	140 245	25 857	88 491	105 183	(16 692)	-16%	140 245
Other own revenue	47 345	46 427	41 624	2 463	12 043	31 217	(19 174)	-61%	41 624
transfers and contributions)	**606 024**	**590 666**	**616 347**	**63 346**	**434 208**	**462 260**	**(28 051)**	**-6%**	**621 382**
Employee costs	180 046	226 182	221 359	18 083	147 816	166 019	(18 203)	-11%	221 359
Remuneration of Councillors	10 604	12 032	12 032	825	7 423	9 024	(1 601)	-18%	12 032
Depreciation & asset impairment	32 732	40 688	40 688	–	2	30 516	(30 514)	-100%	40 688
Finance charges	9 408	9 181	9 181	2	154	6 886	(6 732)	-98%	9 181
Materials and bulk purchases	236 016	252 289	260 878	21 385	155 251	195 639	(40 388)	-21%	260 878
Transfers and grants	25 477	2 179	8 322	114	1 151	6 241	(5 090)	-82%	8 322
Other expenditure	106 075	139 944	150 809	8 820	83 011	110 315	(27 304)	-25%	111 051
Total Expenditure	**600 358**	**682 493**	**703 268**	**49 229**	**394 807**	**524 640**	**(129 833)**	**-25%**	**663 509**
Surplus/(Deficit)	**5 667**	**(91 827)**	**(86 920)**	**14 117**	**39 402**	**(62 380)**	**101 782**	**-163%**	**(42 127)**
Transfers recognised - capital	13 442	78 716	69 829	–	–	51 473	(51 473)	-100%	69 829
Contributions & Contributed assets	237	59	560	22	192	420	(229)	-54%	560
& contributions	**19 346**	**(13 052)**	**(16 531)**	**14 140**	**39 593**	**(10 487)**	**50 080**	**-478%**	**28 262**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**19 346**	**(13 052)**	**(16 531)**	**14 140**	**39 593**	**(10 487)**	**50 080**	**-478%**	**28 262**
Capital expenditure & funds sources									
Capital expenditure	**27 944**	**88 764**	**90 173**	**15 227**	**42 182**	**64 559**	**(22 377)**	**-35%**	**90 173**
Capital transfers recognised	13 123	78 716	70 330	13 211	32 133	51 074	(18 941)	-37%	70 330
Public contributions & donations	–	–	–	–	–	–	–		–
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	21 175	10 048	19 843	2 016	10 049	13 485	(3 435)	-25%	19 813
Total sources of capital funds	**34 298**	**88 764**	**90 173**	**15 227**	**42 182**	**64 559**	**(22 377)**	**-35%**	**90 143**
Financial position									
Total current assets	218 961	108 824	199 345		291 520				185 556
Total non current assets	945 893	1 049 210	989 246		988 077				1 052 677
Total current liabilities	142 768	130 550	187 620		214 127				205 180
Total non current liabilities	115 144	185 378	118 150		118 935				170 101
Community wealth/Equity	**906 942**	**842 106**	**882 821**		**946 535**				**862 953**
Cash flows									
Net cash from (used) operating	70 313	62 440	25 684	47 030	77 278	56 126	21 152	38%	(1 183 002)
Net cash from (used) investing	(33 819)	(88 764)	(69 760)	(15 773)	(45 652)	(34 724)	(10 928)	31%	(90 173)
Net cash from (used) financing	(371)	(1 500)	(1 800)	(45)	(169)	(126)	(43)	34%	(169)
end	**130 394**	**38 463**	**84 518**	**–**	**161 851**	**151 670**	**10 181**	**7%**	**(1 142 781)**
Debtors & creditors analysis	**0-30 Days**	**31-60 Days**	**61-90 Days**	**91-120 Days**	**121-150 Dys**	**151-180 Dys**	**181 Dys-1 Yr**	**Over 1Yr**	**Total**
Debtors Age Analysis									
Total By Income Source	43 598	6 332	5 321	5 005	4 901	4 167	26 498	171 421	267 243
Creditors Age Analysis									
Total Creditors	661	18	2	–	–	–	–	–	681

The following table provides detail of revenue and expenditure according to the international standard classification framework.

WC022 Witzenberg - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - Q3 Third Quarter

Description	2019/20	Budget Year 2020/21							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional									
Governance and administration	91 801	**101 030**	**96 134**	**4 840**	**73 710**	**72 100**	1 610	2%	**96 147**
Executive and council	122	**–**	–	–	13	–	13	#DIV/0!	13
Finance and administration	91 679	101 030	96 134	4 840	73 697	72 100	1 597	0	96 134
Internal audit	–	–	–	–	–	–	–		–
Community and public safety	163 882	**142 111**	**165 649**	**26 703**	**94 458**	**123 695**	(29 237)	-24%	**165 649**
Community and social services	105 131	114 880	128 770	25 845	88 464	96 578	(8 114)	-8%	128 770
Sport and recreation	10 375	1 805	4 921	79	1 500	3 691	(2 191)	-59%	4 921
Public safety	24 096	24 912	25 634	771	4 479	18 684	(14 205)	-76%	25 634
Housing	24 280	514	6 324	8	15	4 743	(4 727)	-100%	6 324
Health	–	–	–	–	–	–	–		–
Economic and environmental services	4 311	**20 173**	**22 511**	**162**	**1 159**	**16 883**	(15 724)	-93%	**22 511**
Planning and development	1 933	2 512	4 611	162	1 156	3 458	(2 303)	-67%	4 611
Road transport	2 227	17 647	17 887	–	3	13 415	(13 411)	-100%	17 887
Environmental protection	152	13	13	–	–	10	(10)	-100%	13
Trading services	**359 616**	**406 013**	**402 327**	**31 605**	**265 004**	**301 388**	(36 385)	-12%	**402 327**
Energy sources	257 723	265 685	270 965	26 229	185 986	203 224	(17 238)	-8%	270 965
Water management	43 372	64 856	60 010	4 783	32 089	44 650	(12 561)	-28%	60 010
Waste water management	30 397	43 424	42 092	(2 012)	25 345	31 569	(6 224)	-20%	42 092
Waste management	28 124	32 047	29 261	2 604	21 584	21 946	(361)	-2%	29 261
Other	**93**	**115**	**115**	**60**	**69**	**86**	**(17)**	**-20%**	**115**
Total Revenue - Functional	**619 704**	**669 441**	**686 736**	**63 369**	**434 400**	**514 153**	**(79 753)**	**-16%**	**686 749**
Expenditure - Functional									
Governance and administration	**107 912**	**150 869**	**157 747**	**8 956**	**85 453**	**115 531**	(30 078)	-26%	**157 747**
Executive and council	23 579	30 612	30 101	1 888	16 286	22 575	(6 290)	-28%	30 101
Finance and administration	81 892	117 451	124 789	6 884	67 194	90 913	(23 720)	-26%	124 789
Internal audit	2 441	2 805	2 857	184	1 974	2 043	(69)	-3%	2 857
Community and public safety	**128 099**	**107 225**	**112 676**	**7 618**	**58 414**	**84 494**	(26 080)	-31%	**81 753**
Community and social services	23 738	28 760	28 509	2 236	16 578	21 381	(4 803)	-22%	28 509
Sport and recreation	25 674	30 457	31 893	2 371	17 444	23 920	(6 476)	-27%	31 893
Public safety	50 404	42 200	40 481	2 525	20 958	30 348	(9 390)	-31%	9 558
Housing	28 283	5 807	11 793	486	3 433	8 845	(5 412)	-61%	11 793
Health	–	–	–	–	–	–	–		–
Economic and environmental services	**34 344**	**38 426**	**38 373**	**1 733**	**20 450**	**28 780**	(8 330)	-29%	**38 373**
Planning and development	9 695	12 992	12 890	853	7 380	9 667	(2 287)	-24%	12 890
Road transport	23 640	23 425	23 548	824	12 751	17 661	(4 910)	-28%	23 548
Environmental protection	1 009	2 009	1 935	57	318	1 451	(1 133)	-78%	1 935
Trading services	**329 120**	**385 015**	**393 513**	**30 922**	**229 819**	**295 116**	(65 296)	-22%	**393 513**
Energy sources	245 969	268 463	278 926	21 519	162 422	209 194	(46 772)	-22%	278 926
Water management	40 314	35 733	37 483	3 205	23 191	28 112	(4 921)	-18%	37 483
Waste water management	33 598	34 766	33 216	2 792	20 358	24 899	(4 541)	-18%	33 216
Waste management	9 239	46 053	43 887	3 406	23 849	32 911	(9 062)	-28%	43 887
Other	**882**	**959**	**959**	**–**	**671**	**719**	**(49)**	**-7%**	**959**
Total Expenditure - Functional	**600 358**	**682 493**	**703 268**	**49 229**	**394 807**	**524 640**	**(129 833)**	**-25%**	**672 345**
Surplus/ (Deficit) for the year	**19 346**	**(13 052)**	**(16 531)**	**14 140**	**39 593**	**(10 487)**	**50 080**		**14 404**

The following table provides detail of revenue and expenditure according to the international standard classification framework.

WC022 Witzenberg - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - Q3 Third Quarter

Description	2019/20	Budget Year 2020/21							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional									
Municipal governance and administration	**91 801**	**101 030**	**96 134**	**4 840**	**73 710**	**72 100**	**1 610**	**2%**	**96 147**
Executive and council	122	–	–	–	13	-	13		13
Mayor and Council	103	–	–	–	13	-	13		13
Municipal Manager, Town Secretary and Chief	19	–	–	–	–	–	–		–
Finance and administration	91 679	101 030	96 134	4 840	73 697	72 100	1 597	2%	96 134
Administrative and Corporate Support	–	9	9	–	0	7	(7)	-100%	9
Asset Management	–	–	–	–	–	–	–		–
Budget and Treasury Office	91 860	100 446	95 550	4 816	73 460	71 663	1 797	3%	95 550
Finance	–	–	–	–	–	–	–		–
Fleet Management	313	552	552	–	147	414	(267)	-65%	552
Human Resources	–	–	–	–	–	–	–		–
Information Technology	–	–	–	–	–	–	–		–
Legal Services	–	4	4	–	0	3	(3)	-88%	4
Marketing, Customer Relations, Publicity and Media	(550)	–	–	–	–	–	–		–
Property Services	–	–	–	–	–	–	–		–
Risk Management	–	–	–	–	–	–	–		–
Security Services	56	18	18	24	90	13	77	573%	18
Supply Chain Management	–	–	–	–	–	–	–		–
Valuation Service	–	–	–	–	–	–	–		–
Internal audit	–	–	–	–	–	–	–		–
Governance Function	–	–	–	–	–	–	–		–
Community and public safety	**163 882**	**142 111**	**165 649**	**26 703**	**94 458**	**123 695**	**(29 237)**	**-24%**	**165 649**
Community and social services	105 131	114 880	128 770	25 845	88 464	96 578	(8 114)	-8%	128 770
Aged Care	95 300	104 406	118 576	25 827	88 245	88 932	(687)	-1%	118 576
Agricultural	–	–	–	–	–	–	–		–
Animal Care and Diseases	–	–	–	–	–	–	–		–
Cemeteries, Funeral Parlours and Crematoriums	176	233	233	17	210	175	35	20%	233
Child Care Facilities	–	–	–	–	–	–	–		–
Community Halls and Facilities	357	405	125	(0)	2	94	(92)	-98%	125
Consumer Protection	–	–	–	–	–	–	–		–
Cultural Matters	–	–	–	–	–	–	–		–
Disaster Management	–	–	–	–	–	–	–		–
Education	–	–	–	–	–	–	–		–
Indigenous and Customary Law	–	–	–	–	–	–	–		–
Industrial Promotion	–	–	–	–	–	–	–		–
Language Policy	–	–	–	–	–	–	–		–
Libraries and Archives	9 299	9 836	9 836	2	8	7 377	(7 369)	-100%	9 836
Literacy Programmes	–	–	–	–	–	–	–		–
Media Services	–	–	–	–	–	–	–		–
Museums and Art Galleries	–	–	–	–	–	–	–		–
Population Development	–	–	–	–	–	–	–		–
Provincial Cultural Matters	–	–	–	–	–	–	–		–
Theatres	–	–	–	–	–	–	–		–
Zoo's	–	–	–	–	–	–	–		–
Sport and recreation	10 375	1 805	4 921	79	1 500	3 691	(2 191)	-59%	4 921
Beaches and Jetties	–	–	–	–	–	–	–		–
Casinos, Racing, Gambling, Wagering	–	–	–	–	–	–	–		–
Community Parks (including Nurseries)	–	–	–	–	–	–	–		–
Recreational Facilities	6 296	773	665	79	1 500	499	1 001	201%	665
Sports Grounds and Stadiums	4 079	1 032	4 256	–	–	3 192	(3 192)	-100%	4 256

Description	2019/20	Budget Year 2020/21							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance		Full Year Forecast
Public safety	24 096	24 912	25 634	771	4 479	18 684	(14 205)	-76%	25 634
Civil Defence	–	–	–	–	–	–	–		–
Cleansing	–	–	–	–	–	–	–		–
Control of Public Nuisances	–	–	–	–	–	–	–		–
Fencing and Fences	–	–	–	–	–	–	–		–
Fire Fighting and Protection	5	6	728	1	1	5	(3)	-70%	728
Licensing and Control of Animals	–	–	–	–	–	–	–		–
Police Forces, Traffic and Street Parking Control	24 091	24 906	24 906	769	4 478	18 680	(14 202)	-76%	24 906
Housing	24 280	514	6 324	8	15	4 743	(4 727)	-100%	6 324
Housing	24 280	514	6 324	8	15	4 743	(4 727)	-100%	6 324
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	**4 311**	**20 173**	**22 511**	**162**	**1 159**	**16 883**	**(15 724)**	**-93%**	**22 511**
Planning and development	1 933	2 512	4 611	162	1 156	3 458	(2 303)	-67%	4 611
Billboards	–	–	–	–	–	–	–		–
Corporate Wide Strategic Planning (IDPs, LEDs)	–	–	–	–	–	–	–		–
Central City Improvement District	–	–	–	–	–	–	–		–
Development Facilitation	–	–	–	–	–	–	–		–
Economic Development/Planning	166	–	2 099	–	–	1 574	(1 574)	-100%	2 099
Regional Planning and Development	–	–	–	–	–	–	–		–
Town Planning, Building Regulations and	1 768	1 882	1 882	162	1 156	1 412	(256)	-18%	1 882
Project Management Unit	–	630	630	–	–	473	(473)	-100%	630
Provincial Planning	–	–	–	–	–	–	–		–
Support to Local Municipalities	–	–	–	–	–	–	–		–
Road transport	2 227	17 647	17 887	–	3	13 415	(13 411)	-100%	17 887
Public Transport	–	–	–	–	–	–	–		–
Road and Traffic Regulation	–	–	–	–	–	–	–		–
Roads	2 227	17 647	17 887	–	3	13 415	(13 411)	-100%	17 887
Taxi Ranks	–	–	–	–	–	–	–		–
Environmental protection	152	13	13	–	–	10	(10)	-100%	13
Biodiversity and Landscape	152	13	13	–	–	10	(10)	-100%	13
Coastal Protection	–	–	–	–	–	–	–		–
Indigenous Forests	–	–	–	–	–	–	–		–
Nature Conservation	–	–	–	–	–	–	–		–
Pollution Control	–	–	–	–	–	–	–		–
Soil Conservation	–	–	–	–	–	–	–		–

Trading services	**359 616**	**406 013**	**402 327**	**31 605**	**265 004**	**301 388**	**(36 385)**	**-12%**	**402 327**
Energy sources	257 723	265 685	270 965	26 229	185 986	203 224	(17 238)	-8%	270 965
Electricity	257 250	265 685	270 685	26 229	185 986	203 014	(17 028)	-8%	270 685
Street Lighting and Signal Systems	474	–	280	–	–	210	(210)	-100%	280
Nonelectric Energy	–	–	–	–	–	–	–		–
Water management	43 372	64 856	60 010	4 783	32 089	44 650	(12 561)	-28%	60 010
Water Treatment	–	–	–	–	–	–	–		–
Water Distribution	43 372	64 856	60 010	4 783	32 089	44 650	(12 561)	-28%	60 010
Water Storage	–	–	–	–	–	–	–		–
Waste water management	30 397	43 424	42 092	(2 012)	25 345	31 569	(6 224)	-20%	42 092
Public Toilets	–	–	–	–	–	–	–		–
Sewerage	27 134	29 605	32 361	(2 012)	25 345	24 271	1 074	4%	32 361
Storm Water Management	3 263	13 819	9 731	–	–	7 298	(7 298)	-100%	9 731
Waste Water Treatment	–	–	–	–	–	–	–		–
Waste management	28 124	32 047	29 261	2 604	21 584	21 946	(361)	-2%	29 261
Recycling	–	–	–	–	–	–	–		–
Solid Waste Disposal (Landfill Sites)	–	–	–	–	–	–	–		–
Solid Waste Removal	28 124	32 047	29 261	2 604	21 584	21 946	(361)	-2%	29 261
Street Cleaning	–	–	–	–	–	–	–		–
Other	**93**	**115**	**115**	**60**	**69**	**86**	**(17)**	-20%	**115**
Abattoirs	–	–	–	–	–	–	–		–
Air Transport	–	–	–	–	–	–	–		–
Forestry	–	–	–	–	–	–	–		–
Licensing and Regulation	93	115	115	60	69	86	(17)	-20%	115
Markets	–	–	–	–	–	–	–		–
Tourism	–	–	–	–	–	–	–		–
Total Revenue - Functional	**619 704**	**669 441**	**686 736**	**63 369**	**434 400**	**514 153**	**(79 753)**	**-16%**	**686 749**

WC022 Witzenberg - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - Q3 Third Quarter

Description	2019/20	Budget Year 2020/21							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Expenditure - Functional									
Municipal governance and administration	**107 912**	**150 869**	**157 747**	**8 956**	**85 453**	**115 531**	**(30 078)**	**-26%**	**157 747**
Executive and council	23 579	30 612	30 101	1 888	16 286	22 575	(6 290)	-28%	30 101
Mayor and Council	15 490	19 731	20 467	1 115	9 847	15 350	(5 503)	-36%	20 467
Municipal Manager, Town Secretary and Chief	8 089	10 881	9 634	772	6 438	7 225	(787)	-11%	9 634
Finance and administration	81 892	117 451	124 789	6 884	67 194	90 913	(23 720)	-26%	124 789
Administrative and Corporate Support	16 482	12 535	17 491	523	11 079	13 118	(2 039)	-16%	17 491
Asset Management	156	4 772	660	2	28	495	(467)	-94%	660
Finance	30 689	38 188	44 216	2 604	24 163	30 540	(6 377)	-21%	44 216
Fleet Management	3 005	2 845	2 734	249	2 201	2 050	151	7%	2 734
Human Resources	11 788	37 508	36 166	2 116	13 412	27 121	(13 709)	-51%	36 166
Information Technology	3 833	4 002	4 069	258	2 955	3 052	(97)	-3%	4 069
Legal Services	3 095	3 490	5 571	96	4 825	4 178	647	15%	5 571
Marketing, Customer Relations, Publicity and Media	3 864	3 968	3 947	315	2 764	2 960	(196)	-7%	3 947
Property Services	1 944	1 239	1 157	112	535	868	(333)	-38%	1 157
Risk Management	–	457	457	–	–	343	(343)	-100%	457
Security Services	–	–	–	–	–	–	–		–
Supply Chain Management	6 688	6 963	6 852	585	4 986	5 139	(152)	-3%	6 852
Valuation Service	348	1 483	1 471	25	245	1 050	(805)	-77%	1 471
Internal audit	2 441	2 805	2 857	184	1 974	2 043	(69)	-3%	2 857
Governance Function	2 441	2 805	2 857	184	1 974	2 043	(69)	-3%	2 857
Community and public safety	**128 099**	**107 225**	**112 676**	**7 618**	**58 414**	**84 494**	**(26 080)**	**-31%**	**81 753**
Community and social services	23 738	28 760	28 509	2 236	16 578	21 381	(4 803)	-22%	28 509
Aged Care	5 011	4 771	4 309	575	3 217	3 232	(14)	0%	4 309
Agricultural	–	–	–	–	–	–	–		–
Animal Care and Diseases	–	–	–	–	–	–	–		–
Cemeteries, Funeral Parlours and Crematoriums	2 931	3 585	3 737	295	2 332	2 803	(471)	-17%	3 737
Child Care Facilities	6	896	874	1	8	656	(648)	-99%	874
Community Halls and Facilities	5 512	6 671	6 647	513	3 555	4 985	(1 429)	-29%	6 647
Consumer Protection	–	–	–	–	–	–	–		–
Cultural Matters	–	–	–	–	–	–	–		–
Disaster Management	54	77	141	12	31	105	(75)	-71%	141
Education	2	766	747	–	1	560	(559)	-100%	747
Indigenous and Customary Law	–	–	–	–	–	–	–		–
Industrial Promotion	–	–	–	–	–	–	–		–
Language Policy	–	–	–	–	–	–	–		–
Libraries and Archives	10 223	11 994	12 054	840	7 434	9 040	(1 607)	-18%	12 054
Literacy Programmes	–	–	–	–	–	–	–		–
Media Services	–	–	–	–	–	–	–		–
Museums and Art Galleries	–	–	–	–	–	–	–		–
Population Development	–	–	–	–	–	–	–		–
Provincial Cultural Matters	–	–	–	–	–	–	–		–
Theatres	–	–	–	–	–	–	–		–
Zoo's	–	–	–	–	–	–	–		–

Sport and recreation	25 674	30 457	31 893	2 371	17 444	23 920	(6 476)	-27%	31 893
Beaches and Jetties	–	–	–	–	–	–	–		–
Casinos, Racing, Gambling, Wagering	–	–	–	–	–	–	–		–
Community Parks (including Nurseries)	7 731	7 262	7 435	747	5 194	5 576	(382)	-7%	7 435
Recreational Facilities	13 206	17 843	18 764	1 103	8 785	14 073	(5 288)	-38%	18 764
Sports Grounds and Stadiums	4 738	5 352	5 694	521	3 465	4 270	(805)	-19%	5 694
Public safety	50 404	42 200	40 481	2 525	20 958	30 348	(9 390)	-31%	9 558
Civil Defence	–	–	–	–	–	–	–		–
Cleansing	–	–	–	–	–	–	–		–
Control of Public Nuisances	–	–	–	–	–	–	–		–
Fencing and Fences	–	–	–	–	–	–	–		–
Fire Fighting and Protection	7 964	9 867	9 558	641	5 885	7 161	(1 276)	-18%	9 558
Licensing and Control of Animals	–	–	–	–	–	–	–		–
Police Forces, Traffic and Street Parking Control	42 440	32 333	30 923	1 884	15 073	23 187	(8 114)	-35%	30 923
Pounds	–	–	–	–	–	–	–		–
Housing	28 283	5 807	11 793	486	3 433	8 845	(5 412)	-61%	11 793
Housing	28 104	3 948	9 934	486	3 333	7 451	(4 117)	-55%	9 934
Informal Settlements	178	1 859	1 859	–	100	1 394	(1 294)	-93%	1 859
Health	–	–	–	–	–	–	–		–
Ambulance	–	–	–	–	–	–	–		–
Health Services	–	–	–	–	–	–	–		–
Laboratory Services	–	–	–	–	–	–	–		–
Food Control	–	–	–	–	–	–	–		–
Health Surveillance and Prevention of Communicable Diseases including immunizations	–	–	–	–	–	–	–		–
Vector Control	–	–	–	–	–	–	–		–
Chemical Safety	–	–	–	–	–	–	–		–

Description	2019/20	Budget Year 2020/21							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	YearTD budget
Economic and environmental services	**34 344**	**38 426**	**38 373**	**1 733**	**20 450**	**28 780**	**(8 330)**	**-29%**	**38 373**
Planning and development	9 695	12 992	12 890	853	7 380	9 667	(2 287)	-24%	12 890
Billboards	–	–	–	–	–	–	–		–
Corporate Wide Strategic Planning (IDPs, LEDs)	1 541	2 290	2 100	190	1 244	1 575	(331)	-21%	2 100
Central City Improvement District	–	–	–	–	–	–	–		–
Development Facilitation	–	–	–	–	–	–	–		–
Economic Development/Planning	1 609	2 215	2 535	100	922	1 901	(979)	-51%	2 535
Regional Planning and Development	–	–	–	–	–	–	–		–
Town Planning, Building Regulations and Enforcement	4 818	5 740	5 655	378	3 566	4 242	(675)	-16%	5 655
Project Management Unit	1 727	2 746	2 600	185	1 648	1 950	(302)	-15%	2 600
Provincial Planning	–	–	–	–	–	–	–		–
Support to Local Municipalities	–	–	–	–	–	–	–		–
Road transport	23 640	23 425	23 548	824	12 751	17 661	(4 910)	-28%	23 548
Public Transport	–	–	–	–	–	–	–		–
Road and Traffic Regulation	–	–	–	–	–	–	–		–
Roads	23 640	23 425	23 548	824	12 751	17 661	(4 910)	-28%	23 548
Taxi Ranks	–	–	–	–	–	–	–		–
Environmental protection	1 009	2 009	1 935	57	318	1 451	(1 133)	-78%	1 935
Biodiversity and Landscape	1 009	2 009	1 935	57	318	1 451	(1 133)	-78%	1 935
Coastal Protection	–	–	–	–	–	–	–		–
Indigenous Forests	–	–	–	–	–	–	–		–
Nature Conservation	–	–	–	–	–	–	–		–
Pollution Control	–	–	–	–	–	–	–		–
Soil Conservation	–	–	–	–	–	–	–		–
Trading services	**329 120**	**385 015**	**393 513**	**30 922**	**229 819**	**295 116**	**(65 296)**	**-22%**	**393 513**
Energy sources	245 969	268 463	278 926	21 519	162 422	209 194	(46 772)	-22%	278 926
Electricity	243 205	265 128	276 278	21 342	161 003	207 208	(46 205)	-22%	276 278
Street Lighting and Signal Systems	2 764	3 335	2 648	177	1 419	1 986	(567)	-29%	2 648
Nonelectric Energy	–	–	–	–	–	–	–		–
Water management	40 314	35 733	37 483	3 205	23 191	28 112	(4 921)	-18%	37 483
Water Treatment	25	1 692	1 661	27	113	1 246	(1 133)	-91%	1 661
Water Distribution	37 185	29 481	31 809	3 148	21 465	23 857	(2 391)	-10%	31 809
Water Storage	3 104	4 560	4 013	29	1 612	3 009	(1 397)	-46%	4 013
Waste water management	33 598	34 766	33 216	2 792	20 358	24 899	(4 541)	-18%	33 216
Public Toilets	1 489	1 875	1 875	150	1 180	1 393	(212)	-15%	1 875
Sewerage	24 782	23 500	22 059	1 763	14 695	16 544	(1 849)	-11%	22 059
Storm Water Management	7 325	6 691	6 583	879	4 482	4 938	(455)	-9%	6 583
Waste Water Treatment	2	2 699	2 699	–	–	2 024	(2 024)	-100%	2 699
Waste management	9 239	46 053	43 887	3 406	23 849	32 911	(9 062)	-28%	43 887
Recycling	–	–	–	–	–	–	–		–
Solid Waste Disposal (Landfill Sites)	(22 565)	16 613	15 600	562	1 963	11 695	(9 732)	-83%	15 600
Solid Waste Removal	29 890	28 001	26 856	2 652	20 568	20 142	426	2%	26 856
Street Cleaning	1 915	1 440	1 432	192	1 318	1 074	244	23%	1 432
Other	882	959	959	–	671	719	(49)	-7%	959
Abattoirs	–	–	–	–	–	–	–		–
Air Transport	–	–	–	–	–	–	–		–
Forestry	–	–	–	–	–	–	–		–
Licensing and Regulation	28	62	62	–	2	47	(45)	-96%	62
Markets	–	–	–	–	–	–	–		–
Tourism	854	897	897	–	669	673	(3)	0%	897
Total Expenditure - Functional	**600 358**	**682 493**	**703 268**	**49 229**	**394 807**	**524 640**	**(129 833)**	**-25%**	**672 345**
Surplus/ (Deficit) for the year	**19 346**	**(13 052)**	**(16 531)**	**14 140**	**39 593**	**(10 487)**	**50 080**	**-478%**	**14 404**

The table provides detail of revenue and expenditure according to municipal votes including capital transfers.

WC022 Witzenberg - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Q3 Third Quarter

Vote Description	2019/20	Budget Year 2020/21							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote									
Vote 1 - Financial Services	89 792	97 078	93 475	4 647	72 357	70 106	2 251	3,2%	93 475
Vote 2 - Community Services	40 250	11 944	12 007	125	1 891	8 464	(6 573)	-77,7%	12 007
Vote 3 - Community Services	116 399	126 015	139 905	26 657	92 845	104 929	(12 084)	-11,5%	139 905
Vote 4 - Community Services	7 857	4 905	16 089	(0)	–	12 066	(12 066)	-100,0%	16 089
Vote 5 - Corporate Services	(134)	566	566	–	160	424	(264)	-62,3%	566
Vote 6 - Technical Services	291 441	330 552	334 446	24 512	213 140	250 834	(37 694)	-15,0%	334 446
Vote 7 - Technical Services	71 476	96 840	89 207	7 387	53 621	66 548	(12 927)	-19,4%	89 207
Vote 8 - Muncipal Manager	575	1 542	1 042	41	385	781	(396)	-50,7%	1 042
Total Revenue by Vote	**617 655**	**669 441**	**686 736**	**63 369**	**434 400**	**514 153**	**(79 753)**	**-15,5%**	**686 736**
Expenditure by Vote									
Vote 1 - Financial Services	38 268	52 907	54 499	3 370	30 531	38 199	(7 669)	-20,1%	54 499
Vote 2 - Community Services	34 907	42 428	43 702	3 183	25 997	32 768	(6 772)	-20,7%	43 702
Vote 3 - Community Services	57 632	51 839	50 916	3 389	24 161	38 182	(14 021)	-36,7%	50 916
Vote 4 - Community Services	39 210	19 452	24 129	1 340	10 257	18 096	(7 839)	-43,3%	24 129
Vote 5 - Corporate Services	54 582	81 238	85 600	4 481	42 127	64 196	(22 070)	-34,4%	85 600
Vote 6 - Technical Services	308 685	334 930	343 770	25 606	199 724	257 813	(58 089)	-22,5%	343 770
Vote 7 - Technical Services	53 689	84 015	83 619	6 926	49 974	62 710	(12 736)	-20,3%	83 619
Vote 8 - Muncipal Manager	12 124	15 685	17 032	935	12 036	12 674	(638)	-5,0%	17 032
Total Expenditure by Vote	**599 097**	**682 493**	**703 268**	**49 229**	**394 807**	**524 640**	**(129 833)**	**-24,7%**	**703 268**
Surplus/ (Deficit) for the year	**18 559**	**(13 052)**	**(16 531)**	**14 140**	**39 593**	**(10 487)**	**50 080**	**-477,6%**	**(16 531)**

WC022 Witzenberg - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - A - Q3 Third Quarter

Vote Description	2019/20	Budget Year 2020/21							
R thousand	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote									
Vote 1 - Financial Services	**89 792**	**97 078**	**93 475**	**4 647**	**72 357**	**70 106**	2 251	3%	**93 475**
1.1 - Assessment Rates	68 153	81 350	81 350	3 843	62 377	61 012	1 364	2%	81 350
1.2 - Treasury: Administration	22 355	20 240	16 637	806	10 451	12 478	(2 026)	-16%	16 637
1.3 - Treasury: Debtors	(773)	(4 764)	(4 764)	(26)	(561)	(3 573)	3 012	-84%	(4 764)
1.4 - Treasury: Credit controle	(0)	234	234	–	(0)	175	(175)	-100%	234
1.5 - Supply Chain Management	56	18	18	24	90	13	77	573%	18
1.6 - Director: Finance	–	–	–	–	–	–	–		–
	–	–	–	–	–	–	–		–
	–	–	–	–	–	–	–		–
	–	–	–	–	–	–	–		–
Vote 2 - Community Services	**164 505**	**142 864**	**162 140**	**26 782**	**94 736**	**121 063**	**(26 327)**	-22%	**164 196**
2.1 - Cemetries	176	233	233	17	210	175	35	20%	12 007
2.2 - Housing: Administration	24 474	1 098	547	27	172	410	(238)	-58%	233
2,3 - Library Services	9 299	9 836	9 836	2	8	7 377	(7 369)	-100%	–
2,4 - Fire Protection Sevices	5	6	728	1	1	5	(3)	-70%	547
2,5 - Pine Forest : Administration	6 296	771	663	79	1 500	497	1 003	202%	9 836
2.6-Klipriver Park: Administration	–	–	–	–	–	–	–		728
2.7-Community Halls And Facilities	222	310	30	–	2	23	(21)	-92%	663
2.8-Licensing & Regulation	93	115	115	60	69	86	(17)	-20%	–
2.9-Enviromental Protection	152	13	13	–	–	10	(10)	-100%	–
2.10-Parks	19	119	119	–	52	89	(37)	-42%	–
2.11-Traffic	20 613	21 053	21 053	769	4 478	15 789	(11 312)	-72%	–
2.12-Disaster Management	–	–	–	–	–	–	–		139 905
2.13-Social & Welfare Services	95 300	104 406	118 576	25 827	88 245	88 932	(687)	-1%	30
2.14-Sport Grounds	–	–	–	–	–	–	–		–
2.15-Recreational Land	4 079	1 032	4 256	–	–	3 192	(3 192)	-100%	–
2.16-Swimming Pools	135	19	19	(0)	–	14	(14)	-100%	–
2.17-Vehicle Licensing & Testing	3 477	3 854	3 854	–	–	2 890	(2 890)	-100%	115
2.18-L E D	166	–	2 099	–	–	1 574	(1 574)	-100%	13
2.19-Director: Community Services	–	–	–	–	–	–	–		119
Vote 3 - Corporate Services	**(134)**	**566**	**566**	**–**	**160**	**424**	**(264)**	-62%	**32 178**
3.1-Property Administration	(550)	–	–	–	–	–	–		16 089
3.2-Information Tecnology	–	–	–	–	–	–	–		5 861
3.3-Human Resources	313	552	552	–	147	414	(267)	-65%	–
3.5-Council Cost	103	–	–	–	13	–	13	#DIV/0!	4 256
3.5-Town Secretary	–	–	–	–	–	–	–		19
3.6-Tourism	–	–	–	–	–	–	–		3 854
3.7-Marketing & Communications	–	4	4	–	0	3	(3)	-88%	–
3.8-Thusong Centre	–	–	–	–	–	–	–		2 099
3.9-Administration	–	9	9	–	0	7	(7)	-100%	–
3.10-Director Corporate Services	–	–	–	–	–	–	–		–
Vote 4 - Technical Services	**362 917**	**427 392**	**423 653**	**31 899**	**266 762**	**317 383**	**(50 621)**	-16%	**608 942**
4.1-Building Regulations & Enforce	768	944	944	117	728	708	20	3%	566
4.2-Electricity: Administration	256 018	267 434	272 141	26 308	186 202	204 106	(17 904)	-9%	–
4.3-Electricity: Street Lights	474	–	280	–	–	210	(210)	-100%	–
4.4-Mechanical Workshop	–	–	–	–	–	–	–		552
4.4-Public Toilets	–	–	–	–	–	–	–		–
4.5-Sewerage	27 898	29 914	32 670	(1 944)	25 953	24 503	1 450	6%	–
4.7-Town Planning	794	794	794	33	255	595	(341)	-57%	–
4.8-Stormwater Management	3 263	13 819	9 731	–	–	7 298	(7 298)	-100%	–
4.9-Roads	2 227	17 647	17 887	–	3	13 415	(13 411)	-100%	4
4.10-Solid Waste (Dumping Site)	803	10 024	6 266	–	541	4 699	(4 158)	-88%	9
4.11-Solid Waste (Garden)	–	5	5	–	–	3	(3)	-100%	–
4.12-Solid Waste (Removal)	27 301	21 955	22 927	2 604	20 991	17 195	3 796	22%	334 446
4.13-Water Storage	–	–	–	–	–	–	–		944
4.14-Water Distribution	43 372	64 856	60 010	4 783	32 089	44 650	(12 561)	-28%	272 141
	–	–	–	–	–	–	–		280
	–	–	–	–	–	–	–		–
Vote 5 - Muncipal Manager	**575**	**1 542**	**1 042**	**41**	**385**	**781**	(396)	-51%	**179 485**
5.1-Property & Legal Services	556	912	412	41	385	309	76	25%	–
5.2-IDP	–	–	–	–	–	–	–		32 670
5.3-Project Management	19	630	630	–	–	473	(473)	-100%	794
5.4-Performance Management	–	–	–	–	–	–	–		9 731
5.5-Internal Audit	–	–	–	–	–	–	–		17 887
5.6-Municipal Manager	–	–	–	–	–	–	–		89 207
	–	–	–	–	–	–	–		6 266
	–	–	–	–	–	–	–		5
	–	–	–	–	–	–	–		22 927
	–	–	–	–	–	–	–		–
Total Revenue by Vote	**617 655**	**669 441**	**680 875**	**63 369**	**434 400**	**509 757**	(75 357)	-15%	**1 078 275**

WC022 Witzenberg - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - A - Q3 Third Quarter

Vote Description	2019/20	Budget Year 2020/21							
R thousand	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Expenditure by Vote							–		
Vote 1 - Financial Services	**38 268**	**52 907**	**54 499**	**3 370**	**30 531**	**38 199**	(7 669)	-20%	**71 300**
1.1 - Assessment Rates	4 548	3 819	3 819	552	4 206	2 865	1 341	47%	12 700
1.2 - Treasury: Administration	13 217	25 318	26 778	812	9 888	17 461	(7 573)	-43%	–
1.3 - Treasury: Debtors	5 129	6 410	6 711	526	4 139	4 980	(841)	-17%	–
1.4 - Treasury: Credit controle	8 263	8 487	8 631	740	6 196	6 473	(278)	-4%	–
1.5 - Supply Chain Management	6 698	6 963	6 852	585	4 988	5 139	(151)	-3%	–
1.6 - Director: Finance	412	1 909	1 709	155	1 114	1 281	(168)	-13%	50 916
	–	–	–	–	–	–	–		6 226
	–	–	–	–	–	–	–		1 457
	–	–	–	–	–	–	–		–
	–	–	–	–	–	–	–		–
Vote 2 - Community Services	**107 334**	**113 279**	**112 446**	**7 873**	**60 070**	**84 321**	**(24 251)**	**-29%**	**215 326**
2.1 - Cemetries	2 931	3 585	3 737	295	2 332	2 803	(471)	-17%	7 702
2.2 - Housing: Administration	4 286	5 807	5 932	486	3 433	4 449	(1 016)	-23%	27 463
2,3 - Library Services	10 223	11 714	11 774	840	7 434	8 831	(1 397)	-16%	141
2,4 - Fire Protection Sevices	7 964	9 867	9 558	641	5 885	7 161	(1 276)	-18%	5 931
2,5 - Pine Forest : Administration	9 505	11 454	12 700	921	6 913	9 525	(2 612)	-27%	24 129
2.6-Klipriver Park: Administration	934	1 457	1 457	70	686	1 093	(407)	-37%	5 861
2.7-Community Halls And Facilities	5 091	6 250	6 226	475	3 212	4 670	(1 458)	-31%	1 074
2.8-Licensing & Regulation	28	62	62	–	2	47	(45)	-96%	5 694
2.9-Enviromental Protection	1 009	2 009	1 935	57	318	1 451	(1 133)	-78%	4 607
2.10-Parks	7 731	7 529	7 702	747	5 194	5 776	(582)	-10%	3 460
2.11-Traffic	37 765	28 022	27 463	1 452	11 491	20 592	(9 101)	-44%	458
2.12-Disaster Management	54	77	141	12	31	105	(75)	-71%	2 535
2.13-Social & Welfare Services	5 019	6 433	5 931	576	3 227	4 448	(1 221)	-27%	–
2.14-Sport Grounds	584	453	458	112	533	343	190	55%	440
2.15-Recreational Land	4 738	5 352	5 694	521	3 465	4 270	(805)	-19%	–
2.16-Swimming Pools	2 741	4 932	4 607	112	1 185	3 455	(2 270)	-66%	85 600
2.17-Vehicle Licensing & Testing	4 675	4 312	3 460	433	3 582	2 595	987	38%	–
2.18-L E D	1 609	2 215	2 535	100	922	1 901	(979)	-51%	4 068
2.19-Director: Community Services	448	1 749	1 074	25	224	806	(581)	-72%	36 166
Vote 3 - Corporate Services	**55 014**	**81 678**	**86 040**	**4 519**	**42 472**	**64 526**	**(22 055)**	**-34%**	**647 547**
3.1-Property Administration	–	–	–	–	–	–	–		1 516
3.2-Information Tecnology	3 832	4 001	4 068	258	2 955	3 051	(96)	-3%	897
3.3-Human Resources	11 788	37 508	36 166	2 116	13 412	27 121	(13 709)	-51%	1 967
3.5-Council Cost	15 490	19 731	20 467	1 115	9 847	15 350	(5 503)	-36%	3 948
3.5-Town Secretary	1 452	1 505	1 516	129	1 179	1 137	42	4%	16 572
3.6-Tourism	854	897	897	–	669	673	(3)	0%	–
3.7-Marketing & Communications	3 865	3 969	3 948	315	2 764	2 961	(197)	-7%	343 770
3.8-Thusong Centre	432	441	440	38	345	330	15	4%	2 950
3.9-Administration	15 294	11 628	16 572	393	9 900	12 429	(2 529)	-20%	275 927
3.10-Director Corporate Services	2 006	1 999	1 967	154	1 401	1 476	(74)	-5%	–
Vote 4 - Technical Services	**362 374**	**418 945**	**427 389**	**32 532**	**249 698**	**320 523**	**(70 825)**	**-22%**	**232 131**
4.1-Building Regulations & Enforce	2 828	2 884	2 950	253	2 351	2 213	138	6%	2 734
4.2-Electricity: Administration	243 085	265 464	275 927	21 215	159 560	206 945	(47 385)	-23%	1 875
4.3-Electricity: Street Lights	–	–	–	–	–	–	–		27 447
4.4-Mechanical Workshop	3 005	2 845	2 734	249	2 201	2 050	151	7%	2 705
4.4-Public Toilets	1 489	1 875	1 875	150	1 180	1 393	(212)	-15%	6 583
4.5-Sewerage	27 528	28 888	27 447	2 067	17 356	20 585	(3 229)	-16%	23 548
4.7-Town Planning	1 990	2 857	2 705	125	1 216	2 029	(813)	-40%	83 619
4.8-Stormwater Management	7 325	6 691	6 583	879	4 482	4 938	(455)	-9%	15 600
4.9-Roads	23 640	23 425	23 548	824	12 751	17 661	(4 910)	-28%	11 341
4.10-Solid Waste (Dumping Site)	(22 565)	16 613	15 600	562	1 963	11 695	(9 732)	-83%	16 946
4.11-Solid Waste (Garden)	10 906	12 000	11 341	1 037	8 032	8 506	(474)	-6%	4 027
4.12-Solid Waste (Removal)	20 898	17 441	16 946	1 807	13 854	12 710	1 145	9%	33 729
4.13-Water Storage	3 104	4 576	4 027	29	1 612	3 020	(1 408)	-47%	1 976
4.14-Water Distribution	37 210	31 430	33 729	3 176	21 779	25 297	(3 518)	-14%	–
4.15-Director: Technical Services	1 932	1 956	1 976	159	1 362	1 482	(120)	-8%	–
	–	–	–	–	–	–	–		–
	–	–	–	–	–	–	–		–
Vote 5 - Muncipal Manager	**12 124**	**15 685**	**17 032**	**935**	**12 036**	**12 674**	(638)	**-5%**	**17 032**
5.1-Property & Legal Services	3 100	3 703	5 696	96	4 827	4 272	555	13%	3 322
5.2-IDP	1 541	2 290	2 100	190	1 244	1 575	(331)	-21%	5 696
5.3-Project Management	641	1 310	1 394	88	780	1 045	(266)	-25%	2 100
5.4-Performance Management	1 086	1 437	1 206	97	868	904	(36)	-4%	1 394
5.5-Internal Audit	2 441	3 263	3 314	184	1 974	2 386	(412)	-17%	1 206
5.6-Municipal Manager	3 315	3 683	3 322	280	2 343	2 492	(149)	-6%	3 314
	–	–	–	–	–	–	–		–
	–	–	–	–	–	–	–		–
	–	–	–	–	–	–	–		–
Total Expenditure by Vote	**575 115**	**682 493**	**697 407**	**49 229**	**394 807**	**520 244**	**(125 437)**	**(0)**	**1 183 337**
Surplus/ (Deficit) for the year	**42 541**	**(13 052)**	**(16 531)**	**14 140**	**39 593**	**(10 487)**	**50 080**	**(0)**	**(105 061)**

The table provides detail of revenue according to source and expenditure according to type.

WC022 Witzenberg - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q3 Third Quarter

Description	2019/20	Budget Year 2020/21							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue By Source									
Property rates	73 497	76 388	76 388	4 035	67 696	57 291	10 405	18%	76 388
Service charges - electricity revenue	255 095	266 973	271 973	26 229	185 985	203 980	(17 994)	-9%	271 973
Service charges - water revenue	39 419	35 137	35 137	4 342	31 225	26 353	4 872	18%	35 137
Service charges - sanitation revenue	25 949	18 352	25 352	(2 159)	25 473	19 014	6 459	34%	25 352
Service charges - refuse revenue	25 713	21 271	22 271	2 338	20 973	16 703	4 269	26%	22 271
Service charges - other	–	–	–	–	–	–	–		–
Rental of facilities and equipment	3 905	2 663	1 163	122	1 077	872	206	24%	1 163
Interest earned - external investments	7 446	9 129	3 358	240	2 322	2 519	(196)	-8%	3 358
Interest earned - outstanding debtors	10 515	8 264	5 035	1 134	2 025	3 776	(1 751)	-46%	5 035
Dividends received	–	–	–	–	–	–	–		–
Fines, penalties and forfeits	19 654	20 456	20 456	4	55	15 342	(15 288)	-100%	20 456
Licences and permits	1 042	2 010	2 010	822	4 501	1 508	2 993	199%	2 010
Agency services	3 477	3 854	3 854	–	–	2 890	(2 890)	-100%	3 854
Transfers recognised - operational	131 561	116 989	140 245	25 857	88 491	105 183	(16 692)	-16%	140 245
Other revenue	9 225	9 181	9 106	381	4 385	6 829	(2 444)	-36%	9 106
Gains on disposal of PPE	(474)	(0)	(0)	–	–	(0)	0	-100%	(0)
Total Revenue (excluding capital transfers and contributions)	**606 024**	**590 666**	**616 347**	**63 346**	**434 208**	**462 260**	**(28 051)**	**-6%**	**616 347**
Expenditure By Type									
Employee related costs	180 046	226 182	221 359	18 083	147 816	166 019	(18 203)	-11%	221 359
Remuneration of councillors	10 604	12 032	12 032	825	7 423	9 024	(1 601)	-18%	12 032
Debt impairment	14 187	44 688	44 688	3 613	27 530	33 516	(5 986)	-18%	(0)
Depreciation & asset impairment	32 732	40 688	40 688	–	2	30 516	(30 514)	-100%	40 688
Finance charges	9 408	9 181	9 181	2	154	6 886	(6 732)	-98%	9 181
Bulk purchases	221 822	232 760	242 360	19 684	146 915	181 770	(34 855)	-19%	242 360
Other materials	14 194	19 528	18 517	1 701	8 336	13 869	(5 533)	-40%	18 517
Contracted services	44 029	48 486	61 148	2 379	30 551	45 670	(15 119)	-33%	61 148
Transfers and grants	25 477	2 179	8 322	114	1 151	6 241	(5 090)	-82%	8 322
Other expenditure	47 859	46 770	44 973	2 828	24 929	31 129	(6 199)	-20%	49 903
Loss on disposal of PPE	–	0	0	–	–	0	(0)	-100%	0
Total Expenditure	**600 358**	**682 493**	**703 268**	**49 229**	**394 807**	**524 640**	**(129 833)**	**-25%**	**663 509**
Surplus/(Deficit)	**5 667**	**(91 827)**	**(86 920)**	**14 117**	**39 402**	**(62 380)**	**101 782**	**(0)**	**(47 162)**
Transfers recognised - capital	13 442	78 716	69 829	–	–	51 473	(51 473)	-100%	69 829
Contributions recognised - capital	237	59	560	22	192	420	(229)	-54%	560
Contributed assets	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**19 346**	**(13 052)**	**(16 531)**	**14 140**	**39 593**	**(10 487)**	**50 080**	**–**	**23 227**
Surplus/(Deficit) attributable to	**19 346**	**(13 052)**	**(16 531)**	**14 140**	**39 593**	**(10 487)**			**23 227**
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	**19 346**	**(13 052)**	**(16 531)**	**14 140**	**39 593**	**(10 487)**			**23 227**

The revenue and expenditure figures excludes internal charges.

The tables provides detail of capital expenditure according to municipal votes.

WC022 Witzenberg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - Q3 Third Quarter

Vote Description	2019/20	Budget Year 2020/21							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Multi-Year expenditure appropriation									
Vote 1 - Financial Services	(6 525)	–	–	–	–	–	–		–
Vote 2 - Community Services	126	–	214	–	183	160	22	14%	214
Vote 3 - Community Services	–	–	–	–	–	–	–		–
Vote 4 - Community Services	–	–	–	–	–	–	–		–
Vote 5 - Corporate Services	–	–	–	–	–	–	–		–
Vote 6 - Technical Services	12 575	14 421	16 059	2 413	9 840	11 404	(1 564)	-14%	16 059
Vote 7 - Technical Services	1 400	26 288	23 185	389	853	17 388	(16 536)	-95%	23 185
Vote 8 - Muncipal Manager	19	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	**7 596**	**40 708**	**39 458**	**2 801**	**10 876**	**28 953**	**(18 077)**	**-62%**	**39 458**
Single Year expenditure appropriation									
Vote 1 - Financial Services	206	–	132	–	–	99	(99)	-100%	132
Vote 2 - Community Services	–	–	3 422	–	–	2 025	(2 025)	-100%	3 422
Vote 3 - Community Services	1 053	620	1 162	43	557	737	(179)	-24%	1 162
Vote 4 - Community Services	4 152	900	6 483	291	5 116	4 862	254	5%	6 483
Vote 5 - Corporate Services	1 833	1 050	4 258	427	2 758	3 193	(435)	-14%	4 258
Vote 6 - Technical Services	11 458	35 021	27 068	9 331	17 248	18 816	(1 568)	-8%	27 068
Vote 7 - Technical Services	1 632	10 465	8 190	2 334	5 626	5 873	(247)	-4%	8 190
Vote 8 - Muncipal Manager	14	–	–	–	–	–	–		–
Total Capital single-year expenditure	20 348	48 056	50 715	12 425	31 306	35 606	**(4 299)**	**-12%**	50 715
Total Capital Expenditure	**27 944**	**88 764**	**90 173**	**15 227**	**42 182**	**64 559**	**(22 377)**	**-35%**	**90 173**

WC022 Witzenberg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - Q3 Third Quarter

Vote Description R thousands	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital Expenditure - Standard Classification									
Governance and administration	**(3 867)**	**1 400**	**4 104**	**429**	**2 013**	**2 815**	(802)	-28%	**4 104**
Executive and council	166	600	1	(11)	(1)	1	(2)	-209%	1
Finance and administration	(4 033)	800	4 103	440	2 014	2 815	(800)	-28%	4 103
Internal audit	–	–	–	–	–	–	–		–
Community and public safety	**5 091**	**1 520**	**9 335**	**61**	**5 069**	**6 325**	(1 255)	-20%	**9 335**
Community and social services	313	580	960	43	410	585	(175)	-30%	960
Sport and recreation	4 651	940	4 738	18	4 476	3 554	922	26%	4 738
Public safety	126	–	3 636	–	183	2 185	(2 003)	-92%	3 636
Housing	–	–	–	–	–	–	–		–
Health	–	–	–	–	–	–	–		–
Economic and environmental servic	**7 871**	**20 245**	**21 609**	**5 131**	**12 239**	**14 743**	(2 504)	-17%	**21 609**
Planning and development	76	–	1 946	272	788	1 460	(672)	-46%	1 946
Road transport	7 795	20 245	19 662	4 858	11 451	13 284	(1 833)	-14%	19 662
Environmental protection	–	–	–	–	–	–	–		–
Trading services	**18 849**	**65 600**	**55 126**	**9 607**	**22 861**	**40 675**	(17 815)	-44%	**55 126**
Energy sources	7 740	2 500	4 238	558	2 346	3 178	(832)	-26%	4 238
Water management	2 297	27 396	24 655	2 307	5 444	18 222	(12 778)	-70%	24 655
Waste water management	7 096	26 347	18 616	6 325	13 266	13 562	(296)	-2%	18 616
Waste management	1 716	9 356	7 617	416	1 804	5 713	(3 909)	-68%	7 617
Other	–	–	–	–	–	–	–		–
Total Capital Expenditure - Standard Cl	**27 944**	**88 764**	**90 173**	**15 227**	**42 182**	**64 559**	**(22 377)**	**-35%**	**90 173**
Funded by:									
National Government	12 852	35 763	35 266	1 407	10 877	25 317	(14 440)	-57%	35 266
Provincial Government	271	42 954	33 960	11 624	20 970	24 929	(3 958)	-16%	33 960
District Municipality	–	–	602	180	180	452	(272)	-60%	602
Other transfers and grants	–	–	501	–	105	376	(271)	-72%	501
Transfers recognised - capital	**13 123**	**78 716**	**70 330**	**13 211**	**32 133**	**51 074**	**(18 941)**	**-37%**	**70 330**
Public contributions & donations	–	–	–	–	–	–	–		–
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	21 175	10 048	19 843	2 016	10 049	13 485	(3 405)	-25%	19 813
Total Capital Funding	**34 298**	**88 764**	**90 173**	**15 227**	**42 182**	**64 559**	**(22 377)**	**-35%**	**90 143**

References

1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure r

2. Include capital component of PPP unitary payment

3. Capital expenditure by standard classification must reconcile to the total of multi-year and single year appropriations

4. Include expenditure on investment property, intangible and biological assets

5. Must reconcile to Monthly Budget Statement 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 SA

WC022 Witzenberg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - A - Q3 Third Quarter

Vote Description	2019/20	Budget Year 2020/21							
R thousand	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure - Municipal Vote									
Expenditure of multi-year capital appropriation									
Vote 1 - Financial Services	**(6 525)**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
1.1 - Assessment Rates	–	–	–	–	–	–	–		–
1.2 - Treasury: Administration	(6 525)	–	–	–	–	–	–		–
1.3 - Treasury: Debtors	–	–	–	–	–	–	–		–
1.4 - Treasury: Credit controle	–	–	–	–	–	–	–		–
1.5 - Supply Chain Management	–	–	–	–	–	–	–		–
1.6 - Director: Finance	–	–	–	–	–	–	–		–
	–	–	–	–	–	–	–		–
	–	–	–	–	–	–	–		–
	–	–	–	–	–	–	–		–
	–	–	–	–	–	–	–		–
Vote 2 - Community Services	**126**	**–**	**214**	**–**	**183**	**160**	22	14%	**214**
2.1 - Cemetries	–	–	–	–	–	–	–		–
2.2 - Housing: Administration	–	–	–	–	–	–	–		–
2,3 - Library Services	–	–	–	–	–	–	–		–
2,4 - Fire Protection Sevices	–	–	–	–	–	–	–		–
2,5 - Pine Forest : Administration	126	–	214	–	183	160	22	14%	214
2.6-Klipriver Park: Administration	–	–	–	–	–	–	–		–
2.7-Community Halls And Facilities	–	–	–	–	–	–	–		–
2.8-Licensing & Regulation	–	–	–	–	–	–	–		–
2.9-Enviromental Protection	–	–	–	–	–	–	–		–
2.10-Parks	–	–	–	–	–	–	–		–
Vote 3 - Corporate Services	**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
3.1-Property Administration	–	–	–	–	–	–	–		–
3.2-Information Tecnology	–	–	–	–	–	–	–		–
3.3-Human Resources	–	–	–	–	–	–	–		–
3.5-Council Cost	–	–	–	–	–	–	–		–
3.5-Town Secretary	–	–	–	–	–	–	–		–
3.6-Tourism	–	–	–	–	–	–	–		–
3.7-Marketing & Communications	–	–	–	–	–	–	–		–
3.8-Thusong Centre	–	–	–	–	–	–	–		–
3.9-Administration	–	–	–	–	–	–	–		–
3.10-Director Corporate Services	–	–	–	–	–	–	–		–
Vote 4 - Technical Services	**13 975**	**40 708**	**39 244**	**2 801**	**10 693**	**28 793**	**(5 401)**	**-19%**	**17 893**
4.1-Building Regulations & Enforce	–	–	–	–	–	–	–		–
4.2-Electricity: Administration	2 907	2 500	1 553	89	808	1 165	(357)	-31%	–
4.3-Electricity: Street Lights	1 266	–	280	–	–	210	(210)	-100%	–
4.4-Mechanical Workshop	–	–	–	–	–	–	–		–
4.4-Public Toilets	–	–	–	–	–	–	–		–
4.5-Sewerage	–	–	–	–	–	–	–		–
4.7-Town Planning	–	–	–	–	–	–	–		–
4.8-Stormwater Management	3 263	4 331	3 981	602	3 585	2 985	600	20%	–
4.9-Roads	5 139	7 590	10 246	1 721	5 447	7 044	(1 597)	-23%	–
4.10-Solid Waste (Dumping Site)	1 196	9 356	6 253	389	853	4 690	(3 837)	-82%	–
4.11-Solid Waste (Garden)	–	–	–	–	–	–			–
4.12-Solid Waste (Removal)	–	–	–	–	–	–			16 059
4.13-Water Storage	–	–	–	–	–	–			–
4.14-Water Distribution	204	16 931	16 931	–	–	12 698			1 553
4.15-Director: Technical Services	–	–	–	–	–	–			280
Vote 5 - Muncipal Manager	**19**	**–**	**–**	**–**	**–**	**–**	**–**		**37 411**
5.1-Property & Legal Services	–	–	–	–	–	–	–		–
5.2-IDP	–	–	–	–	–	–	–		–
5.3-Project Management	19	–	–	–	–	–	–		–
5.4-Performance Management	–	–	–	–	–	–	–		3 981
5.5-Internal Audit	–	–	–	–	–	–	–		10 246
5.6-Municipal Manager	–	–	–	–	–	–	–		23 185
							–		
Total multi-year capital expenditure	**7 596**	**40 708**	**39 458**	**2 801**	**10 876**	**28 953**	(18 077)	-62%	**55 518**

							–		
Capital expenditure - Municipal Vote									
Expenditue of single-year capital appropriation							–		
Vote 1 - Financial Services	**206**	**–**	**132**	**–**	**–**	**1 322**	**(1 322)**	**-100%**	**2 123**
1.1 - Assessment Rates	–	–	–	–	–	–	–		–
1.2 - Treasury: Administration	187	–	132	–	–	–	–		–
1.3 - Treasury: Debtors	–	–	–	–	–	–	–		–
1.4 - Treasury: Credit controle	–	–	–	–	–	–	–		–
1.5 - Supply Chain Management	–	–	–	–	–	–	–		–
1.6 - Director: Finance	19	–	–	–	–	737	(737)	-100%	1 162
	–	–	–	–	–	585	(585)	-100%	960
	–	–	–	–	–	–	–		–
	–	–	–	–	–	–	–		–
	–	–	–	–	–	–	–		–
Vote 2 - Community Services	**5 205**	**1 520**	**11 067**	**333**	**5 674**	**7 624**	**(1 950)**	**-26%**	**17 906**
2.1 - Cemetries	–	–	–	–	–	–	–		–
2.2 - Housing: Administration	–	–	–	–	–	–	–		202
2,3 - Library Services	–	–	–	–	–	–	–		–
2,4 - Fire Protection Sevices	–	–	–	–	–	–	–		–
2,5 - Pine Forest : Administration	–	–	3 422	–	–	2 025	(2 025)	-100%	–
2.6-Klipriver Park: Administration	–	–	–	–	–	–	–		6 483
2.7-Community Halls And Facilities	313	580	960	43	410	585	(175)	-30%	–
2.8-Licensing & Regulation	–	–	–	–	–	–	–		–
2.9-Enviromental Protection	–	–	–	–	–	–	–		4 537
2.10-Parks	620	40	202	–	147	151	(4)	-3%	–
2.11-Traffic	120	–	–	–	–	–	–		–
2.12-Disaster Management	–	–	–	–	–	–	–		–
2.13-Social & Welfare Services	–	–	–	–	–	–	–		1 946
2.14-Sport Grounds							–		–
2.15-Recreational Land	4 031	900	4 537	18	4 329	3 402	926	27%	–
2.16-Swimming Pools	–	–	–	–	–	–	–		–
2.17-Vehicle Licensing & Testing	–	–	–	–	–	–	–		4 258
2.18-L E D	76	–	1 946	272	788	1 460	(672)	-46%	–
2.19-Director: Community Services	44	–	–	–	(1)	–	(1)		480
Vote 3 - Corporate Services	**1 833**	**1 050**	**4 258**	**427**	**2 758**	**3 193**	**(435)**	**-14%**	**32 352**
3.1-Property Administration	–	–	–	–	–	–	–		–
3.2-Information Tecnology	666	450	480	–	244	360	(116)	-32%	–
3.3-Human Resources	–	–	–	–	–	–	–		–
3.5-Council Cost	1 003	600	899	(11)	769	674	95	14%	–
3.5-Town Secretary	–	–	–	–	–	–	–		2 879
3.6-Tourism	–	–	–	–	–	–	–		–
3.7-Marketing & Communications	47	–	–	–	–	–	–		27 068
3.8-Thusong Centre	–	–	–	–	–	–	–		–
3.9-Administration	70	–	2 879	439	1 745	2 159	(414)	-19%	1 535
3.10-Director Corporate Services	46	–	–	–	–	–	–		870
Vote 4 - Technical Services	**13 090**	**45 486**	**35 258**	**11 665**	**22 874**	**24 689**	**(1 815)**	**-7%**	**41 043**
4.1-Building Regulations & Enforce	–	–	–	–	–	–	–		611
4.2-Electricity: Administration	3 567	–	1 535	–	1 069	1 151	(82)	-7%	–
4.3-Electricity: Street Lights	–	–	870	470	470	653	(183)	-28%	8 885
4.4-Mechanical Workshop	1 522	350	611	1	25	196	(171)	-87%	–
4.4-Public Toilets	884	–	–	–	–	–	–		5 750
4.5-Sewerage	2 949	12 528	8 885	3 280	5 738	6 264	(526)	-8%	9 416
4.7-Town Planning	–	–	–	–	–	–	–		8 190
4.8-Stormwater Management	–	9 489	5 750	2 443	3 943	4 312	(369)	-9%	–
4.9-Roads	2 535	12 655	9 416	3 137	6 003	6 240	(236)	-4%	–
4.10-Solid Waste (Dumping Site)	–	–	–	–	–	–	–		1 363
4.11-Solid Waste (Garden)	520	–	–	–	–	–	–		–
4.12-Solid Waste (Removal)	–	–	1 363	27	951	1 023	(71)	-7%	6 826
4.13-Water Storage	–	–	–	–	–	–	–		–
4.14-Water Distribution	1 089	10 465	6 826	2 307	4 675	4 851	(176)	-4%	–
4.15-Director: Technical Services	23	–	–	–	–	–	–		–
Vote 5 - Muncipal Manager	**14**	–	–	–	–	–	–		–
5.1-Property & Legal Services	–	–	–	–	–	–	–		–
5.2-IDP	–	–	–	–	–	–	–		–
5.3-Project Management	–	–	–	–	–	–	–		–
5.4-Performance Management	–	–	–	–	–	–	–		–
5.5-Internal Audit	–	–	–	–	–	–	–		–
5.6-Municipal Manager	14	–	–	–	–	–	–		–
Total single-year capital expenditure	**20 348**	**48 056**	**50 715**	**12 425**	**31 306**	**36 828**	**(5 522)**	**(0)**	**93 423**
Total Capital Expenditure	**27 944**	**88 764**	**90 173**	**15 227**	**42 182**	**65 781**	**(23 599)**	**(0)**	**148 940**

The table provides detail of the municipality's financial position as at period end.

WC022 Witzenberg - Table C6 Monthly Budget Statement - Financial Position - Q3 Third Quarter

Description	2019/20	Budget Year 2020/21			
R thousands	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS					
Current assets					
Cash	130 394	38 462	84 518	161 861	107 316
Call investment deposits	–	–	–	–	–
Consumer debtors	68 999	38 038	97 481	79 605	63 257
Other debtors	7 966	20 630	3 046	40 800	3 520
Current portion of long-term receivables	–	–	–	–	–
Inventory	11 602	11 693	14 301	9 254	11 464
Total current assets	**218 961**	**108 824**	**199 345**	**291 520**	**185 556**
Non current assets					
Long-term receivables	–	–	–	–	–
Investments	–	–	–	–	–
Investment property	43 765	44 492	43 765	43 765	44 325
Investments in Associate	–	–	–	–	–
Property, plant and equipment	900 003	1 002 139	943 356	942 187	1 005 197
Agricultural	–	–	–	–	–
Biological assets	–	–	–	–	–
Intangible assets	1 576	2 029	1 576	1 576	2 606
Other non-current assets	550	550	550	550	550
Total non current assets	**945 893**	**1 049 210**	**989 246**	**988 077**	**1 052 677**
TOTAL ASSETS	**1 164 854**	**1 158 034**	**1 188 591**	**1 279 597**	**1 238 234**
LIABILITIES					
Current liabilities					
Bank overdraft	–	–	–	–	–
Borrowing	1 968	–	–	1 968	–
Consumer deposits	7 976	7 150	7 976	8 208	7 544
Trade and other payables	52 843	47 310	124 876	124 536	141 209
Provisions	79 982	76 091	54 769	79 416	56 427
Total current liabilities	**142 768**	**130 550**	**187 620**	**214 127**	**205 180**
Non current liabilities					
Borrowing	2 620	4 722	2 788	2 620	4 588
Provisions	112 525	180 655	115 363	116 315	165 513
Total non current liabilities	**115 144**	**185 378**	**118 150**	**118 935**	**170 101**
TOTAL LIABILITIES	**257 913**	**315 928**	**305 770**	**333 062**	**375 281**
NET ASSETS	**906 942**	**842 106**	**882 821**	**946 535**	**862 953**
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	896 324	831 751	872 204	935 917	852 598
Reserves	10 618	10 355	10 618	10 618	10 355
TOTAL COMMUNITY WEALTH/EQUITY	**906 942**	**842 106**	**882 821**	**946 535**	**862 953**

The cash flows for the year to date are indicated in the following table:

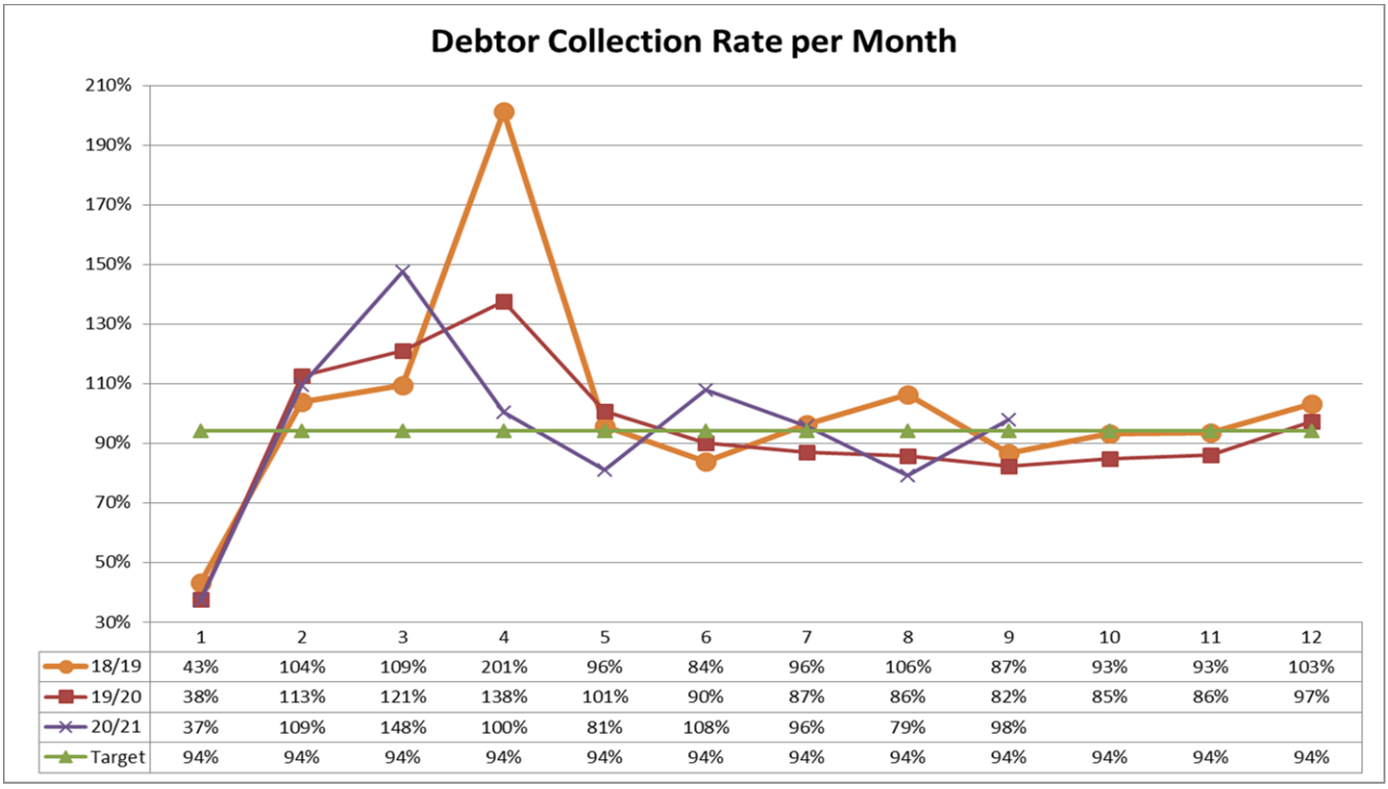
WC022 Witzenberg - Table C7 Monthly Budget Statement - Cash Flow - Q3 Third Quarter

Description	2019/20	Budget Year 2020/21							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates, penalties & collection charges	68 290	72 569	65 694	4 582	59 575	55 839	3 736	7%	(74 766)
Service charges	346 579	315 962	367 583	35 242	271 524	262 859	8 665	3%	(366 826)
Other revenue	21 385	21 754	21 510	1 321	8 670	14 340	(5 670)	-40%	(18 900)
Government - operating	131 014	116 989	140 245	26 187	103 076	100 808	2 268	2%	(137 020)
Government - capital	13 442	78 716	70 330	24 455	54 202	49 747	4 455	9%	(76 438)
Interest	17 961	17 393	4 868	240	2 072	3 658	(1 586)	-43%	41 693
Dividends									
Payments									
Suppliers and employees	(526 395)	(557 432)	(634 731)	(44 883)	(420 278)	(426 454)	(6 176)	1%	(550 745)
Finance charges	(469)	(1 332)	(1 706)	(2)	(28)	(26)	2	-8%	–
Transfers and Grants	(1 495)	(2 179)	(8 110)	(114)	(1 534)	(4 646)	(3 112)	67%	–
NET CASH FROM/(USED) OPERATING ACTIVITIES	**70 313**	**62 440**	**25 684**	**47 030**	**77 278**	**56 126**	**2 582**	**5%**	**(1 183 002)**
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	649	–	–	–	–	–	–		–
Decrease (Increase) in non-current debtors	–	–	–	–	–	–	–		–
Decrease (increase) other non-current receivables	–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments	–	–	–	–	–	–	–		–
Payments									
Capital assets	(34 468)	(88 764)	(69 760)	(15 773)	(45 652)	(34 724)	10 928	-31%	(90 173)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(33 819)**	**(88 764)**	**(69 760)**	**(15 773)**	**(45 652)**	**(34 724)**	**10 928**	**-31%**	**(90 173)**
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	–	–	–	–	–	–	–		–
Borrowing long term/refinancing	–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits	827	–	–	(24)	(23)	–	(23)		–
Payments									–
Repayment of borrowing	(1 199)	(1 500)	(1 800)	(20)	(146)	(126)	20	-16%	–
NET CASH FROM/(USED) FINANCING ACTIVITIES	**(371)**	**(1 500)**	**(1 800)**	**(45)**	**(169)**	**(126)**	**43**	**-34%**	**(169)**
									–
NET INCREASE/ (DECREASE) IN CASH HELD	**36 123**	**(27 824)**	**(45 876)**	**31 212**	**31 457**	**21 276**			**(1 273 175)**
Cash/cash equivalents at beginning:	94 272	66 287	130 394		130 394	130 394			130 394
Cash/cash equivalents at month/year end:	130 394	38 463	84 518		161 851	151 670			(1 142 781)

The debtors age analysis per Income source and customer group is as follows:

WC022 Witzenberg - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q3 Third Quarter

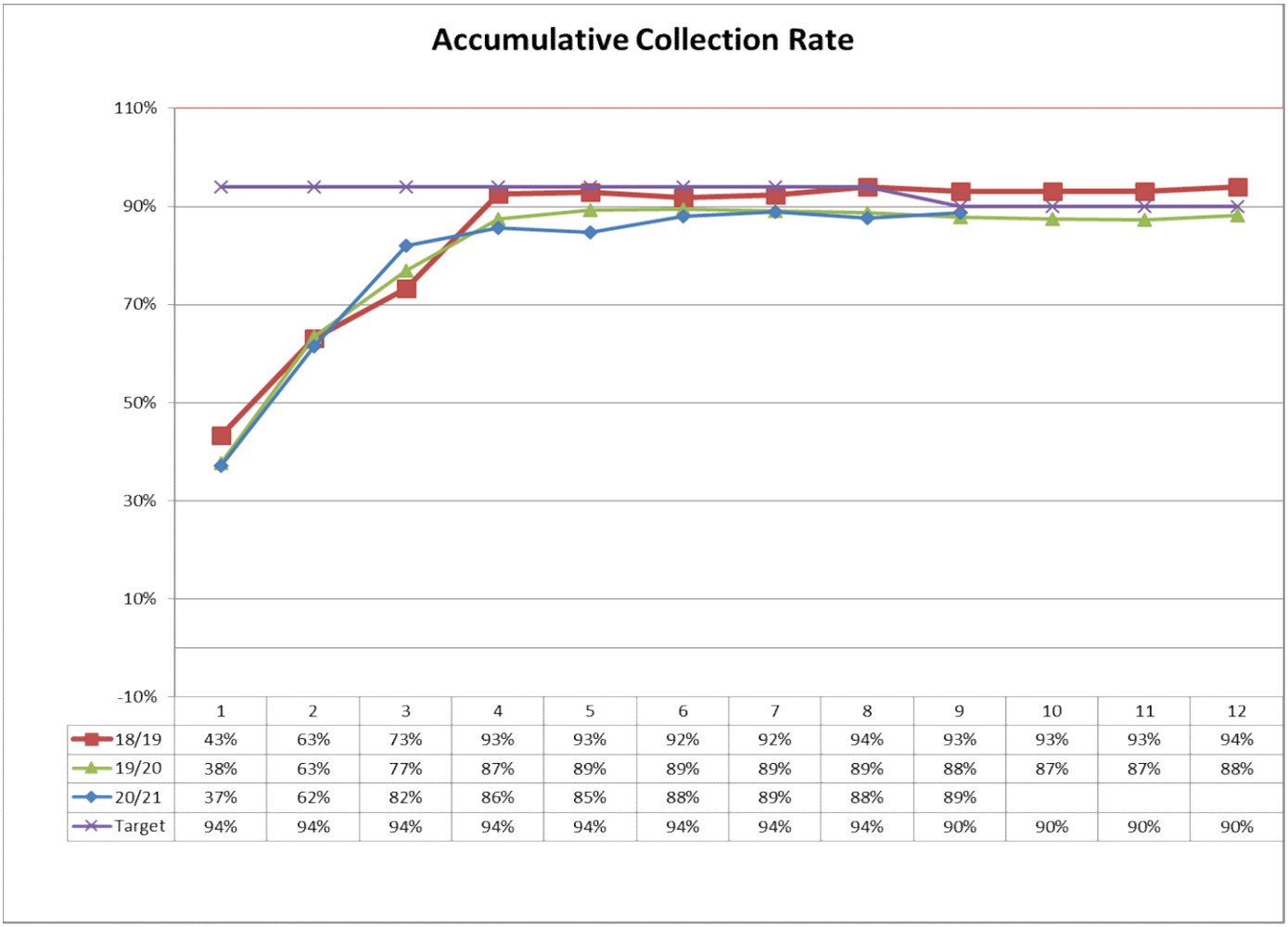
Description		Budget Year 2020/21									
R thousands	NT Code	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days
Debtors Age Analysis By Income Source											
Water	1200	10 493	1 799	1 784	1 684	1 853	1 314	8 594	54 163	81 682	67 607
Electricity	1300	20 731	1 200	579	495	359	278	1 148	4 927	29 716	7 206
Property Rates	1400	4 355	521	388	381	297	274	4 879	16 071	27 166	21 902
Waste Water Management	1500	6 801	1 253	1 136	1 089	1 059	1 044	5 440	27 724	45 547	36 356
Waste Management	1600	6 790	1 358	1 273	1 201	1 177	1 120	5 624	28 898	47 442	38 020
Property Rental Debtors	1700	88	20	20	19	19	18	103	947	1 235	1 107
Interest on Arrear Accounts	1810	1 021	102	91	89	88	80	496	37 441	39 409	38 195
Recoverable expenditure	1820	–	–	–	–	–	–	–	–	–	–
Other	1900	(6 681)	78	50	47	49	38	215	1 250	(4 953)	1 599
Total By Income Source	**2000**	**43 598**	**6 332**	**5 321**	**5 005**	**4 901**	**4 167**	**26 498**	**171 421**	**267 243**	**211 992**
Debtors Age Analysis By Customer Group											
Organs of State	2200	(1 763)	195	143	134	151	110	1 363	6 190	6 522	7 947
Commercial	2300	18 521	1 194	558	482	324	259	2 502	9 760	33 599	13 327
Households	2400	26 510	4 786	4 460	4 243	4 279	3 666	21 643	150 773	220 360	184 604
Other	2500	330	157	159	146	147	133	990	4 698	6 761	6 114
Total By Customer Group	**2600**	**43 598**	**6 332**	**5 321**	**5 005**	**4 901**	**4 167**	**26 498**	**171 421**	**267 243**	**211 992**



	1	2	3	4	5	6	7	8	9	10	11	12
18/19	43%	104%	109%	201%	96%	84%	96%	106%	87%	93%	93%	103%
19/20	38%	113%	121%	138%	101%	90%	87%	86%	82%	85%	86%	97%
20/21	37%	109%	148%	100%	81%	108%	96%	79%	98%			
Target	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%

The purpose of this graph is to illustrate the collection against targets set for the relevant months. The target for the month is 94% while the actual figure for March 2021 amounts to 98% in comparison to the previous year 82%.

Die doel van hierdie grafiek is om die verhaling van debiteure te illustreer teen die teikens gestel vir die onderskeie maande. Die teiken vir die maand is 94%, terwyl die syfer vir Maart 2021 98% beloop in vergelyking met die vorige jaar 82 %.



	1	2	3	4	5	6	7	8	9	10	11	12
18/19	43%	63%	73%	93%	93%	92%	92%	94%	93%	93%	93%	94%
19/20	38%	63%	77%	87%	89%	89%	89%	89%	88%	87%	87%	88%
20/21	37%	62%	82%	86%	85%	88%	89%	88%	89%			
Target	94%	94%	94%	94%	94%	94%	94%	94%	90%	90%	90%	90%

The purpose of this graph is to illustrate effectiveness of collection of debt against targets set for the year. The target for the year to date is 94% while the actual figure is 89%.

Die doel van hierdie grafiek is om die doeltreffendheid van die verhaling van skuld te illustreer teen die teikens gestel vir die jaar. Die teiken vir die jaar tot datum is 94%, terwyl die werklike syfer 89% beloop.

WC022 Witzenberg - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q3 Third Quarter

Description R thousands	NT Code	Budget Year 2020/21									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	–	–	–	–	–	–	–	–	–	–
Bulk Water	0200	–	–	–	–	–	–	–	–	–	–
PAYE deductions	0300	–	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	661	18	2	–	–	–	–	–	**681**	–
Auditor General	0800	–	–	–	–	–	–	–	–	–	–
Other	0900	–	–	–	–	–	–	–	–	–	–
Total By Customer Type	**1000**	**661**	**18**	**2**	**–**	**–**	**–**	**–**	**–**	**681**	–

Notes

Material increases in value of creditors' categories compared to previous month to be explained

The movement in investments is detailed below.

WC022 Witzenberg - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Q3 Third Quarter

Investments by maturity Name of institution & investment ID R thousands	Period of Investment Yrs/Months	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of month	Change in market value	Market value at end of the month
Municipality								
-	–			–		–	–	–
-	–			–		–	–	–
-	–			–		–	–	–
-	–		–	–		–	–	–
-	–			–		–	–	–
TOTAL INVESTMENTS AND INTEREST				**–**		**–**	**–**	**–**

Operating and Capital transfers recognised as revenue are indicated in the following table: Transfers are rcognised when the conditions are met.

WC022 Witzenberg - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Q3 Third Quarter

Description	Budget Year 2020/21							
R thousands	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
RECEIPTS:								
Operating Transfers and Grants								
National Government:	**106 455**	**120 625**	**25 857**	**88 491**	**90 469**	**(1 978)**	**-2,2%**	**120 625**
Operational Revenue:General Revenue:Equitable	101 915	116 085	25 479	86 952	87 064	(112)	-0,1%	116 085
Operational:Revenue:General Revenue:Fuel Levy	–	–	–	–	–	–		–
2014 African Nations Championship Host City Ope	–	–	–	–	–	–		–
Agriculture Research and Technology	–	–	–	–	–	–		–
Agriculture, Conservation and Environmental	–	–	–	–	–	–		–
Arts and Culture Sustainable Resource Manageme	–	–	–	–	–	–		–
Community Library	–	–	–	–	–	–		–
Department of Environmental Affairs	–	–	–	–	–	–		–
Department of Tourism	–	–	–	–	–	–		–
Department of Water Affairs and Sanitation Masiba	–	–	–	–	–	–		–
Emergency Medical Service	–	–	–	–	–	–		–
Energy Efficiency and Demand-side [Schedule 5B]	–	–	–	–	–	–		–
Expanded Public Works Programme Integrated Gra	2 360	2 360	348	1 293	1 770	(477)	-27,0%	2 360
HIV and Aids	–	–	–	–	–	–		–
Housing Accreditation	–	–	–	–	–	–		–
Housing Top structure	–	–	–	–	–	–		–
Infrastructure Skills Development Grant [Schedule	–	–	–	–	–	–		–
Integrated City Development Grant	–	–	–	–	–	–		–
Khayelitsha Urban Renewal	–	–	–	–	–	–		–
Local Government Financial Management Grant [S	1 550	1 550	30	246	1 163	(916)	-78,8%	1 550
Mitchell's Plain Urban Renewal	–	–	–	–	–	–		–
Municipal Demarcation and Transition Grant [Sche	–	–	–	–	–	–		–
Municipal Disaster Grant [Schedule 5B]	–	–	–	–	–	–		–
Municipal Human Settlement Capacity Grant [Sch	–	–	–	–	–	–		–
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 [Sched	–	–	–	–	–	–		–
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 [Schedul	–	–	–	–	–	–		–
Health Hygiene in Informal Settlements	–	–	–	–	–	–		–
Municipal Infrastructure Grant [Schedule 5B]	630	630	–	–	473	(473)	-100,0%	630
Water Services Infrastructure Grant	–	–	–	–	–	–		–
Public Transport Network Grant [Schedule 5B]	–	–	–	–	–	–		–
Smart Connect Grant	–	–	–	–	–	–		–
Urban Settlement Development Grant	–	–	–	–	–	–		–
WiFi Grant [Department of Telecommunications an	–	–	–	–	–	–		–
Street Lighting	–	–	–	–	–	–		–
Traditional Leaders - Imbizion	–	–	–	–	–	–		–
Department of Water and Sanitation Smart Living H	–	–	–	–	–	–		–
Integrated National Electrification Programme Gran	–	–	–	–	–	–		–
Municipal Restructuring Grant	–	–	–	–	–	–		–
Regional Bulk Infrastructure Grant	–	–	–	–	–	–		–
Municipal Emergency Housing Grant	–	–	–	–	–	–		–
Metro Informal Settlements Partnership Grant	–	–	–	–	–	–		–

Provincial Government:	**10 534**	**17 195**	**–**	**–**	**12 896**	**(12 896)**	**-100,0%**	**17 195**
Capacity Building	–	–	–	–	–	–		–
Capacity Building and Other	10 534	11 334	–	–	8 501	(8 501)	-100,0%	11 334
Disaster and Emergency Services	–	–	–	–	–	–		–
Health	–	–	–	–	–	–		–
Housing	–	–	–	–	–	–		–
Infrastructure	–	5 861	–	–	4 396	(4 396)	-100,0%	5 861
Libraries, Archives and Museums	–	–	–	–	–	–		–
Other	–	–	–	–	–	–		–
Public Transport	–	–	–	–	–	–		–
Road Infrastructure - Maintenance	–	–	–	–	–	–		–
Sports and Recreation	–	–	–	–	–	–		–
Waste Water Infrastructure - Maintenance	–	–	–	–	–	–		–
Water Supply Infrastructure - Maintenance	–	–	–	–	–	–		–
District Municipality:	**–**	2 087	–	–	1 565	(1 565)	-100,0%	2 087
All Grants	**–**	2 087	–	–	1 565	(1 565)	-100,0%	2 087
Other grant providers:	**–**	**338**	–	–	–	–		338
Departmental Agencies and Accounts	**–**	**–**	**–**	**–**	**–**	–		**–**
Foreign Government and International Organisatio	**–**	**338**	**–**	**–**	**253**	(253)	-100,0%	**338**
Households	**–**	**–**	**–**	**–**	**–**	–		**–**
Non-profit Institutions	**–**	**–**	**–**	**–**	**–**	–		**–**
Private Enterprises	**–**	**–**	**–**	**–**	**–**	–		**–**
Public Corporations	**–**	**–**	**–**	**–**	**–**	–		**–**
Higher Educational Institutions	**–**	**–**	**–**	**–**	**–**	–		**–**
Parent Municipality / Entity	**–**	**–**	**–**	**–**	**–**	–		**–**
Total Operating Transfers and Grants	**116 989**	**140 245**	**25 857**	**88 491**	**104 930**	**(16 439)**	**-15,7%**	**140 245**

Capital Transfers and Grants						–		
National Government:	35 763	35 266	–	–	26 092	(26 092)	**-100,0%**	35 266
Integrated National Electrification Programme (Mur	–	–	–	–	–	–		–
Municipal Infrastructure Grant [Schedule 5B]	18 831	18 335	–	–	13 394	(13 394)	-100,0%	18 335
Municipal Water Infrastructure Grant [Schedule 5B	–	–	–	–	–	–		–
Neighbourhood Development Partnership Grant [S	–	–	–	–	–	–		–
Public Transport Infrastructure Grant [Schedule 5B	–	–	–	–	–	–		–
Rural Household Infrastructure Grant [Schedule 5b	–	–	–	–	–	–		–
Rural Road Asset Management Systems Grant [S	–	–	–	–	–	–		–
Urban Settlement Development Grant [Schedule 4	–	–	–	–	–	–		–
Municipal Human Settlement	–	–	–	–	–	–		–
Community Library	–	–	–	–	–	–		–
Integrated City Development Grant [Schedule 4B]	–	–	–	–	–	–		–
Municipal Disaster Recovery Grant [Schedule 4B]	–	–	–	–	–	–		–
Energy Efficiency and Demand Side Management	–	–	–	–	–	–		–
Khayelitsha Urban Renewal	–	–	–	–	–	–		–
Local Government Financial Management Grant [S	–	–	–	–	–	–		–
Municipal Systems Improvement Grant [Schedule	–	–	–	–	–	–		–
Public Transport Network Grant [Schedule 5B]	–	–	–	–	–	–		–
Public Transport Network Operations Grant [Sched	–	–	–	–	–	–		–
Regional Bulk Infrastructure Grant (Schedule 5B)	16 931	16 931	–	–	12 698	(12 698)	-100,0%	16 931
Water Services Infrastructure Grant [Schedule 5B]	–	–	–	–	–	–		–
WIFI Connectivity	–	–	–	–	–	–		–
Expanded Public Works Programme Integrated Gra	–	–	–	–	–	–		–
Aquaponic Project	–	–	–	–	–	–		–
Restition Settlement	–	–	–	–	–	–		–
Infrastructure Skills Development Grant [Schedule	–	–	–	–	–	–		–
Restructuring Seed Funding	–	–	–	–	–	–		–
Municipal Disaster Relief Grant	–	–	–	–	–	–		–
Municipal Emergency Housing Grant	–	–	–	–	–	–		–
Metro Informal Settlements Partnership Grant	–	–	–	–	–	–		–
Provincial Government:	**42 954**	**33 960**	**–**	**–**	**24 929**	(24 929)	-100,0%	**33 960**
Capacity Building	–	–	–	–	–	–		–
Capacity Building and Other	–	722	–	–	–	–		722
Disaster and Emergency Services	–	–	–	–	–	–		–
Health	–	–	–	–	–	–		–
Housing	–	–	–	–	–	–		–
Infrastructure	42 954	33 239	–	–	24 929	(24 929)	-100,0%	33 239
Libraries, Archives and Museums	–	–	–	–	–	–		–
Other	–	–	–	–	–	–		–
Public Transport	–	–	–	–	–	–		–
Road Infrastructure	–	–	–	–	–	–		–
Sports and Recreation	–	–	–	–	–	–		–
Waste Water Infrastructure	–	–	–	–	–	–		–
Water Supply Infrastructure	–	–	–	–	–	–		–
District Municipality:	**–**	**602**	**–**	**–**	**452**	**(452)**	**-100,0%**	**1 104**
All Grants	–	602	–	–	452	(452)	-100,0%	602
Other grant providers:	–	501	–	–	376	(376)	-100,0%	501
Departmental Agencies and Accounts	–	–	–	–	–	–		–
Foreign Government and International Organisatio	–	501	–	–	376	(376)	-100,0%	501
Households	–	–	–	–	–	–		–
Non-Profit Institutions	–	–	–	–	–	–		–
Private Enterprises	–	–	–	–	–	–		–
Public Corporations	–	–	–	–	–	–		–
Higher Educational Institutions	–	–	–	–	–	–		–
Parent Municipality / Entity	–	–	–	–	–	–		–
Transfer from Operational Revenue	–	–	–	–	–	–		–
Total Capital Transfers and Grants	**78 716**	**70 330**	**–**	**–**	**51 849**	**(51 849)**	**-100,0%**	**70 832**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	195 705	210 575	25 857	88 491	156 779	(68 288)	-43,6%	211 076

Operating and Capital expenditure financed from grants are indicated in the following table:

WC022 Witzenberg - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Q3 Third Quarter

Description	Budget Year 2020/21							
R thousands	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
EXPENDITURE								
Operating expenditure of Transfers and Grants								
National Government:	**63 364**	**62 137**	**3 952**	**31 749**	**46 594**	**(14 845)**	**-31,9%**	**62 137**
Operational Revenue:General Revenue:Equitable Shar	58 824	57 597	3 574	30 210	43 189	(12 979)	-30,1%	57 597
Operational:Revenue:General Revenue:Fuel Levy	–	–	–	–	–	–		–
2014 African Nations Championship Host City Operatin	–	–	–	–	–	–		–
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 Masibamba	–	–	–	–	–	–		–
Emergency Medical Service	–	–	–	–	–	–		–
Energy Efficiency and Demand-side [Schedule 5B]	–	–	–	–	–	–		–
Expanded Public Works Programme Integrated Grant fo	2 360	2 360	348	1 293	1 770	(477)	-27,0%	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 [Sche	1 550	1 550	30	246	1 162	(916)	-78,8%	1 550
Mitchell's Plain Urban Renewal	–	–	–	–	–	–		–
Municipal Demarcation and Transition Grant [Schedule	–	–	–	–	–	–		–
Municipal Disaster Grant [Schedule 5B]	–	–	–	–	–	–		–
Municipal Human Settlement Capacity Grant [Schedule	–	–	–	–	–	–		–
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	–	–	–	–	–	–		–
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	630	–	–	473	(473)	-100,0%	630
Water Services Infrastructure Grant	–	–	–	–	–	–		–
Public Transport Network Grant [Schedule 5B]	–	–	–	–	–	–		–
Smart Connect Grant	–	–	–	–	–	–		–
Urban Settlement Development Grant	–	–	–	–	–	–		–
WiFi Grant [Department of Telecommunications and Po	–	–	–	–	–	–		–
Street Lighting	–	–	–	–	–	–		–
Traditional Leaders - Imbizion	–	–	–	–	–	–		–
Department of Water and Sanitation Smart Living Hand	–	–	–	–	–	–		–
Integrated National Electrification Programme Grant	–	–	–	–	–	–		–
Municipal Restructuring Grant	–	–	–	–	–	–		–
Regional Bulk Infrastructure Grant	–	–	–	–	–	–		–
Municipal Emergency Housing Grant	–	–	–	–	–	–		–
Metro Informal Settlements Partnership Grant	–	–	–	–	–	–		–

Provincial Government:	**10 534**	**17 318**	**820**	**7 293**	**12 989**	**(5 696)**	**-43,9%**	**17 318**
Capacity Building	–	–	–	–	–	–		–
Capacity Building and Other	10 534	11 457	820	7 293	8 593	(1 300)	-15,1%	11 457
Disaster and Emergency Services	–	–	–	–	–	–		–
Health	–	–	–	–	–	–		–
Housing	–	–	–	–	–	–		–
Infrastructure	–	5 861	–	–	4 396	(4 396)	-100,0%	5 861
Libraries, Archives and Museums	–	–	–	–	–	–		–
Other	–	–	–	–	–	–		–
Public Transport	–	–	–	–	–	–		–
Road Infrastructure - Maintenance	–	–	–	–	–	–		–
Sports and Recreation	–	–	–	–	–	–		–
Waste Water Infrastructure - Maintenance	–	–	–	–	–	–		–
Water Supply Infrastructure - Maintenance	–	–	–	–	–	–		–
District Municipality:	**–**	**2 087**	**12**	**113**	**1 565**	(1 452)	-92,8%	**2 087**
All Grants	–	2 087	12	113	1 565	(1 452)	-92,8%	2 087
Other grant providers:	**566**	**904**	**4**	**92**	**678**	(586)	-86,5%	**904**
Departmental Agencies and Accounts	–	–	–	–	–	–		–
Foreign Government and International Organisations	566	904	4	92	678	(586)	-86,5%	904
Households	–	–	–	–	–	–		–
Non-profit Institutions	–	–	–	–	–	–		–
Private Enterprises	–	–	–	–	–	–		–
Public Corporations	–	–	–	–	–	–		–
Higher Educational Institutions	–	–	–	–	–	–		–
Parent Municipality / Entity	–	–	–	–	–	–		–
Total operating expenditure of Transfers and Grants:	**74 464**	**82 445**	**4 789**	**39 247**	**61 826**	**(22 579)**	**-255,0%**	**82 445**
Capital expenditure of Transfers and Grants								
National Government:	**35 763**	**35 266**	**1 407**	**10 877**	**25 317**	**(14 440)**	**-57,0%**	**35 266**
Integrated National Electrification Programme (Municipa	–	–	–	–	–	–		–
Municipal Infrastructure Grant [Schedule 5B]	18 831	18 335	1 407	10 877	12 619	(1 741)	-13,8%	18 335
Municipal Water Infrastructure Grant [Schedule 5B]	–	–	–	–	–	–		–
Neighbourhood Development Partnership Grant [Schec	–	–	–	–	–	–		–
Public Transport Infrastructure Grant [Schedule 5B]	–	–	–	–	–	–		–
Rural Household Infrastructure Grant [Schedule 5B]	–	–	–	–	–	–		–
Rural Road Asset Management Systems Grant [Sched	–	–	–	–	–	–		–
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 Gran	–	–	–	–	–	–		–
Khayelitsha Urban Renewal	–	–	–	–	–	–		–
Local Government Financial Management Grant [Sche	–	–	–	–	–	–		–
Municipal Systems Improvement Grant [Schedule 5B]	–	–	–	–	–	–		–
Public Transport Network Grant [Schedule 5B]	–	–	–	–	–	–		–
Public Transport Network Operations Grant [Schedule	–	–	–	–	–	–		–
Regional Bulk Infrastructure Grant (Schedule 5B)	16 931	16 931	–	–	12 698	(12 698)	-100,0%	16 931
Water Services Infrastructure Grant [Schedule 5B]	–	–	–	–	–	–		–
WIFI Connectivity	–	–	–	–	–	–		–
Expanded Public Works Programme Integrated Grant fo	–	–	–	–	–	–		–
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:	**42 954**	**33 960**	**11 624**	**20 970**	**24 929**	**(3 958)**	**-16%**	**33 960**
Capacity Building	–	–	–	–	–	–		–
Capacity Building and Other	–	722	–	–	–	–		722
Disaster and Emergency Services	–	–	–	–	–	–		–
Health	–	–	–	–	–	–		–
Housing	–	–	–	–	–	–		–
Infrastructure	42 954	33 239	11 624	20 970	24 929	(3 958)	-15,9%	33 239
Libraries, Archives and Museums	–	–	–	–	–	–		–
Other	–	–	–	–	–	–		–
Public Transport	–	–	–	–	–	–		–
Road Infrastructure	–	–	–	–	–	–		–
Sports and Recreation	–	–	–	–	–	–		–
Waste Water Infrastructure	–	–	–	–	–	–		–
Water Supply Infrastructure	–	–	–	–	–	–		–
District Municipality:	**–**	**602**	**180**	**180**	**452**	(272)	-60,2%	**602**
All Grants	–	602	180	180	452	(272)	-60,2%	602
Other grant providers:	**10 048**	**20 314**	**2 016**	**10 155**	**13 838**	(3 684)	-26,6%	**20 314**
Departmental Agencies and Accounts	–	–	–	–	–	–		–
Foreign Government and International Organisations	–	501	–	105	376	(271)	-72,0%	501
Households	–	–	–	–	–	–		–
Non-Profit Institutions	–	–	–	–	–	–		–
Private Enterprises	–	–	–	–	–	–		–
Public Corporations	–	–	–	–	–	–		–
Higher Educational Institutions	–	–	–	–	–	–		–
Parent Municipality / Entity	–	–	–	–	–	–		–
Transfer from Operational Revenue	10 048	19 813	2 016	10 049	13 462	(3 413)	-25,4%	19 813
Total capital expenditure of Transfers and Grants	**88 764**	**90 143**	**15 227**	**42 182**	**64 536**	**(22 354)**	**-34,6%**	**90 143**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	**163 228**	**172 588**	**20 015**	**81 429**	**126 362**	**(44 933)**	**-35,6%**	**172 588**

In terms of section 12 of the Division of Revenue Act the municipality confirms that, based on internal controls, all grant funding has been received and spent in terms of the conditions attached thereto.

WC022 Witzenberg - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - Q3 Third Quarter

Description	Ref	Budget Year 2020/21				
		Approved Rollover 2019/20	Monthly actual	YearTD actual	YTD variance	YTD variance
R thousands						%
EXPENDITURE						
Operating expenditure of Approved Roll-overs						
National Government:		–	–	–	–	
None		–	–	–	–	
Provincial Government:		–	–	–	–	
None		–	–	–	–	
District Municipality:		–	–	–	–	
None		–	–	–	–	
Other grant providers:		–	–	–	–	
None		–	–	–	–	
Total operating expenditure of Approved Roll-overs		–	–	–	–	
Capital expenditure of Approved Roll-overs						
National Government:		–	–	–	–	
Integrated National Electrification Programme (Municipal Grant) [Schedule 5		–	–	–	–	
Provincial Government:		–	–	–	–	
None		–	–	–	–	
District Municipality:		–	–	–	–	
None		–	–	–	–	
#REF!		–	–	–	–	
None		–	–	–	–	
Total capital expenditure of Approved Roll-overs		–	–	–	–	
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		–	–	–	–	

Expenditure on councillor allowances and employee benefits:

WC022 Witzenberg - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Q3 Third Quarter

Summary of Employee and Councillor remuneration	Budget Year 2020/21							
R thousands	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	B	C						D
Councillors (Political Office Bearers plus Other)								
Basic Salaries and Wages	8 104	8 104	636	5 708	6 078	(370)	-6%	8 104
Pension and UIF Contributions	1 194	1 194	90	808	896	(88)	-10%	1 194
Medical Aid Contributions	239	239	18	173	179	(7)	-4%	239
Motor Vehicle Allowance	778	778	–	–	583	(583)	-100%	778
Cellphone Allowance	1 149	1 149	78	704	862	(158)	-18%	1 149
Housing Allowances	511	511	3	31	384	(353)	-92%	511
Other benefits and allowances	56	56	–	–	42	(42)	-100%	56
Sub Total - Councillors	**12 032**	**12 032**	**825**	**7 423**	**9 024**	**(1 601)**	**-18%**	**12 032**
Senior Managers of the Municipality								
Basic Salaries and Wages	4 139	3 589	324	2 960	2 692	269	10%	3 589
Pension and UIF Contributions	851	851	28	172	638	(466)	-73%	851
Medical Aid Contributions	147	147	5	41	110	(69)	-62%	147
Overtime	–	–	–	–	–	–		–
Performance Bonus	968	768	62	484	576	(91)	-16%	768
Motor Vehicle Allowance	1 143	950	83	668	713	(45)	-6%	950
Cellphone Allowance	77	77	4	35	58	(23)	-39%	77
Housing Allowances	167	167	24	95	125	(31)	-25%	167
Other benefits and allowances	125	125	9	84	94	(9)	-10%	125
Payments in lieu of leave	–	–	–	–	–	–		–
Long service awards	–	–	–	–	–	–		–
Post-retirement benefit obligations	–	–	–	–	–	–		–
Sub Total - Senior Managers	**7 617**	**6 674**	**539**	**4 541**	**5 006**	**(465)**	**-9%**	**6 674**
Other Municipal Staff								
Basic Salaries and Wages	126 695	122 667	10 643	86 245	92 000	(5 755)	-6%	122 667
Pension and UIF Contributions	19 060	19 060	1 587	13 970	14 295	(324)	-2%	19 060
Medical Aid Contributions	8 467	8 467	691	6 429	6 350	79	1%	8 467
Overtime	13 794	13 874	1 322	12 204	10 405	1 799	17%	13 874
Performance Bonus	8 895	8 895	742	6 766	6 671	95	1%	8 895
Motor Vehicle Allowance	4 886	6 454	472	4 359	4 841	(482)	-10%	6 454
Cellphone Allowance	440	440	42	406	330	77	23%	440
Housing Allowances	1 792	1 792	137	1 237	1 344	(107)	-8%	1 792
Other benefits and allowances	4 691	4 291	411	3 573	3 219	355	11%	4 291
Payments in lieu of leave	966	4 966	760	1 465	3 724	(2 260)	-61%	4 966
Long service awards	–	–	67	592	–	592	#DIV/0!	–
Post-retirement benefit obligations	28 880	23 780	670	6 029	17 835	(11 806)	-66%	23 780
Sub Total - Other Municipal Staff	**218 565**	**214 685**	**17 544**	**143 275**	**161 014**	**(17 739)**	**-11%**	**214 685**
TOTAL SALARY, ALLOWANCES &	**238 214**	**233 391**	**18 908**	**155 239**	**175 043**	**(19 804)**	**-11%**	**233 391**
% increase								
TOTAL MANAGERS AND STAFF	**226 182**	**221 359**	**18 083**	**147 816**	**166 019**	**(18 203)**	**-11%**	**221 359**

The monthly cash flows for the year to date are indicated in the following table:

WC022 Witzenberg - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - Q3 Third Quarter

Description	Ref	Budget Year 2020/21											
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget
Cash Receipts By Source													
Property rates		4 112	8 928	17 512	9 568	37	5 654	4 672	4 508	4 582	–	–	6 119
Service charges - electricity revenue		21 484	28 159	24 941	22 254	17 501	22 693	18 157	21 842	27 798	–	–	101 685
Service charges - water revenue		2 338	3 382	2 008	2 175	2 704	3 009	2 554	3 213	3 551	–	–	2 544
Service charges - sanitation revenue		1 302	1 590	1 493	1 476	2 043	7 574	1 744	1 682	1 796	–	–	(3 498)
Service charges - refuse		1 545	1 422	2 063	1 785	1 622	1 631	1 690	1 789	2 097	–	–	747
Service charges - other		–	4 470	–	–	948	–	–	–	–	–	–	(5 418)
Rental of facilities and equipment		3	1	1	1	7	17	178	2	29	–	–	924
Interest earned - external investments		235	298	298	231	–	249	298	223	240	–	–	1 286
Interest earned - outstanding debtors		–	–	–	–	–	–	–	–	–	–	–	1 510
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–
Fines		3	55	30	64	51	9	48	39	331	–	–	4 688
Licences and permits		813	112	398	554	540	190	606	416	820	–	–	(2 439)
Agency services		–	–	–	–	–	–	–	–	–	–	–	3 854
Transfer receipts - operating		45 862	5 580	–	3 469	–	–	–	–	–	–	–	85 333
Other revenue		83	115	132	340	979	16 930	4 102	2 506	26 329	–	–	(42 352)
Cash Receipts by Source		**77 779**	**54 112**	**48 875**	**41 917**	**26 434**	**57 956**	**34 049**	**36 221**	**67 574**	**–**	**–**	**154 984**
Other Cash Flows by Source													–
Transfer receipts - capital		3 721	–	568	4 674	10 000	10 784	–	–	24 455	–	–	16 128
Contributions & Contributed assets		–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on disposal of PPE		–	–	–	–	–	–	–	–	–	–	–	–
Short term loans		–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–	–	–
Increase in consumer deposits		(35)	1	23	23	40	2	(98)	46	(24)	–	–	23
Receipt of non-current debtors		–	–	–	–	–	–	–	–	–	–	–	–
Receipt of non-current receivables		–	–	–	–	–	–	–	–	–	–	–	–
Change in non-current investments		–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Receipts by Source		**81 465**	**54 112**	**49 466**	**46 614**	**36 474**	**68 741**	**33 952**	**36 267**	**92 004**	**–**	**–**	**171 135**
Cash Payments by Type													–
Employee related costs		13 585	15 116	14 644	15 544	23 042	14 609	14 895	14 967	15 907	–	–	59 219
Remuneration of councillors		940	940	940	940	1 134	938	938	938	937	–	–	3 389
Interest paid		–	–	3	(0)	–	23	–	–	2	–	–	1 678
Bulk purchases - Electricity		29 263	31 706	28 786	17 164	16 744	16 025	16 069	19 309	22 637	–	–	81 011
Bulk purchases - Water & Sewer		–	–	–	–	–	–	–	–	–	–	–	–
Other materials		1 462	439	557	1 444	988	997	580	601	1 176	–	–	12 450
Contracted services		1 859	2 907	3 671	4 684	5 298	4 465	3 691	5 703	2 561	–	–	33 877
Grants and subsidies paid - other municipalities		–	–	–	–	–	–	–	–	–	–	–	–
Grants and subsidies paid - other		672	50	50	275	–	50	273	50	114	–	–	6 575
General expenses		10 173	3 290	3 472	3 865	2 785	3 178	2 241	2 615	3 515	–	–	17 913
Cash Payments by Type		**57 953**	**54 447**	**52 123**	**43 917**	**49 990**	**40 286**	**38 686**	**44 183**	**46 849**	**–**	**–**	**216 113**
Other Cash Flows/Payments by Type													
Capital assets		1 025	1 102	2 341	3 550	7 328	5 517	1 862	7 155	15 773	–	–	24 108
Repayment of borrowing		–	–	19	–	–	107	–	–	20	–	–	1 654
Other Cash Flows/Payments		864	241	(2 763)	1 133	(5 778)	1 206	(1 416)	1 770	(1 850)	–	–	6 593
Total Cash Payments by Type		**59 842**	**55 790**	**51 720**	**48 599**	**51 541**	**47 116**	**39 131**	**53 108**	**60 792**	**–**	**–**	**248 468**
NET INCREASE/(DECREASE) IN CASH HELD		**21 623**	**(1 677)**	**(2 254)**	**(1 985)**	**(15 067)**	**21 625**	**(5 180)**	**(16 841)**	**31 212**	**–**	**–**	**(77 333)**
Cash/cash equivalents at the month/year beginning:		130 394	152 018	150 340	148 087	146 101	131 035	152 660	147 480	130 639	161 851	161 851	161 851
Cash/cash equivalents at the month/year end:		152 018	150 340	148 087	146 101	131 035	152 660	147 480	130 639	161 851	161 851	161 851	84 518

WC022 Witzenberg - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - Q3 Third Quarter

Month	2019/20	Budget Year 2020/21							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
Monthly expenditure performance trend									
July	101	–	3 004	–	–	3 004	–		0%
August	3 035	–	3 004	970	970	6 007	5 037	83,8%	1%
September	2 468	18 288	14 249	2 309	3 280	20 256	16 977	83,8%	4%
October	6 398	–	3 004	3 822	7 101	23 260	16 159	69,5%	8%
November	2 200	–	3 004	7 006	14 107	26 264	12 156	46,3%	16%
December	4 387	24 821	18 038	3 969	18 077	44 302	26 225	59,2%	20%
January	1 566	–	3 004	4 376	22 453	47 306	24 853	52,5%	25%
February	2 718	–	3 004	4 502	26 955	50 309	23 354	46,4%	30%
March	1 848	18 288	14 249	15 227	42 182	64 559	22 377	34,7%	48%
April	1 747	–	3 004	–	42 182	67 562	25 380	37,6%	
May	1 275	–	3 004	–	42 182	70 566	28 384	40,2%	48%
June	201	27 367	19 607	–	42 182	90 173	47 991	53,2%	0
Total Capital expenditure	**27 944**	**88 764**	**90 173**	**42 182**					

MUNICIPALITY WITZENBERG

Report: Withdrawals from Municipal Bank Accounts
Quarter ending March 2021
Report in terms of section 11(4)(a) of the MFMA, Act no 56 of 2003

MFMA Section	Item Description	Income transactions January 2021	Income transactions February 2021	Income transactions March 2021	Expenditure transactions January 2021	Expenditure transactions February 2021	Expenditure transactions March 2021	Income YTD transactions Quarter 3	Expenditure YTD transactions Quarter 3	Total YTD Income	Total YTD Expenditure
		R	R		R	R		R	R	R	R
11(1) (b)	Expenditure authorised in terms of section 26(4) (Expenditure before annual budget is approved)							-	-	-	-
11(1) (c)	Unforeseeable and unavoidable expenditure authorised in terms of section 29(1) (Mayor may approve emergency or other exceptional circumstances expenditure for which no budget provision was made)							-	-	-	-
11(1) (d)	Section 12 withdrawals (Relief, charitable, trust or other funds withdrawals)							-	-	-	-
11(1) (e) (i)	Money collected on behalf of organ of state:							-	-	-	-
	- VAT	-	-	-	2 428 712	3 573 056	3 703 791	-	9 705 558	-	29 507 026
	- Agency fees, for example motor registration, drivers licence, etc.	-	-	-	-	-	-	-	-	-	-
11(1) (e) (ii)	Insurance received by the Municipality on behalf of organ of state							-	-	-	-
11(1) (f)	Refund of money incorrectly paid into bank account							-	-	-	-
11(1) (g)	Refund of guarantees, sureties & security deposits	-70 646	-99 526	-69 387	150 650	2 257	78 094	-239 559	231 000	-711 552	467 779
		-70 646	**-99 526**	**-69 387**	**2 579 362**	**3 575 312**	**3 781 884**	**-239 559**	**9 936 558**	**-711 552**	**29 974 805**

		Transactions January 2021	Transactions February 2021	Transactions March 2021	YTD Transactions Quarter 3
11(1) (h)	Cash management and investment purposes:				-
	- Realised	-	-	-	-
	- Made	-	-	-	-
	- Nett movement	**-**	**-**	**-**	**-**

WITZENBERG MUNICIPALITY

Report: Expenditure on Staff & Councillor Benefits - YTD Act Mar

(Report in terms of Section 66 of the MFMA)

MFMA Section	Item Description	Original Budget 2020/2021	Amended Budget 2020/2021	Year to Date Total	% Spent to date
Staff Benefits					
66(a)	Salaries and Wages	130 845 711	126 267 711	89 217 574	70,66%
66(b)	Contributions to pension funds and medical aid	28 512 716	28 512 716	20 600 834	72,25%
66(c)	Travel, accomodation and subsistence	6 029 459	7 404 459	5 027 012	67,89%
66(d)	Housing benefits and allowances	1 958 667	1 958 667	1 331 298	67,97%
66(e)	Overtime	13 532 733	13 532 733	12 194 439	90,11%
66(f)	Loans and advances	0	0	0	0,00%
66(g)	Other type of benefit or allowances related to staff	45 119 718	43 419 718	19 434 731	44,76%
	Sub - Total (Staff Benefits)	**R 225 999 004**	**R 221 096 004**	**R 147 805 889**	**66,85%**
Councillor Benefits					
MAY	Mayor	1 028 891	1 028 891	492 371	47,85%
DM	Deputy Mayor	766 078	766 078	453 255	59,17%
SP	Speaker	766 386	766 386	452 041	58,98%
MCM	Mayoral Committee members	2 756 705	2 756 705	1 673 818	60,72%
CLLR	Other Councillors	5 280 715	5 280 715	3 371 237	63,84%
MED	Medical aid contributions	238 722	238 722	172 523	72,27%
PEN	Pension fund contributions	1 194 200	1 194 200	807 713	67,64%
WARD	Ward Committee Alllowance	1 209 600	1 209 600	1 025 000	84,74%
	Sub - Total (Councillors' Benefits)	**13 241 297**	**R 13 241 297**	**R 8 447 958**	**63,80%**
Total Councillor and Staff Benefits		**R 239 240 301**	**R 234 337 301**	**R 156 253 847**	**66,68%**

Total Cost Savings Disclosure in the In-Year and Annual Report

Quarter ended: March 2021

Witzenberg Municipality

Measures	Adj Budget	October	November	December	January	February	March	Q1	Q2	Q3	Q4	Total YTD	PREV TOTAL YTD	Savings
Use fo Consultants	24 020 436	2 437 721	2 293 536	1 325 145	3 345 827	442 000	760 048	1 992 946	6 056 402	4 547 875		12 597 224	11 579 713	-1 017 511
Vehicles used for political office -bearers	28 979	510	-	-				1 357	510	-		1 867	3 355	1 488
Travel and subsistence	1 430 483	13 829	25 682	22 435	1 505	11 365	16 132	26 645	61 946	29 002		117 593	511 444	393 852
Domestic Accomodation	631 026	-	-	-	-	-	-	-	-	-		-	94 402	94 402
Sponsorships, events and catering	820 000	1 245	-	-	-	-	-488	693	1 245	-488		1 449	132 450	131 000
Communication	2 766 757	344 926	56 259	368 253	160 619	163 611	199 342	396 864	769 438	523 572		1 689 874	1 679 870	-10 003
Other Related Expenditure Items	2 123 901	139 998	138 514	135 775	28 047	65 711	216 438	310 869	414 286	310 197		1 035 352	1 043 776	8 424
TOTAL	31 821 582	2 938 230	2 513 991	1 851 606	3 535 997	682 688	1 191 471	2 729 375	7 303 827	5 410 157	350 739	15 443 359	15 045 011	-398 348

**** Savings were calculated based upon a comparision between previous year and current year year-to-date expenditure items*

TOP LAYER SDBIP 2020/21 : 3rd QUARTER PERFORMANCE REPORT								
Mun KPA	Mun Strategic Objective	Ref	KPI	Annual Target	3rd Quarter 2020/21			
					Target	Result	Reason if target not achieved	Corrective measures
Essential Services	Sustainable provision & maintenance of basic services	TecDir1	Percentage expenditure on the preventative- & corrective planned maintenance budget of the Technical Department.	98%	75%	66%	All Contracts was not in place for work to be performed by specialist contractors	Outstanding orders will be placed by end April 2021
		TecDir3	Percentage expenditure on capital budget by Technical Directorate.	95%	60%	58%	The Material Recovery Facility & van Breda Bridge bids has not been awarded yet, which is the reason for the low expenditure.	Van Breda bridge will serve before the bid adjudication committee during April 2021. Contract for Material recovery Facility has been signed. Both projects are multi-year projects to be completed in 2022.
		TecRo7	Kilometres of roads upgraded & rehabilitated.	4	2	2,7		
		TecSan22	Percentage of valid sanitation connection applications connected by reporting period end	95%	95%	100%		
		TecWat20	Decrease unaccounted water losses.	18%	18%	7%		
		TecWat21	Percentage compliance with drinking water quality standards	98%	98%	100%		
		TecWat36	Percentage of valid water connection applications connected by reporting period end	95%	95%	100%		
		TecRef46	Access to the weekly removal of residential solid waste in all seven Witzenberg towns according to a publicised programme.	7	7	7		
		TecEl37	Decrease unaccounted electricity losses.	10%	10%	12,7%	Waiting for year-end finalisation	Waiting for year-end finalisation
		TecEl60	Percentage of valid electricity connection applications connected by reporting period end. (excl subsidised housing)	95%	95%	100%		

Mun KPA	Mun Strategic Objective	Ref	KPI	Annual Target	3rd Quarter 2020/21			
					Target	Result	Reason if target not achieved	Corrective measures
Essential Services	Provide for the needs of informal settlements through improved services	TecDir2	Number of subsidised serviced sites developed.	0			No target for 2020/21	
		TecSan13	Provide basic services - number of established informal areas with sufficient communal sanitation services points (toilets).	3	3	3		
		TecWat22	Provide basic services - number of established informal areas with sufficient communal water services points (taps).	3	3	3		
		TecRef31	Improve basic services - number of established informal settlements receiving a periodic area cleansing programme.	3	3	3		
		TecEl36	Percentage of houses in a subsidised housing project connected to the electrical network.	95%	95%	100%		
Governance	Support institutional transformation & development	CorpHR12	Report on percentage of people from employment equity target groups employed in the three highest levels of management in the municipality.	4	3	3		
		CorpHR13	Percentage budget spend on the implementation of the Workplace Skills Plan	96%	75%	55%	Due to Covid gathering restrictions	Meetings are allowed under Level 2 . Training will be implemented last Quarter ending June 2021
	Financial Viability	MM1	Percentage expenditure on the preventative- & corrective planned maintenance budget of the whole of the municipality.	98%	75%	64%	All Contracts was not in place for work to be performed by specialist contractors	Outstanding orders will be placed by end April 2021
		MM2	Percentage spend on Capital Budget for the whole municipality.	95%	60%	60%		
		FinDir3	Achieve an unqualified opinion of the Auditor-General on annual financial statements of the previous year.	1 Unqualified Report	1	1		

Mun KPA	Mun Strategic Objective	Ref	KPI	Annual Target	3rd Quarter 2020/21			
					Target	Result	Reason if target not achieved	Corrective measures
	viability	FinFAdm9	Financial viability expressed as Cost-Coverage ratio	2,8	2,8	4,4		
		FinFAdm10	Financial viability expressed as Debt-Coverage ratio	200	200	436		
		FinFAdm11	Financial viability expressed outstanding service debtors	60%	60%	74%	The Covid19 pandemic had negative impact on the collection rate month to month, which also impacted the accumulative collection rate.	As soon as the situation allows stringent implementation of the credit control policy.
		FinInc15	Increased revenue collection	90%	90%	89%	The current state of the economy has resulted in slower payment patterns relsulting in a negative impact on the collection rate month to month, and the accumulative collection rate.	Impose stringent credit control procedures(disconnection of services) to improve collection .
	To maintain & strengthen relations	MMIDP9	Number of IDP community engagements held.	12				
		ComSoc49	Number of meetings with intergovernmental partners.	12	9	9		
Communal Services	Provide & maintain facilities that make citizens feel at home	ComDir1	Percentage expenditure on the preventative- & corrective planned maintenance budget of the Community Department.	98%	75%	26%	All Contracts was not in place for work to be performed by specialist contractors	Outstanding orders will be placed by end April 2021
		ComDir2	Percentage expenditure on capital budget by Community Directorate.	95%	60%	68%		
		ComAm34	Report on annual customer satisfaction survey on community facilities.	1	1	1		
Socio-Economic Support	Support the poor & vulnerable through programmes & policy	ComHS14	Number of housing opportunities provided per year - top structures.				No target for 2020/21	
		ComHS15	Number of rental stock transferred.	40	30	12	Reasons for delays on individual cases explained in letter from attorney dated 2021/04/06.	Attorney will be asked to expedite the registration process. Four cases are not being able to attend to due to original beneficiaries passed on and the children cannot resolve the issues of beneficiaries, family issues first needs to be resolve.
		ComSoc41	Number of account holders subsidised through the municipality's Indigent Policy	4500	4500	2555		

Mun KPA	Mun Strategic Objective	Ref	KPI	Annual Target	3rd Quarter 2020/21			
					Target	Result	Reason if target not achieved	Corrective measures
		ComSoc42	Number of engagements with target groups with the implementation of social development programmes.	20	15	20		
Socio-Economic Support	Create an enabling environment to attract investment & support local economy	ComLed4	Quarterly report on the implementation of strategies and planned actions as identified in the Witzenberg LED Strategy.	4	3	3		
		ComLed8	The number of jobs created through the municipality's local economic development initiatives including capital projects.	400	300	300		
		ComLed19	Quarterly report on investment incentives implemented.	4	3	3		
		ComLed20	Quarterly report on the Small Business Entrepreneurs Development Programme.	4	3	3		

WITZENBERG
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AMENDED INTEGRATED DEVELOPMENT PLAN 2017 – 2022

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GLOSSARY

BBBEE	Broad Based Black Economic Empowerment
BEE	Black Economic Empowerment
CDWs	Community Development Workers
CBD	Central Business District
CDI	City Development Index
CWDM	Cape Winelands District Municipality
CAPEX	Capital Expenditure
DM	District Municipality
DWAF	Department of Water Affairs and Forestry
DBSA	Development Bank of Southern Africa
DTI	Department of Trade and Industry
DPLG	Department of Provincial and Local Government
DEAT	Department of Environmental Affairs and Tourism
DLA	Department of Land Affairs
DSDF	District Spatial Development Framework
EE	Employment Equity
EL	External Loans
GDPR	Gross Domestic Product Regional
GDP	Gross Domestic Product
GCIS	Government Communications and Information Systems
HDI	Human Development Index
HR	Human Resources
IDP	Integrated Development Plan
IWMP	Integrated Waste Management Plan
IS	Information Systems
ICASA	Independent Communications Authority of South Africa
IT	Information Technology
JDA	Joint District Approach
KPAs	Key Performance Areas
KPIs	Key Performance Indicators
LED	Local Economic Development
MSA	Municipal Systems Act
MSIG	Municipal Systems Improvement Grant
MIG	Municipal Infrastructure Grant
MAYCO	Mayoral Committee
MTREF	Medium Term Revenue Expenditure Framework
MPCC	Multi-purpose Community Centre
NSDP	National Spatial Development Framework
NGO's	Non-governmental Organisation
OPEX	Operational Expenditure
PPP	Public Private Partnerships
PGDS	Provincial Growth and Development Strategy
PMS	Performance Management System
PTIP	Public Transport Improvement Plan
RDP	Reconstruction and Development Programme

RED Door	Real Economic Development Door
RSEP	Regional Socio-Economic Programme
SDF	Spatial Development Framework
SEDA	Small Enterprise Development Agency
SDBIP	Service Delivery Budget Implementation Plan
SCM	Supply Chain Management
SMME	Small, Micro and Medium Enterprise
SALGA	South African Local Government Association
STR	Small Town Regeneration
UISP	Upgrade of Informal Settlements Programme
IUDF	Integrated Urban Development Framework
VIP	Vision Inspired Priorities
WCED	Western Cape Education Department

1 EXECUTIVE SUMMARY

A. EXECUTIVE MAYOR FOREWORD

This process marks the 3rd review of the 4th Generation Five-year Integrated Development Plan. Witzenberg still accounts for the second smallest population size in the Cape Winelands, but it is the fastest growing Municipality in the district. Our vision and mission for the remaining period of the IDP will be the same. Our focus areas will be outcomes-based and I believe that through proper documented deliverables we will create projects that will ensure a change in our municipal landscape. The IDP remains focused on the following outcomes, which will align and integrate with our municipal objectives, namely:

1. Creating more opportunities
2. Making local government responsive
3. Providing better service delivery
4. Preventing and/or stopping corruption
5. Providing meaningful redress

The worldwide Covid19 pandemic has changed the landscape not only in South Africa but also within the Witzenberg. The National Disaster Regulations, as initially gazetted in and during March 2020, as well as the lockdown as announced by our State President has compelled the Municipality to deviate from the Municipal Policy on public participation. The Municipality made use of media, advertisement boards and social media to solicited inputs and advertise the proposed changes and review of the 2020/21 IDP and Budget. We are now even communicating at a Council level via virtual meetings. The national disaster forced the Municipality to be more innovative to ensure business continuity. The impact of the virus has been devastating and we have recorded the most positive cases outside of the Cape Town Metropolitan area. The Covid19 impact has been particularly severe on our financial sustainability and requires the cooperation support and sacrifice of all stakeholders if we want to continue rendering essential services effective and efficiently.

I am particularly pleased that the Western Cape Provincial Department has embarked on a study group to work with all Municipalities in an endeavor to secure the financial sustainability of Local Government. This will be the biggest challenge for our Municipality in the 2021 Municipal financial year. At a local level our partnership with Ceres Business initiative (CBI), in assisting our vulnerable communities, with food parcels have proven to be very successful and is testimony of the hard work and effort by both parties of the nurturing of a very sound relationship over the last few years. The Witzenberg Municipality's biggest industry is that of agriculture and we are awaiting, in nervous anticipation, the re-opening of world markets for our local agricultural producers to export their products. If this does not happen we will see an unprecedented loss of large numbers of job opportunities that might have catastrophic consequences for the Municipality. The analysis performed by Provincial Treasury has reaffirmed the credibility of our budget and our commitment towards service delivery. They have, however, also alerted the Municipality to our financial sustainability and we will focus on this issue in the new financial to rebuild our municipal resources.

I am further very mindful of the economic hardship of the Covid19 pandemic hence our Municipal strategy not to increase our water tariffs for the vulnerable sector within our community for the new financial year. We have further created a new subsidy group for those residents earning between R3 000.00 and R5 000.00 which will also bring welcome relief to our residents. We have cut back on own capital projects and has as afar as possible maintain our strategy to continue within increased maintenance of our infrastructure. The 2020/21 financial year will also hail the start of a new era in terms of our Spatial Planning as we will be adopting the new Spatial Development Framework for inclusion into our IDP. I believe that this will unlock further growth opportunities for the whole of Witzenberg.

The Municipality is still very much committed and focused on its LED Strategy, Small Town Regeneration, Agri-Park and RSEP/VPUU programmes. We are extremely proud of our Intergovernmental relationship with both National and Provincial Government as well as our International Partnership with Essen Municipality in Belgium and will continue to foster and nurture this relationship to the benefit of our communities.

I want to thank the Council, the Speaker, Executive Members of my Mayoral Committee, Councillors, the Municipal Manager, Directors and employees for their effort to make Witzenberg a better place for all and to fulfill its vision as set out in the IDP. I thank you.

Barnito Klaasen – Executive Mayor

B. MUNICIPAL MANAGER FOREWORD

The IDP remains the legislative planning instrument for the municipality and will align itself more intimately with strategic National and Provincial Plans and Provincial Strategic Plan to ensure that both national and provincial strategies are enshrined at a local level.

The Municipality will be entering a new phase that has never been seen in the history of South Africa. The impact of the Covid19 pandemic is still unknown and we will be sailing a ship in stormy weather where the outcome will only be certain at the end of the 2020/21 financial year. One thing that is for sure is that the old way of doing business has now come to an end and if we want to survive we will have to adapt radically, drastically and will have to be much more smarter and innovative to secure our financial sustainability. The traditional way of public participation will also change and the community reaction to a new strategy will have to be been seen. It will be a priority of the Municipality to trim down on operational and capital expenditure as a first step to survive the Covid19 onslaught.

We will however still be delivering on our four key performance areas and predetermined objectives namely:

- *Essential Services:*

- Sustainable provision and maintenance of basic infrastructure
- Provide for the needs of informal settlements through improved services

- *Governance:*

- Support Institutional transformation and development
- Ensure financial viability
- Maintain and strengthen relations with international and intergovernmental partners

- *Communal Services:*

- Provide and maintain facilities that make citizens feel at home

- *Socio-Economic Support Services:*

- Support the poor and vulnerable through programmes and policy
- Create an enabling environment to attract investment and to support the local economy

The challenge remains on making local government (Witzenberg) sustainable and there will be a renewed focus on opportunities and challenges that impact on such sustainability. The Municipality is continuously looking to broaden its tax base to ensure its financial viability. Our administration is committed to the principles of Batho Pele and will ensure that we strive towards

- Strategic, credible and focused planning guided by intelligent analysis of our external and internal environment
- A skilled, qualified, disciplined and motivated workforce
- Optimising our limited financial and administrative resources for maximum performance and output
- Improving our organisational design and governance that will ensure Council meets its objectives of creating a better life for all citizens and communities of Witzenberg
- Improving customer relations and building strong community and business partnerships

In conclusion, the administration will continue to improve on service excellence and commit to delivering on this new five-year strategic mandate of Council and the people of Witzenberg.

David Nasson – Municipal Manager

2 INTRODUCTION

A. ABOUT THE IDP

I. EXECUTIVE SUMMARY

As Witzenberg Municipality we are proud to present this second Amendment of our 4th Generation IDP as developed and drafted in consultation with the people of Witzenberg, provincial government and sector departments, local business forums and civil society stakeholders.

The new five-year IDP sets out the vision and mission of the municipality and clearly defines the strategies and plans to deliver our objectives of infrastructure-led growth, sustainable human settlements, financial sustainability, LED, social development, strategic partnerships and international relationships.

The development of a credible IDP allows the municipality to engage in continuous planning, monitoring and evaluation of all the sector plans that form part of this IDP. The review of the 4th Generation IDP is therefore set out in the following way:

A thorough **analysis of the spatial, economic and environmental issues** in conjunction with the community, partners in government and other stakeholders has highlighted two major issues that will influence our strategies and planning over the next five years. The increased growth of especially our more vulnerable population will be addressed through the implementation of **social housing programmes such as Vredebes** and the upgrade of the informal settlement in N'Duli. These projects require major bulk infrastructure upgrading that will take up the largest portion of our grant funding for the next five years. The analysis of our **Agri-economic environment** has also indicated a positive growth over the next five years and is it essential that the municipality provides sufficient bulk and network infrastructure to support investment and job creation opportunities. It is in this regard that we will work together with the Department of Rural Development and Land Reform as well as the Department of Agriculture to ensure the successful implementation of the Agri-Park.

Witzenberg has identified four key performance areas (KPAs) based on the objectives of local government as set out in Section 156 of the Constitution.

The **KPA: Essential Services** includes the objectives of sustainable provision and maintenance of basic services and provision for the needs of informal settlements. These objectives include programmes and projects that will especially focus on the provision of **bulk infrastructure for housing project**s. The provision of **bulk electricity by Eskom** has been identified as a major risk as existing Eskom bulk infrastructure currently cannot provide for the growth requirements of Witzenberg. Other programmes and projects include the development and implementation of a **waste management strategy** with the focus on decreasing waste through the implementation of a material recovery facility and drop-off points to replace the garden waste skips. This will be done with the support and cooperation of Witzenberg's twinning municipality, Essen, in Belgium. The ongoing drought in the Western Cape has also had an impact on Witzenberg and

it is especially in **Tulbagh** where insufficient **water storage** capacity has resulted in the implementation of water restrictions. Funding has been allocated by the Department of Water Affairs for the construction of a storage dam over the next three years.

The key performance area of **Governance** includes the objectives of institutional development and transformation, financial viability and the strengthening of partnerships.

Financial Viability is essential towards a sustainable and developmental local government. We will especially focus on **debt management** to address non-payment, but will also continue to support our vulnerable communities through our **indigent and pro-poor policies.**

Our third key performance area of **Communal Services** includes the objective of providing and maintaining facilities and the environment. The Witzenberg mountains are the source of four of the Western Cape's major rivers and programmes. The focus will be on the **conservation of our natural environment**, the eradication of aliens in our rivers and ongoing awareness programmes that will be implemented in conjunction with various role-players.

The **Socio-Economic Support Services** KPA focuses on the objectives to support the poor and to create an enabling environment to support the local economy. The construction of houses in Vredebes will **improve the living conditions of those in informal settlements, overcrowded houses and structures in backyards.** The Vredebes development will also make provision for "GAP" housing under the FLISP Programme of the Department of Human Settlements.

The continued support and implementation of the Agri-Park will create **opportunities for investment, job creation and land reform** as an enabling environment for local economic growth.

We also understand that this is merely a strategic document and that the major challenge will be implementing and realising our plans. The Council and administration commit to achieving the objectives as set out in this IDP and urge the people of Witzenberg to walk this exciting road with us towards improved livelihoods.

II. DEFINITION

Integrated Development Planning is the process through which the municipality prepares a strategic developmental plan, which is the principal strategic instrument guiding all planning, management, investment, develop-ment and implementation decisions, taking into account input from all stakeholders.

The IDP crosses departmental divisions by linking the physical, social, institutional and economic components of planning and development with management and development structure. It also integrates and aligns planning in different spheres of government and therefore enforces and upholds the spirit of cooperative governance in the public sector.

The Constitution of the Republic of South Africa (1996) commits government to take reasonable measures, within its available resources, to ensure that all South Africans have access to adequate housing, healthcare, education, food, water and social security. Developmental local government can only be realised through integrated development planning and the compilation of a credible Integrated Development Plan (IDP).

III. LEGISLATION

Legal Framework for Integrated Development Planning

According to the Constitution of the Republic of South Africa, the local sphere of government is charged with the responsibility of implementing developmental local government as well as cooperative governance. The mandate to relate its management, budgeting and planning functions to its objectives gives a clear indication of the intended purposes of municipal integrated development planning, namely:

- Ensure sustainable provision of services
- Promote social and economic development
- Promote a safe and healthy environment
- Give priority to the basic needs of communities
- Encourage involvement of communities

The first piece of legislation drafted to reflect the responsibility of the local sphere of government to implement integrated development planning by means of the compilation of an IDP document, was the Local Government Transition Act (1993) as amended by the Local Government Transition Second Amendment Act (1996). In this legislation the IDP was presented as the main planning instrument that guides all planning and decision-making process of the municipality.

The Local Government Transition Act was an interim piece of legislation applicable to the local sphere of government until the demarcation of municipalities was finalised, and the need then arose to enact legislation regulating integrated development planning on a more permanent basis.

In 2000 the Local Government: Municipal Systems Act 32 of 2000 (MSA) came into effect. Section 25(1) of the Act stipulates that each municipal council must, after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which:

- Links, integrates and coordinates plans and takes into account proposals for the development of the municipality;
- Aligns the resources and capacity of the municipality with the implementation of the plan;
- Forms the policy framework and general basis on which the annual budget must be based; and
- Is compatible with national and provincial development plans, and planning requirements binding on the municipality in terms of legislation.

The MSA is therefore the principal piece of legislation governing integrated development planning at municipal level. Municipalities are bound by it and must ensure its implementation. Other legislation and policy documents that

contain reference to integrated development planning are:

- The Constitution of the Republic of South Africa Act 108 of 1996;
- Reconstruction and Development Programme (RDP);
- Growth, Employment and Redistribution Strategy (GEAR);
- Tourism Act 72 of 1993;
- Development Facilitation Act 67 of 1995;
- National Water Act 36 of 1997;
- Housing Act 107 of 1997;
- White Paper on Local Government of 1998;
- Local Government: Municipal Structures Act 117 of 1998;
- National Environmental Management Act 107 of 1998;
- National Land and Transportation Transition Act 22 of 2000;
- Disaster Management Act 52 of 2002;
- White Paper on National Civil Aviation Policy (2005); and
- The Local Government: Municipal Finance Management Act 56 of 2003.

A further piece of legislation which has a tremendous impact on the IDP is the Municipal Finance Management Act (MFMA). Due to the coming into effect of this Act, the revision of the IDPs must be aligned with the stipulations and timeframes as set out in this Act.

Section 35 of the MSA states explicitly that an integrated development plan adopted by municipal council is the principal strategic planning instrument which:

- Guides and informs all planning and development, and all decision making with regard to planning, management and development in the municipality;
- Binds the municipality in the exercise of its executive authority, except to the extent of any inconsistency between a municipality's IDP and national or provincial legislation, in which case such legislation prevails; and
- Binds all other persons to the extent that those parts of the IDP that impose duties or affect the rights of those persons have been passed as a by-law.

Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP.

IV. PROCESS

Developing the Integrated Development Plan

In compliance with the Municipal's Systems Act as amended, the IDP Review/ Amended and Budget Process Plan were adopted by full Council on 25 August 2020.

This IDP and Budget Process Plan inter alia seek to address the:

- Identification of areas requiring additional attention in terms of legislative requirements, proper planning processes and sound financial management;
- Inclusion of the most current Census and own statistical data;
- Consideration and review of any other relevant and new information;
- Addressing comments received from the various role-players;
- Shortcomings and weaknesses identified through self-assessment;
- Preparation and review of sector plans and its alignment with the IDP;
- Preparation and review of the Performance Management System (PMS);
- Update of the 5-year Financial Plan; and
- Preparation and finalisation of the annual Budget in terms of the relevant legislation.

The situational analysis process started in November 2020 and was preceded by public meetings/jamborees in all the major towns of Witzenberg namely: Tulbagh, Wolseley, Ceres, N'Duli, Bella Vista, Prince Alfred's Hamlet and Op-die-Berg.

These Ward Committees greatly assisted the municipality in areas where the public meetings were attended poorly and with its aim and purpose to ensure broader public input into the municipal affairs.

All further actions in accordance with legislative and regulatory requirements, such as the final approval of the IDP, and the Medium Term Revenue and Expenditure Framework for the ensuing three year financial cycles, SDBIPs, the submission of all the relevant documentation to the appropriate authorities and the making public of these final documents will be executed.

Public Participation Process

Section 29 of the Municipal Systems Act, No 32 of 2000 states that –
29. (1) The process followed by a municipality to draft its integrated development plan, including its consideration and adoption of the draft plan, must –
(b) through appropriate mechanisms, processes and procedures established in terms of Chapter 4, allow for—
(i) the local community to be consulted on its development needs and priorities;
(ii) the local community to participate in the drafting of the integrated development plan.

It provides an opportunity for all stakeholders with different needs and priorities to learn from each other and to negotiate and compromise around their viewpoints, leading to unification and consensus building.

The municipality adopted the 2021 – 2022 Reviewed IDP and Budget Process Plan on 25 August 2020. Amongst others, it includes appropriate mechanisms, processes and procedures for consultation and participation of local communities, organs of state, and other role-players in the IDP drafting process.

The diagram on the following page outlines the steps in developing the Amended Integrated Development Plan 2021 – 2022.

Public participation allows the municipality and the community to focus on itself, and develop a future-orientated vision and mission, proactively positioning itself and adapting and learning from an ever-changing environment.

Steps and events 2020/2021

Task and Outputs Development Plan	Engagements with Council, Administration and communities
1. PREPARATION: IDP, process and framework plans preparation and publishing of process plan – adoption	2021/22 4th Reviewed IDP and Budget Draft Process plan – tabled 31 July 2020, and published for comment. 2021/22 4th Reviewed IDP and Budget – adopted by Council 25th 0f August 2020
2. **ANALYSIS:** Assessment of current levels of development based on existing facts and figures and community input (status quo)	Situational analysis – Snr Management – 16 and 23 November 2020 Senior Management Strategic sessions: 30 November 2020
3. STRATEGIES: Vision statement, development objectives and strategies, project identification and prioritisation based on stakeholder interaction	12 February 2021 was the due date for budget inputs by officials
4. PROGRAMMES, PROJECTS AND BUDGET: Project business plans including KPIs, outputs, target markets, location, tasks, time scales, funding sources, responsibilities and budget estimates	Administratively finalising the Draft IDP – March 2021; administratively finalising the Draft Budget – March 2021
5. INTEGRATION: 5-year capital programme; Integrated Spatial Development Framework; institutional plan; monitoring management system	Tabling of drafts at Council meeting – 31 March 2021; Community and Sectoral Comments was called via Newspaper notices, Social Media, and Messaging Groups; Municipal Open Days Provincial-SIME/LGMTEC-3/IDP Analysis –3 May 2021
6. APPROVAL: Consultation and submission	Working Papers on Final IDP, SDBIP and Budget distributed to Senior Management Adoption by Council of the 2021/22 Amended IDP and Budget –26 May 2021
7: MONITORING AND IMPLEMENTATION: Advertisement and publication; SDBIPs	Submit copies of the reviewed IDP, budget and SDBIP to the MEC, DPLG and Treasury. Publish a summary of reviewed IDP, budget and SDBIP in local newspaper

B. VISION, MISSION, OBJECTIVES

I. VISION AND MISSION

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

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 terms of the Municipal Systems Act.
- We commit ourselves to the principles of sound financial management.

We subscribe to the principles of Batho Pele

- Consultation – Citizens should be consulted about service levels and quality when possible.
- Service standards – Citizens must be made aware of what to expect in terms of the level and quality of services.
- Access – Citizens should have equal access to the services to which they are entitled.
- Courtesy – Citizens should be treated with courtesy and consideration.
- Information – Citizens must receive full and accurate information about their services.
- Openness and transparency – Citizens should be informed about government departments' operational budgets and management structures.
- Redress – Citizens are entitled to an apology, explanation and remedial action if they are promised a standard of service that is not delivered.
- Value for money – Public services should be provided economically and efficiently.

II. STRATEGIC MAP

WITZENBERG MUNICIPALITY: STRATEGIC MAP 2018/19					
Vision	**Mission**	**Municipal KPA**		**Pre-determined Objectives**	
A municipality that cares for its community, creating growth and opportunities.	The Witzenberg Municipality is committed to improve the quality of life of its community by: - Providing & maintaing affordable services - Promoting Social & Economic Development - The effective & efficient use of resources - Effective stakeholder & community participation.	1	Essential Services	1,1	Sustainable provision & maintenance of basic infrastructure
				1,2	Provide for the needs of informal settlements through improved services
		2	Governance	2,1	Support Institutional Transformation & Development
				2,2	Ensure financial viability.
				2,3	To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the creation of participative structures.
		3	Communal Services	3,1	Provide & maintain facilities that make citizens feel at home.
		4	Socio-Economic Support Services	4,1	Support the poor & vulnerable through programmes & policy
				4,2	Create an enabling environment to attract investment & support local economy.

III. SWOT ANALYSIS

Strengths	Weaknesses
▪ Pro-poor policies (e.g. indigent; procurement) ▪ Close cooperation at management level ▪ Good dialogue with business and agricultural sectors ▪ Good water quality ▪ Effective international relations ▪ IGR structures and forums ▪ Budget control ▪ Natural environment ▪ Location for certain opportunities ▪ Good governance and good IGR ▪ Meeting constitutional obligations ▪ Visionary leadership ▪ Low vacancy rate in organisational structure ▪ Community engagements	▪ Financial limitations ▪ Town management ▪ Inadequate storm water systems in some areas ▪ Old asbestos water and sanitation networks ▪ Resealing and maintenance of roads ▪ Garden refuse – Tulbagh, Wolseley and N'Duli ▪ Law enforcement ▪ Ageing infrastructure ▪ Centralisation/town management ▪ High water losses ▪ Lack of integration policies, silo operations ▪ Office space ▪ Slow turnaround time ▪ Vulnerable IT (integration)
Opportunities	**Threats**
▪ Tourism potential ▪ Active ward committees and related activities ▪ Further international relations ▪ IGR and cooperation on transversal programmes ▪ Wolwekloof Learning Academy ▪ EPWP for poverty reduction ▪ Close working relationship with big business to enhance economic development ▪ Performance management system to monitor organisational performance not fully in place ▪ Pine forest ▪ Recycling and composting ▪ Renewable energy ▪ Reduce water losses/unaccounted to acceptable standards ▪ Available natural resources to stimulate economic growth ▪ Development of GIS ▪ Good communication and branding ▪ Marketing (internal and external) ▪ Expand international relationships ▪ Upgrade infrastructure ▪ LED pilot projects ▪ Land audit ▪ Natural environment ▪ Revenue enhancement ▪ Koekedouw Dam ▪ Rural wards – funding possibilities ▪ Improvement of client services ▪ Real law enforcement	▪ Seasonal agriculture-based labour shrinks revenue base ▪ Political volatility (fragile coalitions) ▪ High level unemployment/economically inactive people ▪ Increasing TB and HIV/Aids prevalence ▪ Vandalism, theft of municipal assets and property ▪ Legacy of decrepit infrastructure and insufficient infrastructure replacement programme ▪ Uncontrolled habitation in informal settlements ▪ Insufficient revenue base/lack of economic growth ▪ Equitable funding formula ▪ Insufficient land for graveyards ▪ Substance abuse can become a threat ▪ Farm eviction ▪ Tulbagh roads ▪ Service delivery in informal settlements ▪ Social ills – HIV and TB, crime, substance abuse ▪ Unemployment ▪ Migration / influx control ▪ Land availability ▪ Financial sustainability ▪ Cost of services ▪ Sustainability of low-cost housing ▪ Grant dependency ▪ Animal management ▪ NERSA legislation – non-compliance / compliance ▪ ESKOM / load shedding – incapacity to increase for demand from municipality

IV. GOVERNMENT ALIGNMENT

Municipalities are encouraged and supported by both national and provincial government to develop realistic and credible IDPs that not only comply with relevant legislation but also–

1. are owned by local leadership, municipal management and the community as the single strategic plan to direct resources within the municipality;
2. are driven by the management team and systems within the municipality with implementation regularly monitored during the year through the performance management system;
3. contain a long-term development strategy that can guide investment across the municipal area;
4. provide an investment plan for national, provincial and local government and non-governmental stakeholders to enhance and enable joint planning and resource alignment to improve service delivery to all stakeholders; and
5. include local area or ward plans to localise the strategy and implementation of the IDP.

National Policy Directives

There is a clear hierarchical structure of national policy directives starting with the Medium Term Strategic Framework for 2009-2014 (MTSF) to the 2010 Cabinet Lekgotla's 12 National Outcomes.

Medium-term Strategic Framework for 2014-2019 (MTSF)

The Medium-term Strategic Framework (MTSF) is government's strategic plan for the 2014 – 2019 electoral term. It reflects the commitments made in the election manifesto of the governing party, including the commitment to implement the NDP. The MTSF sets out the actions government will take and targets to be achieved. It also provides a framework for the other plans of national, provincial and local government.

The MTSF highlights government's support for a competitive economy, creation of decent work opportunities and encouragement of investment.

This is the first MTSF to follow the adoption of the NDP in September 2012. The introduction of a long-term plan brings greater coherence and continuity to the planning system and means that the MTSF now becomes a five-year building block towards the achievement of the vision and goals of the country's long-term plan.

The aim of the MTSF is to ensure policy coherence, alignment and coordination across government plans as well as alignment with budgeting processes. Performance agreements between the president and each minister will reflect the relevant actions, indicators and targets set out in the MTSF.

Within the NDP vision, key policy instruments developed in the previous term will continue to drive government's policy agenda. These include the New Growth Path, which sets the trajectory of economic development, the National Infrastructure Plan, which guides the roll-out of infrastructure to improve people's lives and enable economic growth, and the Industrial Policy Action Plan, which focuses on promoting investment and competitiveness in leading sectors and industries. Government will also take forward key social development initiatives, including social security and retirement reform, National Health Insurance, improvements in basic education and expansion of technical and vocational education.

▪ NATIONAL DEVELOPMENT PLAN – VISION FOR 2030

The plan, adopted by Cabinet on 11 November 2011, helps us to chart a new path for our country.

It focuses on putting in place the things that people need to grasp opportunities such as education and public transport and to broaden the opportunities through economic growth, the availability of jobs and change the life chances of our youth that remain underdeveloped by our apartheid history. Everything in the plan is aimed at reducing poverty and inequality.

In summary the plan has the following objectives that must be achieved by 2030:

1. Create Jobs
2. Expand Infrastructure
3. Transform Urban and Rural Spaces
4. Education and Training
5. Provide Quality Healthcare
6. Build a Capable State
7. Fight Corruption Transformation and Unity

- **PROVINCIAL STRATEGIC PLAN (PSP) – 2019 - 2024**

- **AN OUTLINE OF THE VISION-INSPIRED PRIORITIES**

1. SAFE AND COHESIVE COMMUNITIES

THE WESTERN CAPE IS A PLACE WHERE RESIDENTS AND VISITORS FEEL SAFE.

When people feel unsafe, it affects every area of their lives. For example, it prevents people from enjoying public spaces and travelling safely to work and discourages our businesses from growing and creating jobs. This is why safety is a theme in our other priorities, and every provincial department will contribute to a safer Province.

This priority focuses on improving law enforcement and addressing the root causes of violent crime, such as child abuse and unemployment.

2. GROWTH AND JOBS

AN ENABLING ENVIRONMENT FOR THE PRIVATE SECTOR AND MARKETS TO DRIVE GROWTH AND CREATE JOBS.

We want to make the Western Cape a place where businesses want to invest and from where businesses export their products. This means we must have excellent infrastructure, skilled workers, and companies that can compete with the best in the world. With this in place, more and more people in the Province will have jobs.

3. EMPOWERING PEOPLE

RESIDENTS OF THE WESTERN CAPE HAVE OPPORTUNITIES TO SHAPE THEIR LIVES AND THE LIVES OF OTHERS, TO ENSURE A MEANINGFUL AND DIGNIFIED LIFE.

We see a Western Cape where families are strong, our youth have the skills, knowledge, and personal character to succeed in the 21st Century world of technology and computers, and all of our people have access to excellent health services.

4. MOBILITY AND SPATIAL TRANSFORMATION

RESIDENTS LIVE IN WELL-CONNECTED, VIBRANT, AND SUSTAINABLE COMMUNITIES AND MOVE AROUND EFFICIENTLY ON SAFE, AFFORDABLE, LOW CARBON PUBLIC TRANSPORT.

We want to see a Western Cape where our people use safe, affordable, and green public transport and live in neighbourhoods that include different racial and income groups and are close to economic and social opportunities.

5. INNOVATION AND CULTURE

GOVERNMENT SERVICES ARE DELIVERED TO THE PEOPLE OF THE WESTERN CAPE IN AN ACCESSIBLE, INNOVATIVE, AND CITIZEN-CENTRIC WAY.

As your provincial government, we are constantly looking for ways to improve our services to you. We will assess our services regularly and try new things, and change what we are doing if we are not meeting your needs.

The Witzenberg Municipality, through its Integrated Development Plan, strives to align its priorities to those of provincial and national government, The following matrix provides the strategic alignment between the three spheres of government.

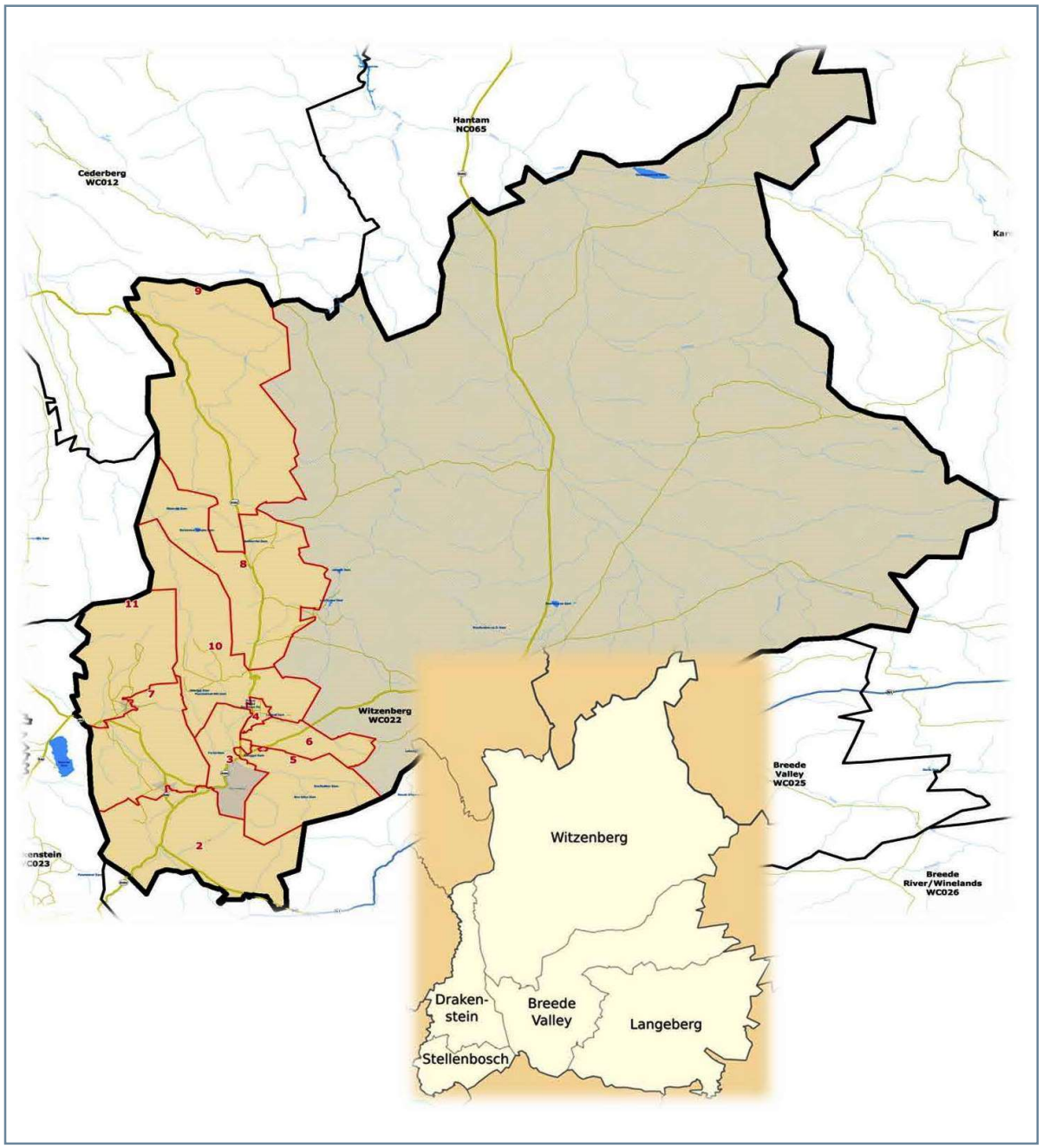
National Priorities (2019 – 2024)	***Western Cape Vision-inspired Priorities (2019 – 2024)***	***Cape Winelands District Strategic Objectives***	***Witzenberg Strategic Objectives***
5: Social cohesion & safe communities *2: Education, skills & health*	*1: Safe and Cohesive communities*	*SO 1: To create an environment and forge partnerships that ensure the health, safety, social and economic development of all communities including the empowerment of the poor in the Cape Winelands District through economic, environmental and social infrastructure investment*	*2.1 Support Institutional Transformation and Development.* *3.1 Provide and maintain facilities that make citizens feel at home.*
5: Social cohesion & safe communities	*1: Safe and Cohesive communities* *3: Empowering People* *5: Innovation and Culture*	*SO 1: To create an environment and forge partnerships that ensure the health, safety, social and economic development of all communities including the empowerment of the poor in the Cape Winelands District through economic, environmental and social infrastructure investment.*	*4.1 Support the poor and vulnerable through programmes and policy*
1: Economic transformation and job creation. *4: Spatial integration, human settlements & local government*	*4: Mobility and Spatial Transformation* *2: Growth and Jobs*	*SO : 2 Managing a sustainable bulk services strategy and transport system which foster social and economic opportunities.*	*1.2 Create an enabling environment to attract investment and support local economy.*
6: Capable, ethical and developmental state	*5: Innovation and Culture*	*SO 3: To provide effective and efficient financial and strategic support services to the Cape Winelands District Municipality.*	*2.1 Support institutional transformation and development.*
4: Spatial integration, human settlements & local government	*4: Mobility and Spatial Transformation*	*SO : 2 Managing a sustainable bulk services strategy and transport system that foster social and economic opportunities.*	*4.2 Create an enabling environment to attract investment and support local economy.*
5: Social cohesion & safe communities *2: Education, skills & health*	*1: Safe and Cohesive communities* *3: Empowering People*	*SO 1: To create an environment and forge partnerships that ensure the health, safety, social and economic development of all communities including the empowerment of the poor in the Cape*	*4.1 Support the poor and vulnerable through programmes and policy*

National Priorities (2019 – 2024)	***Western Cape Vision-inspired Priorities (2019 – 2024)***	***Cape Winelands District Strategic Objectives***	***Witzenberg Strategic Objectives***
		Winelands District through economic, environmental and social infrastructure investment.	
5: Social cohesion & safe communities *2: Education, skills & health*	*1: Safe and Cohesive communities*	*SO 1: To create an environment and forge partnerships that ensure the health, safety, social and economic development of all communities including the empowerment of the poor in the Cape Winelands District through economic, environmental and social infrastructure investment.*	*1.1 Sustainable provision and maintenance of basic infrastructure* *1.2 Provide for the needs of informal settlements through improved services.*
6: Capable, ethical and developmental state	*5: Innovation and Culture*	*SO 3: To provide effective and efficient financial and strategic support services to the Cape Winelands District Municipality.*	*2.2 Ensure financial viability* *2.3 Maintain and strengthen relations with international and inter-governmental partners as well as the local community through the creation of participative structures.*

3 SITUATIONAL ANALYSIS

A. SNAPSHOT

I. MAP



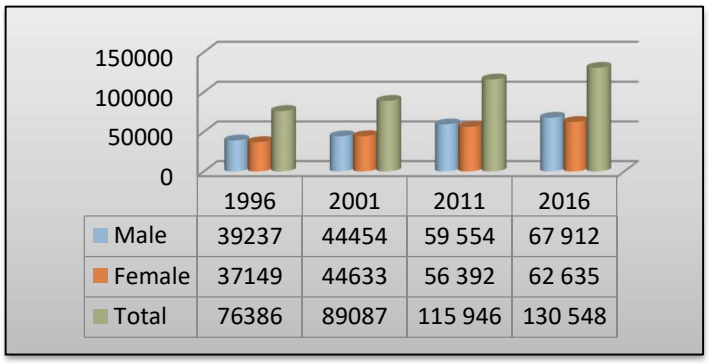
The Witzenberg Local Municipality (LM), founded in 2000, is classified as a Category B-municipality and is responsible for basic service provision to the demarcated municipal area that includes the towns of Ceres, Tulbagh, Prince Alfred's Hamlet, Wolseley and Op-die-Berg. The rural areas within the municipal boundary are Ceres Valley, Koue Bokkeveld, Achter-Witzenberg and the northern portion of the Breede River Valley area.

The climate in Witzenberg is known for its hot and dry summer days. Winds are seasonal and generally north-westerly or south-easterly. The average annual rainfall in Ceres is about 1 088 mm and the average temperature range is 2,4°C to 29,9°C.

Located in the picturesque and fertile Breede Valley, Witzenberg is best known for its fruit and wine products. The region is also well-known for producing other agriculture-linked products such as olives and grain, as well as for producing beef and pork products. Horse and cattle stud farms are also found within the municipal area.

The principal socio-economic realities in our region are:

- Seasonal labour and social grant dependency
- Unemployment rate: 5 339 people
- People in poverty: 24 231
- Skills shortage (illiteracy rate = 36%)
- Youthful population: 56,8% of population is under 30 years of age
- Population concentration: 46,9% rural; 53,1% urban.



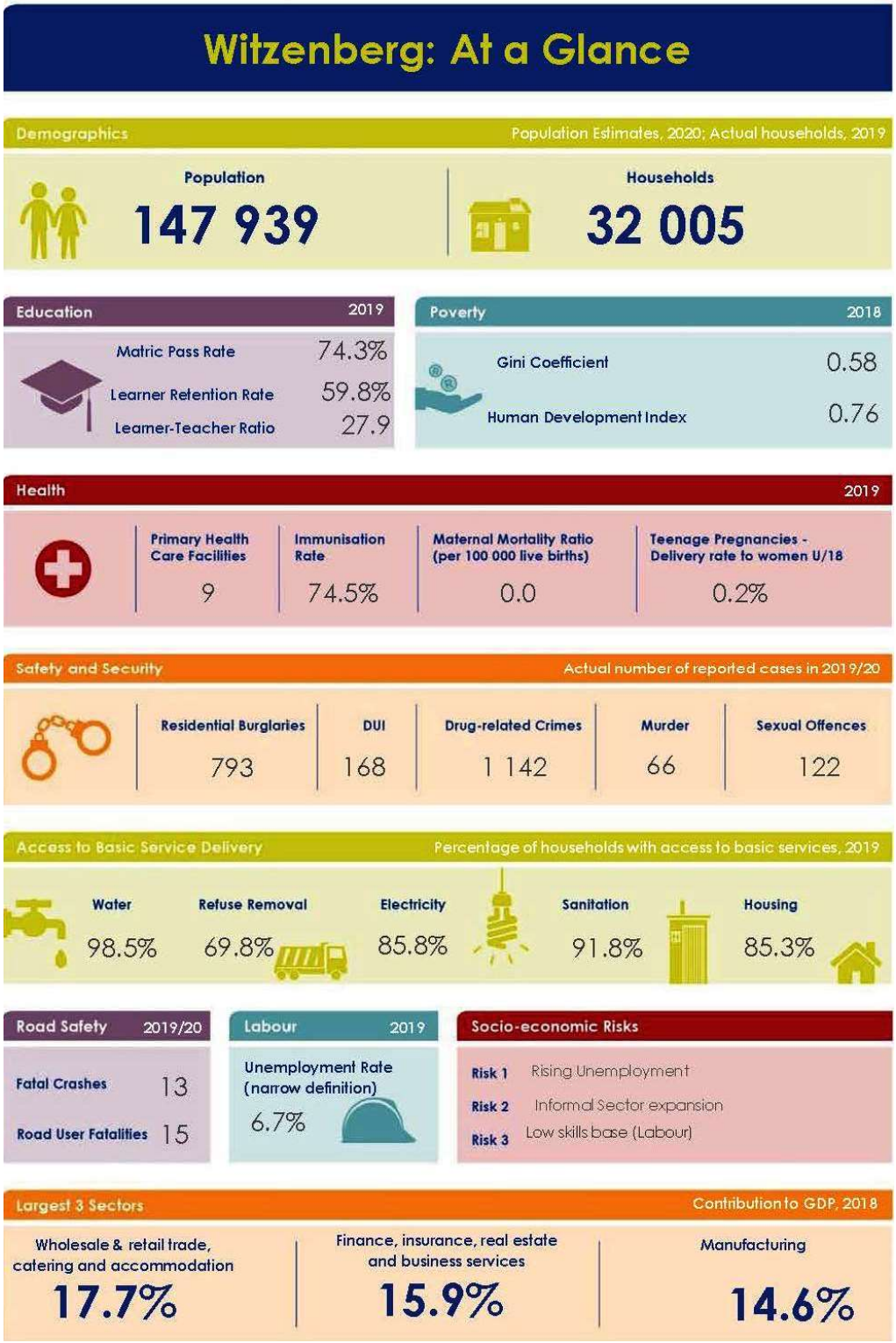
Source: Statistics South Africa

Witzenberg population by gender:

	1996	2001	2011	2016
Male	39237	44454	59554	67912
Female	37149	44633	56392	62635
Total	76386	89087	115946	130548
Male %	**51,4**	**49,9**	**51,4**	**52,0**
Female %	**48,6**	**50,1**	**48,6**	**48,0**

Source: Statistics South Africa

Witzenberg: At a glance



Source: Socio-Economic Profile- Provincial Treasury

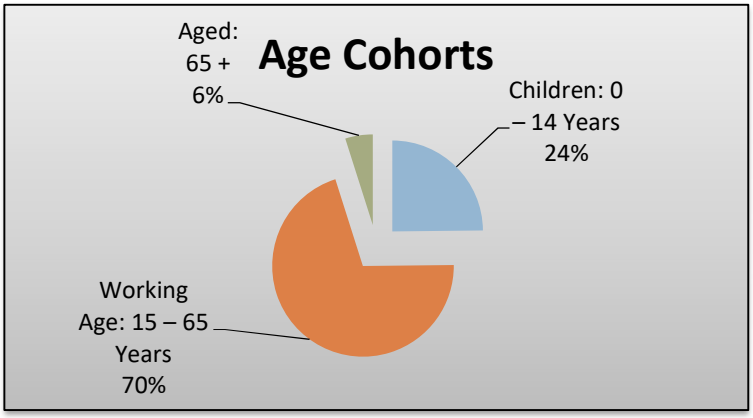
II. DEMOGRAPHICS

As per Census 2011, the Western Cape population comprises 11,25 per cent of the total population of the country with 5,8 million persons, having increased from 4,5 million in 2001. Thus the Western Cape population grew at a rate of 2,6 percent per annum between 2001 and 2011. This is faster than the national population growth rate of 1,5 per cent and is largely due to immigration to the Western Cape, where individuals believe they can obtain jobs and better standards of living.

In 2013 Witzenberg accounted for the second smallest population size in the Cape Winelands District consisting of 120 094 persons. It is however the fastest-growing municipality in the district, growing at an average annual rate of 3,1 per cent from 2001 to 2013. This is much faster than the district growth rate of 1 per cent per annum, indicating that net in-migration may be occurring within this municipal area.

With a population of 142 466 in 2019, Witzenberg is the second lowest populated municipal area in the CWD. This total is expected to growth to 153 987 by 2023, equating to an average annual growth rate of 2.0 per cent. The estimated population growth rate of Witzenberg is slightly below that of the CWD at 1.6 per cent. The Western Cape average annual growth rate is 1.8 per cent across the same period.

Witzenberg: Population age Cohort, 2017

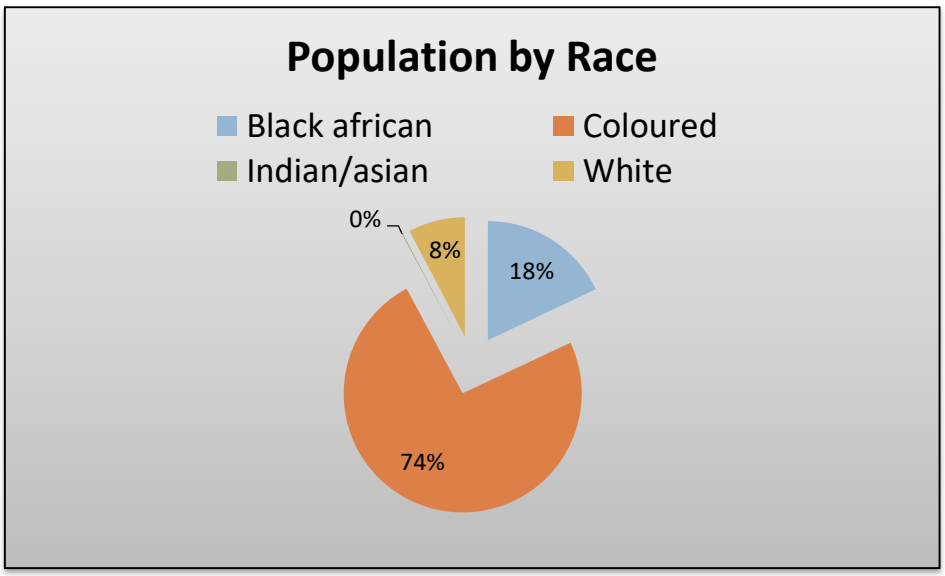


Witzenberg: Age Cohorts, 2019 – 2025				
Year	**Children 0 – 14 Years**	**Working Age 16 – 65 Years**	**Aged 65+**	**Dependency Ratio**
2020	35 675	105 751	6 512	39.9
2023	36 881	114 707	7 129	38.4
2026	38 178	118 966	7 835	38.7
Growth	+1.1%	+2.0%	+3.1%	-

Source: Socio-Economic Profile- Provincial Treasury

Between 2020 and 2026, the largest population growth was recorded in the 65+ aged cohort which grew at an annual average rate of 3.1 per cent. The dependency ratio decreases towards 2023 and increases slightly towards 2026.

Population Group



Source: Statistics South Africa

Basic education

Population dynamics, which include knowledge of the current population profile and projected learner growth, provide a basis for sound education planning. Knowing the learner enrolment numbers of a municipality enables the Western Cape Education Department (WCED) to determine the level of demands placed on schools for the current year as well as anticipated demands for future years. Having a sense of the exit points allows the WCED to plan more effectively with respect to Further Education and Training (FET). The learner-teacher ratio is very important, because it is closely related to the amount of money spent per child. It also has an impact on the education outcomes.

The average annual growth in learner enrolment for the Western Cape across the period 2016 to 2018 is expected to be 2.3 per cent. The highest growth in learners is expected to occur in the Stellenbosch municipal area (1.9 per cent) whilst the lowest growth is estimated to be in the Witzenberg (0.9 per cent).

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Learner enrolment			Dropout rate		Learner-teacher ratio	
Year	2018	2020	2018	Crude dropout Average rate using dropout Yr 2016 - Gr 10 and rate Yr 2018 - Gr 12	Average learner-teacher ratio (2019)	ASS 2017: ALL state + SGB + substitutes teacher excluding practitioner ratio
Total	18377	18503	18377	37.50%	28.0	33.8

Source: Socio-Economic Profile - Provincial Treasury

Learner enrolment in Witzenberg increased from 18 377 enrollments in 2018 to 18 503 in 2020, an increase of 0.7 per cent. The learner-teacher ratio decreased slightly from 28.3 in 2018 to 28.0 in 2019. This is a positive improvement. The learner retention rate declined from 62.5 per cent in 2018 to 59.8 per cent in 2019. This could be attributed to a number of factors including demographics and socio-economic context.

Educational facilities

Source: Socio-Economic Profile - Provincial Treasury

The number of schools across the CWD remain mostly unchanged in recent years, the exception being the closure of one school in the Witzenberg and Drakenstein municipal area between 2017 and 2018. The closure of these schools could have a negative impact on education outcomes given the gradual increase in learner enrolment.

There was no change in the number of schools with libraries in the Witzenberg area from 2017 to 2018. The availability of library facilities within schools contribute towards narrowing the academic attainment gap by allowing students access to information which is in turn directly linked to improved education outcomes.

The matric pass rates for the CWD declined overall in 2018, with all areas except for Witzenberg experiencing a decrease in their matric pass rates. The 2018 pass rate in the Witzenberg municipal area (73.9 per cent) is still lower than the District average (79.5 per cent).

Decreasing pass rates does at face value not instil confidence, but should be seen within context where more students potentially pass matric within a certain region than the previous year (in terms of actual numbers), but that less passed as a percentage of the overall enrolment figure. It could also very well be the case where pass rates overall declined, but that the quality of the pass result improved i.e. more students passed with subjects such as math and science or more students passed with matriculation exemption (requirement for first-degree study at a South African university).

Health

All citizens' rights to access to healthcare services are directly affected by the number and spread of facilities within their geographical reach. South Africa's healthcare system is geared in such a way that people have to move from primary level, with a referral system, to secondary and tertiary levels.

Area	PHC Clinics		Community Health Centres	Community Day Centres	Hospitals		Treatment Sites	
	Fixed	Non-fixed			District	Regional	ART Clinics	TB Clinics
Witzenberg	8	6	0	1	1	0	8	19
Cape Winelands District	39	33	0	6	4	2	45	94

Source: Socio-Economic Profile - Provincial Treasury

In 2018, there were a total of 14 primary healthcare clinics (PHC) in Witzenberg - 8 fixed and 6 mobile facilities. Although there are no community health centres in Witzenberg, there was one community day centre. There is also 1 district hospital as well as 8 antiretroviral treatment clinics/sites and 19 Tuberculosis clinics/sites.

Emergency Medical Services

Health Indicator	*Witzenberg*	*Cape Winelands*
Population (2017)	***128 614***	***853 423***
Number of operational ambulances per 10 000 people	***2***	***2***

Source: Socio-Economic Profile - Provincial Treasury

Provision of more operational ambulances can provide greater coverage of emergency medical services. Witzenberg has 2 ambulances per 10 000 inhabitants in 2019 which is on par with the district average of 2 ambulances per 10 000 people. It is worth noting that this number only refers to Provincial ambulances and excludes all private service providers.

HIV/Aids

Area	ART clients that remain with treatment month end		Number of new ART patients	
	2018	2019	2018	2019
Witzenberg	6 305	6 995	816	730
Cape Winelands	**30 724**	**32 366**	**3 851**	**3 434**

Source: Socio-Economic Profile - Provincial Treasury

Witzenberg's total registered patients receiving ARTs increased by 690 patients between 2018 and 2019. A total of 32 366 registered patients received antiretroviral treatment in the Cape Winelands District in 2019. Witzenberg, at 6 995 patients, represent 21.6 per cent of the patients receiving ART in the Cape Winelands District. The number of new antiretroviral patients decreased from 816 to 730 in 2019.

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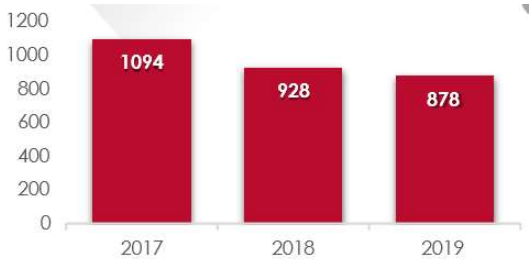
Tuberculosis (TB)



Source: Socio-Economic Profile - Provincial Treasury

Witzenberg experienced a decline in tuberculosis (TB) cases in 2019. 878 TB patients were registered in 2019 compared to 928 in 2018.

Safety and Security

Murder

Municipal Area		2017/18	2018/19	2019/20
Per 100 000	Witzenberg	44	35	45
	Cape Winelands District	42	39	42

Source: Socio-Economic Profile - Provincial Treasury

Within the Witzenberg area, the actual number of murders decreased from 61 in 2019 to 51 in 2020. The murder rate (per 100 000 people) however, increased from 25 in 2019 to 45 in 2020. The murder rate for the CWD increased from 39 in 2019 to 42 in 2020 (per 100 000 people). The percentage change in the murder rate from 2019 to 2020 in Witzenberg is the highest in the CWD.

Sexual offences

Municipal Area		2017/18	2018/19	2019/20
Per 100 000	Witzenberg	109	85	83
	Cape Winelands District	110	95	102

Source: Socio-Economic Profile - Provincial Treasury

In 2020, there were 122 sexual offences in the Witzenberg area compared to 966 reported cases in the Cape Winelands District in total. The incidence of sexual offences (per 100 000 population) is the second lowest in Witzenberg (83) compared to other local municipalities in CWD.

Drug-related offences

Municipal Area		2017/18	2018/19	2019/20
Per 100 000	Witzenberg	2 622	1 451	772
	Cape Winelands District	1 832	1 211	837

Source: Socio-Economic Profile – Provincial Treasury

Drug-related crime within the Witzenberg area decreased in 2020, from 2 096 cases in 2019 to 1 142 cases in 2020. The CWD's drug-related offences decreased sharply in 2019, from 11 225 in 2019 to 7 895 in 2020. When considering the rate per 100 000 people, with 772 crimes per 100 000 people in 2020, the Witzenberg area rate is below that of the District (837).

Driving under the influence

Municipal Area		2017/18	2018/19	2019/20
Per 100 000	Witzenberg	89	71	114
	Cape Winelands District	112	103	100
Fatal Crashes	Witzenberg	26	26	13
	Cape Winelands District	215	237	206
Road User Fatalities	Witzenberg	28	33	15
	Cape Winelands District	196	172	165

Source: Socio-Economic Profile - Provincial Treasury

The number of cases of driving under the influence of alcohol or drugs in the Witzenberg area shows an increase from 103 in 2019 to 168 in 2020. This translates into a rate of 114 per 100 000 people in 2020, which is above the District's 100 per 100 000 people in 2020.

The number of road user fatalities in the Witzenberg municipal area decreased from 33 in 2018/19 to 15 in 2019/20. The number of fatal crashes decreased from 26 to 13 across the same reference period.

Residential Burglaries

Municipal Area		2017/18	2018/19	2019/20
Per 100 000	Witzenberg	551	577	536
	Cape Winelands District	682	625	587

The 2019/20 crime statistics released by SAPS and Stats SA indicate that the number of residential burglaries fell by 6.7 per cent in South Africa. Within the Western Cape Province, burglaries at residential areas decreased by 8.5 per cent between 2019 and 2020. Residential burglary cases within the Witzenberg area also decreased from 833 in 2019 to 793in 2020.

When considering the rate per 100 000 population, with 536 cases per 100 000 in 2020, Witzenberg's rate is below the district rate of 587 per 100 000 in the same reporting year.

B. BASIC SERVICES ANALYSIS

Witzenberg Municipality provides basic services to all communities residing within the urban edge of towns located in the municipal area. Apart from sanitation services through the emptying of septic tanks in rural areas, no other basic services are provided on privately owned land outside residential built areas. All households in residential areas have access to services such as water provision, sanitation, electricity and waste removal. Informal settlements are serviced through communal water and toilet facilities.

The following statistics on the access to services for the whole of Witzenberg, including areas outside the urban edge, has been provided by Provincial Treasury:

Housing

Access to Formal Housing

Socio-Economic Profile 2020	Witzenberg	Cape Winelands District
Total number of households	**32 005**	**230 017**
Formal main dwelling	27 311	187 743
	85.3%	*81.2%*
Water (piped inside dwelling/within 200 m)		
	98.5%	*97.1%*
Electricity (primary source of lighting)		
	93.3%	*92.4%*
Sanitation (flush/chemical toilet)		
	91.8%	*91.1%*
Refuse removal (at least weekly)		
	69.8%	*79.5%*

Source: Socio-Economic Profile - Provincial Treasury

With a total of 32 005 households in the Witzenberg municipal area, only 85.3 per cent had access to formal housing, the second highest (after Langeberg) when compared with other municipalities in the Cape Winelands District area; the District average was 81.2 per cent. The area also had the second lowest proportion of informal households in the District, a total of 10.2 per cent compared with the District average of 17.0 per cent.

Subsequently, service access levels were high in the area, with access to piped water inside/within 200m of the dwelling at 98.5 per cent, access to a flush or chemical toilet at 91.8 per cent, access to electricity (for lighting) at 93.3

per cent except for the removal of refuse at least weekly by local authority at 69.8 per cent of households.

Consumer Units

A key element to the sustainable management of services is accurate and reliable information on the demand for services, including free basic services, to enable informed projections on future demand. This section reflects on services growth based on information from Statistics South Africa's Non-Financial Survey of Municipalities. The unit of measure is a consumer/ billing unit which is not comparable to household level information. Services provided by municipalities are done per 'plot' or consumer/billing unit, however, since households are the unit of measurement more often used in demographic surveys, an understanding of household dynamics remains important.

The figure below illustrates the access to basic services (measured in terms of the number of consumer units that has access) in the Witzenberg municipal area between 2015 and 2018 as indicated through Statistics South Africa's Non-Financial Census of Municipalities.

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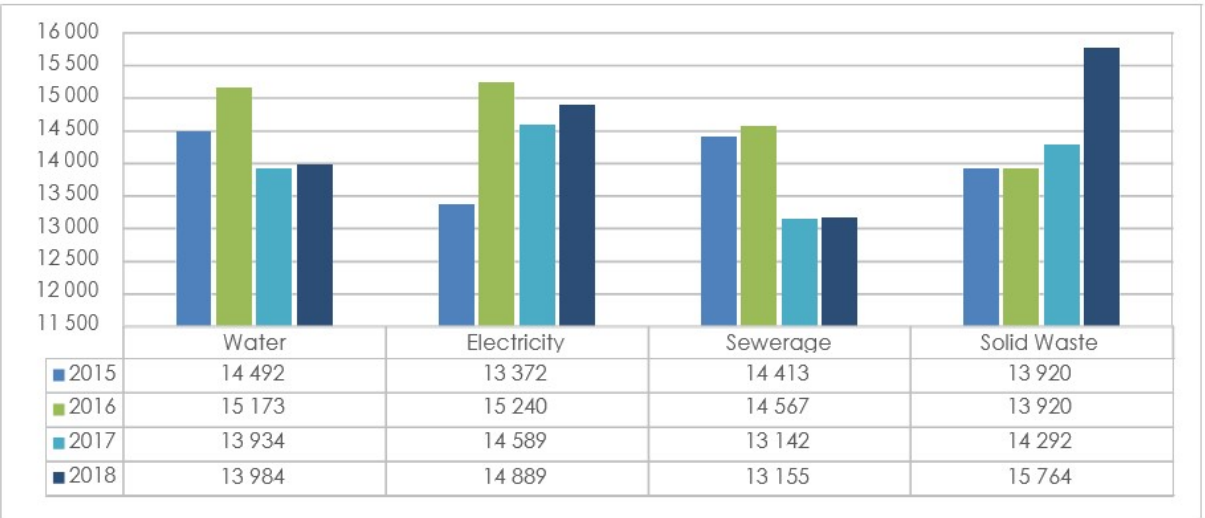

	Water	Electricity	Sewerage	Solid Waste
2015	14 492	13 372	14 413	13 920
2016	15 173	15 240	14 567	13 920
2017	13 934	14 589	13 142	14 292
2018	13 984	14 889	13 155	15 764

Source: Socio-Economic Profile - Provincial Treasury

In 2018, solid waste removal services represented the largest number of consumer units at 15 764. This was followed closely by electricity at 14 889. Water and sewerage had 13 984 and 13 155 consumer units respectively.

The number of consumer units for solid waste removal services increased year on year since 2016 while the rest of the services consumer units decreased from 2016 to 2017 and increased in 2018.

Free Basic Services

Municipalities also provide a package of free basic services to households who are financially vulnerable and struggle to pay for services. The number of households receiving free basic services in the Witzenberg municipal area has shown a generally decreasing trend up to 2018.

The stressed economic conditions are anticipated to exert pressure on household income levels, which is in turn likely to see the number of indigent households and the demand for free basic services increase.

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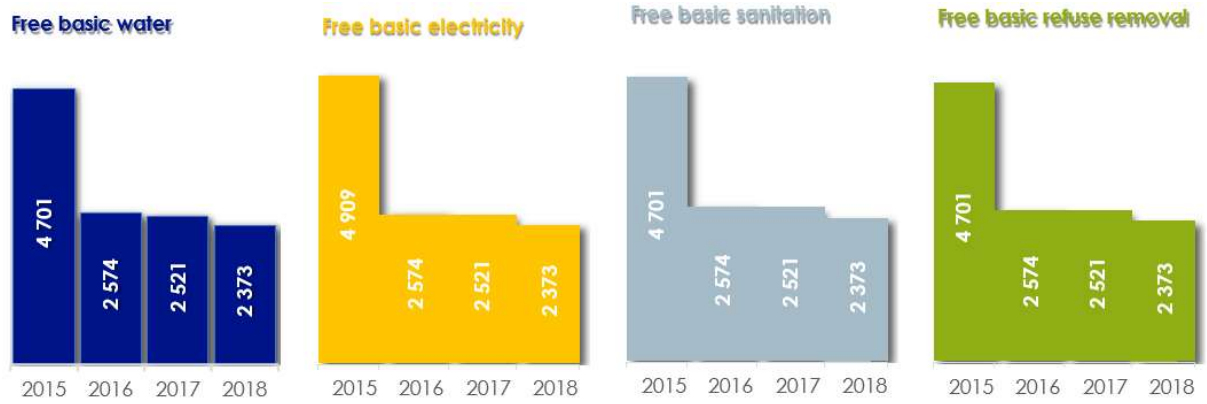


Increased economic hardship at national level is expected to impact on poorer households and their ability to afford quality services. The burden will in turn be passed to local municipalities who must strain their revenue streams to extend services to indigents.

Access to basic services for residential communities

The following tables indicate access to basic services with regard to each residential community in Witzenberg. The figures show the number of formal households (accounts) connected to a service delivery network as well as the number of households in informal settlements with access to communal service points. The shortfall in housing units is derived from the Housing Waiting List information as contained in the audited 2017/18 Annual Report.

Basic service provision per ward/town (within urban edge).

Wards	Town	Nr. of Accounts				*Informal Households	Housing Waiting List
		Water	Sanitation	Electricity	Refuse		
1,12	*Nduli*	1 119	1 126	1 745	1 113	1 096	1 524
3,5	*Ceres*	2 381	2 734	3 332	3 079		2 256
4,6	*Bella Vista*	2 554	2 579	2 533	2 568		
4,10	*Hamlet*	1 374	1 342	ESKOM	1 331		1 152
9	*Op-Die-Berg*	543	475	ESKOM	520		820
7,11	*Tulbagh*	1 826	1 835	2 244	1 920	812	1 031
2,7	*Wolseley*	2 550	2 606	2 750	2 620	1 059	1 343
TOTALS		12 347	12 697	12 604	13 151	2 967	9 546

*Informal Households – nr of households in informal areas (excluding backyarders)

Top four service delivery priorities per ward/town.

Wards	Town	Priority Name & Detail	Progress During 2019/20
1,12	Nduli	Sewer network needs to be improved	Periodic maintenance. Overload will decrease with re-establishment of informal settlement.
		Sports grounds needs to be restored/ upgraded	On-going vandalism & theft prohibits restoration
		Electrical theft needs to be clamped down	Illegal connections remain high priority to be addressed through newly developed Illegal electricity connection & theft strategy
		Provide street/security lights in unsafe areas	Periodic maintenance.
3,5	Ceres	Weekends the Town Main Roads have too much traffic	Spatial Development Plan in progress
		Housing need	635 Serviced sites completed & top structures being developed at Vredebes
		Rotational skip removal	New Waste Management Policy
		Playgrounds	Borehole for park irrigation
4,6	Bella Vista	Gang activity becoming a problem	Increasing law enforcement & coordination with SAPS
		Vandalizing of Municipal property	Increasing law enforcement & coordination with SAPS
		Business hub/mini CBD for Bella Vista	Discussions with Rural Development for funding
		Clamp down on illegal dumping of refuse.	New Waste Management Policy
4,10	Hamlet	Animal control in all areas	Increased law-enforcement
		Business hub/mini CBD for Kliprug area	Spatial Development Plan in progress
		Xhosa medium school for PA Hamlet area	Conveyed to Provincial Government
		Housing need	Development at Vredebes
9	Op-Die-Berg	The location of public ablutions facilities in the CBD area	New ablutions budgeted for in 2019/20
		More municipal services to be rendered at Op Die Berg offices	New office opened at Nuykintaba Hall
		Illegal shebeens need to be closed	Continued law enforcement & inspections
		Speed calming still a problem	Increased law enforcement
7,11	Tulbagh	More ablution facilities needed in Chris Hani area, and ASLA Camp	Upgrade of Informal Settlements project underway for Chris Hani
		Informal households utilising storm water as a means to dump their grey water & waste water, which contaminates river. Storm water network in	Formal housing to be included in housing pipeline to alleviate problem.

		Tulbagh needs to be maintained regularly	
		Sewerage network in Chris Hani area needs to be maintained regularly	Periodic maintenance
		Speed calming needed along main street walkway routs	Increased law-enforcement
2,7	Wolseley	Taxi rank placements to be investigated	Spatial Development Plan in progress
		Public bathroom facilities in the CBD	Spatial Development Plan in progress
		Back yard dwellers still a problem, housing need	Housing project planned for 2020/21
		Illegal shebeens need to be closed	Continued law enforcement and inspections

Access to basic services for rural (farm) communities

Witzenberg Municipality does not provide basic services to rural communities, including farm dwellers. Basic services are provided by the land owner with Eskom providing bulk electricity provision. The general standard of basic service levels in rural areas are, however, above the norm as the table below indicates. Information in the table is derived from the Farmworker Survey Report: Witzenberg, completed in March 2015 by the Western Cape Department of Agriculture.

Service	Witzenberg Municipality	Provincial Average	National Average
Electricity	98%	93%	85%
Water – access to piped water on premises	98% (95% provided free of charge)	N/A	73%
Sanitation – flush toilets	97% (receive free service)	85%	57%
Refuse removal	95% (receive free removal)	N/A	N/A

The following section assesses the state of farm worker dwellings and the associated infrastructure and services available to these households. Only a few tables are shown here while all results are discussed. A complete set of tables may be found in the Appendices.

Type of Dwelling	On Farm	%	Off Farm		Total	
Mud house	13	0,66%	1	0,26%	14	0,60%
RDP house	24	1,22%	53	13,66%	77	3,28%
Brick house	1731	88,18%	167	43,04%	1898	80,73%
Informal dwelling	45	2,29%	127	32,73%	172	7,32%
Backroom	4	0,20%	7	1,80%	11	0,47%
Caravan/tent	5	0,25%	1	0,26%	6	0,26%
Other	141	7,18%	32	8,25%	173	7,36%
Total	1963	100%	388	100%	2351	100%

From all the respondents (living on and off farms) across the region, 80,73% live in brick structures. Large differences are observed in the proportion of brick structures between those houses that are on the farms and those that are not. Among those living in brick structures across the region; 89% of the households that live in brick structures are on

farms. 97,63% of all the households in the region have electricity on the farms have electricity compared to the national figures of 85% and the provincial figures of 93%.

In terms of access to piped water at dwellings, 92% of households have piped water on the farms compared with 98% of the households on farms having access to piped water on their premises, while 66,75% of households off farms have access to piped water. These figures are still higher than the national (73%) figures. 95,90% of the households on the farm have flush toilets on the premises, which is significantly higher than the national figure (57%) for households. Comparing households on and off farms; 95,90% of households on the farms have flush toilets while 90,51% of the households off the farms have flush toilets. Overall, households on the farms are more likely to have access to electricity, piped water and flush toilets than households off the farms.

For households on the farms, water is largely provided free to the farmworker (95,21%) across the region. Houses off the farms either pay the municipality or obtain free water from the farmer or the municipality. More than 84% of households on the farms pay the farmer for electricity, while 65% households off the farms pay the municipality for electricity. Across the region, 95,14% of the households receive free refuse from the farmer, while 48,95% of those who live off the farms receive free refuse removal from the municipality. Sanitation is paid for by the farmer for those living on the farms over 96% of the time is, while 52,96% of those living off the farms receive free sanitation from the municipality.

C. SOCIO-ECONOMIC ANALYSIS (PROFILE)

I. STATUS OF LED STRATEGY

The purpose of local economic development is to build up the economic capacity of a local area to improve its economic future and the quality of life for all. It is a process by which public, business and non-governmental sector partners work collectively to create better conditions for economic growth and employment generation.

The most prominent places in the WLM area are Tulbagh, Wolseley and Ceres, with Prince Alfred's Hamlet and Op-die-Berg two northern outposts. Activities around these settlements are essentially agriculture based, with the towns being "agricultural service centres", with some agri-processing related to wine, fruit, vegetables and other niche products. The region is also well-known for its fruit and wine products, as well as producing other agriculturally linked products such as olive and grain producing areas, beef and pork products. Horse and cattle stud farms are also found within the municipality.

The municipality has made tremendous progress in mobilising and harnessing the energies and expertise of the business sector in developing effective economic development strategies and programmes. This is articulated in its new economic vision as adopted in 2011, namely;

"To strategically partner with the private sector, other spheres of government and its agencies, development institutions and donor agencies and in concert develop sizable commercial projects which encompasses the imperatives of employment creation and broad-based black economic empowerment and contributing to the general expansion of the economic base of Witzenberg."

This has led to the creation of a relationship between Witzenberg Municipality and Ceres Business Initiative (CBI) who represents the major commercial farmers and businesses in Ceres and surrounding areas.

The business forum, in partnership with the municipality, is in the process of developing business plans to expand the economic base of Witzenberg, with particular emphasis being placed on empowering previously disadvantaged groups. This holds huge potential for the entire region and will also be implemented with the advisory and financial support of national departments and agencies, including National Department of Land and Rural Development (NDLRD), Development Bank of South Africa (DBSA), Department of Water Affairs (DWA) etc. The NDLRD has already allocated R22 million towards projects in the Witzenberg Municipality. To structure this relationship between the municipalities, a Memorandum of Understanding was signed on 6 May 2014.

The other major economic driver in the area is the Tourism Sector and the municipality has undertaken a number of initiatives which should come to fruition over the next five years, including:

1. The Tourism Industry has recorded a very strong growth and has become an important element of the local economy. Key tourism activities include: wine tasting, 4x4 routes, hiking, game reserves, camping, horse riding, fishing, annual community festivals, snow in Ceres during the winter months, agricultural tourism attractions, fruit tours, San cave, museums and historic buildings.

2. Witzenberg Tourism caters for Cape Town and other Western Cape day and weekend tourists, as well as up-country seasonal tourists.

3. The strengthening and partnering with national, provincial and district municipality tourist initiatives.

4. The finalisation and completion of the National Road Corridor through Witzenberg.

5. The finalisation and completion of the Ceres Golf Estate Project.

6. The strengthening of international twinning and partnership agreements (Belgium).

7. The expansion and promotion of the Epic Mountain Bike Tour.

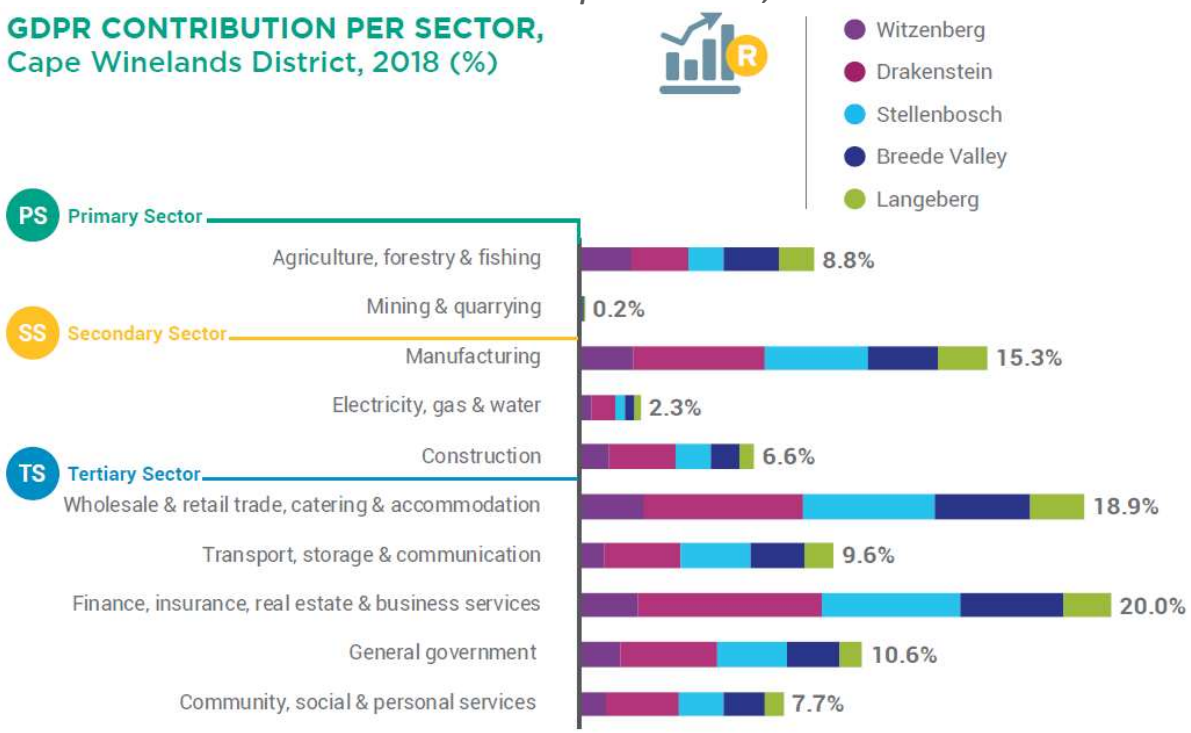
8. The expansion and promotion of the 4x4 trails, hiking trails, wine and fruit tourist routes.

II. Municipal comparative and competitive advantages

The Witzenberg municipal area is known for its fruit and wine production and includes the towns of Ceres, Tulbagh, Prince Alfred's Hamlet, Wolseley and Op-die-Berg. These towns provide the goods and services for the local agricultural industry. Some agro-processing also occurs (Witzenberg Municipality, 2017).

The Witzenberg municipality has a relatively small economy, contributing R8.2 billion to the economy of the CWD (13.5 per cent) and provides employment for 60 633 people (16.1 per cent of the total CWD employment).

GDPR contribution per main sector, 2018



Source: Provincial Treasury – Quantec Research, 2020

The primary sector accounts for the smallest share of the CWD's GDPR (9.0 per cent). The CWD has a significant agricultural base, but the agriculture, forestry and fishing sector performed poorly between 2014 and 2018, contracting by an annual average rate of 0.4 per cent, and is anticipated to have contracted by 9.2 per cent in 2019. The poor performance of the agriculture, forestry and fishing sector can be attributed to the persistent drought in the Western Cape. The sector's poor performance has a negative impact on the manufacturing sector, since outputs of the agriculture, forestry and fishing sector are used in the manufacturing sector. It also has a negative impact on job creation, since the sector is one of the main sources of employment in the CWD.

The Drakenstein and Stellenbosch municipal areas have the highest concentration of secondary and tertiary sector economic activities. While manufacturing activities were largely concentrated in the Drakenstein, Stellenbosch and Breede Valley municipal areas, and agriculture, forestry and fishing activities were mainly concentrated in the Drakenstein, Witzenberg and Breede Valley municipal areas. Across all municipal areas, the finance, insurance, real estate and business services sector and the wholesale and retail trade, catering and accommodation sector were the largest contributors to GDPR.

It is evident that the smallest economies in the CWD, namely the Langeberg and Witzenberg municipal areas, have larger primary sectors relative to their economies and therefore also smaller tertiary sectors. The municipal areas that have a higher degree of urbanisation and therefore larger towns that serve as service centres for the broader areas, such as Drakenstein and Stellenbosch, have larger tertiary sectors, and larger economies.

The contribution of the secondary sector to the local economies of the CWD are all relatively in line with the District, and

Provincial sector contributions. This sector forms an important component of any local economy, as it utilises inputs from the primary industry to generate new products and add additional value to raw material - thus creating an opportunity to attract new investment and create jobs. This sector is mainly driven by the manufacturing sect

GDPR contribution and average growth rates per municipal area

MUNICIPALITY	R million value 2018	Contribution to GDPR (%) 2018	Trend 2014 – 2018 (%)	Real GDPR growth 2019e (%)
Witzenberg	R9 320.3	13.8%	3.1%	0.4%
Drakenstein	R22 022.4	32.6%	1.4%	0.0%
Stellenbosch	R16 176.0	24.0%	1.4%	0.1%
Breede Valley	R12 936.8	19.2%	1.7%	0.0%
Langeberg	R6 995.6	10.4%	1.9%	-0.3%
Cape Winelands District	**R67 451.1**	**100.0%**	**1.7%**	**0.1%**
Western Cape	R589 443.7	-	1.4%	0.3%

Source: Municipal Economic Review Outlook – PT Source: Quantec Research, 2020 (e denotes estimate)

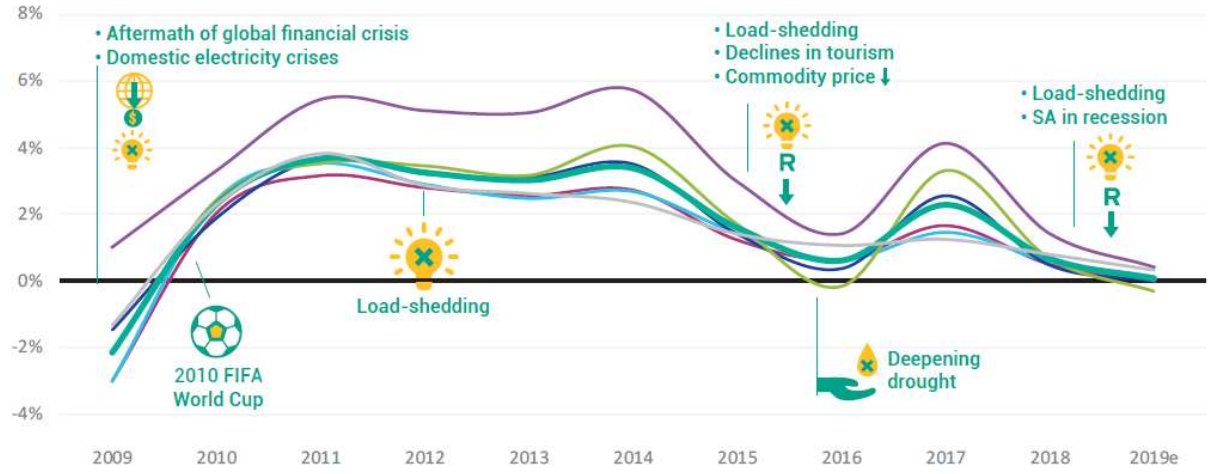
III. MAIN ECONOMIC CONTRIBUTORS

In 2016, the main economic sectors in the CWD included the following:

- Finance, insurance, real estate and business services sector (19.9 per cent)
- Wholesale and retail trade, catering and accommodation sector (18.4 per cent)
- Manufacturing sector (15.7 per cent)

These sectors are highly dependent on the strength and stability of the national economy, which influences investment in these sectors, as well as the local agriculture, forestry and fishing sector that provides inputs for agro-processing.

GDPR growth per municipal area, 2009 - 2019



	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019e
Western Cape	-1.3%	2.3%	3.8%	2.9%	2.6%	2.4%	1.4%	1.1%	1.2%	0.8%	0.3%
Cape Winelands District	**-2.1%**	**2.3%**	**3.7%**	**3.3%**	**3.0%**	**3.4%**	**1.6%**	**0.6%**	**2.3%**	**0.7%**	**0.1%**
Witzenberg	1.0%	3.3%	5.4%	5.1%	5.0%	5.7%	3.0%	1.4%	4.1%	1.4%	0.4%
Drakenstein	-3.0%	2.1%	3.2%	2.8%	2.6%	2.7%	1.3%	0.7%	1.7%	0.5%	0.0%
Stellenbosch	-3.0%	2.4%	3.5%	2.9%	2.5%	2.7%	1.4%	0.6%	1.5%	0.6%	0.1%
Breede Valley	-1.5%	1.9%	3.7%	3.2%	3.1%	3.5%	1.4%	0.4%	2.6%	0.5%	0.0%
Langeberg	-2.2%	2.4%	3.5%	3.5%	3.2%	4.0%	1.7%	-0.2%	3.3%	0.7%	-0.3%

Source: Municipal Economic Review Outlook – PT- Quantec Research 2020

The municipal areas in the CWD (except for the Witzenberg municipal area) experienced negative growth rates and this is due to the global economic crisis in 2009. Between 2010 and 2011 the Western Cape and the municipal areas within the CWD recovered from the 2008/09 financial crisis, which can be partly attributed to the economic activities that took place domestically during this period (the FIFA World Cup and related tourism activities). The economy of the CWD continued to experience relatively high growth rates between 2011 and 2014. However, the growth slowed down significantly in 2015. The GDPR growth per municipal area remained low in 2015/16 and this can be attributed to national economic trends. In 2016 the national GDPR growth was revised down, and the weaker outlook was due to low commodity prices, higher borrowing costs, weakening business and consumer confidence, as well as the drought4.

During the 10-year period the economic performance of the municipal areas within the CWD mirrored the economic trajectory of the Western Cape. Relatively high growth rates were achieved between 2011 and 2014, and lackluster growth was experienced between 2015 and 2018. It is estimated that the lackluster growth continued in 2019, and the Western Cape and municipal areas are estimated to have achieved growth rates below 1.0 per cent. It is estimated that the GDPR growth of the Langeberg municipal area decreased by 0.3 per cent in 2019. The decline in the GDPR growth can be attributed to the technical recession experienced by South Africa in
2018 and 2019.

Cape Winelands District GDPR contribution per sector, 2018 (%)

SECTOR	R million value 2018	Contribution to GDPR (%) 2018	Trend 2014 – 2018 (%)	Real GDPR growth 2019e (%)
Primary Sector	**R6 082.9**	**9.0%**	**-0.4%**	**-9.0%**
Agriculture, forestry & fishing	R5 953.0	8.8%	-0.4%	-9.2%
Mining & quarrying	R129.9	0.2%	1.1%	-2.8%
Secondary Sector	**R16 322.9**	**24.2%**	**0.3%**	**-2.0%**
Manufacturing	R10 327.2	15.3%	-0.5%	-2.1%
Electricity, gas & water	R1 556.3	2.3%	0.1%	-1.6%
Construction	R4 439.4	6.6%	3.0%	-1.7%
Tertiary Sector	**R45 045.4**	**66.8%**	**2.6%**	**2.0%**
Wholesale & retail trade, catering & accommodation	R12 781.0	18.9%	2.5%	0.9%
Transport, storage & communication	R6 456.9	9.6%	2.6%	0.7%
Finance, insurance, real estate & business services	R13 467.2	20.0%	3.7%	3.8%
General government	R7 162.7	10.6%	0.5%	1.1%
Community, social & personal services	R5 177.5	7.7%	2.1%	1.3%
Total Cape Winelands District	**R67 451.1**	**100.0%**	**1.7%**	**0.1%**

Source: Municipal Economic Review Outlook – PT- Quantec Research 2020

IV. EMPLOYMENT AND INCOME LEVELS

There were 396 426 people employed in the CWD in 2018, accounting for 15.3 per cent of the Western Cape's total employment. In line with its GDPR contribution, the Drakenstein municipal area provided the most employment opportunities in the CWD in 2018, contributing 28.4 per cent to employment in the CWD. The Drakenstein and Stellenbosch municipal areas benefit from the proximity to the Cape Metro area in terms of having access to skilled labour. It should also be noted that some of the residents of the Drakenstein municipal area work in Cape Town and Stellenbosch. The Breede Valley municipal area, the third largest contributor to the CWD's GDPR, was the second largest source of employment, illustrating the municipal area's relatively labour- intensive nature. On average, the CWD created 8 925 jobs per annum between 2014 and 2018, which were mainly driven by employment opportunities in the Drakenstein municipal area (an average of 2 355 jobs per annum) and the Witzenberg municipal area (an average of 2 054 jobs per annum). The Stellenbosch municipal area was the second largest contributor to the CWD's GDPR but was the third largest source of employment in the CWD.

Employment creation declined in the District in 2019, as it is estimated that only 751 job opportunities were created, which is significantly lower than the average experienced in the

previous five years. Estimates for 2019 further indicate that the Witzenberg and Breede Valley municipal areas had the highest estimated positive net change – 754 and 210 jobs respectively. It is interesting to note that although the Witzenberg municipal area was one of the municipal areas with fewer jobs in 2018 compared with the other municipal areas, the estimated employment figures for 2019 are significantly higher. Conversely, the Stellenbosch and Langeberg municipal areas are estimated to have shed 107 and 223 jobs respectively in 2019.

Cape Winelands District employment growth, 2018

MUNICIPALITY	Number of jobs 2018	Contribution to employment (%) 2018	Average annual change 2014 – 2018	Net change 2019e
Witzenberg	64 859	16.4%	2 054	754
Drakenstein	112 778	28.4%	2 355	117
Stellenbosch	78 701	19.9%	1 480	-107
Breede Valley	86 047	21.7%	1 924	210
Langeberg	54 041	13.6%	1 112	-223
Cape Winelands District	**396 426**	**100.0%**	**8 925**	**751**
Western Cape	2 589 080	-	46 746	-4 421

Source: Socio-Economic Profile – PT – Quantec Research 2020

Household income

The average household income of the CWD in 2018 was R17 770.0, which is marginally higher than that of the Province. Between 2014 and 2018 the CWD average monthly household income contracted by 0.1 per cent, which was lower than the 0.5 per cent contraction experienced in the Western Cape within the same period. The Drakenstein and Stellenbosch municipal areas experienced a contraction in the average monthly household income between 2014 and 2018, despite having a higher average household income than the Western Cape, the CWD and other municipal areas in 2018. The Witzenberg municipal area had the highest growth in average household monthly income between 2014 and 2018 (1.0 per cent).

MUNICIPALITY	Average household income 2018 (current prices)	Trend 2014 – 2018
Witzenberg	R17 316	1.0%
Drakenstein	R19 938	-0.3%
Stellenbosch	R19 738	-0.1%
Breede Valley	R15 487	-0.4%
Langeberg	R14 147	0.5%
Cape Winelands District	**R17 770**	**-0.1%**
Western Cape	**R17 760**	**-0.5%**

Source: Socio-Economic Profile – PT – Quantec Research 2020

Employment per sector

Witzenberg GDPR and employment performance per sector, 2019

	SECTOR	GDPR: R million value 2018	GDPR: Trend 2014 – 2018	GDPR: Real GDPR growth 2019e	Employment: Number of jobs 2018	Employment: Average annual change 2014 – 2018	Employment: Net change 2019e
PS	**Primary Sector**	**R1 343.9**	**0.2%**	**-8.7%**	**20 174**	**186**	**-154**
	Agriculture, forestry & fishing	R1 341.4	0.2%	-8.7%	20 168	186	-154
	Mining & quarrying	R2.5	5.3%	0.6%	6	0	-
SS	**Secondary Sector**	**R2 467.6**	**3.2%**	**-1.4%**	**8 338**	**336**	**-257**
	Manufacturing	R1 363.3	2.8%	-2.0%	3 831	86	-52
	Electricity, gas & water	R325.9	1.6%	-0.2%	229	9	5
	Construction	R778.4	4.6%	-0.4%	4 278	241	-210
TS	**Tertiary Sector**	**R5 508.9**	**4.1%**	**3.5%**	**36 347**	**1 532**	**1 165**
	Wholesale & retail trade, catering & accommodation	R1 650.9	3.3%	1.6%	12 776	588	530
	Transport, storage & communication	R658.8	3.0%	1.1%	1 577	50	73
	Finance, insurance, real estate & business services	R1 479.5	6.0%	6.4%	6 758	328	182
	General government	R1 045.9	2.8%	3.1%	6 986	232	280
	Community, social & personal services	R673.7	3.9%	2.9%	8 250	334	100
	Total Witzenberg	**R9 320.3**	**3.1%**	**0.4%**	**64 859**	**2 054**	**754**

Source: Municipal Economic Review Outlook – PT Quantec Research, 2020 (e denotes estimate)

The Witzenberg municipal area realised an average growth rate of 3.1 per cent between 2014 and 2018. The tertiary sector had the highest average growth rate (4.1 per cent) during this period,

followed by the secondary sector (3.2 per cent) and the primary sector (0.2 per cent). Between

2014 and 2018, the municipal area's GDPR growth was mainly driven by the finance, insurance, real estate and business services (6.0 per cent) and construction (4.6 per cent) sectors, with average annual growth rates significantly higher than the municipal average growth rate. While the mining and quarrying sector achieved a significant growth rate of 5.3 per cent in 2019, this sector's contribution to the overall GDPR is very small and is unlikely to contribute substantially to the region's economy.

Estimates for 2019 indicate that the Witzenberg municipal area realised a real GDPR growth rate of 0.4 per cent in 2019, which is 1.0 percentage point lower than the average growth observed in the preceding year. The tertiary sector realised the highest average annual growth rate of

3.5 per cent, which is 0.1 percentage point higher than that experienced in 2018. GDPR growth in the tertiary sector was mainly driven by the finance, insurance, real estate and business services sector (6.4 per cent) and the general government sector (3.1 per cent). These two sectors are the only sectors in the region that realised a higher growth rate than the sectoral averages observed in the preceding year.

Estimates for 2019 indicate that the primary and secondary sectors contracted by 8.7 per cent and 1.4 per cent respectively. This was mainly driven by contractions in the agriculture, forestry and fishing sector (8.7 per cent) and the manufacturing sector (2.0 per cent). It should also be noted that the construction sector experienced a significant decline, from an average annual GDPR growth rate of 4.6 per cent between 2014 and 2018 to an estimated contraction of 0.4 per cent in 2019.

In terms of employment, the Witzenberg municipal area created an average of 2 054 jobs per annum between 2014 and 2018. Employment creation was mainly driven by employment opportunities in the tertiary sector, which experienced an average annual increase of 1 532 jobs during this period. Between 2014 and 2018, the primary and secondary sectors experienced an annual average increase of 186 and 336 jobs respectively.

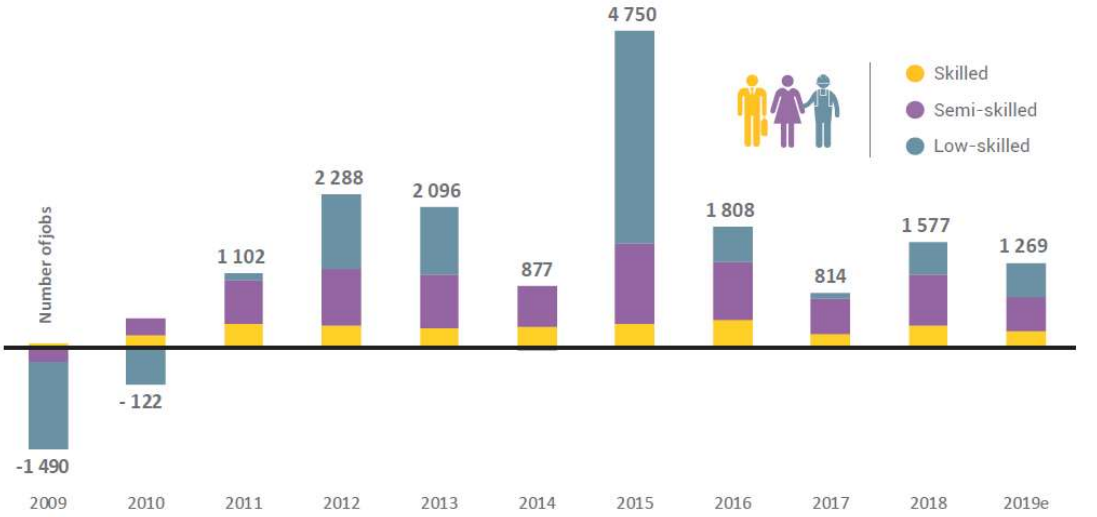
Estimates for 2019 indicate that the positive economic performance in the tertiary sector led to the creation of 1 165 jobs during the year, with the wholesale and retail trade, catering and accommodation sector accounting for 530 of those jobs. Estimates indicate that both the primary and secondary sectors experienced job losses in 2019. This was mainly due to job losses in the agriculture, forestry and fishing sector and the construction sector. In 2019, the agriculture, forestry and fishing sector had 154 job losses, while the construction sector had 210 job losses.

The restrictions on business activities in mainly the second quarter of 2020 as a result of the national lockdown owing to the COVID-19 pandemic are expected to result in the contraction of most economic sectors in the Witzenberg municipal area. The wholesale and retail trade, catering and accommodation sector is forecast to contract by 16.3 per cent. With limited movements and less use of transport facilities for both personal and business purposes, the transport sector was also negatively impacted by the lockdown restrictions, and is expected to contract by 14.0 per cent. The transport sector, however, is expected to grow by 13.2 per cent in 2021, as activities are expected to return to normal after the pandemic.

Despite the anticipated negative impact on most sectors as a result of the COVID-19 pandemic, the agriculture, forestry and fishing sector is expected to grow by 14.4 per cent. Since the agriculture, forestry and fishing sector is the largest contributing sector to employment in the Witzenberg municipal area, this will reduce the overall negative impact of the pandemic on the municipal economy.

Skills Analysis

Witzenberg Employment Growth by Skill Levels, 2009 - 2019



	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019e
Skilled	50	183	341	336	291	313	346	407	194	327	237
Semi-skilled	-223	244	667	843	804	610	1 200	865	533	762	508
Low-skilled	-1 317	-549	94	1 109	1 001	-46	3 204	536	87	488	524

Source: Municipal Economic Review Outlook Quantec Research, 2020 (e denotes estimate)

Owing to the global financial crisis, 1 612 jobs were shed in the Witzenberg municipal area between 2009 and 2010, with low- skilled workers in particular experiencing a significant number of job losses. It should be noted that despite the economic downturn, there was no job-shedding for skilled workers during this period. This illustrates the resilient nature of this type of employment. The economy started to recover in 2011 and was able to offset the job losses experienced between 2009 and 2010 by 2012.

Between 2012 and 2013, most employment opportunities created in the region were for low-skilled workers. In 2014, however, low-skilled workers experienced further job-shedding. Employment opportunities in the region experienced a significant increase in 2015, with 4 750 job opportunities created11, mainly for low-skilled and semi-skilled workers.

Between 2016 and 2018, job creation in the Witzenberg municipal area experienced fluctuations, with 4 199 employment opportunities created over the three-year period. Estimates for 2019 indicate that employment in the region increased by 1 269 jobs, most of which were for low-skilled (524 jobs) and semi-skilled (508 jobs) workers

V. SMALL, MICRO AND MEDIUM ENTERPRISES

Most current economic research data indicate that SMMEs play major role in creation of jobs at a local level. The Witzenberg SMME sector has been organised into an active business forum that meets regularly to develop new projects and shares business challenges. The municipality has organised a number of training sessions with this sector around mentoring and coaching, business skills, business plan writing, budgeting and financial planning etc. These programmes were organised through the Red Door, IDT, Seda, Provincial Economic Unit, DTI etc. These programmes will be expanded and specific attention will be given to the promotion of this sector through the municipal procurement supply chain.

Local contractors were capacitated with contractor development training, as well as Western Cape Department Supply Chain workshops, where they could also access information on SARS and the Construction Industry Development Board (CIDB). Mentoring projects for contractors are planned for the new financial year.

Arts and crafts entrepreneurs were capacitated with tourism awareness training and creativity workshops. Entrepreneurs were also connected with organisations in Cape Town such as the Cape Craft Development Institute (CCDI), where they were assisted with business services and product enhancement. Access to markets were provided to entrepreneurs by means of an arts and crafts expo and craft market.

A Tulbagh arts and crafts programme was also launched for youth in Tulbagh where training in products such as recycling, painting and mosaic were conducted by a local entrepreneur, thereby also empowering local artists to impart their skill. The youth were also connected with festivals where they could sell their products to tourists.

Tourism projects planned for the new financial year include increased efforts for entrepreneurs to access markets and business capacity building.

VI. TOURISM

Witzenberg Municipality manages local tourism in the form of a service level agreement (SLA) with three local tourism organisations, which conduct marketing of the municipal area and local established businesses in order to draw investment and trade to the area.

Local businesses join as members of the local tourism authorities to participate in the marketing initiative. Membership holds businesses accountable to ethical norms and standards for the industry, and to a code of conduct. Tourism aims to market Witzenberg Municipality as an affordable holiday destination with activities for the entire family. Tourism liaises with district, provincial and national stakeholders to develop the Witzenberg brand through the attraction of tourists, awareness campaigns, roadshows, expos, events and festivals.

Tourism further aims to train and skill local entrepreneurs to meet tourism-related demands, and provide the requisite services and products necessary to promote local trade and economic development.

Their functions include:

- Marketing the area, events and activities.
- Creating opportunities for transformation, niching, diversification and support of new stakeholders.
- Ensuring that tourism development remains on trend.
- Promotion and development of Accessible Tourism.
- To enlist new members and plan for the growth of both operations and market.

As per our SLA with Witzenberg Tourism, which is an external entity to Witzenberg Municipality, we have the following strategic priorities:

- Promotion of our towns as travel destinations and as film and photoshoot locations (with attractive scenes in farm and desert areas, mountains, snow, and skylines).
- Promotion and protection of the local towns, events and the municipal brand.
- Promotion of conservation and Green Tourism.
- Provision of statistical research and data outputs.
- Promotion of Agri-Tourism.
- The growth and expansion of tourism.

Witzenberg Tourism runs educational packages with schools, front of house staff, and local stores to promote clientele service. The entity also sources courses such as first aid training, communication, administration and hospitality to help local businesses improve their output and skill levels.

Part of the municipality's agreement with Witzenberg Tourism is to expand the broad demographic of tourism to encompass culture, heritage, diversity and transformation. We aim to develop two new travel routes within Witzenberg to promote social cohesion as well as introduce formal trade to township and rural areas.

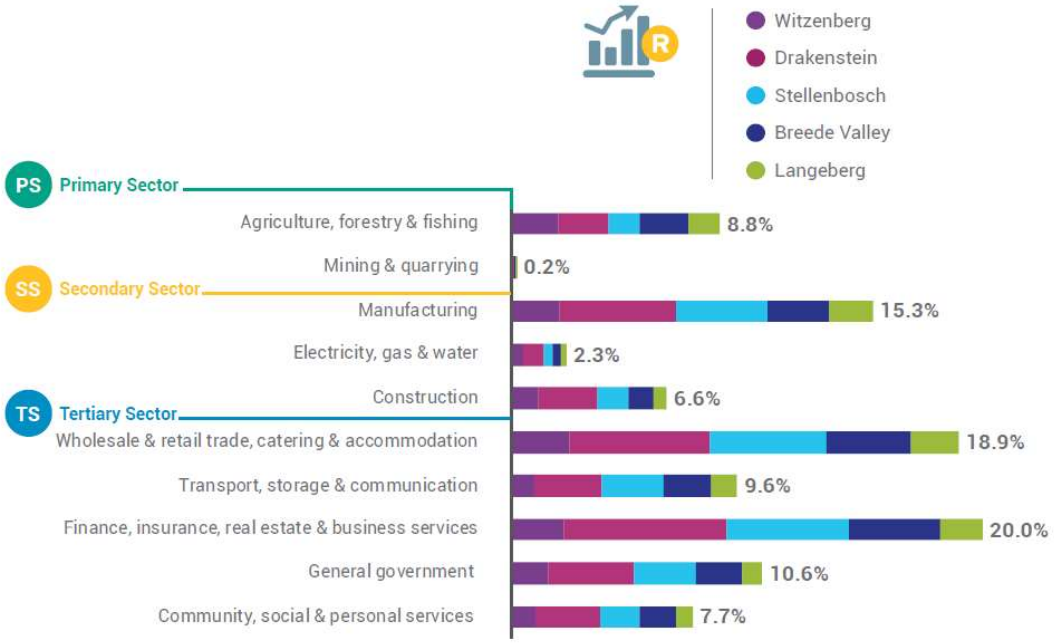
Witzenberg Tourism has produced tear-off maps which are distributed to points of sale with high traffic, providing location and contact details of local tourist attractions. They have also produced a joint brochure called the Witzenberg Meander, covering activities throughout the municipality. Tourism bureaus for Wolseley, Ceres and Tulbagh also created their own brochures with niche marketing of their sectors in conjunction with social media promotion through Facebook and websites.

Witzenberg Tourism has been successful in marketing the destination to visitors within South Africa as an affordable and picturesque location for weddings, snow tourism, heritage tourism, agri-tourism, wine tourism, adventure tourism, cultural tourism, sports tourism and rural tourism.

Witzenberg Tourism also conducts quarterly educational visits of the areas to tourism authorities outside of our borders as well as to journalists, media groups and bloggers, in order to review and publicise the activities and services offered in the area. A significant area of focus in the IDP for tourism is access to qualitative and quantitative research, specific to our area.

VII. MANUFACTURING (INDUSTRIAL)

Cape Winelands District manufacturing GDPR contribution per sector, 2018(%)



Source: Municipal Economic Review Outlook – PT Quantec Research, 2020

The Drakenstein and Stellenbosch municipal areas have the highest concentration of secondary and tertiary sector economic activities. While manufacturing activities were largely concentrated in the Drakenstein, Stellenbosch and Breede Valley municipal areas, and agriculture, forestry and fishing activities were mainly concentrated in the Drakenstein, Witzenberg and Breede Valley municipal areas. Across all municipal areas, the finance, insurance, real estate and business services sector and the wholesale and retail trade, catering and accommodation sector were the largest contributors to GDPR.

Mining and quarrying activities in the CWD mainly occurs in the Breede Valley municipal area. Barring the mining and quarrying sector, there are activities from each of the sectors in every area. Furthermore, in relation to the biggest economies, much of the output is derived from the wholesale and retail trade, catering and accommodation, and finance, insurance, real estate and business services sectors.

It is estimated that the GDPR of the CWD will grow by 1.4 per cent in 2019. Forecasts indicate that the growth rate will increase to 2.2 per cent in 2020. Overall, the trend suggests that the GDPR of the CWD is expected to increase by 3.4 per cent between
2019 and 2023.

Although the electricity, gas and water sector makes a relatively small contribution to the GDPR of the CWD, it has been projected that this sector will grow by 1.5 per cent in 2019. Forecasts also indicate that growth in this sector will spike upwards, to achieve a growth rate of 3.5 per cent in 2020. Overall, it is anticipated that

the electricity, gas and water sector will grow by 4.9 per cent between 2019 and 2023.

The construction sector is the second largest contributor to GDPR to the secondary sector, though it is noticeably smaller than the manufacturing sector. It is forecasted however that the construction sector will grow by 0.5 per cent in 2019. Similar to the electricity, water and gas sector, the construction sector is expected to grow steadily at 4.5 per cent in 2020, with an average growth rate of 7.7 per cent between 2019 and 2023. The construction sector has the greatest potential to sustain this rate in growth between 2019 and 2023 when compared to the probable expansion of the other sectors in the CWD.

The finance, insurance, real estate and business services sector is expected to grow at a higher rate than other sectors in the tertiary sector between 2019 and 2023, making it a key sector to overall economic growth in the CWD. The second largest contributor to GDPR - wholesale and retail trade, catering and accommodation is expected to achieve above average growth rates over the period

D. SPATIAL ANALYSIS

EXECUTIVE SUMMARY AND MAIN FOCUS OF THE WITZENBERG MSDF

The 2019 Witzenberg Municipal Spatial Development Framework (MSDF) – once approved by Council – will replace the current MSDF prepared in 2012. The 2019 MSDF has been prepared within the legislative and regulatory framework set by the national Spatial Planning and Land Use Management Act (ACT 16 of 2013), provincial Land Use Planning Act (2014), and Witzenberg Municipality Land Use Planning By- Law, 2015. It is also directed by a range of policy and guideline documents prepared by different spheres of government, including the Western Cape Government Provincial Spatial Development Framework (2014) and the Witzenberg Municipality Integrated Development Plan (IDP) 2017-2022 (and annual reviews).

Based on analysis of existing patterns of spatial development within the municipal areas, and expected need for different activities to be accommodated over the planning period, the MSDF sets outline spatial policy, plans, proposals, guidelines, and implementation measures for Witzenberg Municipality as a whole and individual settlements within the Municipality.

In its direction, the MSDF has five specific foci:

1. The first is to maintain and protect the integrity, authenticity and accessibility of Witzenberg's natural environment and associated resources. Humanity depends on nature for physical and spiritual sustenance, livelihoods, and survival. Ecosystems provide numerous benefits or ecosystem services that underpin economic development and support human well- being. They include provisioning services such as food, freshwater, and fuel as well as an array of regulating services such as water purification, pollination, and climate regulation. Healthy ecosystems are a prerequisite to sustaining economic development and mitigating and adapting to climate change. The plan provides for activities enabling access to nature in a manner which does not detract from the functionality and integrity of nature and farming areas and landscapes.

2. The second is to maintain and expand the Municipality's key regional and intra-regional infrastructure. Appropriate infrastructure – whether in the form of transport routes or municipal services – is critical to support economic development, agriculture, and livelihoods.

3. The third is to maintain and grow the agricultural assets within the Municipality. Agriculture remains the mainstay of the regional economy and require on-going support. In a spatial sense, this specifically requires protecting high- value agricultural land from urban development. The opportunity also exists to diversify farm income in a manner which does not detract from the functionality and integrity of farming areas and landscapes, and to expand access to farming to smaller entrepreneurs and emerging farmers.

4. The fourth is to maintain and expand access to Witzenberg's unique sense of people and place. Important is the recognition and maintenance of unique landscapes, and diverse expressions over time of peoples' interaction with the landscape. Also critical is the SPLUMA principle of "spatial justice"; implying that past spatial and other development imbalances must be redressed through improved access to and use of land, as well as the inclusion of persons and areas that were previously excluded, with an emphasis on informal settlements, and areas characterised by widespread poverty and deprivation.

5. The fifth is to maintain and expand opportunity associated with Witzenberg's key settlements. Settlements need to be managed and provide for expansion in a manner which enables efficiency in infrastructure provision, integration and compaction to enable better thresholds and more sustainable movement, and protection of surrounding assets of nature and agriculture.

It is anticipated that a major review of the MSDF will occur every five years, in parallel with the municipal IDP. Improvements, amendments, and refinements to the MSDF can occur annually.

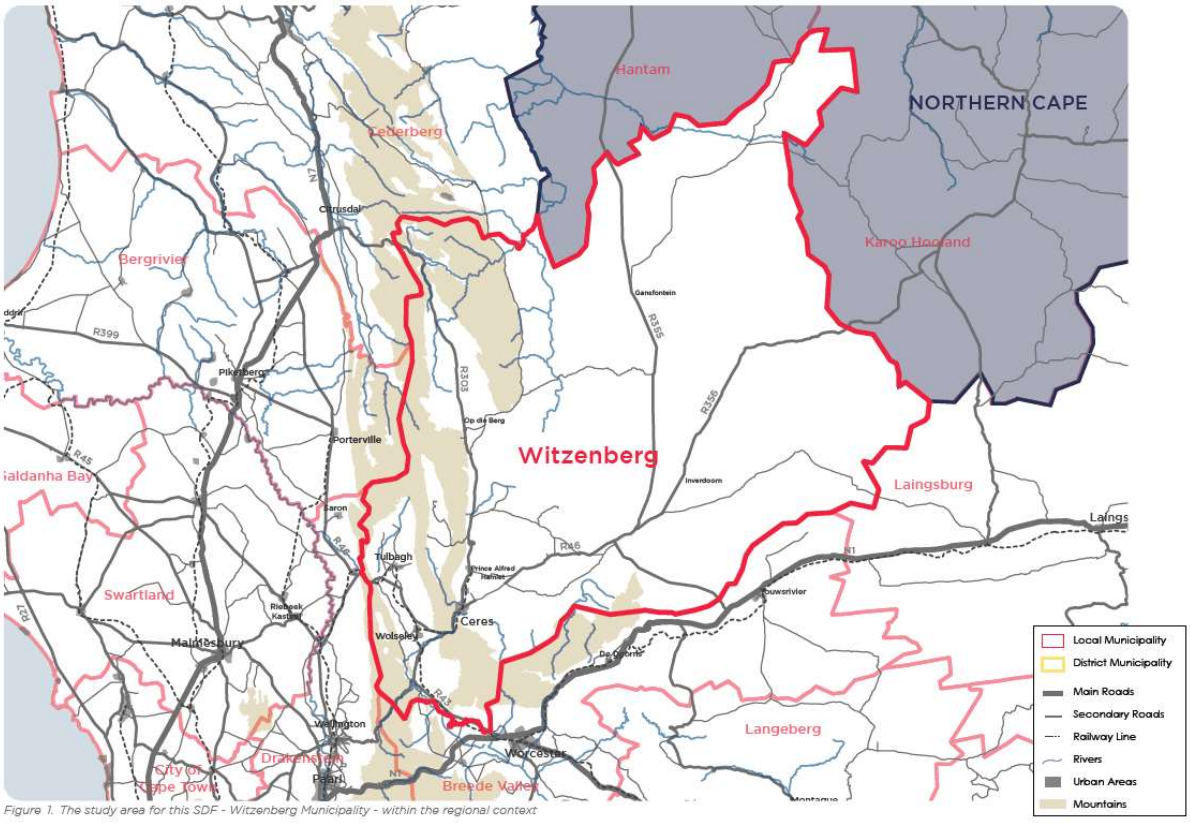


Figure 1. The study area for this SDF - Witzenberg Municipality - within the regional context

REGIONAL CONTEXT

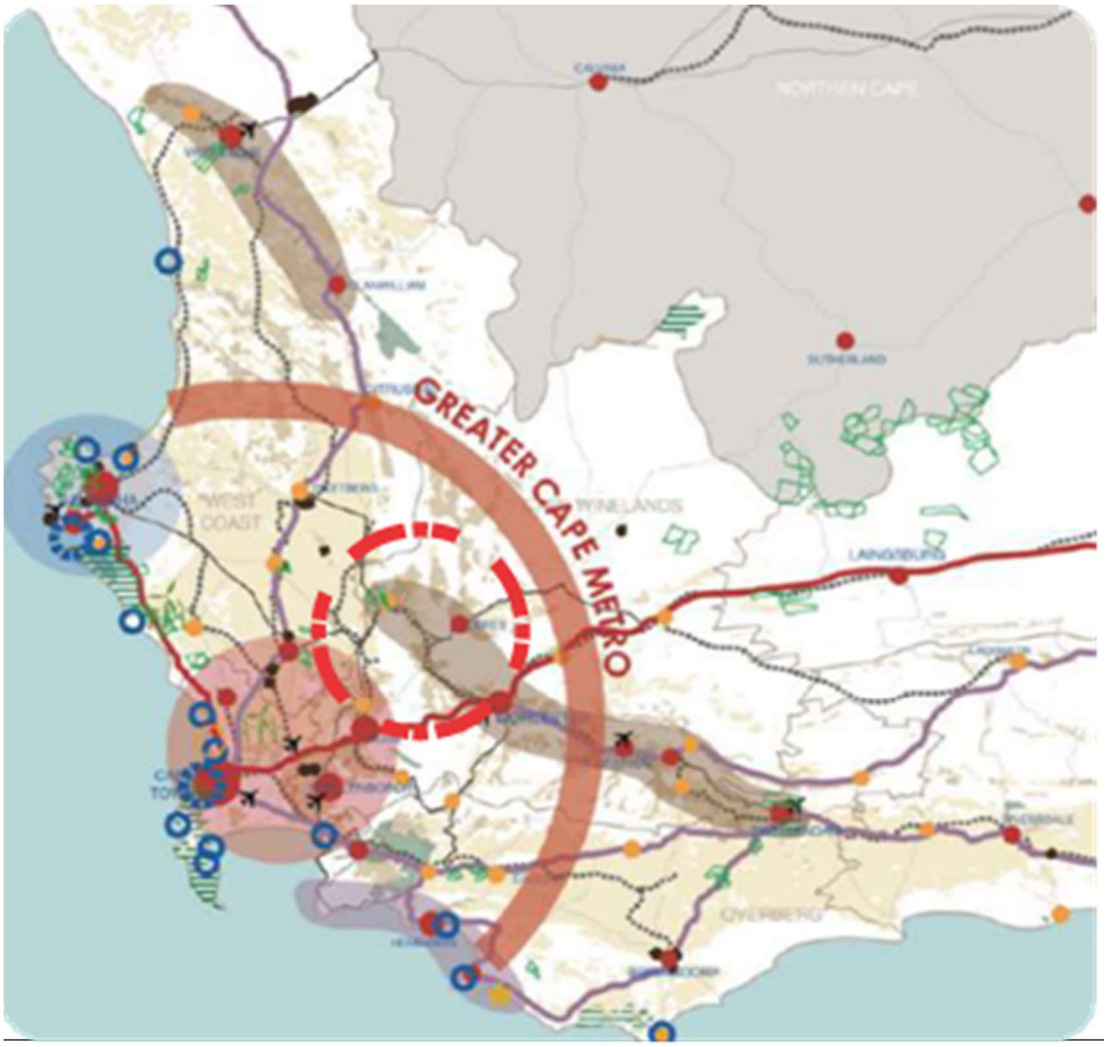
Witzenberg Municipality is situated within the Cape Winelands District (CWD), the largest non-metro district within the broader Western Cape Province economy, contributing 11,7 % towards provincial GDPR and 14.2 % to provincial employment (as per the 2015 statistics recorded in the IDP 2017-2022). CWD is also the biggest producer of stone fruit in the Province, and accounts for approximately 74% of all stone fruit production. The most economic functional areas for the production of stone fruits in this region are the Ceres-Tulbagh area (40%) and the Montagu-Robertson area (39%). Most processors and storage facilities are located in these areas. Finished products are sent from these areas to Stellenbosch, Paarl and Wellington from where it is distributed to retailers. Most of the produce is directly exported (for example, the Du Toit Group exports to 50 countries).

Witzenberg's importance as a functional region within the broader agricultural space economy and its role as a primary regional service center has been recognized through

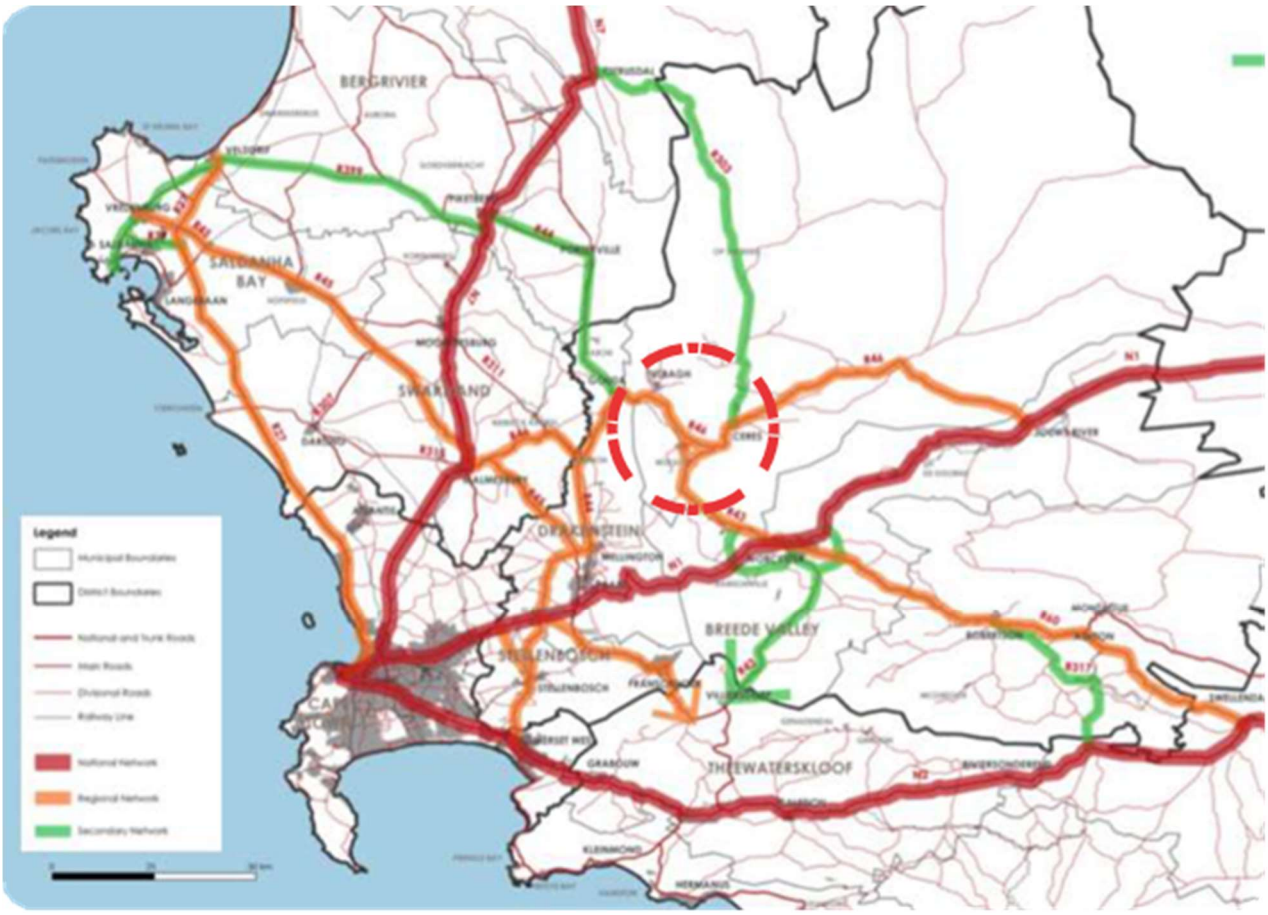
the identification of a possible Agri-park in Ceres. The area is also situated within one of the PSDF's identified Rural Development Corridors.

Ceres is strategically situated between the N1 and N7 national routes, forming part of the proposed regional road freight network as identified in the Greater Cape Metro and Greater Saldanha Regional Implementation frameworks.
These networks aim to improve linkages from Piketberg via Gouda/ Tulbagh through to Ceres and then linking into the N1 either via Worcester or Touwsriver, placing Ceres at the centre of the regional network.

In addition to WItzenberg's regional agricultural economic role, the area also hosts a high concentration of heritage resources, mountains, mountain passes and unique landscapes, as illustrated in Figure 21. Its position within the region as the primary gateway to the Warm and Koue Bokkeveld and Tanka Karoo also contributes to its strategic position and role in terms of tourism.



The position of Ceres and Tulbagh in relation to the GCM area and the PSDF Rural Development Corridors (GCM RSIF, 2017)



The position of Ceres in relation to the proposed regional road freight network of the Province (GS RSIF, 2018)

PLANS AND SETTLEMENT PROPOSALS

The sections below outline plans and written proposals for:

- Witzenberg Municipality as a whole.
- Individual settlements within Witzenberg Municipality.
- Guidelines for managing specific activities landscape-wide and within settlements.

It is important to remember that the plans constitute one type of planning instrument. Not all of the MSDF objectives or intent can be readily illustrated two dimensionally on a plan. Therefore, the plans are accompanied by descriptions of plan elements and associated proposals. The plans should be read with the written information contained in the descriptions accompanying the plans as well as the policies and guidelines contained in the MSDF. Each settlement plan is introduced by a concept plan, an illustration of the core ideas related to spatial management and development of the settlement.

As indicated elsewhere in this document, spatial plans and proposals can seldomly be fully implemented without supportive actions in other functional areas or sectors. For example, it is doubtful whether the desired form of compact, diverse, inclusive, and walkable settlements will be achieved without parallel supportive initiatives to manage the unimpeded use of private vehicles. For this reason, the plan descriptions also include – where important – related non-spatial proposals.

Broadly – and aligned to the SPLUMA MSDF guidelines – the settlement plans entail three types of actions or initiatives:

- Protective actions – things to be protected and maintained to achieve the vision and spatial concept.
- Change actions – things that need to

change, transformed, or enhanced to achieve the vision and spatial concept.

- New development actions – new development or initiatives to be undertaken to achieve the vision and spatial concept.

Under these broad types of actions, strategic focus areas and settlement elements are dealt with; for example, protective actions will broadly relate to protecting elements of nature, agriculture, scenic landscapes, historically and culturally significant precincts and places, and so on.

WITZENBERG MUNICIPALITY AS A WHOLE

The overall plan for Witzenberg Municipality essentially comprises of:

- Landscape-wide Spatial Planning Categories (SPCs) and associated land use guidelines.
- A settlement hierarchy and associated settlement development and management guidelines.
- Places of cultural and scenic significance.
- Municipal-wide infrastructure.

LANDSCAPE-WIDE SPATIAL PLANNING CATEGORIES

At the broadest level of municipal planning, desired land use patterns are reflected in the delineation of landscape-wide or municipal-wide Spatial Planning Categories (SPCs), namely Core, Buffer, Agriculture and Settlement categories. The definition of SPCs is based on the Western Cape Biodiversity Spatial Plan, 2017 (WCBSP) which delineates the Western Cape's biodiversity network.

In general terms, the definition of SPCs is directed by the understanding that:

- The Western Cape's biological diversity underpins livelihoods, the Province's economy and the provision of ecosystem services. The spatial continuity and connectivity of the biodiversity network strengthens its resilience. Different categories of biodiversity areas indicated in the WCBSP Map and SPCs have specific management objectives, according to their biodiversity priority. In broad terms, the biodiversity priority areas need to be maintained in a healthy and functioning condition, whilst those that are less important for biodiversity can be used for a variety of other land uses.

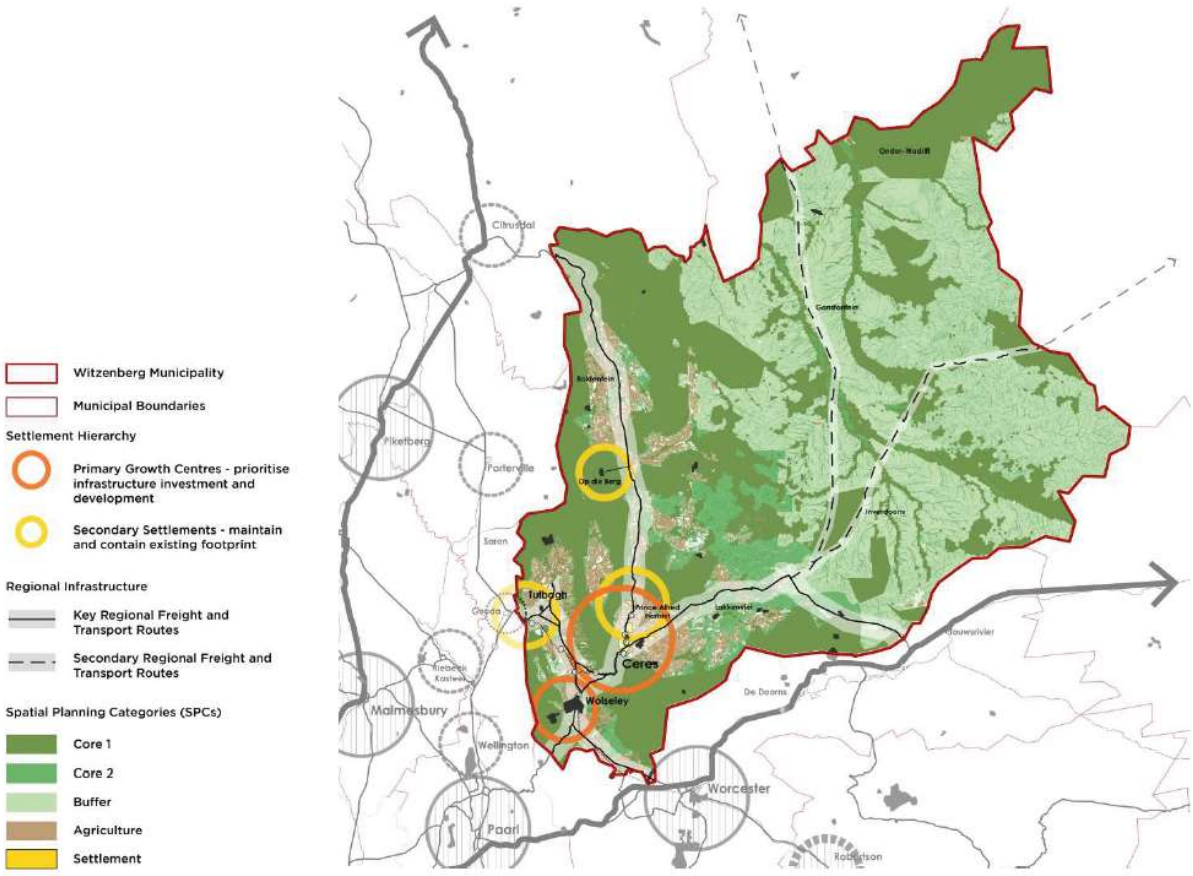
- Cultivatable soils and mineral resources are non-renewable assets, important foundations of the Western Cape economy. As agricultural output is the basis of the Western Cape's rural economy and an important input to the urban economy, safeguarding the Province's agricultural resources, and productively using them without compromising biodiversity, heritage and scenic resources, remains a key challenge. There is limited suitable land available for extension of the Province's agricultural footprint, and water availability limits the use of cultivatable soils.

- Settlements – of different sizes – support critical livelihood opportunity and economic exchange. A key concern is to maintain and grow the efficient functioning of settlements while preventing encroachment into priority biodiversity, agricultural, scenic areas.

The landscape- wide SPCs for Witzenberg Municipality. The tables also list the names of key places which forms part of each SPC, what activities are broadly supported in each category, the activities not supported, and the overall desired form of development in each category.

The activities supported and overall desired form of development in each SPC is based on the guidelines contained in the Western Cape Land Use Planning Guidelines Rural, March 2019. For a fuller explanation of each SPC, the full Rural
Guidelines document should be consulted1.

The guidelines were prepared to establish norms and standards based on evidence and is aligned with international, national, and provincial policy related to the sustainable use of natural resources and agricultural land.



Consolidated Municipal Framework Map for the Witzenberg Municipality as a whole

Landscape-wide Spatial Planning Categories

SPC	DESCRIPTION	KEY PLACES IN WITZENBERG	ACTIVITIES SUPPORTED	ACTIVITIES NOT SUPPORTED	OVERALL DESIRED FORM OF DEVELOPMENT
Core 1	Areas that must be maintained in, or restored to, a natural state in order to sustain biodiversity patterns and processes and the functionality of eco-system services.	• Formal protected areas and Mountain Catchment Areas: Tankwa Karoo NP, Matroosberg MCA, Cederberg MCA, Kouebokkeveld MCA, Winterhoek MCA, Hawequas MCA. • Private nature reserves. • Areas designated by the WCBSP as CBA1.	• Essentially Core areas are "no-go" areas from a development perspective. Human impact must be restricted to ensure that there is no further loss of natural habitat. • Conservation management activities should be encouraged. • Subject to stringent controls biodiversity-compatible land uses that may be accommodated include non-consumptive low impact eco-tourism activities (e.g. hiking trails, bird and game watching, and visitor overnight accommodation); and harvesting of natural resources (e.g. wildflowers for medicinal, culinary or commercial use). • Controlled livestock grazing and game farming must be informed by the habitat type, grazing potential and other site sensitivities. No further loss of natural habitat should occur and lower than standard stocking rates should be applied. • Land consolidation	• Mining or prospecting. • Extensive or intensive grazing. • Conversion of natural habitat for cultivation or forestry. • Large-scale eco-tourism. • Subdivision. • Expansion of settlements.	Small low-density footprints, and temporary structures are preferred with units carefully dispersed or clustered to achieve least impact. The use of alternative porous materials and innovative eco-friendly design concepts are encouraged.
Core 2	Areas in a degraded condition that must be rehabilitated in order to sustain biodiversity patterns and processes and the functionality of eco-system services. Includes areas that support the ecological functioning of critical biodiversity areas.	• Areas designated by the WCBSP as CBA2 or ESA1. • Lower slopes and foothills in Land van Waveren and Warm Bokkeveld. • Degraded reaches of the Groot and Doring Rivers in the Ceres and Tankwa Karoo. • Watercourses and their buffers in the Ceres and Tankwa Karoo.	• As for Core 1 whilst allowing for a limited increase in scale of development in less sensitive areas (provided ecological processes are not disrupted). • Where existing agricultural activities (e.g. extensive livestock or game farming) occur in Core 1 or Core 2 Areas, it needs to be subject to inter alia lower impact practices, lower than standard stocking rates, resting cycles wetland and riverbank protection, and avoiding areas containing red data species.	• Extension of intensive or extensive agriculture. • Mining or prospecting. • Large-scale cultivation. • Urban or industrial development.	As for Core 1. Detailed site-level mapping of habitat conditions should inform the placement of essential buildings or structures in Core Areas. Disturbed footprints should preferably be utilised.
Buffer 1	Large intact portions and remnants of natural or near natural vegetation not designated as Core Areas but in proximity to them.	• Areas designated by the WCBSP as Other Natural Area, in proximity to or adjacent to Core Areas. • Livestock farming areas in the Ceres and Tankwa Karoo.	• Conservation activities as per Core 1 and 2 Areas, including sustainable consumptive or non-consumptive uses. • Extensive agriculture such as game or livestock farming, subject to lower impact practices, sustainable stocking rates, rotational grazing cycles, protection of watercourses, and avoidance of areas containing species of conservation concern. • Development (e.g. structures) in support of both tourism and biodiversity conservation in Core Areas. • Extensive agriculture comprising extensive game and livestock farming, subject to inter alia lower impact practices, lower than standard stocking rates, resting cycles wetland and riverbank protection, and avoiding areas containing red data species.	• Case-specific determination based on impact on biodiversity.	Development should reinforce existing farm precincts and reflect similar vernacular in terms of scale, form and design. In the absence of existing farmsteads, development should reflect compact and unobtrusive characteristics, conforming to local vernacular in terms of scale, form and design. The design of all proposed development should embrace the spatial form, movement patterns, building design and conservation and ecology of the local area.

Landscape-wide Spatial Planning Categories (continued)

SPC	DESCRIPTION	KEY PLACES IN WITZENBERG	ACTIVITIES SUPPORTED	ACTIVITIES NOT SUPPORTED	OVERALL DESIRED FORM OF DEVELOPMENT
Buffer 2	Natural or near natural areas located in an agricultural matrix as the dominant land use.	• Areas designated by the WCBSP as ESA2 or Other Natural Area, located in an extensive or intensive agricultural matrix as the dominant land use. • River corridors on cultivated land in the Warm and Koue Bokkeveld and Land van Waveren.	• Activities and uses directly relating to the primary agricultural enterprise. • Additional land uses to facilitate diversification and "value adding", including restaurant and venue facility, farmstall and farm store, home occupation; local product processing, and tourist and recreational facilities. • Buffer 2 Areas within the "fringe" of settlements can accommodate space extensive uses not suited to location within the urban edge (e.g. regional sports and recreation facilities, tourist facilities); or associated with nuisance and buffer requirements (e.g. waste water treatment plants, cemeteries, solid waste disposal sites, airports, feedlots, quarries and mines, truck stops).	• Case-specific determination based on impact on agriculture and biodiversity.	Building development should reflect the style, scale, and form of the farmstead precinct or farm outpost, their buildings and setting. In the absence of existing farmsteads or farm outposts, development should be compact and unobtrusive, conforming to local vernacular in terms of scale, form and design.
Agriculture	Existing and potential intensive agricultural land where significant or complete loss of natural habitat and ecological functioning has taken place due to ploughing, hardening of surfaces, mining, cultivation, and so on.	• Existing intensive agriculture including irrigated and dry land crop cultivation, primarily in the western parts of the municipal area.	• Activities and uses directly related to the primary agricultural enterprise. • Additional dwelling units to support rural tourism and diversify farm income, to a maximum of 1 additional non-alienable du per 10 ha and 5 per farm. • Additional land uses to facilitate diversification and "value adding", including restaurant and venue facility, farmstall and farm store, home occupation; local product processing, and tourist and recreational facilities.	• Large scale resorts. • Tourist and recreation facilities.	Facilities for ancillary on-farm activities should be in scale with and reinforce the farmstead precinct, enhance the historic built fabric and respect conservation-worthy places (these could be natural areas or areas which are degraded but still provide ecological connectivity and/ or ecosystem services). Fragmentation of farm cadastral units should be prevented, and consent processes and spot zoning employed for managing land uses ancillary to or associated with agriculture.
Settlement	Existing towns, villages and hamlets..	• Ceres. • Wolseley. • Tulbagh. • Prince Alfred Hamlet. • Op-die-berg.	• "Normal" activities associated with urban development.	• New settlement formation that negatively impacts on municipal financial sustainability.	Development should: • Retain the compact form of smaller settlements. • Prevent settlement encroachment into agricultural areas, scenic landscapes and biodiversity- and ecological system service priority areas. • Maintain and enhance public spaces. • Reinforce the close relationship of settlements to the regional route structure. • Integrate new development into the settlement structure. • Respect socio-historical and cultural places.

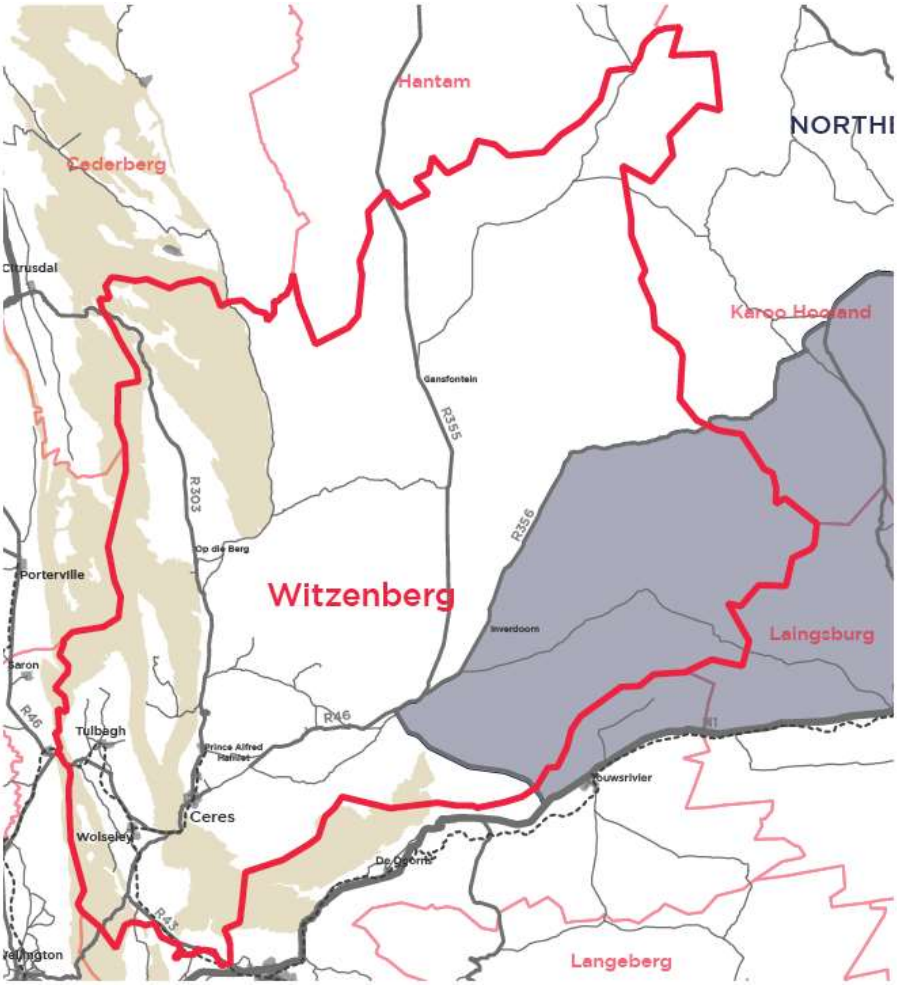
RENEWABLE ENERGY DEVELOPMENTCORRIDORS

The Strategic Environmental Assessment for Wind and Solar Photo-voltaic Energy in South Africa identified 8 Renewable Energy Development Zones (REDZs) in 2015 that are of strategic importance for large scale wind and solar photo- voltaic energy development including the roll-out of its supporting transmission and distribution infrastructure. New wind or PV projects located within one of the eight REDZ areas will now be subject to a Basic Assessment and not a full EIA process, as well as a shortened timeframe of 57 days for the processing of an Application for Environmental Authorisation.

The Council for Scientific and Industrial Research (CSIR) identified eight geographic REDZ's following a Strategic Environmental Assessment:

NAME	SIZE	PROVINCE
Overberg	5 263 km²	Western Cape
Komsberg	8 846 km²	Western Cape
Cookhouse	7 366 km²	Eastern Cape
Stormberg	12 041 km²	Eastern Cape
Kimberley	9 568 km²	Free State & Northern Cape
Vryburg	9 204 km²	North West
Upington	12 833 km²	Northern Cape
Springbok	15 214 km²	Northern Cape
Total	**80 335 km²**	

The Witzenberg Municipality forms part of the Komsberg REDZ. Any projects or renewable energy developments in the municipal area should preferably be located inside of this boundary, however, proposals for renewable energy developments outside of this boundary will be considered on a case by case basis based on its own merits.



The location of the Komsberg REDZ area within the Witzenberg Municipality

E. FINANCIAL VIABILITY

Capability of the municipality to execute capital projects

The capital budget for the next financial year amounts to R109 million of which R 13 million is from
own revenue. The rest of the capital budget is financed from Grants.
Only funded capital projects are included in the capital budget. The only major project not executed in the past was the bulk raw water provision in Tulbagh due to the outstanding approval of the Water Use Licence submitted approximately 4 years ago. A construction tender was awarded but work cannot proceed without the approval.

Indigent support (including free basic services)

The equitable share allocation is utilized to fund the provision of free basic services to indigent households and informal areas.

The development of plots and building of RDP houses is a challenge to the financial viability and sustainability of Witzenberg Municipality as most of the beneficiaries will qualify for indigent support and will not contribute financially to the municipality, but will be entitled to municipal services.

In addition to the legislative R15 000 exempted valuation on a property, the first R105 000 of the municipal valuation of all residential properties are exempt from property rates.

Indigent households receive 50 kWh of electricity and 6 kilolitres of water per month while their basic charges for water refuse and sewerage are fully subsidised.

Indigent households with conventional electricity and/or water meters will be converted to prepaid meters to avoid over consumption, subject to affordability to the municipality.

Revenue enhancement and protection strategie

The revenue must be increased to ensure that Witzenberg Municipality can meet all the financial obligations and to improve service delivery. A policy providing for rebates on municipal services is available to new businesses/industries or extension of existing businesses/industries where new jobs are created.

New businesses and/or industries will not only increase the revenue base of the municipality, but will also assist in reducing unemployment – one of the largest challenges for Witzenberg Municipality.

Consumers with conventional water meters who do not pay their municipal accounts will be converted to prepaid meters to avoid increased outstanding debt in respect of water, subject to affordability to the municipality.

Municipal consumer debt position

The impairment provision for debtors have been emphasised by the office of the Auditor-General of South Africa.

The increase in the provision is due to:

- Limited credit control procedures available in areas where Eskom is the service provider for electricity.
- Limited application of the credit control procedures to indigent households.
- Community resistance to the cutting of electricity in certain areas. Assistance from the South African Police Service is needed.

Grants and subsidies

Grants and subsidies are used for their intended purposes as per the Division of Revenue Act and/or Provincial Gazettes. The equitable share allocation is utilised to fund the provision of free basic services to indigent households and informal areas. Grants and subsidies are utilised to finance 88% of the capital budget. Most of the capital expenditure financed from grants and subsidies are in respect of the provision of infrastructure for new serviced sites, Material Recovery Facility, upgrading of Van Breda bridge in Ceres and the construction of the Tulbagh Dam.

Municipal Infrastructure Assets and Maintenance (Q&M)

The expenditure on repairs and maintenance needs to be increased. The limited revenue base of the municipality limits the amount of funding that can be earmarked for repairs and maintenance.

It is accepted that it is important to maintain municipal assets; therefore the funds available for repairs and maintenance are increases on an annual basis.

The implementation of MSCOA (Municipal Standard Chart of Accounts) regulations will improve the reporting on spending on repairs and maintenance.

Current and planned borrowings

Current borrowings are on the decline as no new loans were sourced in the recent past. The loan from the Development Bank of South Africa for the Koekedouw dam was redeemed during the 2016/17 financial year. ~~The outstanding loans will be R10,6 million at 1 July 2017. The last of the current loans will be repaid during the 2017/18financial year.~~

~~New loans to the value of R3,0 million are proposed for the medium term to finance the procurement of vehicles.~~

Municipality's credit rating

No official credit rating has been performed, but the financial indicators show positive movement during the last four financial years.

The cost coverage ratio declined from 2.1 months to 1,7 months, indicating that the municipality's cash and cash equivalents can cover the operating expenditure for 1,8 months.

The current ratio declined from 1.97:1 to 153:1 from 2019 to 2020, indicating that for every R1 owed in current liabilities, the municipality has R 1.57 in current assets available. Although the ratio declined slightly, it is above the acceptable norm of 1:1. An Improved ratio will result in an increased ability of the municipality to settle its debt when it becomes due. A positive liquidity position can also result in better interest rates being obtained if new loans are sourced, and can also provide confidence to companies that consider investing in the Witzenberg area.

Employee-related costs (including Councillor allowances)

The employee-related costs, including Councillor allowances, account for 30% of the operating expenditure over the medium term.

More post need to be filled to meet the demand of service delivery due to the growth of households that needs services. Any decrease in the mentioned ratio will impact negatively on service delivery.

The salary increase of permanent employees is negotiated nationally, limiting the municipality's influence over the annual salary increase. Councillors are remunerated in terms of national legislation as per annual Government Gazette publications.

Supply chain management (SCM)

Supply chain processes are followed in terms of the Municipal Supply Chain Regulations. Bids are awarded in term of the points scored according to the Preferential Procurement Policy Framework Act.

The Preferential Procurement Policy Framework Act provides for the awarding of bids in terms of price and the B-BBEE status level of the bidder. The B-BBEE status level means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of Section 9(1) of the Broad-Based Black Economic Empowerment Act.

The Preferential Procurement Policy Framework Act does not provide for any preference for local suppliers.

In some instances, bids are not awarded to the lowest responsive bid due to the requirements of the abovementioned legislation.

F. DISASTER MANAGEMENT

The Chief: Fire Services and Disaster Management was appointed on 1 February 2013. Disaster Management Advisory Committee meetings at a district level are attended regularly and a Disaster Management Plan has been drafted. Public awareness and preparedness sessions for disaster related activities were conducted with a special focus on risk communities in informal settlements regarding the hazards of fires and floods, climate change, etc. The draft Disaster Management Plan was workshopped with relevant stakeholders.

A fully established and functioning Municipal Disaster Management Centre (DMC) is a key element of this plan. Therefore the Witzenberg Municipality consults with and operates in close collaboration with the Cape Winelands District Disaster Management Centre. The completion of the Cape Winelands District-based Disaster Management Operating Centre in Worcester will serve the district's base needs.

In any event requiring DMOC activation, the primary role-players, such as disaster management representatives from both CWDM and the Witzenberg Municipality, the coordinator from SAPS, an EMS representative and any other sectorial representative are activated to these centres and coordinate all activities from this DMOC. Due to the regular occurrences of major events (e.g. floods) this DMOC is well established and functions effectively.

Various disaster risks for the Witzenberg Municipality have been identified and assessed during risk assessments executed during 2005 (technological) and 2008 (community based). The risk assessment was done by Africon Engineering and CPUT respectively on instruction of the CWDM for all municipalities falling within the auspices of the district. The technical risk and vulnerability assessment by Africon led to the following profile:

Risk prioritisation table for Witzenberg Local Municipality

Hazard	***Exposure***	***Severity***	***Probability***	***Actions needed***
Drought	*Occasional*	*Moderate*	*Normal*	*Preparedness Planning*
Earthquake	*Occasional*	*Moderate*	*Normal*	*Preparedness Planning*
Fire	*Occasional*	*Insignificant*	*Unlikely*	*Risk Reduction interventions and Preparedness*
Flood	*Seldom*	*Insignificant*	*Unlikely*	*Preparedness Planning*
Severe Storm	*Seldom*	*Moderate*	*Unlikely*	*Preparedness Planning*
Tuberculosis	*Continuous*	*Moderate*	*Normal*	*Risk Reduction interventions and Preparedness*
HIV /AIDS	*Continuous*	*Moderate*	*Normal*	*Risk Reduction interventions and Preparedness*
Hazmat accidents by road	*Seldom*	*Insignificant*	*Unlikely*	*Preparedness Planning*
Air Pollution	*Occasional*	*Insignificant*	*Unlikely*	*Preparedness Planning*

Risk Assessment

The following table can be used as a template to reflect risk assessment outcomes in the IDP:

Risk	***Dept 1***	***Dept 2***	***Dept 3***	***Dept 4***
Risk A: *Fires*	*Fire Services Witzenberg and CWDM*	*Housing*	*Provincial Social Services*	
Risk B: *Floods*	*Disaster Management*	*Engineering Services*	*Traffic Services*	*SAPS and EMS*
Risk C: *Transportation of dangerous goods (rail and road)*	*Provincial Roads*	*Western Cape Province*	*Dept Health CWDM: Health*	

These main risks are taken from the risk assessment tables of both Africon and the community-based assessments, as they are the main commonalities derived from the specific risk assessments.

Fire Services Department

In terms of the Municipal Structures Act, B-Municipalities such as Witzenberg are responsible for all structural fires within their municipal area. The Cape Winelands District Municipality is currently assisting Witzenberg through an unofficial inter-governmental agreement to assist with this function. It is the objective of the municipality to incrementally over a five-year period establish a fire brigade service in terms of the firefighting functions and in accordance with SANS 10090: 2003. This will effectively mean the establishment of a 24-hour facility for the eastern area (Ceres, N'Duli, Prince Alfred's Hamlet and Op-die-Berg) that will drastically improve reaction time. The municipality has started with the extension of this function to the western area (Wolseley and Tulbagh) and the eastern area (N'Duli). Full-time staff and Working on Fire firefighting personnel and equipment were relocated to Tulbagh and N'Duli for these purposes. A Manager Fire Services and Disaster Management and a Station Officer for Fire Safety and Fire Operations were appointed. The recent consultations with stakeholders at Op-die-Berg highlighted that there is a need to appoint firefighters and allocate equipment and vehicles to this area.

Risk reduction

Fire risks

Risk reduction in respect of fire risks is not really possible, although the enforcement of building plan codes takes place and all building plans are scrutinised for fire safety requirements. Mountain and veld fires, fires in informal structures and dwellings form the general basis of fires in accordance with fire statistics. The Planning for Fire Services is included in a Fire Protection Plan that is submitted annually for consideration and approval by the Witzenberg Municipal Council.

It must be noted that municipalities need to do planning and evaluate budgetary priorities from the wards in accordance with national and provincial strategic objectives.

The Department of Cooperative Governance and Traditional Affairs (CoGTA) assesses the progress made by municipalities against five key performance areas (KPAs) and cross-cutting interventions adopted in the Five-year Local Government Strategic Agenda.

These elements will become the basis of priority determination when evaluating priorities during the IDP process, project identification and compilation of a budget. This in effect implies that municipal performance will be measured in terms of these standards.

As disaster management is not a function allocated to one discipline, but to all disciplines in a local authority, it implies that the total budget must be evaluated for inclusion of Disaster Mitigation Projects. For instance, the provision of housing will be a disaster mitigation project as it implicates the reduction of informal structures. The provision and extension of electrical power in accordance with needs is a disaster mitigation project as it decreases the effects of dwellings without power (e.g. dangers with open fires) with all its consequences.

Floods

The Witzenberg municipal area is prone to floods. Over the past decade, flooding occurred at least once a year. Due to the effects of global warming and climate change with resultant cut-off lows, is has become increasingly difficult to forecast or predict critical time periods and/or affected areas.

As stated in the Spatial Development Plan, the Planning and Development Section takes cognisance of the effects and do their planning accordingly in the face of undetermined or ambiguous flood lines in some areas.

Response and recovery

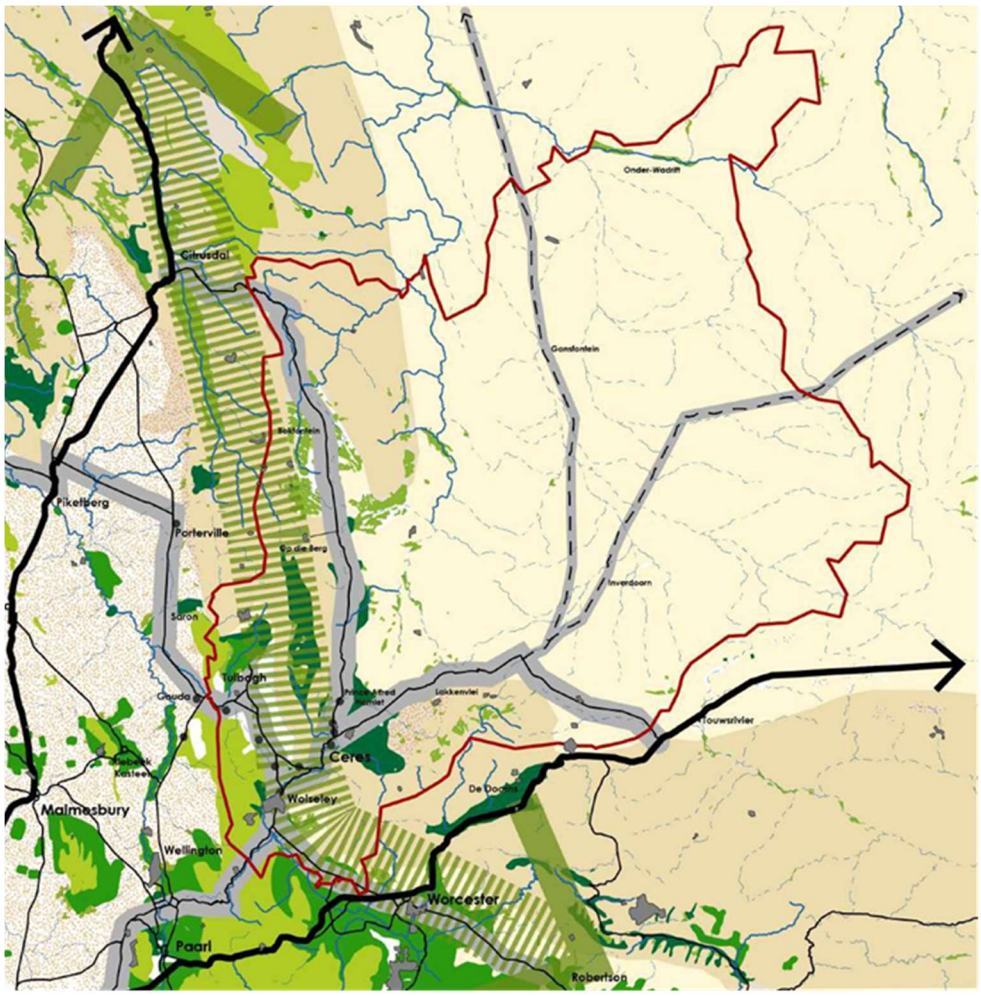
Due to the fact that flooding and other events occur frequently in this area, there is a good understanding of the different roles allocated to the different sectors during any event of disaster potential or consequences. This is managed and coordinated by the immediate activation of a DMOC (Disaster Management Operational Centre, situated in Munnik Street in Ceres), in conjunction and cooperation with the Cape Winelands District Municipality.

G. AGRICULTURE IN THE WITZENBERG AREA

Focus: Protect food security while supporting sustainable diversification of the agricultural sector and encouraging more efficient methods and models.

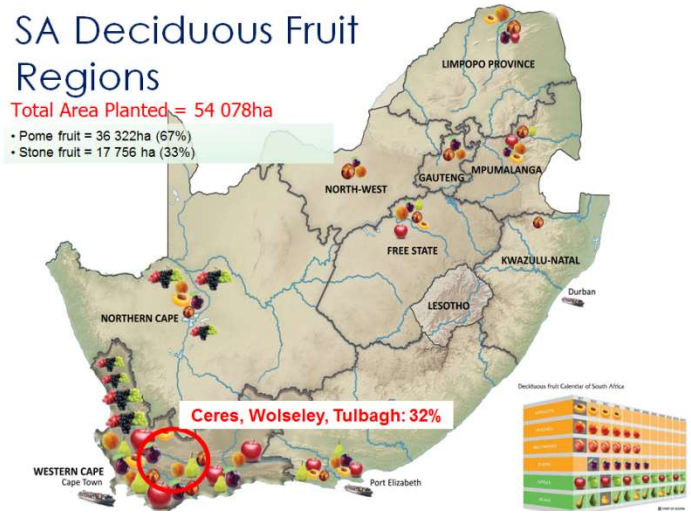
Key Development Implications:

- Support private sector led institutional arrangements to enable joint planning and development of agriculture related activities.
- Avoid the subdivision of agricultural land or changes in land-use to minimise the loss of agricultural activities while also avoiding the creation of uneconomical agricultural units.
- Enable the diversification of farmer income through enabling complimentary uses on farms in a manner which does not detract from the functionality and integrity of farming areas and landscapes.
- Develop incentives for smarter/ green agricultural practices and technologies.
- Make municipal commonages and land on the edges of settlements close to communities available for small/ emerging farmers and/or community gardens.
- Support alternative farming models such as the possibility of transforming unused and uncontaminated industrial land into community gardens.
- Support private initiatives to provide in the housing needs of agri-workers and the provision and management of associated social services.



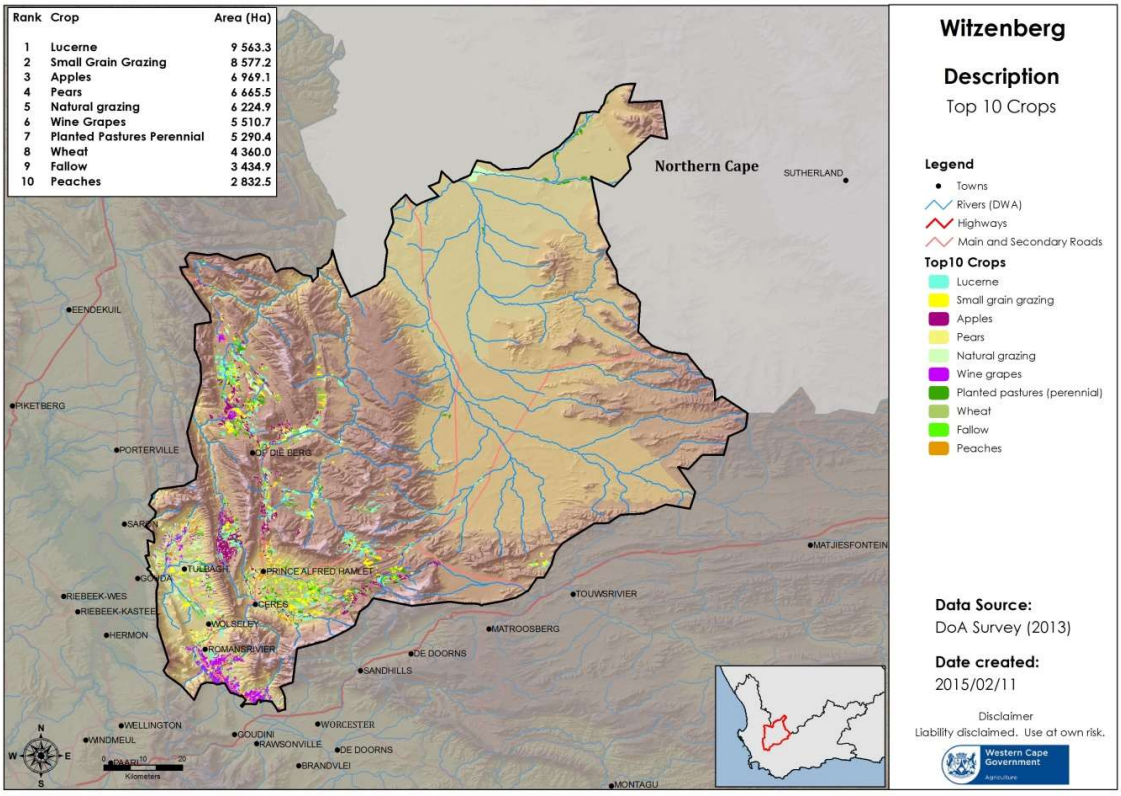
Agricultural Concept for Witzenberg - showing key farming areas, production types and supporting infrastructure concentrated along the agricultural band along the western edge of the municipal area
Deciduous fruit is the dominant product

1. Primary
    i. Deciduous: Apples, Pears, Nectarines, Peaches, Plums, Apricots
    ii. Onions
    iii. Potatoes
    iv. Cattle and sheep
    v. Butternuts
    vi. Wheat
    vii. Forestry
    viii. Horses

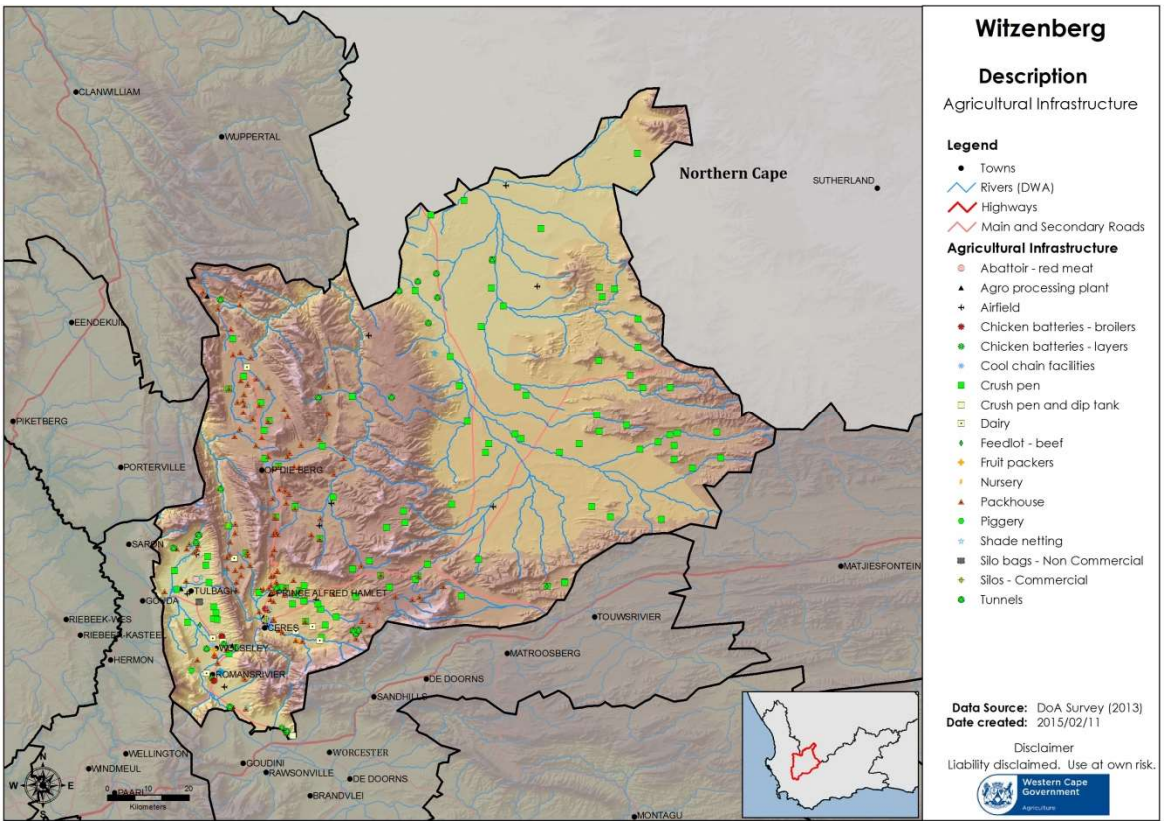


2. Secondary
    i. Cold storage
    ii. Packing houses
    iii. Concentrates and Puree
    iv. Single Strength Products
    v. Dried fruit products
    vi. Logistics
    vii. Agri Chemical
    viii. Agri Mechanical
    ix. Technical, admin and financial services
    x. Plant material (nurseries)

Top 10 crops by area



Agricultural Infrastructure



Economic Contribution

This sector comprised R1,2 billion (or 19,7 per cent) of the municipality's GDP in 2015. It displayed steady growth of 2,5 per cent for the period 2005 – 2015, but growth has nevertheless become stagnant in the post-recessionary period (the sector experienced a growth rate of 0,3 per cent over the period 2010 – 2015). Agriculture employed 34,9 per cent of the municipality's workforce**.**

Employment growth over the period 2005 – 2015 has contracted by 2,0 per cent per annum on average. Employment picked up significantly after the recession and grew at a rate of 3,5 per cent per annum on average since 2010. On net employment, the sector has been the only one with net job loss since 2005, recording 5 829 jobs lost since then. Despite the good growth rates in all sectors from 2010 – 2015, a recovery of all the jobs will take a long time. The labour force in the primary sector is characterised by a relatively large proportion of unskilled labour. The majority (64,6 per cent or 14 136 workers) of the workforce in agriculture operates within the low-skill sector, which has experienced a contraction of 2,7 per cent and a net job loss of 4 653 jobs since 2005. However, the sector grew by 3,4 per cent per annum over the post-recession period (2010 – 2015).

The semi-skilled sector employs 3 005 workers (13,7 per cent) and the sector has grown at a rate of 4,0 per cent per annum since 2010 but experienced a contraction of 2,1 per cent per annum over the long term (2005 – 2015). The skilled sector employs the smallest proportion of the industry workforce (2,9 per cent or 643 workers). This segment has shown robust growth post-recession (4,4 per cent per annum), but a 1,7 per cent per annum contraction over the long term (2005 – 2015). The informal sector makes up 18,7 per cent of the industry workforce and was the only sector to experience long-term growth (albeit marginal) as

employment grew by 1,5 per cent per annum over the period 2005 – 2015. Informal employment in the agriculture industry furthermore experienced solid growth of 3,6 per cent per annum since 2010.

Agriculture in the Witzenberg Area anticipates a growth per year for next five years – Primary: 5% - 8% ±, Secondary and Processing: 10% ±

Factors influencing anticipated 5% - 8% growth per year for next five years	***Exciting new Agri opportunities may stimulate extra growth***

1. *Water*
  i. *Permits*
2. *World Economy – exports*
  i. *Exchange rates*
  ii. *Economic growth, specially Africa*
  iii. *New markets*
  iv. *Market access*
  v. *Access to affordable finance*
3. *Climate change – expect more records!*
4. *Switching to higher income product lines*
  i. *Vineyards to pears and plums*
  ii. *Apples to cherries and berries*
5. *Mechanisation*
6. *Stable and effective government*
7. *Consolidation of Agri businesses*
8. *Research and Development*
  i. *New cultivars*
  ii. *Internet of things*
	1. *Agriculture in Western Cape is high priority – and well positioned*
	  i. *Right products*
	  ii. *Good location*
	  iii. *Investor confidence*
	  iv. *Expect government support*
	2. *New technology*
	  i. *Faster breeding of better products*
	  ii. *New growing techniques*
	  iii. *Use of IT and Apps*
	  iv. *Internet of things*
	3. *Covered production*
	  i. *Security for investor and supply chain*
	  ii. *Sunburn and hail*
	4. *PALS initiative – a community in harmony*
	  i. *Strategic high importance*
	  ii. *Support from the state*
	  iii. *Transformation through growth*
	  iv. *Turnaround of under-performing schemes*
	  v. *Working together with the municipality: "a comprehensive rural development desk" – a shared vision*

Main factors that put anticipated growth at risk

1. *Electricity: Stability of network and access for new projects*
2. *Infrastructure*
   i. *Roads for sensitive high value products – plan for increase flow!*
   ii. *Maintenance of existing irrigation schemes*
   iii. *New irrigation schemes*
3. *Labour/civil unrest*
   i. *Services – Specially waste management and risk to health and contamination*
   ii. *Housing for agriculture workers - NB*
   iii. *Code of best practice*
4. *Training and development of labour*
   i. *Productivity levels*
   ii. *Minimum wage*
   iii. *Working smarter with new equipment and new products*
5. *Too much red tape and slow processes dealing with authorities*
6. *Thread to Land as security*
7. *Investor confidence*

Special acknowledgment to Mr Pieter Du Toit - Managing Director: Dutoit Group

H. SPECIAL PROGRAMMES

WITZENBERG MUNICIPALITY DISASTER MANAGEMENT PLAN FOR COVID-19

The Witzenberg Municipality Disaster Management Plan for Covid-19 aims to identify strategies to protect the Witzenberg Municipality workforce and general community, and minimise the impact of Covid-19 pandemic.

During a pandemic, the Witzenberg Municipality's priorities are to:

- maintain the essential services that Council provides to the community;
- communicate with the community about Council core business;
- support other government agencies to manage the impact of a pandemic.

The Witzenberg Municipality's response to a pandemic will be guided by advice from the National Department of Health and other emergency service providers. As it is not possible to accurately predict the behaviour of a pandemic in advance, this plan identifies strategies and resources that may be utilised to cover all likely scenarios.

The plan identifies the responsibilities of those in the organisation with a key role in managing the Witzenberg Municipality response to a pandemic, as well as those with responsibilities for providing essential services and support services. Producing the plan is only one part of the overall preparedness for Covid-19 pandemic – it must be communicated to stakeholders, tested, and revised as required. A strategy is already underway to communicate the plan to all major stakeholders, including consultation, individual briefings and exercises.

Objectives

The Witzenberg Municipality Disaster Management Plan for Covid-19 aims to:

- Identify measures and mitigation strategies to protect the Witzenberg Municipality workforce and community, and minimise the impact of Covid-19 pandemic.
- Prepare and have arrangements in place to reduce the impact of pandemic.
- Contain and prevent transmission, implement infection control measures, and provide support services to council employees.
- Maintain essential municipal services through the provision of business continuity in the face of staff absenteeism and rising demand on local government services.
- Assist in providing mass vaccination services to the community, if a Covid-19 pandemic vaccine becomes available.

- Develop media and communication messages, in line with whole of government messages, to inform the community and staff of any changes to normal services.
- Coordinate the Municipalities actions with those other agencies and organisations to manage community consequences of a pandemic.

The Municipality's Role and Responsibilities

In addition the Witzenberg Municipality responsibilities under the Disaster Management Act, the Witzenberg Municipality responsibilities under the Disaster Management Plan for the Covid-19 Pandemic Plan are:

- Distribute warnings and other relevant advice to the community, ensuring consistency with messaging from the Western Cape Department of Health and the Western Cape Disaster Management Centre.
- Develop and implement strategies to minimise the effects of pandemic on vulnerable populations
- Provide regular information/situation reports to the Cape Winelands District

Municipality and the Western Cape Disaster Management Centre.

- Provide liaison officers to the Western Cape Disaster Management Centre (WCDMC) when requested.
- Maintain essential services to the community, as detailed in Witzenberg Municipality business continuity plans.

Activation of the Disaster Management Plan for Covid-19

- The activation of the Witzenberg Municipality Disaster Management Plan for Covid-19 will coincide with the activation of the WCDMC Covid-19 Pandemic Plan. The Head of the Disaster Management Centre will activate the Provincial Plan on advice from the Department of Health.
- The Head of Centre (WCDMC) may also consider activation of the Covid-19 Pandemic Plan when advice is received that the person responsible at the Western Cape Department of Health that is issuing Pandemic Health Alerts.
- The District Disaster Management Head of Centre of Cape Winelands is responsible for activating regional plans and coordinating regional emergency operations, including the opening of the District Disaster Management Centre.
- During the activation of the Witzenberg Disaster Management Plan for Covid-19, the dissemination of information in relation to the pandemic including warnings, health advice and other messages to stakeholders and the community, will be coordinated through the Western Cape Disaster Management Centre and the Provincial Public Information Officer to maximise the distribution and consistency of messages.
- The activation of Witzenberg Municipality Disaster Management Plan for Covid-19 is the responsibility of the Witzenberg Municipality's Manager Fire, Rescue and Disaster Management, supported by the Municipal Crisis and Emergency Management Team and the Response & Recovery Team.
- The Witzenberg Municipality will control the health response to the pandemic in accordance with the arrangements in the Western Cape Department of Health's response plan.

Institutional Arrangements

The management of the spread of COVID-19 requires systematic coordination, communication and cooperation. The municipality established a local committee and will participate in the existing District Operational Committee to facilitate a coordinated response and flow of information. The municipality will:

- Work with all organs of state, local community-based health organizations and other civil society organisations.
- Collaborate with and participate in the Provincial Joint Operational Committees for flow of information in this regard.

JOINT DISTRICT APPROACH

In September 2019, National Government has launched the District Development Model after approval by Cabinet on the 21st of August 2019.

The new district-based model for development will synchronise planning by all spheres of government and involve citizens and civil society in the development of South Africa's 44 municipal districts and eight (8) Metros. This coordination will require – with effect from the 2020/21 Budget cycle – which national budgets and programmes are spatially referenced across the 44 districts and 8 Metros. Similarly, provincial government budgets and programmes will be spatially referenced to districts and metros in the respective provinces, while municipalities will express the needs and aspirations of communities in integrated development

plans for the 44 districts and 8 Metros. This shift in planning is expected to narrow the distance between citizens and engender active participation by citizens in development, and enable long-term planning as well as responses to immediate "burning" issues.
In response, the Western Cape government has developed the Joint District Approach.

Joint District Approach, supported by governance instruments, is advanced for developmental local government and sustainable service delivery premised on a common denominator of good governance. It is a geographical and team based, citizen focused approach to provide a series of government services (underpinned by characteristics of developmental local government and good governance).

Provincial/District Interface Teams has been developed consisting of the following:

- Team leaders per District – Dept. of Local Government
- Municipal Representatives – District & local government
- Provincial Representatives
- Draft Terms of Reference has been completed

The JDA promotes collaboration using District Coordinating Forums as the governance instruments for co-planning, co-budgeting and co-implementation to strengthen service delivery to communities,
Each district team should work towards:

- The identification of strategic and planning priorities as well as service delivery challenges within each district.
- Use of DCFs as planning and reporting platforms.

The Joint District Approach Implementation Plan for Cape Winelands includes the following critical projects:

- Community Safety Plan
- Waste Management (priority project)

- Regional Waste Management Facility: Conduct a Section 78 investigation and implement the recommendations
- Review of Integrated Waste Management Plan
- Develop Acceptable Diversion Strategies
- Waste Management Conference

- Managed urbanisation approach for CWDM
- Improving Resilience

- Climate Change
- Water Security
- Energy Security

- Financial Sustainability
- Develop and implement a District Plan to address unemployment and related challenges
- Working Group established to draft a Concept Paper on Data Governance
- Inter-Governmental Relations structures mapped and recommendations proposed for rationalisation
- Communication Plan developed and implemented
- N1 De Doorns: Private Sector involvement in JDA

VIII. RSEP/VPUU

Regional Socio-Economic Programme (RSEP) / Violence Prevention through Urban Upgrading (VPUU)

The Regional Socio-Economic Programme and Violence Prevention through Urban Upgrading Programme **(RSEP/VPUU Programme)** is an intergovernmental programme run in the Western Cape. The programme will comprise a variety of projects, driven by different role-players, including municipalities, provincial departments, the VPUU Not for Profit Company (VPUU NPC) and communities.

A core component of the programme is to promote learning and to mainstream lessons learnt, best practice and opportunities for replication in municipalities and towns.

The RSEP/VPUU Programme is about a capable state partnering with active citizens, communities and other stakeholders to plan and implement projects that improve quality of life. The majority of projects funded through the programme will be local and precinct-based, and these will mainly be urban upgrading projects that involve the development of physical infrastructure.

Infrastructure projects are supported by social projects that focus on providing activities, programmes or facilities for specific groups or address social challenges within communities, such as early childhood development, education, safety, economic development or social cohesion. All of the projects will be identified at municipal level through a collaborative process involving many stakeholders.

The scope of the actual work being undertaken under the RSEP/VPUU Programme operates at different scales and is grouped under eight streams. Under each of the streams, there are one or two overarching goals that indicate the broad intentions of the work undertaken within that stream as well as a few objectives, which indicate some of the steps that may be taken to achieve the goal(s).

An amount of R4 million was approved for implementation of RSEP projects over the next two years. The projects will focus on mobility with surfaced pedestrian routes that would provide safe and dignified access to pedestrians and cyclists from the areas of Bella Vista and N'Duli to Ceres. Through the implementation of various projects in these areas, Witzenberg will be a co-funder, as included in the 3-year capital budget.

IX. TWINNING AGREEMENT WITH ESSEN MUNICIPALITY IN BELGIUM

Implementation of Waste Management Strategy with support from Essen Gemeente, Belgium

Witzenberg has a well-established, long-term twinning agreement with the Essen municipality in Belgium.

Several projects relating to youth development and the environment were implemented successfully in the past. Current projects include a Flemish programme on youth development and upgrading of open spaces. A federal programme focusing on waste management will be implemented in 2017/18.

The federal programme will support the implementation of a new Waste Management Strategy for Witzenberg, with the focus on the construction of a material recovery facility and drop-off points in each of the towns that will replace the garden refuse skips.

The value of contribution from the Belgium Federal Government amounts to 250 000Euro that will be implemented over a five-year period.

Special recognition is given to the Essen Gemeente (Council), officials and the VVSG (Vereniging van Vlaamse Stede en Genote) for their assistance and management of the programme

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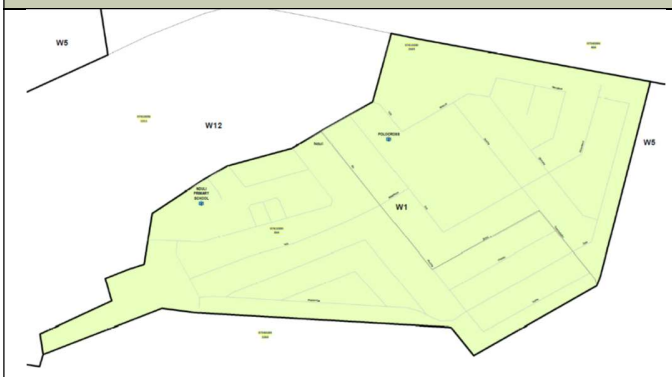
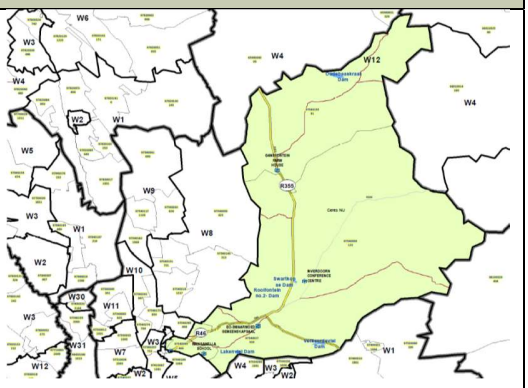
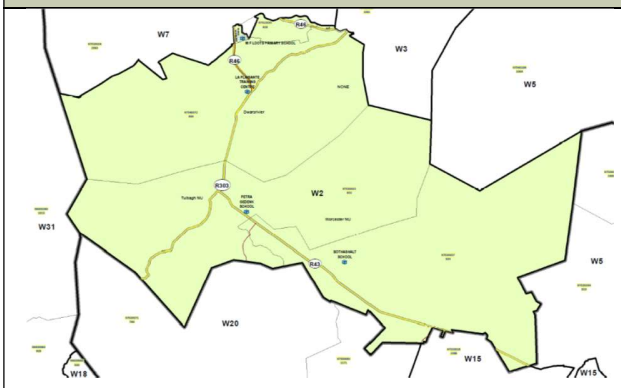
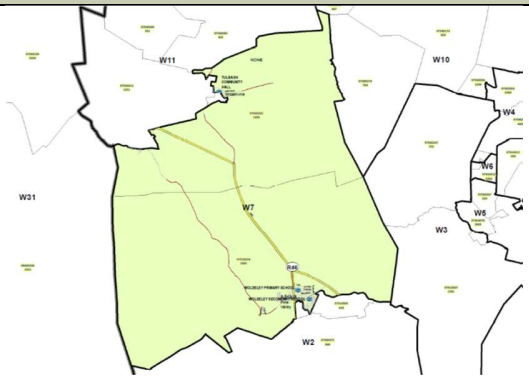
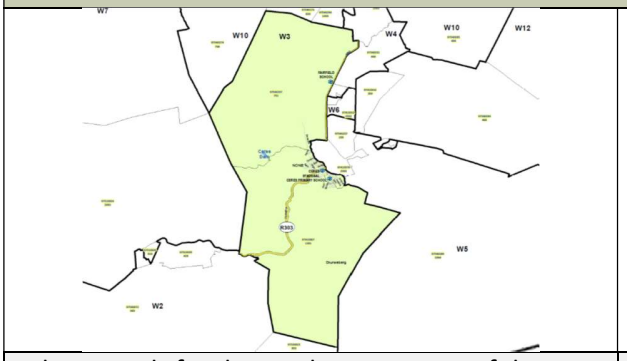
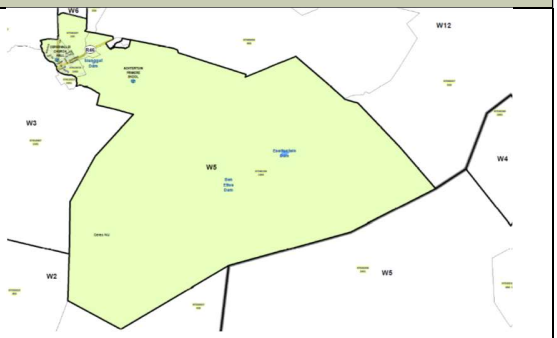
I. IDP PUBLIC NEEDS ANALYSIS

Wards 1 and 12	
	
Provide street/security lights in unsafe areas More secure fencing at public facilities Upgrading of older streetlights Better dialogue in future with the youth Water resources for small farmers Policies must be communicated with the community Safe “walk way” / bridge between N’Duli and Vredebes Ongoing programmes on speed control	Skips programme needs to be sustained Sewer network needs to be improved Sports grounds needs to be restored/ upgraded Electrical theft needs to be clamped down Mini CBD to be developed in N’Duli Implementation of recycling projects/ programmes NYDA and EPWP needs to be linked Transfer of title deeds

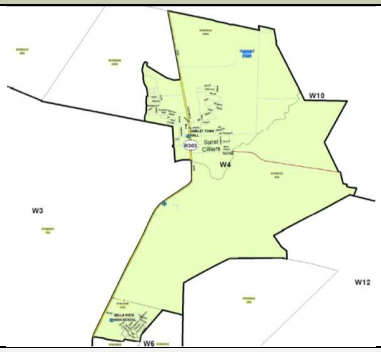
Combat erosion on sidewalks and streets (rehabilitation) Community facilities need to be upgraded Rehabilitation of graveyard and fencing More prepaid electricity selling points Mobile Clinic Services – Tankwa Karroo Area Maintenance of roads Satellite connectivity in rural areas, emergency and law enforcement connectivity Television connectivity for rural areas Resource farm watch Information signage along gravel roads in Tankwa Karroo Area Television and network connectivity in the Tankwa Karroo Area Livestock Theft Unit to have more Programms in the Tankwa Karroo Area	Rehabilitation of playgrounds and parks Development programmes for women and persons with disabilities Police station for N'Duli Hostel facilities for primary school children in Tankwa Karroo Area ABET facilities in the Rural Areas Substance abuse in rural farming areas Rest areas on rural roads, maintenance, district to stop cutting down trees District Municipality to rehabilitate rest areas along farming main routes Solar/renewable energy for farm houses Firefighting volunteers Water Security Programmes for communities living in the Tankwa Karroo Area

Wards 2 and 7	
	
Pine Valley library and swimming pool Bathroom facilities in the graveyard areas Secure fencing at the graveyard Relook Indigent Policy Substance abuse escalating under scholars Illegal shebeens and off-sales Dilapidated houses used for criminal offences Job creation programmes Back yard dwellers still a problem, housing need Foreigners' activities (illegal) still a problem Bathroom facilities at informal settlements Wolseley requires a fire station Neighbourhood watches in all areas RDP houses are being sold to foreigners Drop-off and pick-up points at die Bossie, as you enter Wolseley Communal and church plots at Kluitjieskraal	The Municipality are requested to establish more platforms apart from the Ward Committees to better communicate with communities e.g. street committees, block committees The water canal in Wolseley still a safety concern A concern on the education levels of Breederiver farming area, a need for training programs for people in these rural areas More Tourism programs to be rolled out Upgrading of the Wolseley entrance landscape/signage Building a playpark in Kluitjieskraal and Pine Valley Upgrading and maintenance of Montana Sports grounds

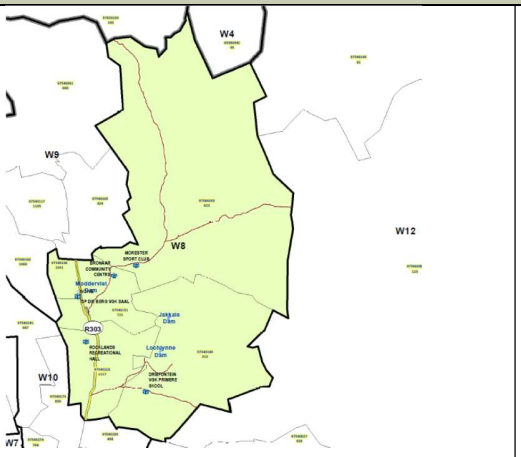
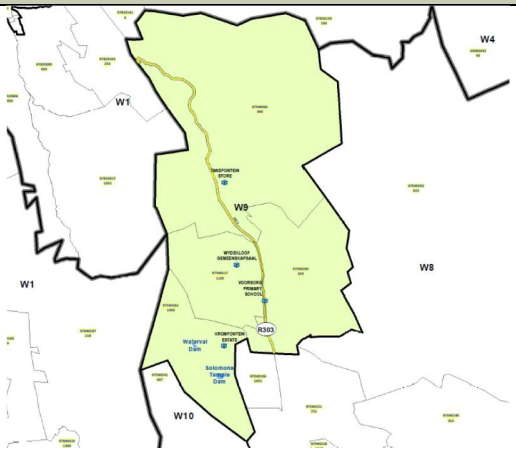
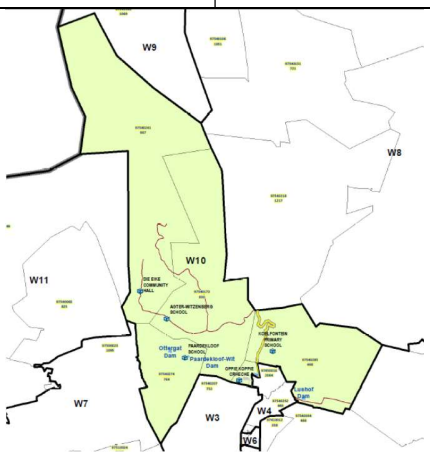
Mobile library service for the Breederiver area Homeless shelter The piece of land between Kluitjies Kraal and Pine Valley to be developed, or be made available for development e.g. food gardens, small scale farming ECD centers to be formalised Skills development programs in the Agri sector	Recreational facilities needed at swimming pool Taxi rank placements to be investigated Public bathroom facilities in the CBD

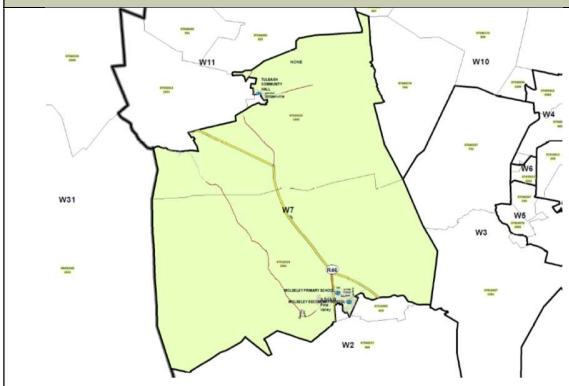
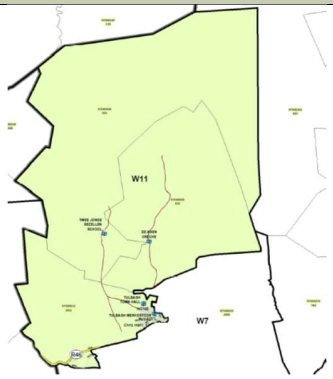
Wards 3 and 5	
	
Playgrounds for the northeastern part of the Rooikamp area Animal control a big problem, dogs and stray animals / problem has escalated Clarity on the Eiland housing scheme Better/more speed calming efforts Street signage to be upgraded Playground/field in Fabriek Str to be fenced Bassons sloot still a problem Mainmast light/ high-beam floodlights to be installed at parks and walk way areas Rotational skip system to be developed Developing of Lyell Str sports grounds, to accommodate more sport codes – Sector departments need to assist Gap housing developments Free broadband and WiFi hotspots Establishment of CPFs in all areas and more regular SAPS patrols/ high crime still a problem Library in Lyell Street to be upgraded/ modernised Recreational facilities similar to neighbouring municipalities (Worcester dam development) Sidewalks to be tarred or paved Walkway bridge over railway line dilapidated and unsafe	Owen Street unsafe due to poor street lighting Owen Street walkway to be developed, as this has become a main taxi route, unsafe for pedestrians Inspection/policing of shops, occupants use as accommodation Walkway to be developed from the nature reserve, past the pine forest Homeless people problem getting out of hand Stormwater network a problem Walkway and lights from Egoli to Albert Crescent behind houses Problems between Munnik and Voortrekker Street – close passage Railway line to be cleaned frequently, better quality fence Weekends the Town Main Roads have too much traffic Gambling taking place on street corners, SAPS need to act Bathroom facilities needed is cemeteries Better lighting needed along walkway to the Hospital Bus shelters for scholars on the outside rural roads

Streetlights to be upgraded, streetlights that are lower than the trees, outdated Community “Clean Green” programmes for the Rooikamp area	

Wards 4 and 6	
	
Community hall for Phases 3, 4 and 5 Backyard dwellers still a problem – housing need Sports facilities for Phases 3, 4 and 5 High dropout rate of scholars a problem Business hub/mini CBD for Kliprug area Better controlled refuse removal in Phases areas Effective placement of skips Availability of church sites Not all dwellings connected to main sewer line Ongoing speed control programmes Animal control in all areas Xhosa medium school for PA Hamlet area More electrical selling points, even at Thusong	Service suspensions to be clearly communicated to consumers Clamp down on illegal dumping of refuse Upgrade of Bella Vista Community Hall Danger of heavy duty transport in Panorama St Sewer network a problem at graveyard Development of youth centre at one of municipal facilities Land availability for small farmers Off-ramp lanes at Bella Vista entrances Gap housing developments Major need for pavilions at sports grounds

Business hub/mini CBD for Bella Vista More prepaid electricity selling points Bus and taxi shelters for scholars	Need a walkway around Jakaranda, Vrede Street and Mooi Uitsig School Bella Vista clinic too small Thusong Centre open on Saturdays from 09:00 to 12:00 Walk way needed from Mooi Uitsig School to Vrede Street Gang activity becoming a problem Vandalization of Municipal property

Wards 8, 9 and 10	
  	
Clinic for the Agter Witzenberg area More effective mobile clinic services in rural farming areas Ambulance services still a problem SAPS service must be intensified Bus and taxi shelters along main routes Fire station for Op-die-Berg and also to service surrounding areas Crime also escalating – CPF	Backyard dwellers still a problem Tourism/ ecotourism to be promoted in the area Law enforcement officers to be appointed for these wards Christmas and holiday lights to be budgeted for Op-die-Berg River rehabilitation programme to be sustained No pavement curbs along main CBD routes

Sports grounds need secure fencing The location public ablutions facilities in the CBD area Speed calming still a problem Illegal house shops need to be regulated Illegal shebeens need to be closed Playgrounds and parks are unsafe Business development support programmes There are still streets that need tarring; Grond, Bokveld Street, etc. Upgrading of the R303 Gydo Pass	Tarring of CBD open spaces and sidewalks Swimming pool needed for Op-die-Berg Subsidised water storage tanks for all houses Better quality street/security lights Investigation needed regarding trees in CBD area Spotlights floodlights needed at walkway over the foot bridge More municipal services to be rendered at Op Die Berg offices
Wards 7 and 11	
	
Replacement and maintenance of roads Substance abuse a problem in Tulbagh area Small-scale farmers need land for their animals Animal control must be intensified Sector departments need to assist with the establishment of sports facilities in farming areas Water shortage a problem during summer months Small business development opportunities Gap housing developments Traffic Services for Tulbagh Illegal house shops need to be regulated Upgrading of street lights Parks and playgrounds to be upgraded Better ablution facilities for schools on farms Libraries to be open on Saturday mornings Control the influx and illegal structures	Illegal shebeens need to be closed Storm water network in Tulbagh needs to be maintained regularly The use of local contractors for municipal work Sewerage network in Chris Hani area needs to be maintained regularly River rehabilitation programmes to be sustained Safety of Woman still a concern, - House of Safe Keeping Tourism campaigns to be developed to attract more tourists Speed calming needed along main street walkway routs Roll out of programs for people with disabilities More ablution facilities needed in Chris Hani area, and ASLA Camp Scholar road safety to be looked at, school road/street crossings; traffic signage to be put up,

4 KEY PERFORMANCE AREAS

Witzenberg Municipality has identified four key performance areas that group related functions and activities into focused units. Strategic objectives have been developed for each of the KPAs that are further broken down into programmes, projects and activities. Key performance indicators will indicate performance and progress on our strategic objectives over the five-year IDP term. Note that the KPAs do not relate to directorates as currently being used in the municipality.

KPA **Essential Services** include the following functions:

- Water Services
- Sanitation Services
- Roads and Storm water
- Transport Management
- Electrical Services
- Street lighting
- Solid waste management and collection

KPA **Governance** includes the following functions:

- Human Resources
- Administration
- Information Technology
- Marketing and Communication
- Internal Audit and Risk Management
- Performance Management
- Traffic and law enforcement
- Building Control
- Town Planning
- Financial administration
- Income
- Supply Chain Management
- Integrated Development Planning
- Legal and property management
- Council

KPA **Communal** includes the following functions:

- Environmental Management
- Open Spaces
- Air and noise pollution
- Trading regulations
- Amusement facilities
- Cemeteries

- Fencing
- Amenities
- Sport facilities
- Parks and Recreation

KPA **Socio-Economic Support** includes the following functions:

- Social Development
- Local Economic Development
- Indigent support
- Housing
- Job creation

New School in Tulbagh

Key performance area 1:

ESSENTIAL SERVICES

OBJECTIVE 1.1:

SUSTAINABLE PROVISION AND MAINTENANCE OF BASIC SERVICES

OBJECTIVE 1.2:

PROVIDE FOR THE NEEDS OF INFORMAL SETTLEMENTS THROUGH IMPROVED SERVICES

Key Performance Area 1

A. ESSENTIAL SERVICES

I. OBJECTIVE 1.1: SUSTAINABLE PROVISION AND MAINTENANCE OF BASIC SERVICES INFRASTRUCTURE

An important emphasis for the municipality is to ensure that basic services infrastructure is provided and upgraded to support areas of growth. The further maintenance of existing infrastructure will ensure the sustainable provision of services. This will happen by means of the following programmes:

▪ PROGRAMME 1.1 (A): UPGRADING OF BULK RESOURCES AND INFRASTRUCTURE

Water Sources, storage and purification

The main resources for **Ceres** are the Koekedouw dam with a capacity of 17 million m^3 of which the municipality is entitled to 10 million m^3. Current usage is 3,9 million m^3 p/a. At the current population growth rate of 2,67%, the current supply will be sufficient for the next 20 years, excluding supplementation from our boreholes. Emergency boreholes can supply 20% of our ADD. Water quality from Koekedouw is good and is only chlorinated before distribution.

Two reservoirs (3 and 5 Ml) serve as storage reservoirs to the distribution network of 114 km with four supply zones (Bella Vista, N'Duli, Ceres main supply zone and Ceres central PRV zone). The network includes a 2 X 2 Ml service reservoirs, a booster pump station to the pressure tower at Bella Vista (500kl) as well as a 750 kl and a 4,5 Ml service reservoir at N'Duli. All the bulk infrastructure for the planned housing projects have been completed and are in operation.

Moordenaarskloof and Tierkloof are the main resources for the supply of water to **Tulbagh** at present. Construction has been completed to provide an additional 1,2 x 10^6 m^3/a from the Klein Berg River. Additional boreholes were drilled adjacent to Nuwekloof pass but the yields are insufficient for supply to the town of Tulbagh. Moordenaarskloof is evenly shared with two other users (SAPCO and Kruysvallei). The existing storage dam arise insufficient and requires the implementation of water restrictions on an annual basis. Funding for the construction of the Waverenskroon dam has been approved from DWS, and the project is currently at the implementation stage (construction).

The purification plant consists of five slow gravity sand filters as well as a chlorination system. Two reservoirs (800 kl and 1 Ml) serve as clear water storage reservoirs to the distribution network of 29 km with two pressure zones. The network includes a booster pump station to the pressure tower (500 kl). A new reservoir will have to be constructed when private residential housing projects are implemented.

Wolseley receives its water supply from the Tierkloof weir. Purification consists of pressure filters and chlorination. The Ceres Road Reservoir (680 kl) and newly constructed 6 Ml Wolseley reservoir serve as storage reservoirs to the distribution network of 44 km with two pressure zones. The network includes a 4.5 Ml services reservoir (Stamper Street Reservoir), which has been resealed to prevent losses, and a booster pump station. An additional pump station

enables the transfer of irrigation water during periods of low flow from the Artois canal to this reservoir. The absence of a storage dam for Wolseley places the town at risk during periods of severe drought. The bulk supply line from the Tierkloof weir is at risk of collapsing due to age and is in need of replacement.

Prince Alfred's Hamlet's water sources consist of the Wabooms River weir, a fountain, three boreholes as well as a link through the agricultural pipe network of the Koekedouw Dam. Due to the quality of the raw water, only chlorination is required. Four 500 kl reservoirs serve as storage reservoirs to the distribution network of 32 km with only one pressure zone.

Op-die-Berg has three water sources, a fountain and two boreholes. Due to the quality of the water, only chlorination is required. Three reservoirs as follows: 50kl, 60kl and 500kl serve as storage reservoirs to the distribution network of 6 km with only one pressure zone. A new reservoir is required with the recent construction of 250 RDP houses. The absence of a storage dam places the town at risk during periods of severe drought.

Infrastructure Investment			
Project Name	***Area***	***Budget***	***Year***
Water Network Replacement	***Witzenberg***	***R 1 000 000*** ***R 500 000***	***2019/2020*** ***2020/2021***
Storage Dam	***Tulbagh***	***R 16 931 304*** ***R 17 931 304***	***2019/2020*** ***2020/2021***
Vredebes Water Bulk Pipeline: Phase H	***Ceres***	***R 476 300***	***2020/2021***
Nduli Housing Water	***Nduli***	***R 9 488 500***	***2020/2021***
Nduli Infill Internal Water	***Nduli***	***R 11 320 000***	***2021/2022***
New reservoir at Op-die-Berg	***Op-die-Berg***	***R 11 279 044***	***2021/2022***

Achievements

Achieved BLUE DROP status for all water treatment works for past three years

Critical actions

Proceed with construction of Tulbagh storage dam

Waste water treatment works and pump stations

Sewage and industrial effluent are collected from consumers via a sewer system and treated at the **Ceres** wastewater treatment plant. The plant services the areas of Ceres, N'Duli, Bella Vista and Prince Alfred's Hamlet. The sewer system includes nine booster pump stations. A portion of the treated effluent is used for irrigation. The **Tulbagh** wastewater treatment plant was upgraded in 2015 and the system includes three booster pump stations. The **Wolseley** Wastewater treatment plant was upgraded in 2014 and the system includes six booster pump stations. The **Op-die-Berg** wastewater treatment plant serves approximately 75% of the consumers and the rest are serviced with septic tanks. Septic tanks are emptied by the municipality on request.

PLANT	SIZE (ML/DAY)	TECHNOLOGY	OPERATIONAL FLOW (% of design capacity)
CERES WWTW	8.5	Activated Sludge	64
ODB WWTW	0.308	Activated Sludge	78
WOLSELEY WWTW	3.6	Activated Sludge	25
TULBAGH WWTW	2.46	Activated Sludge	43

The effectiveness of the plants is measured through the quality of waste water discharge with all plants achieving targets in 2017/18. The Op-die-Berg plant requires an upgrade of sandfilters as the quality of discharge decreases, especially during winter months due to insufficient evaporation.

Infrastructure Investment: Sanitation			
Project Name	**Area**	**Budget**	**Year**
Refurbishment WWTW	Wolseley	R 600 000 R 1 500 000	2019/2020 2020/2021
Sewer Network Replacement	Witzenberg	R 1 000 000 R 500 000	2019/2020 2020/2021
Security Upgrades	Witzenberg	R 300 000 R 300 000	2019/2020 2020/2021
Vredebes Sewer Bulk Pipeline: Phase H	Ceres	R 739 584	2020/2021
Nduli Housing Sanitation	Nduli	R 9 488 500	2020/2021
Nduli Infill Internal Sewerage	Nduli	R 11 320 000	2021/2022
Sewer pump replacement	Witzenberg	R 200 000	2019/2020

Achievements

Achieved GREEN DROP status for all wastewater treatment works for past three years.

Electricity bulk supply and substations

Witzenberg Municipality is the main provider of electrical services to the domestic and agricultural economy within its area of jurisdiction, whilst Ceres itself is synonymous with 'world-class fruit'.

Without a sufficient and sustainable electricity supply, this economy finds itself in dire straits. The hard-hitting facts are that Witzenberg Municipality is for all intents and purposes running at its NMD (Notified Maximum Demand) of 46,2 MVA (total). In fact, NMD was exceeded in 2019/2020. The current Eskom backbone network does not permit an increase of this NMD until such time as their backbone network has been upgraded. The implications thereof are ten years and R250 million, meaning that 2030 is the earliest our NMD can be upgraded.

A conservative estimate of 2,5% growth per annum is that Witzenberg Municipality's load will be in excess of 50 MVA by then.

The realistic estimate however includes agriculture's own estimate for their industry alone to be 2,5% in addition to the natural growth of Witzenberg mentioned above. This then is a projected growth, realistically, of 5% per annum over the next eight years. By this estimate Witzenberg Municipality's load will be 100+ MVA by then.

The following initiatives were implemented to assist over the short term:

- The Witzenberg Municipality installed power factor correction equipment at the Ceres main electrical substation, which effectively provides us with an additional 1 Mva of electricity.
- Although Eskom cannot currently increase Witzenberg's NMD, an application for an additional 5 MVA was however submitted in September 2019. This is deemed a short/medium term solution.
- Regular meetings with Eskom regarding the progress of the Romans River 132Kv upgrade project. The 2030 date as provided by Eskom is potentially disastrous to the economy of Witzenberg!
- Council has approved more than 5 MWp of solar panels for its consumers, although this is now limited in terms of a Council decision.

Over the short term (1-2 years), the above interventions will assist Witzenberg to provide in its customers' growing demand. Should Eskom not be in a position to complete the upgrade of their bulk electricity by 2030, the Witzenberg Municipality and its agricultural economy will be brought to its knees because of Eskom's inability to provide an increased Notified Maximum Demand.

On the municipal side Witzenberg has three main areas of supply with four Eskom intake points as follows:

- The **Ceres** electrical network receives its bulk electricity from Eskom via two 11kV bulk metering points at Eskom's Ceres Power Station (northwest of the urban area) and Bon Chretien (northeast of the urban area) substation, current NMD is 36,5 MVA.
- The **Tulbagh** electrical network receives its bulk electricity from Eskom via one 11kV bulk metering point at Eskom's Tulbagh substation, current NMD is 4,5 MVA.
- The **Wolseley** electrical network receives its bulk from Eskom via a single 11kV bulk metering point at Eskom's Wolseley substation, current NMD is 5,2 MVA.

It remains the duty of any municipality to pursue all avenues of revenue enhancement in order to ensure the provision of the full bouquet of services to all its residents in a sustainable

manner. Electricity provision to the un-electrified rural areas of Witzenberg municipal area is a huge untapped resource that the municipality is unable to exploit due to the current Eskom NMD constraints. In terms of the municipality's NERSA approved distribution licence, the municipal supply area is:

"The municipal area of WITZENBERG. Customers being supplied by Eskom or any other Licensed Distributor at the date of commencement of this licence are excluded from this licence"

This implies that all un-electrified areas are considered 'green field' supply areas for the municipality and that Eskom is not allowed to supply electricity to these areas without the express permission of the municipality.

Load forecast

Below is a table depicting the current and immediate future growth.

	Ceres	Tulbagh	Wolseley
NMD	38,3 MVA (exceeded March 2020)	4,5 MVA (4,1 MVA reached August 2020)	4,5 MVA (reached July 2020)
Expected development	Vredebes development (2 850 RDP housing units) 5,2 MVA Golfing estate dev (89 Erven) 1 MVA Kleinbegin (220 RDP housing units) 1 MVA Mazoe (270 RDP housing units) 0,8 MVA Morceaux veg processing 0,5 MVA Belmont (90 units) 0,5 MVA ERF 9602 shopping 1 MVA TOTAL 10 MVA	Informal settlement 1 MVA Digby (315 housing units) 1 MVA Waverenskroon (1 350 housing units / Commercial 16 970 m² / Institutional 20 775 m² / Recreation 24 400m² 1,5 MVA Pine Valley 2H (120 houses) 0,3 MVA TOTAL 3,8 MVA	Informal settlement 0,5 MVA Goedgevonden (269 units security/frail care 1 MVA Grassroots 1 MVA (2021) VV4 (Cooling) 1 MVA TOTAL 3,5 MVA

Proposed interventions

Eskom supplies the Ceres area with a 132 kV line that has, due to consistent growth in demand, reached its capacity in 2014. A moratorium on all new demand is currently in place. Upgrading the existing supply will consist of four phases with an associated cost of R250 million. The current timeframe for this upgrade is expected to be around six years based on the land acquisition process and availability of budget. Below is a schematic depiction of the proposed required upgrade with the very concerning statement of "can only complete by 2030 at best". By that time the municipality will be exceeding its NMD by 50 MVA if considering a nominal 2,5% growth per annum, excluding the fact of a conservative estimate of 20% growth over the next eight years for the agricultural economy only. These figures are too ghastly to contemplate and will certainly be a death knell for Witzenberg unless Eskom can bring their capacity project forward or some other innovative solution can be found.

Critical actions

- *Continued communication with Eskom and role-players on the urgent upgrade of Eskom bulk supply to the value of R250m*
- *Implementation of the Illegal Connection policy to reduce losses and increase income from electricity.*

Management of landfill sites

The provision and operation of landfill sites in the Witzenberg Municipality have reached critical proportions due to drastically increased operating costs and permit conditions of existing sites, available landfill space and increasingly strict legislation to adhere to.

The **Ceres** landfill site has been closed since 1999 as a permit was not issued due to the nature of soil conditions that could lead to underground water pollution. Rehabilitation is however still outstanding at a cost of R 4,6m.

The **Prince Alfred's Hamlet** site is licensed for builders' rubble and garden refuse only, with the same geo-hydrological issues as the Ceres site. All builders' rubble and garden refuse from Ceres are dumped here. Vandalism and theft play a major role in the operation of the site as fences are stolen and infrastructure vandalised. Illegal entry also has the result that fires periodically break out at the site. Rehabilitation is however still outstanding at a cost of R54,3m.

The **Op-die-Berg** site needs to be closed in the near future due to high operating costs. Rehabilitation is however still outstanding at a cost of R6,1m.

The **Wolseley** site is licensed for general waste, garden refuse and builders' rubble and have sufficient space up to 2026. The municipality was forced to close the site, after the adjacent informal community burnt down the offices and damaged equipment, and it is not foreseen that the site will be opened again in the near future. Rehabilitation is however still outstanding at a cost of R28,2m.

The **Tulbagh** site has sufficient airspace for 3 months and a variation to the licence was applied for, but a court order was granted against the application. The court order indicated that the municipality has to resubmit its waste variation license with certain updates to the MEC to re-consider the amendment of our waste variation license.. If this Waste Variation License is not approved we will have to transport our solid waste to either Worcester or Drakenstein at high transport costs. The Tulbagh site needs to be upgraded to the value of R3,1m to comply with DEADP findings. Rehabilitation is however still outstanding at a cost of R19,3m.

The table below indicates the waste volumes generated per town:

Town	***Ton/annum***

Tulbagh	*4 284*
Wolseley	*4 887*
Op-die-Berg	*3 083*
Prince Alfred's Hamlet	*2 781*
Ceres	*9 664*
TOTAL	***24 699***

Witzenberg Municipality is in the process of developing a **long-term strategy for waste management** as a whole. The strategy will be required to address the following issues:

Component	Activity	Description
Waste avoidance	Public awareness	The municipality developed and implemented a public awareness programme to promote waste avoidance and waste minimisation at source.
Waste collection	Optimise collection System	The municipality to optimise its waste collection resources.
Waste diversion	Recycling	The municipality should cooperate with the private recyclers in the municipal area instead of competing with them. Source-separated recyclables could be collected by the private recyclers after a competitive bidding process (tender). A wet MRF will be constructed at Ceres over the next 2 financial years. A waste drop off site is being constructed at Wolseley.
	Composting of green waste	The municipality should extend its current garden waste separation system to ban all garden waste from the domestic waste stream, thereby also capturing the fine garden waste (grass cuttings) for the composting process. A chipping and composting facility should be developed at the existing Prince Alfred's Hamlet garden waste site.
	Crushing of builder's rubble	Builder's rubble should be stored until a size stockpile is created to justify the mobilisation of a crusher. Such a storage area can spatially be provided at the centrally located proposed transfer facility or until then, at the Tulbagh landfill area.
	Food waste	The quantity of food waste in Witzenberg is too low to economically justify anaerobic digestion, but the food waste fraction could be composted with the garden waste. This would require source separation of food waste, but it is recommended that this activity be postponed until the composting of green waste has been successfully implemented. A zero waste to landfill pilot is currently being done at Tulbagh.
	Waste-to-energy	Witzenberg's waste volumes are too low to economically justify waste-to-energy technologies.
Waste disposal	Disposal at licensed landfill	Witzenberg Municipality has the option to either utilise the proposed new regional landfill near Worcester or to further develop the existing Tulbagh landfill. It is recommended that the regional initiative be supported because the transport cost would be the incentive to maximise the diversion of waste from landfill. A centrally located transfer facility should be established near Wolseley where the collected waste, after diversion technologies have been applied, would be transferred to long-haul vehicles.

Investigate usage of **regional landfill sites**. The development of a regional landfill site at Worcester is currently in process with the purpose to accommodate the municipalities

of Witzenberg, Breede Valley (Worcester) and Langeberg (Robertson, Ashton, Montagu). The operation of a regional site should see a decrease in operating costs, but transport costs should determine if such a shift would be viable.

TABLE: CAPITAL AND OPERATIONAL COST REQUIREMENTS

Activity	Capital Cost	Annual Operational Cost	Timeline
Public awareness programme		Approximately R300 000	Completed
Waste Collection System	R11 500 000	R5 395 392	The procurement of the new RELs can be phased in over 3 years
Recycling		Approximately R660,000	Advertise a 3-year tender for the collection of source-separated recyclables in 2020/2021
Composting	R3 748 000	Approximately R2 300 000	Develop composting facility at PAH site in 2021/22
Crushing		Approximately R520 000	Commence immediately with separation and stockpiling of builder's rubble at Tulbagh landfill
Food waste separation			Zero waste to landfill Pilot currently running at Tulbagh
Regional waste disposal	Landfill = R7 227 232 Transfer facility = R14 420 000	Landfill = R1 667 709 Transfer = R2 073 165	Transfer facility (MRF) to be constructed in 2020/22 as it is the anticipated commissioning date of the regional landfill
Other	4 public drop-offs = R14 840 000 Rehab Ceres = R4 607 860 Rehab Wolseley = R28 287 038 Rehab Op-die-Berg = R6 138 630 Rehab PAH = R54 364 245 Rehab Tulbagh = R19 324 622	4 public drop-offs = R8 580 000	The public drop-offs should be constructed before the local landfill closure. The rehabilitation of the closed landfills can be scheduled to meet the budget. Drop off currently being constructed at Wolseley.

Witzenberg Municipality has a long-term twinning agreement with Essen Municipality in Belgium. As part of their Federal Government Programme, an application was approved for intellectual assistance and funding for the abovementioned strategy and related infrastructure such as the material recovery facility. The project will further assist with the establishment of drop-off points (transfer stations) in all towns that would replace the existing skip system. Additional funding for the MRF and one drop-off was approved MIG and own funding.

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- **PROGRAMME 1.1 (B): UPGRADE AND MAINTENANCE OF NETWORK INFRASTRUCTURE**

Water and sanitation networks

The Witzenberg urban area is serviced through 224 km of water networks and 199 km of sewer networks with pipes varying in diameter. All urban areas have access to a water connection point with the exception of the informal areas of Tulbagh, Wolseley and N'Duli, which are supplied with communal water points. All urban areas have access to a sewerage connection point with the exception of approximately 25% of the Op-die-Berg and Prince Alfred's Hamlet consumers that are not connected to a network but use septic tanks that are emptied on request. The informal areas are provided with communal toilets. Septic tanks are serviced by two sewerage trucks over an area of 10,753 km² that entails mainly rural areas.

Normal maintenance and repair has increased drastically over the past couple of years due to the ageing of networks. A pipe replacement programme and upgrade of pump stations programme are being implemented and budgeted for on an annual basis. The increasing number of pipe breakages also has an influence on water losses, although water losses have decreased significantly over the past couple of years due to several interventions that were implemented.

Achievements

Decrease in water losses
2013/14 – 27%
2015/16 – 16%
2016/17 – 19%
2017/18 – 18%

Electrical networks

Ongoing maintenance of the network is essential to safeguard network reliability and sustainability and to ensure safe working conditions for employees and consumer safety. The cable network of **Ceres** is considered sufficient to handle a reasonable capacity increase over the foreseeable short to medium term.

In the case of both **Wolseley** and **Tulbagh,** the cable capacity is 2,38 MVA, which is insufficient to handle the Maximum Notified Demand and the 35 mm cables should be replaced with 70 mm cables. Ageing infrastructure considered very outdated and even dangerous to operate are, e.g., oil circuit breakers which are estimated to be up to 50 years old and spares are not available. Old outdoor switchgear is susceptible to water ingress.

The **electrical masterplan** was be reviewed in 2019 as it was last done in 2011. Witzenberg has developed a **Small-scale Embedded Generation** (SSEG) plan that will supports the management of renewable energy production in the municipal jurisdiction. The municipality will continue with upgrading and installing street and public lighting to ensure a safe environment.

However, continued cable theft and vandalism pose a threat to the sustainable and safe provisioning of electricity and street lighting.

Illegal connections, especially in areas such as N'Duli and Pine Valley (Wolseley), pose a major threat in terms of electrical losses, loss of income and public safety if not properly addressed. Although electricity losses are well managed at 10,5% annually it remains just above the 10% norm set by the Department of Energy, losses in areas such as N'Duli remain out of control, at times exceeding 85% mainly due to illegal connections with the result that only 15% of electricity supplied to the area is metered.

Especially in die winter, the N'Duli associated network trips due to overload. This constant

tripping obviously has a frustratingly detrimental effect on the consumers with legal connections.

An Illegal Connection Strategy is in the final stages of being implemented and is expected to make a substantial difference to the losses once the project is in full operation. We are confident that the losses will drop below 9% once all towns have been handled in terms of the policy.

Infrastructure Investment			
Project Name	***Area***	***Budget***	***Year***
Replacement of MV equipment	***All towns***	***R5,2m***	***2020/23***
MV Capital reinvestment upgrades	***All towns***	***R1m***	***2020/23***
Upgrade LV cables	***All towns***	***R1,2m***	***2020/23***

Achievements

Re-commissioning of Vos street and Nduli main road lighting

Upgrading / replacements of various mini-subs and networks

Critical actions

Implement policy on Illegal connections
Identify and remedy dangerous network equipment to mitigate safety risks and ensure network stability

- *Continued communication with Eskom and role-players on the urgent upgrade of Eskom bulk supply to the value of R250m*
- *Implementation of the Illegal Connection policy to reduce losses and increase income from electricity.*

Solid waste collection

All formal urban residential erven receive a **weekly door-to-door waste collection** service with a wheelie-bin system being implemented in 2016/17 for business. The implementation of the wheelie-bin system was necessary to ensure business pays for the amount of waste generated, as it was problematic with the provision of black bags in the past. The system further encourages recycling as business will save on waste removal costs when waste is collected by private recycling companies. It also addresses the problem of black bags and waste in boxes being left on pavements for collection that created pollution and unsightly streets. A new Compactor was procured in 2018/19 budget.

The **minimisation of waste** by private households is encouraged through public awareness and educational programmes. The strategic placement of large recycle bins at especially shopping centres and schools will be further expanded to support waste minimisation and recycling. The cost-effectiveness of recycling is still problematic as Witzenberg has low populations with limited volumes of waste generated. To increase the cost-effectiveness of the business, private companies have engaged with commercial farmers and the agri-industry to collect waste to increase volumes.

Approximately 70 skips are distributed through-out towns for the **collection of garden refuse**. An additional skip truck was procured in 2016 to alleviate backlogs, but illegal dumping, dumping of household waste in skips and overflowing skips still remain an immense challenge. The municipality appointed additional law enforcement officers in 2016/17 to assist with curbing of illegal dumping.

Witzenberg will further implement a **waste management strategy** as mentioned under Programme 1.1 Sustainable provision and

maintenance of basic services infrastructure – Managing of landfill sites, that will include the placement of **drop-off points** (transfer stations) to replace the skips. The first drop-off point in Wolseley is being constructed this financial year, drop off points will be strategically placed in all towns with permanent personnel. A thorough **public awareness campaign** with ward committees and door-to-door visits by "~~Youth Working on Waste~~" Waste Ambassadors (~~Programme by Department of Environmental Affairs~~) will ensure public buy-in. The project is partly funded with the assistance of **Essen Municipality in Belgium** with whom Witzenberg has a long-term twinning agreement.

The volumes of garden waste generated by the public are however insufficient to cost-effectively implement a composting facility and it is foreseen that Witzenberg will enter a **partnership with local private composting companies**. The strategy will also seek to implement more cost-effective operational methods as it is expected that the establishment of new RDP housing projects will put more pressure on the existing workforce and vehicles. Over the past 15 years, **residential households increased by approximately 30%** and it is expected that the trend will continue over the next 10 years mainly due to the implementation of RDP housing projects. The existing workforce and vehicles will therefore have to be increased to ensure a sustainable service.

▪ PROGRAMME 1.1 (C): TRANSPORT MANAGEMENT AND ROAD MAINTENANCE

Integrated Transport planning

This transport field is responsible for transport planning, road planning, traffic engineering and implementation of the Integrated Transport Plan (ITP) with the streets and stormwater infrastructure that include the upgrade, rehabilitation and maintenance of road infrastructure, stormwater drainage and the adequacy of traffic signage and road markings and public transport infrastructure.

The Witzenberg Local Integrated Transport Plan 2010-2015 was adopted in 14 December 2010, with the Witzenberg Local Integrated Transport Plan (LITP) 2016-2021 prepared as part of the review of the Cape Winelands District Integrated Transport Plan (DITP) 2016- 2021.

Roads Master Planning

A new Roads Master Plan was approved by Council in February 2021.

The Witzenberg area has been experiencing urban development growth in the recent years. It is essential that all development planning be guided by a predetermined Roads Master Plan.

The Vision for Witzenberg LM Roads Master Plan was formulated to be "To provide a safe, reliable, effective and efficient road and transport system to serve the public of Witzenberg Municipality".

The municipal road network is in good condition, 59% of road network being in a very good to good condition, 30% being in fair condition with 11% being poor and very poor. Out of the 204.8km of road, 91% is black top roads, 2% is block paved and 7% is gravel roads. The proposed maintenance cost over 2-3years is R42.4 mil.

Five bridges and 3 major culverts were assessed as part of the RRAMS project. The maintenance cost of these structures without professional fees were estimated to be R1.59 mil.

Traffic counts were done on 108 intersections. The AM & PM peak hours were extracted, and operational analysis were done for the current scenario and geometry. Only six intersections operated with an approach lower than LOS D.

Potentially dangerous intersections on Vos Street (R303) and Voortrekker Street (R46) were identified by others and further investigated.

Minibus taxis is the main source of public transport within Witzenberg LM, in the absence of a public bus service. There is a need to consolidate the various taxi ranks in Ceres.

A host of new pedestrian walkways were identified as well as the required maintenance on existing facilities. In the town of Ceres, kerbs at pedestrian crossings must be dropped to improve universal access.

Precinct planning were previously done in Ceres and Tulbagh. A variety of projects were proposed to connect nodes with general beautifying of the area, improve vehicular, pedestrian and cycle movements. The proposed cost for Ceres was R56 mil and R7.2 mil for Tulbagh.

New spatial plans from the 2020 SDF were used to assess new roads to be developed. Various new bridge connections were also identified in Ceres and Tulbagh.

The six intersections which previously exceeded LOS D, were further analysed at a 3.7% traffic growth over the
next 5 years. Some proposal is made in terms of the upgrading of these intersections. An additional two intersections in Nduli which did not exceed the LOS D were also analysed with a growth of 3.7% over the next 5 years, as these intersections are expected to see a rapid growth in traffic volumes upon completion of the
Vredebes development.

The site for the new taxi rank has been identified and should be pursued within the short to medium term. Negotiations with the property owner must precede any formal planning.

Pedestrian and cycle facilities should be a requirement up to Class 4 roads which are generally bus or taxi routes.
Class 5 roads may however be fitted with walkways or cycling lanes, if it serves public land-uses like schools, hospitals or community buildings.

Freight routes and by-pass routes were identified by previous studies. The initial survey, planning and environmental approvals should be sought in the short to medium term. Mention is made of a Petroport truck stop facility outside Ceres. This would give the trucks a place to overnight
and eliminate the current illegal parking within the Witzenberg LM towns.

Master Planning is key to provide long term steering of projects, with the SDF and IDP planning for a shorter term. Municipal Grants like MIG is key to the sustainability of municipal projects. Developer contributions should be used
to augment the bulk infrastructure where required.

The strategy for prioritising projects would be;
- All maintenance and repair actions should happen over the short and medium term;
- All small to medium size capital projects should happen over the short and medium term;

• All project likely to fall outside of this scope should happen over the long term;
• The initial work for the long-term projects (survey, planning and environmental), should be done over the short to medium term;

Stormwater Master Planning

The Witzenberg area has been experiencing urban development growth in the recent years. It is essential that all development planning be guided by a predetermined Stormwater Plan.

The Vision for Witzenberg LM Stormwater Plan was formulated to be "To provide a database for the Witzenberg Municipality where all stormwater data can be viewed, queried, stored, added, maintained and expanded.

The Stormwater Master Plans must identify upgrades to the existing stormwater system and propose new infrastructure in order to meet current and future infrastructure needs to accommodate growth. It must include a funding model and a programme for the implementation of all the projects identified and prioritized. It must evaluate the long-term viability of existing infrastructure to cope with expansion and augmentation."

The Witzenberg LED Strategy (2004) stated that flooding of stormwater pipes is common in winter as these pipes are not inspected for blockages in the summer as required. The Draft Reviewed IDP 2019-2020 indicated that some areas within the Witzenberg Municipality have inadequate stormwater systems.

The existing stormwater infrastructure within Witzenberg is made up of 68.6 km of reticulation and 35.6 km of open channel.

The condition of the stormwater infrastructure was assessed based on blockage and structural integrity. 92% were found to be less than 25% blocked, 3% were found be partially blocked, and 5% were full of material (litter or debris). 46% of the structures were in a good condition, 39% were found to be in fair condition, and 15% were found to be in poor (damaged or broken) condition.

For the study area 28% of the Witzenberg PCSWMM model (existing minor system) require new stormwater infrastructure (upgrades, replacements and additional stormwater systems).

Pipe replacement and new minor systems for resolving the problem areas are proposed in this report, together with preliminary cost estimates. Costs have been calculated for each conduit that requires upgrading or new infrastructure to increase the capacity of the existing stormwater network.

The total cost estimate for the installation and upgrading of the local minor stormwater network to either the 1:2 year and 1:5 year return period standard amounts to R180.8 million, excluding long-term upgrade proposals, and R190.2 million including long-term upgrade proposals.

The hydrological analyses have indicated that the future developments requires the inclusion of detention facilities in the modelling in order to reduce the estimated post-development flood peaks to the predevelopment flood peaks.

Where practically possible, developments should be required to accommodate the difference between the pre and post-development run-offs up to the 1:50 year flood, on the development. This will reduce major and minor stormwater run-off and improve water quality.

The detention ponds modelled and proposed to be implemented to reduce the future peak floods within Witzenberg Municipal area. The

high level cost estimate to construct these detention ponds amounts to R159.9 million. The bulk stormwater infrastructure required to connect the future developments to existing watercourses or the existing stormwater network amounts to R19.7 million. The proposed bulk stormwater
The main concern is that developments within Ceres and Wolseley are within the 1:50 Koekedow Flood lines.

Infrastructure Investment			
Project Name	***Area***	***Budget***	***Year***
Rehabilitation of roads	*As per PMS*	*R 1.8m*	*2020/21*
Upgrade Van Breda bridge	*Ceres*	*R5m of R40m*	*2020/21*
Upgrade Pavement Vosstr From Retief To Edge	*Ceres*	*R4m*	*2020/21*
Pedestrian Sidewalks Rooikamp	*Ceres*	*R0.5m*	*2020/21*
Vredebes Ph1 Busroutes	*Vredebes*	*R2.5m*	*2020/21*
Vredebes New Storm Water Channel & Detention	*Vredebes*	*R4.3m*	*2020/21*
Vredebes Internal Roads Phase H	*Vredebes*	*R4.2m*	*2020/21*
Vredebes Internal Stormwater Phase H	*Vredebes*	*R4.2m*	*2020/21*
Tulbagh VanderStelstr walkways	*Tulbagh*	*R0.8m*	*2020/2021*

Critical Actions

- *Upgrading of Tulbagh Roads*
- *Obtain funding for upgrading of R22 at Vredebes RDP housing project*
- *Establish taxi rank for Bella Vista in Ceres CBD*
- *Upgrading of Van Breda bridge, Ceres*
- *Upgrading Vredebes Roads and stormwater infrastructure*

II. OBJECTIVE 1.2: PROVIDE FOR THE NEEDS OF INFORMAL SETTLEMENTS THROUGH IMPROVED SERVICES

The Constitution of South Africa sets out in Section 152.1 the responsibilities of local government with the emphasis on the provision of services to communities in a sustainable manner. The provision of services to formal billed households is covered under the previous strategic objective.

The provision of services to informal settlements create another type of challenge as informal communities are usually made up of the more vulnerable groupings with limited access to services, which usually consist of communal infrastructure.

It is for this reason that Witzenberg has identified informal settlements as one of its strategic objectives to ensure that the provision of services and upgrade of informal areas receive priority attention. This objective addresses the provision of services to existing informal settlements and the upgrade of informal areas through the Department of Human Settlements programme for the development of serviced sites.

The implementation of housing programmes such as RDP and FLISP is discussed under the Strategic Objective – "Support the poor and vulnerable through programmes and policy" as it relates to the construction of top structures.

- **PROGRAMME 1.2 (A): IMPLEMENTATION OF HUMAN SETTLEMENT PLAN (SERVICED SITES)**

Serviced sites are funded by the Department of Human Settlements under the Upgrading of Informal Settlements Programme at approximately R60 000 per site. Services included are a water connection, toilet with washbasin and surfaced roads.

Electrical networks are funded by the Department of Energy. Serviced sites projects were recently completed at Prince Alfred's Hamlet (242 sites) and Pine Valley, Wolseley (158 sites). Although 605 serviced sites were completed in 2016/17 in Vredebes with a further 635 sites planned for 2018/19, these sites are earmarked for the construction of top structures. It is expected that serviced sites will be developed in the N'Duli informal settlement for beneficiaries who would not qualify for a housing subsidy at the Vredebes development.

At this stage the number of non-qualifiers is unknown as surveys are presently in process amongst the approximately 1096 families living in the N'Duli informal settlement. The N'Duli housing project were planned to be implemented in 2021/22 to ensure alignment with the Vredebes construction of houses but due to the delay in construction on Vredebes the N'duli project could not start yet. It is expected that some of the approved qualified beneficiaries in the N'Duli informal settlement will be accommodated at Vredebes. The informal areas in N'Duli are planned to be upgraded for top structures for those that qualify as well as serviced sites for the non-qualifiers.

The provision of serviced sites for non-qualifiers does create a problem as a number of the non-qualifiers are foreign citizens with the result that these can't be upgraded with top structures in the future. It is further experienced in areas such as Prince Alfred's Hamlet and Pine Valley where serviced sites were occupied in the past, that the sites are occupied by more than one family, in some cases as many as six families, which also hampers the upgrade to top structures as the additional families will have to be accommodated in a new project.
A service provider was appointed by the DoHS so assist the municipality with the enumeration of the informal settlements in Tulbagh and N'duli over the period 1 April 2019 to 31 March 2021.

Critical Actions

The upgrading of the N'Duli informal settlement to include top structures and serviced sites

▪ PROGRAMME 1.2 (B): PROVISION AND MAINTENANCE OF COMMUNAL SERVICES

The informal areas of N'Duli, Pine Valley and Tulbagh are serviced with communal toilets and water points.

The table below gives an indication of the number households and services ratio:

Informal household with communal services

Informal area	***Households***	***Water points***	***Toilets***
N'Duli, Ceres	**1096**	***25***	***14***
Tulbagh	**1610**	***102***	***145(including chemical toilets)***
Pine Valley, Wolseley	**1079**	***9***	***43 in total*** ***Only 15 in working condition***

Note: The number of service points as at end of June 2019. Tulbagh service points include serviced sites occupied by more than one household.

The aforementioned informal areas have limited access to an electrical network. The main reason being that the Department of Energy does not fund electrical networks in informal areas. The upgrade of informal areas to serviced sites is however funded. The maintenance of the communal facilities is managed by the housing section. Due to limited capacity and on-going vandalism, facilities are not always in a working order with blockages resulting in sewer overflows that lead to unhygienic conditions. It remains one of the biggest challenges for the Housing Department to provide education on the hygiene and usage of the public facilities. These conditions are further examples of the urgent need to upgrade the informal settlements. Refuse bags are distributed for weekly door-to-door collections. The system is not always effective with illegal dumping and littering ongoing. Skips are also placed at some areas with regular cleaning operations by the cleansing department.

▪ PROGRAMME 1.2 (C): MANAGEMENT AND CONTROL OF INFORMAL SETTLEMENTS AND ILLEGAL OCCUPATION

The programme focuses on the management and control of informal settlements in relation to in-migration and unlawful occupation especially in the informal settlements of N'Duli, Tulbagh and Pine Valley (Wolseley). The growth of informal settlements is monitored through a bi-annual count by officials from the Housing Department. The demolishing of illegal structures through a legal process is however costly and time consuming. Capacity of law enforcers is limited and they have to work after hours and over weekends. Eight additional EPWP workers were utilised from 16 December 2018 to assist the housing officials and law enforcement to demolish illegal structures.

Two additional EPWP workers were appointed as from 1 April 2018 to assist with the cleaning of ASLA Camp p and these contract are still ongoing.

Critical Actions

- *Development of a Farm Eviction Strategy*
- *Management of influx control in informal settlements*
- *Establishment of response team for illegal squatters – budgeted for **2018/19***

Key Performance Area 2

GOVERNANCE

OBJECTIVE 2.1:

SUPPORT INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

OBJECTIVE 2.2:

ENSURE FINANCIAL VIABILITY

OBJECTIVE 2.3:

MAINTAIN AND STRENGTHEN RELATIONS WITH INTERNATIONAL – AND INTER-GOVERNMENTAL PARTNERS AS WELL AS THE LOCAL COMMUNITY

Key Performance Area 2

B. GOVERNANCE

I. OBJECTIVE 2.1 SUPPORT INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

- **PROGRAMME 2.1 (A) HUMAN RESOURCES MANAGEMENT AND DEVELOPMENT**

The Witzenberg Municipality employs 561 officials (30 June 2016) (permanent and temporary employees) excluding councillors, who individually and collectively contribute to the achievement of the municipality's objectives.

The primary objective of Human Resource Management is to render an innovative HR service that addresses both skills development and an administrative function. There were 49 vacant positions at the end 2015/16, resulting in a vacancy rate of 5,7%. Measurements are to be put in place to ensure that vacant positions are filled as soon as possible for service delivery to continue.

Witzenberg has put in place a set of human resource (HR) management and development processes, including performance management, personal development plans and workplace skills planning, all of which guide staff training and development. These also deliver effective talent management by creating a 'fit for purpose' organisation that is service delivery-oriented.

Performance management

The TASK process needs to be completed as a matter of urgency with proper job descriptions for all positions on the approved organogram. Witzenberg will further start with the roll-out of operating procedures in certain departments with evaluation measures to ensure effective personnel performance management. The latter will ensure more effective disciplinary action, and policies and measures will be put in place to ensure that disciplinary actions are timeously finalised.

Equity

The Employment Equity Act (1998), Chapter 3, Section 15 (1) states that affirmative action measures are measures designed to ensure that suitable qualified people from designated groups have equal employment opportunities and are equitably represented in all occupational categories and levels in the workforce of a designated employer. The national performance indicator also refers to: "Number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan".

EE targets/Actual by racial classification

Development

Section 68(1) of the MSA states that a municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable way. For this purpose the human resource capacity of a municipality must comply with the Skills Development Act (SDA), 1998 (Act No. 81 of

1998), and the Skills Development Levies Act, 20
1999 (Act No. 28 of 1999).

Critical Actions

Finalise job descriptions and contracts for managers

▪ PROGRAMME 2.1 (B): LAW ENFORCEMENT AND TRAFFIC

Witzenberg aims to expand partnerships with communities, the private sector and other departments and spheres of government to improve safety and security. The aims of the Traffic Department Law Enforcement Department are as follows:

- Reduce road accident fatalities within the region and increase service delivery to all the towns within Witzenberg.
- Develop road safety initiatives and programmes aimed at educational institutions from primary to tertiary level.
- Ensure increased legal compliance to through enforcement of municipal by-laws and traffic regulations.
- Implement the Violence Prevention through Urban Upgrading (VPUU) programme
- Develop strategies to reduce road fatalities within Witzenberg

VPUU is a systemic approach to neighbourhood upgrades. It is a multilateral collaboration between Witzenberg, the Provincial Government and residents of a specific geographic area. VPUU aims to prevent violence in these areas and, consequently, to improve the quality of life of the residents. The goals include a general increase in the safety of the beneficiary population, upgrades to neighbourhood facilities, and economic and community development.

We are acutely aware that the Traffic Department is understaffed, which impacts negatively on the department's ability to effectively deal with traffic violations within the municipal jurisdictional area. It is therefore critical that the law enforcement personnel (traffic component) be progressively expanded over the next five years. The traffic infrastructure also needs to be upgraded to comply with the provincial and national regulations and requirements. It is also envisaged to purchase new traffic vehicles over the IDP term in order to render the department competitive in combating traffic- related offences. Responding to traffic-related offences as well as general law enforcement matters is not only a municipal traffic function, but also includes positive action from other law enforcement agencies. Intergovernmental relations will thus be strengthened to combat crime effectively within the Witzenberg area and to promote a proactive stance to public safety. It is further envisaged that a specialised traffic officers' component (fast response unit) be established that will lead the municipality's zero tolerance approach to speeding, reckless, negligent and drunk driving. Strategies will include specialised operations to apprehend offenders and start a name-and-shame campaign.

During October 2020 Witzenberg Municipality, together with the Department of Community Safety recruited seven peace officers to assist with the enforcement COVID 19 regulations, these learners are to be utilised on twelve month learner ship program assist the municipality render more effective and efficient by-law enforcement within Witzenberg. Coupled with the intended expansion of the fleet of traffic vehicles, the visibility and effectiveness of traffic services in all the responsible areas of Witzenberg, especially the outer towns, will improve due to this initiative.

The gradual implementation of the amended organogram will streamline the different work components and not only improve the level of service in all spheres of the department, but also present career opportunities.

During the course of the second and third quarter of the 2020 resources within the uniform component was strained mainly due to the COVID 19 Disaster Management Act and the enforcement of said regulations. Currently most of the services are decentralised to Ceres and needs to be expanded to the other towns within Witzenberg.

The intended expansion of the law enforcement component and the increased number of prosecutions, coupled with the possible impounding of items, pose a storage dilemma because at present there is no storage facility for impounded items. The long- term goal is to make available suitably secure storage facilities for such impoundments, which will in turn curb the present continuum of violations. For the period June 2020 until January 2021, 5 020 traffic cases, 40 arrest 58 vehicles were suspended by traffic officers. In addition for same period Law Enforcement Officers issued 789 violations with 23 arrest.

The Witzenberg Traffic Department is gradually expanding its services and operations, within all the towns however a decentralised approach will enhance service delivery to the various communities. However, this can only be done with expert planning, coupled with experienced management and the availability of adequate resources and financial provision.

▪ PROGRAMME 2.1 (C): SPATIAL AND TOWN PLANNING

The **Spatial Planning and Land Use Management Act** (Act 16 of 2013)(SPLUMA) brought about a new planning system which was implemented on 1 July 2015. The SPLUMA replaced the old 1985 Ordinance that was found to be unconstitutional. The most far-reaching changes are the following:

- Municipalities needed to regulate their own planning function within the legislative framework (SPLUMA) set by National Government. To this end the Witzenberg Land Use Planning By-Law was approved by Council and gazetted on 21 August 2015.
- Municipalities had to establish a Municipal Planning Tribunal (MPT) in order to determine land use and development applications. Witzenberg Council appointed the MPT members on 26 November 2015, consisting of 5 members; 3 internal and 2 external.
- Municipalities must adopt a single land use scheme within five years of implementation of the SPLUMA.
- The executive authority of the municipality is the appeal authority.
- Developments that will have an effect on provincial planning and agriculture will also need approval from the Provincial Department of Environmental Affairs and Development Planning.

Spatial Development Framework

Legislation requires that the Municipality adopt an SDF concurrently with the adoption of the IDP,

which SDF must give spatial expression to the goals and objectives of the IDP.

Consultants were appointed early in 2019 to review the SDF. Council approved the process plan on 31 July 2019.

Public engagements were held between 18 and 25 November 2019 at venues located in each of the towns. The draft SDF was also advertised in the press for public comment until 31 January 2020, and the Provincial Gazette with the closing date 30 March 2020.

Pursuant to section 13 of the Western Cape Land Use Planning Act, 2014 the draft SDF was presented to the Minister for comment on 4 February 2020. Comment was received from the Minister's Head of Department: Environmental Affairs and Development Planning on 5 February 2020.

On 27 May 2020 the final SDF was adopted by Council.

Single Land Use Scheme

Under the previous planning system, the municipality had three zoning schemes. The Spatial Planning and Land Use Management Act, 2013 stipulates in Section 24(1) that a municipality must adopt a single land use scheme for its entire municipal area within 5 years from the commencement of said Act.

Consequently, on 30 September 2020 Council adopted the Zoning Scheme By-law.

Precinct Planning

The 2020 Municipal Spatial Development Framework (MSDF) sets out spatial policy, plans, proposals, guidelines, and implementation measures for Witzenberg Municipality as a whole and individual settlements within the Municipality. The individual town plans in turn each identify priority areas where more detailed planning, such as precinct plans, are required. Priority Focus Area 1 for Ceres was identified as the area between Ceres, Bella Vista and Nduli, where future growth should be accommodated in a structured and integrated manner.

This process to compile a precinct plan for the area of Ceres, Bella Vista and Nduli was initiated as an extension to the MSDF 2019/20 process.

During the month of August and September 2020 the draft document was finalized through the development of a concept and first draft proposals. These proposals were submitted to municipal officials for inputs.

Workshops with Council took place on 23 February 2021. It is envisaged that the plan will be adopted mid-2021.

Critical Actions

Implement the consolidated land use scheme by 1 July 2020.

Adopt the SDF as part of the IDP

PROGRAMME 2.1 (D): ADMINISTRATION

The Administration Section aims to ensure good governance, administrative transparency and openness. To promote clean and sound administration and to ensure access and information in respect of Council resolutions, minutes, policies and by-laws. Witzenberg has started to implement a paperless policy to reduce use of paper with Council agendas and minutes.

PROGRAMME 2.1 (E): FLEET MANAGEMENT

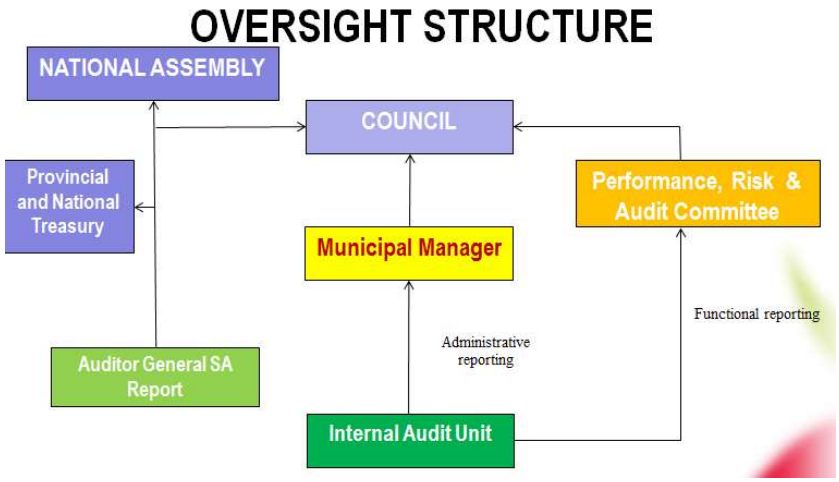
Witzenberg will develop a vehicle replacement policy that will entail the effective maintenance of vehicular resources and a well-planned replacement programme for ageing vehicle fleets spanning five, 10 and 15 years. Witzenberg is currently in the process of investigating the financial implications of long-term leasing. A vehicle tracking system will be implemented during 2017/18 to ensure effective monitoring and cost-effective usage of the municipal fleet.

PROGRAMME 2.1 (F): TRANSPARENT GOVERNMENT (OVERSIGHT)

According to Section 62(c) of the MFMA, the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control and **internal audit** operating in accordance with any prescribed norms and standards

Section 165 further states that a municipality must have an internal audit unit that advises the accounting officer and reports to the audit committee on the implementation of the internal audit plan and matters relating to -

- internal audit and internal controls; accounting procedures and practices;
- risk and risk management and performance management;
- loss control; and compliance with this Act, the annual Division of Revenue Act and any other applicable legislation.



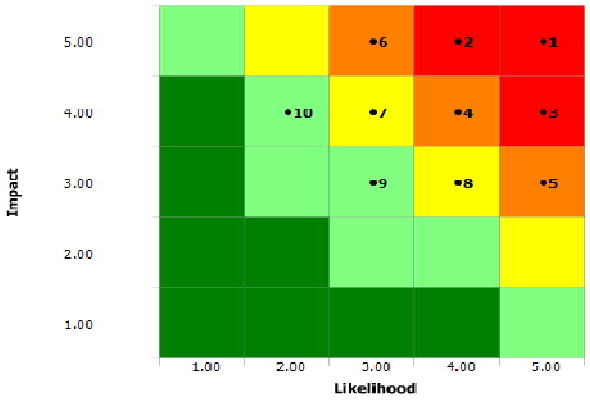
The Witzenberg Internal Audit unit must evaluate the adequacy and effectiveness of controls in responding to risks within the organisation's governance, operations and information systems regarding the:

- reliability and integrity of financial and operational information
- effectiveness and efficiency of operations and programmes
- safeguarding of assets; and
- compliance with laws, regulations, polices, procedures and contracts.

Internal Audit assists the organisation in maintaining effective controls (of which management is the custodian) by evaluating the effectiveness and efficiency and by promoting continuous improvement. A "fraud hotline" (0800 701 701) has been implemented and is communicated on a regular basis through newsletters.

Council takes an interest in **Risk Management** to the extent necessary to obtain assurance that properly established and functioning systems of risk management are in place to protect Witzenberg Municipality against significant risks. Council has to report to the community on the municipality's system of internal control. This provides comfort that the municipality is protected against significant risks to ensure the achievement of objectives as detailed in the Service Delivery and Budget Improvement Plan (SDBIP).

Inherent risk heat map for Witzenberg Municipality indicating the top major risks applicable.



Title	II	IL	IR	Pt
Major unplanned not disaster related interruptions to service deliver	5.0	5.0	25.0	1
Inadequate supply for electricity to meet existing and future demands	5.0	4.0	20.0	2
Un-recoverability of outstanding receivables	5.0	4.0	20.0	2
Uneconomical utilization of assets (Klipriver Park)	4.0	5.0	20.0	3
Poor growth in revenue base	4.0	5.0	20.0	3
Non-compliance to rehabilitate closed landfill site	4.0	5.0	20.0	3
Deteriorating electrical infrastructure	4.0	5.0	20.0	3
Deteriorating water and sanitation pipe infrastructure	4.0	5.0	20.0	3
Solid waste management ineffective	4.0	5.0	20.0	3
Inability to implement provincial approved budgeted housing projects	4.0	5.0	20.0	3
Increase in unaccounted water and electricity losses	4.0	5.0	20.0	3
Inability to create a safe environment for communities	4.0	5.0	20.0	3
Escalation in vulnerable households	4.0	5.0	20.0	3
Deteriorating road infrastructure	4.0	5.0	20.0	3
Community is dissatisfied with slow progress towards services delivery	4.0	5.0	20.0	3
Growth in informal settlements	4.0	5.0	20.0	3

II – Inherent Impact; IL – Inherent Likelihood; IR – Inherent Rating; RR – Residual Rating; Pt – Map Indicator.

▪ PROGRAMME 2.1 (G): DISASTER MANAGEMENT AND FIREFIGHTING

2.1.1 Fire and Rescue Services

The CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA (ACT 108 OF 1996) establishes fire-fighting services as a Local Government matter. The FIRE BRIGADE SERVICES ACT (99 OF 1987) provides for the Witzenberg Municipality as a local authority to establish and maintain a fire brigade service for the following different purpose:

a. Preventing the outbreak or spread of a fire;
b. Fighting or extinguishing a fire;
c. The protection of life or property against a fire or other threatening danger;
d. The rescue of life or property from a fire or other danger;
e. Subject to the provisions of the Health Act, 1977 (Act No. 63 of 1977), the rendering of an ambulance service as an integral part of the fire brigade service; or
f. The performance of any other function connected with any of the matters referred to in paragraphs (a) to (e).

The Witzenberg Municipality therefore has the duty to perform the following firefighting functions:

- Coordination and regulation of local authority fire services, designated fire authorities and volunteer fire associations;
- Development of specialised fire services capacity to deal with specialised fire risks prevalent in the area such as veld fires, chemical incidents, informal settlement fires, etc.;
- Facilitation and coordination of the training and development of practitioners;
- Development and facilitation of the implementation of standardised municipal By-laws;
- Coordinate planning for the provision of fire safety and prevention;
- Development, support and implementation of community-based fire safety and Prevention programs;
- Preventing the outbreak and or spread of a fire;
- The provision of information, publicity, training, education and encouragement in respect of the steps to be taken to prevent fires and death or injury by fire;
- Conduct regular and random fire safety inspections;
- Provide advice on the means of escape from buildings and other property in case of fire;
- Fighting and extinguishing a fire; by making arrangements amongst others for having sufficient staff, equipment and vehicles at its disposal to deal with the fire risks in its area of jurisdiction;
- Provide for call taking and dispatching facilities to deal with incoming calls to report emergencies and summoning personnel and resources amongst others;
- Control and stabilisation of dangerous goods incidents;
- Protection of life and or property against fire or other related danger;
- Rescue of life and or property from fire or another form of entrapment;
- Rendering of an emergency medical care.
- Participation in special events planning;
- Provision of fire resilience training to fire practitioners and civil society at large;
- Conducting fire risk assessments;
- Provision of training and to fire services practitioners;

The SOUTH AFRICAN NATIONAL STANDARD for COMMUNITY PROTECTION AGAINST FIRE, SANS 10090:2018, is a measurement tool that indicates whether a fire service is meeting the

minimum mandatory community fire protection standard, which in turn is indicative of whether a fire authority is indeed contributing to the objects of local government. The Witzenberg Municipality Fire and Rescue Service is currently classified as a category 5(b) which mean that we meet the performance criteria for staff availability and appliance availability by only 35% to 45%.

2.1.2 Disaster Management Services

DISASTER MANAGEMENT ACT (57 OF 2005), Sections 52 and 53 require each municipality and municipal entity to prepare a Disaster Management Plan (DMP). The Witzenberg municipality has a legislated duty to:

- Establish a functional Disaster Management Centre.
- Appoint of a Head of Centre and suitably qualified persons.
- Responsible for the implementation and maintenance of an all-hazard, full-spectrum comprehensive disaster management programme, ensuring:
  - Prevention
  - Mitigation
  - Preparedness
  - Response.
  - Rehabilitation and reconstruction
- Monitor progress with post-disaster recovery & rehabilitation.
- Serve as repository of and conduit for, disaster information.
- Be the advisory and consultative body on disaster issues.
- Make recommendations regarding DM funding.
- Make recommendations on legislation affecting DM.
- Promote the recruitment, training and participation of volunteers in DM.
- Promote disaster management capacity building, training and education throughout the republic, including in schools.
- Promote research into all aspects of disaster management.

Liaise and coordinate its activities with other relevant DM Centres.

II. OBJECTIVE 2.2: ENSURE FINANCIAL VIABILITY

The objective is to ensure that Witzenberg Municipality is financially viable over the short term and sustainable over the long term, while tariff increases are kept as low as possible to ensure that tariffs are affordable to the community at large and competitive to ensure that new businesses and/or industries are attracted.

The development of plots and building of RDP houses are challenges to the financial viability and sustainability of Witzenberg Municipality as most of the beneficiaries will qualify for indigent support and will not contribute financially to the municipality, but will be entitled to municipal services. The current workforce also needs to be extended to ensure service delivery to the new houses.

The maximum electricity demand of the Witzenberg Municipality reached the maximum supply by Eskom. Increased demand can only be supplied by Eskom in 2030. The lack of available electricity supply has a negative effect on economic growth, which also has an effect on the creation of work opportunities and the financial viability and sustainability of the municipality.

The collection rate of the municipality has decreased from 94% to 88%. This was primarily due to credit control measures not being implemented as a form of Covid-19 relief to the community. It is expected that the collection rate will increase again as we have started to implement credit control measures and have thus estimated that the budgeted collection rate for the new financial year will reach 91%.

▪ PROGRAMME 2.2 (A): INCOME AND DEBT MANAGEMENT

The revenue must be increased to ensure that Witzenberg Municipality can meet all its financial obligations and to improve service delivery. A policy providing for rebates on municipal services is available to new businesses/industries or extension of existing businesses/industries where new jobs are created.

New businesses and/or industries will not only increase the revenue base of the municipality but will also assist in reducing unemployment – one of the largest challenges for Witzenberg Municipality.

Witzenberg Municipality's revenue stream is modelled on a combination of past trends, forecasted economic and fiscal conditions. The revenue sources are monitored and determined to ensure sustainable medium-term to long-term cash flows.

Consumers are billed once a month for services rendered. In addition to the current practice of printing and mailing, technology will be utilised to implement an e-billing solution (**Citizen Mobile Portal**), using e-mail technology to make invoices more accessible and to encourage online transacting for citizens with internet access. Witzenberg will implement a Geospatial Information System to display billing information on maps to determine whether all users receive accounts and to easily view outstanding discrepancies.

The biggest problems exist in the towns of N'Duli, Prince Alfred's Hamlet and Op-die-Berg. The main reason being that effective debt collection through the cutting of electricity can't be implemented as Op-die-Berg and Prince Alfred's Hamlet are serviced by Eskom and in N'Duli illegal electricity connections can't be addressed due to safety issues of personnel.

Critical Actions

Strict implementation of debt policies

▪ PROGRAMME 2.2 (B): EXPENDITURE MANAGEMENT

The financial goal was to pay off the external long-term loans and to finance new infra-structure. The bulk of the loans were redeemed and the future interest and redemption burden has been reduced significantly. The salary budget was kept below 30% of total expenditure. Controls are in place to mitigate the possibility of unauthorised, irregular

and fruitless and wasteful expenditure being incurred.

▪ PROGRAMME 2.2 (C): SUPPLY CHAIN

Witzenberg Municipality is a large procurer of goods and services and as such it has enormous buying power to support economic growth through procurement. The supply chain unit will be revising their policies and procedures to ensure that goods and services are first secured locally. Unfortunately current legislation does not provide for any preference for local suppliers. The municipality will ensure that local SMMEs and local businesses are adequately empowered to provide these goods and services.

▪ PROGRAMME 2.2 (D): MSCOA

The Municipal Standard Chart of Accounts (MSCOA) regulation will be implemented from 1 July 2017. To achieve this, the 2017/2018 budget must be tabled in the MSCOA format. The tendency of National Treasury to move the goalpost makes it even more difficult to achieve compliance with the regulation.

Critical Actions

Develop Procurement Plan by May each year

III. OBJECTIVE 2.3: MAINTAIN AND STRENGTHEN RELATIONS WITH INTERNATIONAL AND INTER-GOVERNMENTAL PARTNERS AND THE LOCAL COMMUNITY

▪ PROGRAMME 2.3 (A): COMMUNICATION AND MARKETING

Local government has a legal obligation and a political responsibility to ensure regular and effective communication with the community. The Constitution of the Republic of South Africa Act 1996 and other statutory enactments all impose an obligation on local government communicators and require high levels of transparency, accountability, openness, participatory democracy and direct communication with the community to improve the lives of all.

Good customer care is of fundamental importance to government organisations due to their constant interaction with members of the public. All local government entities strive to uphold the following constitutional ideals towards the development of acceptable policy and legislative framework regarding service delivery in public service:

- Promoting and maintaining high standards of professional ethics.
- Providing service impartially, fairly, equitably and without bias.

- Utilising resources efficiently and effectively.
- Responding to people's needs; citizens are encouraged to participate in policy making.
- Rendering accountable, transparent, and development-oriented public administration.

The Witzenberg Municipality Communication Strategy is a vital document which illustrates the views of local residents regarding communication as well as their perceptions of the municipality. Many of the views expressed display dissatisfaction with aspects related to elements beyond the scope of local government, such as access to housing, employment opportunities, education and healthcare.

A successful communication strategy therefore links local demographics to the municipality's programme for the year, and influences budgetary expenditure according to the needs of the public. The aims of Witzenberg Municipality's Marketing and Communication Department are:

- To integrate communication.
- To offer service that communicates commitment, loyalty and interest.
- To generate content that engages the public with openness and positivity.
- To become proactive with communication instead of reactive.

However, local government acts as the conduit to expedite issues of this nature to the correct government entities, while supporting and investing in various programmes aimed at skills development, youth development, social development and short-term temporary employment. Levels of literacy and education, understanding of language, public apathy, knowledge of government processes and access to communication tools can also affect how the public formulates perceptions of local government and can potentially hamper how local government communicates and assimilates information, especially within rural environs.

- To make ease of access to communication and relaying information easier for the public.
- To effectively engage with international stakeholders and clients.
- To perform oversight and development of tourism expenditure and activities to promote the various towns within the municipality.
- To manage operations for contact centre query management and emergency services relay.

Communication is managed in the following ways:

PROGRAMME 2.3 (B): INTEGRATED COMMUNICATION TECHNOLOGY

Witzenberg is in the process of developing an IT Governance Policy and will implement the following projects over the next five years:

Wide Area Network:
The establishment of a high speed backbone linking Ceres, Tulbagh, Wolseley and Op-die-Berg using AirFiber Micro towers. This will increase our network speed from 0,5 Mbps to 700Mbps which will greatly improve our footprint in these towns. Phase 1 is already completed. Phase 2 will be the upgrading of all client sites. Phase 3 configuration and qOs.

Disaster Recovery Site:
We have established a DR site at Traffic Services where we replicate from our live site. At the moment we are using virtualisation to replicate and synchronise our mission critical servers including our exchange, file, document servers. We are planning to increase these to include all servers. On completion of the WAN backbone, the movement of the site to Wolseley and the upgrading of the equipment to centralised storage. This project is critical as it would ensure business contingency during a disaster.

Citizen Mobile Portal:
We need to be able to provide all services to customers on a digital platform accessible via Mobile device or a PC/Laptop. This will include internet portals or mobile apps where users can access their accounts, perform payments, apply for services, fault reporting, procure prepaid services, refuse removal programmes, etc.

▪ PROGRAMME 2.3 (C): BUILDING STRATEGIC PARTNERSHIPS

Witzenberg is committed to working closely with the provincial and national spheres of government to put the needs of our community first. To achieve this, we engage with Provincial- and National Government on various formal and informal platforms.
Witzenberg will formally engage Province and other municipalities through the Premier's Coordinating Forum at a political level, as well as by means of the IDP indabas and MTECH committees at an administrative level. Witzenberg is an active partner in the Consolidated Rural Development Programme (CRDP) with regular engagements with the Department of Rural development in this regard.

Witzenberg will continue with a long-term twinning agreement with Belgium Municipality, Essen.

Several projects relating to youth development and the environment were implemented successfully in the past. Current projects include a Flemish Programme on Youth development and upgrading of open spaces. A Federal Programme focusing on Waste Management will be implemented in 2017/18.

The **Thusong Centre** is a decentralised government access hub available to the public, allowing easier access to government services such as Social Development, Home Affairs, etc., eliminating the need for clients to travel great distances to their closest office.

Being a public hub, this building experiences high volumes of public visitors, placing much pressure on the building. The government stakeholders making use of the building are tenants to the municipality and the rental generated is used to manage the overheads of the centre. As a result, a frequent expenditure for this building is maintenance. There are also capital requirements at this site, as we need to reinforce the security of the building as well as look into the expansion of the centre to accommodate more offices for rental, and provide space in the form of a sports hall for training and conferencing, recreation, cultural or sports activities for the youth and the aged.

The staff at the site is appointed on a temporary basis and we require an administrator to be appointed on a permanent basis in order to address the needs of this facility.

Key Performance Area 3

COMMUNAL SERVICES

OBJECTIVE 3.1:

PROVIDE AND MAINTAIN FACILITIES AND AN ENVIRONMENT THAT MAKE CITIZENS FEEL AT HOME.

Key Performance Area 3

C. COMMUNAL SERVICES

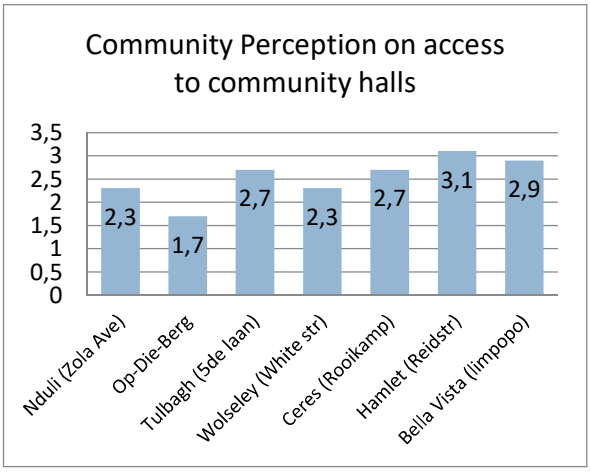
I. OBJECTIVE 3.1: PROVIDE AND MAINTAIN FACILITIES AND AN ENVIRONMENT THAT MAKE CITIZENS FEEL AT HOME

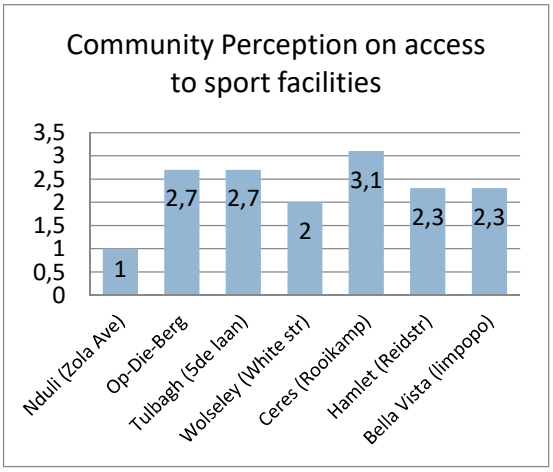
- **PROGRAMME 3.1 (A): UPGRADING AND MAINTENANCE OF FACILITIES**

Backlogs in repairs and maintenance (reactive maintenance) will be addressed, and proactive maintenance programmes for ageing infrastructure (community facilities, cemeteries, park equipment, small plant and machinery) will be investigated and implemented to meet minimum maintenance standards. The municipality aims to maintain all 55 community parks to the set standards. A five-year budgeted maintenance for communal facilities will be developed with standard operating procedures to ensure a cost-effective management of facilities.

Witzenberg will continue partnerships with local sport forums and will continue with the establishment of new sport forums in all towns. The planning and development of sport facilities will be done accordingly the Sport Master Plan.

Witzenberg has implemented a community satisfaction survey for public facilities and amenities and achieved an overall score of a “fair” perception on facilities from the community. The survey is an important tool to determine perceptions across communities and where focus and attention are required.





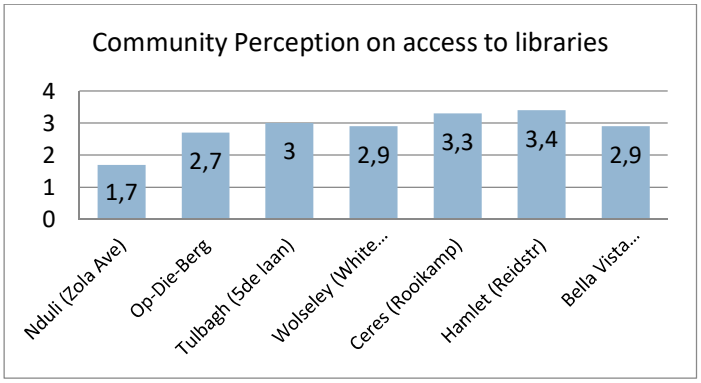
Perception scores: 1-poor, 2- fair, 3-good, 4-very good, 5-excellent

To address the escalating city burial demand resulting from population growth and over capacity of existing **cemeteries**, an approximate total of 4 ha of land is required for new cemeteries. It is especially the areas of Ceres, Bella Vista, N'Duli and Op-die-Berg that are in urgent need. To address the escalating burial demand, Witzenberg will identify suitable land and establish new burial sites for the areas as mentioned. Due to scarce suitable land, the possibility exists that a regional burial site might be developed for the greater Ceres area. The cemeteries of Wolseley and Tulbagh can be extended but proper fencing is required to cope with increasing vandalism and theft. Witzenberg will also implement an electronic booking system for burials.

Libraries are generally in a good state in terms of equipment with the exception of the John Steyn Library where urgent upgrading is required.

The libraries' core functions are primarily the:

- dissemination of information
- collection building of local, indigenous and international material
- provision of reference services
- creating awareness campaigns through exhibitions
- preserving and maintaining assets



Perception scores: 1-poor, 2- fair, 3-good, 4-very good, 5-excellent

Critical Actions

Upgrade and repair of John Steyn Library

Key Performance Indicators for 2019/20

- *Annual customer satisfaction survey on community facilities*
- *96% of community services capital budget spend*
- *98% of community services operational budget spend*

- **PROGRAMME 3.1 (B): ENVIRONMENTAL MANAGEMENT**

Nature reserves, Critical Biodiversity areas CBAs) and Ecological Support Areas (ESAs) under the jurisdiction of the Witzenberg municipality must be maintained/restored and degraded areas must be rehabilitated to sustain biodiversity patterns and processes and the functionality of ecosystem services. The lack of capacity to manage the mentioned areas give effect to illegal dumping, loss of endemic and indigenous vegetation due to overgrazing of livestock, illegal or overharvesting of indigenous vegetation, illegal sand mining, erosion, pollution and fire hazards due to high density of invasive alien vegetation poses a major threat to the Witzenberg natural environment. The development of nature reserve management plans followed with the appointment of a nature reserve management team for protected areas is essential to ensure the conservation and sustainability of our natural environment. Stewardship agreements between the municipality and other governmental institutions (Cape Nature) or private entities will also assist to ensure the conservation of CBA's. Law enforcement needs to expand to include monitoring of protected areas and commonage areas. Invasive alien vegetation is controlled and managed in terms of the control plans for the Ceres Mountain Fynbos nature reserve (CMFNR) and the Wolseley, Prince Alfred Hamlet and Op-Die-Berg commonage. Draft Invasive alien species control plans for the Prince Alfred Hamlet and Op-Die-Berg commonages have been developed and to ensure effective implementation of these plans, external funding is essential. Biological control methods will also be implemented for invasive aquatic and terrestrial plants. The main goal of the alien vegetation projects is to conserve water at mountain catchment areas, water source areas and riverbanks and also to conserve and promote biodiversity in the Witzenberg. Ceres Business Initiative (CBI) funds follow-up alien clearing and areas of low infestation projects in the CMFNR. The Environmental section is continuously liaising with national and international funders to support alien vegetation clearing projects in the Witzenberg area. Rivers in our urban areas are degrading due to illegal dumping, illegal water abstractions, agricultural and industrial activities. Monitoring and awareness programs in conjunction with governmental institutions must be implemented with farmers, local community, factories and private owners to ensure the conservation and sustainability of our river ecosystems. Specialist studies have to be done to identify erosion control methods at rivers and rehabilitation at the Dwars River will continuously be implemented. Environmental education will be supported through the "Green Fingers" project in conjunction with Cape Nature with the focus on "learning respect for the nature". Other awareness campaigns include Arbor Week and Water Week.

Air quality

Principal functions of municipalities as per National Framework for AQM

Air Quality is a function of all spheres of government, ranging from local, district, provincial and national government. The setting of municipal standards for emissions from point, non-point or mobile sources in respect of identified substances or mixtures of substances in ambient air, which through ambient concentrations, bioaccumulation, deposition or in any other way present a threat to health, wellbeing or the environment in the municipality.

Municipalities have to monitor ambient air quality and point, non-point and mobile source emissions. The second generation Air Quality Management Plan review was approved by Council on 30 September 2020. The review takes place every five years. It is important to expand the plan parallel with economic growth and spatial development. It is therefore imperative that the plan be included in the IDP. Air Quality have budgetary implications as air emission monitoring appliances in this field is expensive and needs to be budgeted for. Work on the Air Quality By-law for the Municipality has been completed and needs to be approved by Council. The municipality is also in need of audio measuring equipment for the control of noise in its jurisdiction in terms of the Western Cape Noise Control Regulations PN200/2013. Monitoring of compliance in respect of offensive odors caused by any activity is essential for the compilation of an atmospheric impact report. A new approach will be taken towards the development of an emissions inventory for unlisted fuel burning appliances in the Witzenberg Municipality.

Roaming animals

Roaming animals are still problematic in some residential areas and of great concern for the municipality. Despite of efforts to control the problems, there are still many challenges. The Municipality currently employs 15 animal monitors in Ceres, Nduli, Tulbagh, PA Hamlet and Wolseley which brought some relief to a certain extent in combatting the problems. The Municipality is in the process of negotiating with private entities for the transport and impoundment of roaming animals.

Wellbeing of communities

The application and regulation of the requirements of Section 24 of the Constitution must be complied with to ensure an environment that is not harmful to any person's health or wellbeing. Offensive odours, noise and dust by means of the use of monitoring equipment should be prioritized. The municipality currently does not own any monitoring equipment, thus there is a need for obtaining measuring equipment to combat offences in this regard sufficiently and thereby secure the wellbeing and safety of all inhabitants.

Key Performance Area 4:

SOCIO-ECONOMIC SUPPORT SERVICES

OBJECTIVE 4.1:

SUPPORT THE POOR AND VULNERABLE THROUGH PROGRAMMES AND POLICY

OBJECTIVE 4.2:

CREATE AN ENABLING ENVIRONMENT TO SUPPORT LOCAL ECONOMY

Witzenberg Day for the Aged

Key Performance Area 4

D. SOCIO-ECONOMIC SUPPORT SERVICES

I. OBJECTIVE 4.1: SUPPORT THE POOR AND VULNERABLE THROUGH PROGRAMMES AND POLICY

▪ PROGRAMME 4.1 (A): SOCIAL DEVELOPMENT PROGRAMMES

Witzenberg is committed to the development of its **youth,** and recognises the important part they play in society. Young people living in Witzenberg face a number of challenges on a daily basis: Not only are youth unemployment levels high, but substance abuse, particularly drug abuse, is on the increase. In order to facilitate youth development and support, Witzenberg will improve its capacity to deliver on its various programmes. The programme interventions supporting youth development are multifaceted, taking into account the many challenges facing the youth.

The following major youth programmes will be implemented:

- Skills development, including personal assessment, development plans and career pathing, entrepreneurial skills, income opportunity skills, technical training and computer skills development.
- Youth programmes with the focus on building physically, emotionally and spiritually healthy citizens who can contribute meaningfully to the community in a socio-economic context by means of nation-building programmes
- Capacity building in the fields of organisational development, leadership skills training, moral regeneration and train-the-trainer initiatives.
- Greater awareness of youth at risk, teenage pregnancy, HIV/Aids, substance abuse, the risks of gang involvement, etc.
- Getting youth involved in public participation processes
- Creating platforms for youth to engage around topical issues that affect them, so that they can take ownership and advocate for change, where necessary.
- Putting practical monitoring and evaluation mechanisms in place to ensure that programmes and interventions are relevant and that those doing youth work are held accountable.
- Innovative IT development solutions to facilitate access.
- Creating linkages between corporate entities and assessed youth with a view to possible permanent employment.
- Essen Witzenberg Youth Placement Programme – identified youth will be trained and placed at host companies to gain experience
- Youth Focal Point initiative in the five municipal towns to functions as:
  Information point to the youth (information hub), accessing work opportunities and assisting with the implementation of youth programmes on community level
- Creating platforms and opportunities for the youth to grow in various art forms such as dancing, drama and craft skills
- Linking the youth with skills training opportunities such as professional cooking

Substance abuse is a priority area, given the high incidence of drug and alcohol abuse in Witzenberg. The substance abuse programme focuses on prevention, intervention, suppression and coordination services with other spheres of government.

HIV is a reality in Witzenberg and thus the HIV programme focuses on awareness, early intervention and prevention.

Poverty alleviation requires a targeted effort to care for the marginalised and vulnerable in

Witzenberg. Given the current economic environment of ever-higher unemployment and the increasing number of residents living below the poverty line, indigent programmes and other economic enabling measures require urgent attention. The main thrust of the programme is to facilitate the resources and conditions required to satisfy poor communities' physical, social and psychological needs. The current focus of the programme is to support food production and security through the establishment and maintenance of food gardens. Food gardens help improve household food security and people's nutritional status, and also offer an opportunity for a group of people to come together and produce food collectively.

People living with disabilities programme recognises the various challenges experienced by people with disabilities. Witzenberg focuses on awareness-raising initiatives concerning disability in order to break down the barriers and promote and foster social integration and opportunities for persons with disabilities. The programme interventions are aimed at empowering and promoting a fully inclusive society for persons with disabilities. Support to caregivers and parents of disabled children is another goal of this programme. Life skills, hand skills and social skills are some of the main areas of intervention for youth who are differently disabled.

The **Gender programme** create an enabling environment that celebrates women rising above adversity, Witzenberg seeks to raise awareness of domestic and gender-based violence as well as the support services on offer to both women and men. The following programmes are provided in collaboration with numerous partner organisations:

- Women's Day events celebrating women rising above adversity
- Training to create greater awareness of domestic and gender-based violence
- Fatherhood training programmes, which entail the training and education of young men and fathers to improve gender relations and to facilitate prevention and early intervention in respect of domestic and gender-based violence
- Awareness programme on domestic and gender-based violence during the 16 Days of Activism campaign

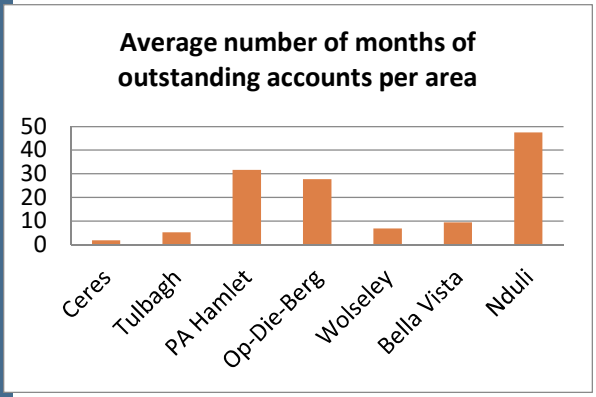
The **Protection of vulnerable children programme** is focused on coordinating services of all NGOs/FBOs and government departments in the field of working with children and their families.

- Awareness and prevention of child abuse and child neglect.
- Fire, water and road safety awareness campaigns in collaboration with the relevant stakeholders.
- Support and assistance to other departments/stakeholders working with children.

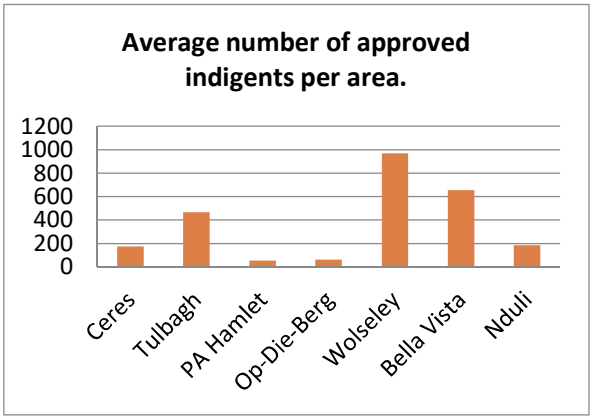
The **Early childhood development** (ECD) programme supports quality ECD services with a variety of development components, such as ECD training, expansion and awareness, as well as the construction of ECD facilities. This also includes supporting and strengthening the role and function of the Witzenberg ECD Forum.

▪ PROGRAMME 4.1 (B): INDIGENT SUPPORT

Witzenberg supports the poor through its Indigent Policy and subsidises municipal services to approved households with an income of R3 000 or less per month. The total subsidy value per month is approximately R1,2m. The outstanding debt of indigents of around R15m remains a challenge as no credit control procedures are currently implemented against indigents.



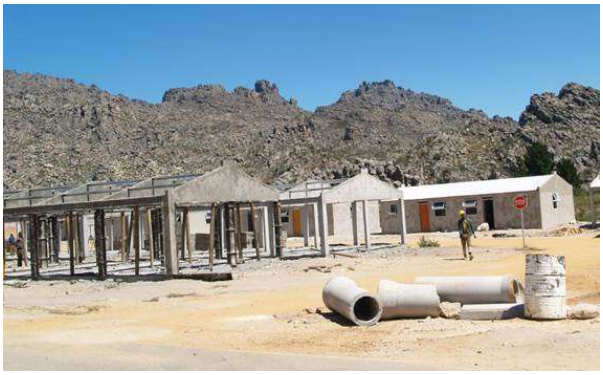
The table below gives an indication of the number



of indigents per area. The low numbers for areas such as Prince Alfred's Hamlet, Op-die-Berg and N'Duli are particularly clear. The main reason being the ineffectiveness of debt control measures as discussed under programme 2.2(a). The table above indicates the outstanding debt per area to show how it compares with the number of indigents per area.

▪ PROGRAMME 4.1 (C): HOUSING PROGRAMME

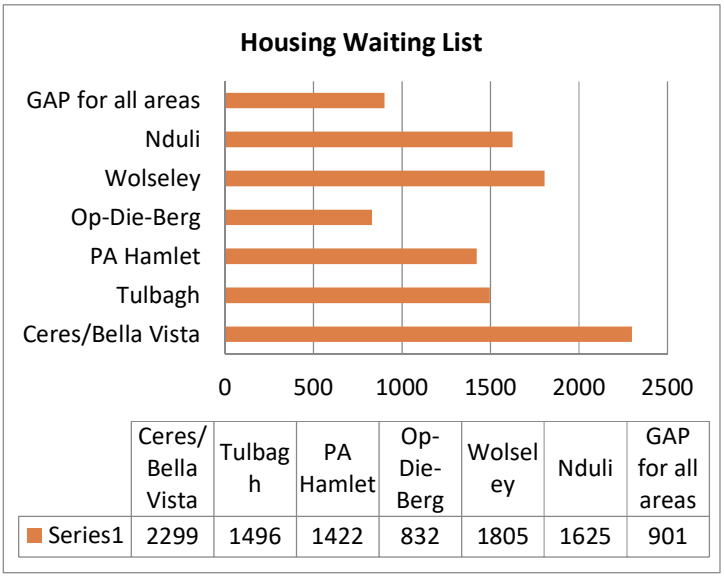
One of the Witzenberg's biggest challenges relates to growing informality – the expansion of informal settlements and the rising number of households living in makeshift shelters in backyards. Witzenberg needs to ensure integrated sustainable human settlements and access to housing for those in need in an incremental manner.



Interventions will require significant additional capital investment, together with a fundamental reconsideration of how to deliver more opportunities to access housing in an incremental, more rapid and more integrated, sustainable manner. Key elements for successful urban restructuring include higher-density housing developments in well-located areas, major improvements in public transport to link fragmented places, and higher employment levels in townships and informal settlements.

The table below gives an indication of the number of people on the municipals housing waiting list. Although the statistics includes farm residents and people from informal settlements, it is expected that the need might be much higher. The total of people on the waiting list amounts to approximately 8 313 with the agricultural sector indicating that the need of farm dwellers to obtain houses could also amount to approximately 9 000.

There are approximately 12 000 residential consumers that receives services from the municipality and if the need indicated are to be accommodated all towns in the Witzenberg will have to be doubled. Currently the existing resources and infrastructure are not available to accommodate such a growth and it is not expected that it would be able in the near to medium future.



	Ceres/ Bella Vista	Tulbagh	PA Hamlet	Op-Die-Berg	Wolseley	Nduli	GAP for all areas
Series1	2299	1496	1422	832	1805	1625	901

Witzenberg will implement the following projects over the next couple of years:

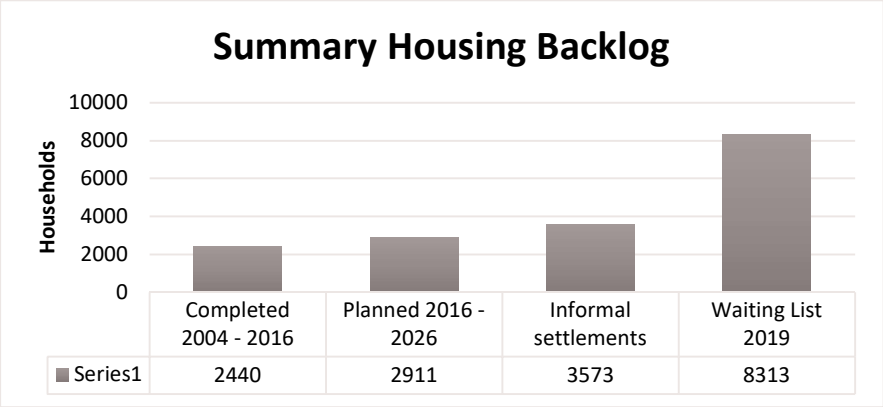
Project	***2018/19***			***2019/20***			***2020/21***		
	Sites	***Houses***	***Funds***	***Sites***	***Houses***	***Funds***	***Sites***	***Houses***	***Funds***
Vredebes (2911)		***30***	***R3.9 m***		*200*	*R27 m*	*200*	*200 (IRDP)* *50 (FLIPS)*	*R26 m* *R3 m* *R12m*
N'Duli (planning money only)	***0***	***0***							*R558*

Dependant on the allocation of funding from Provincial Government.

Gap (affordable) housing

The term 'gap housing' refers to houses that are provided to households earning between R3 501 and R22 000 per month, who are not provided for by the private sector or the state. The number of people seeking homes in the R150 000 to R350 000 price range has been growing steadily in the past years. The municipality recognises the critical importance of supplying houses within this price range for the proper functioning of the overall residential housing market. In this spirit, Witzenberg has undertaken the sale of serviced plots at reduced prices to enable buyers to build their own homes on a piecemeal basis via access to short-term loans or with employer assistance. The table below gives an indication of progress made in terms of the provision of housing over

the past couple of years and the planning for the future.

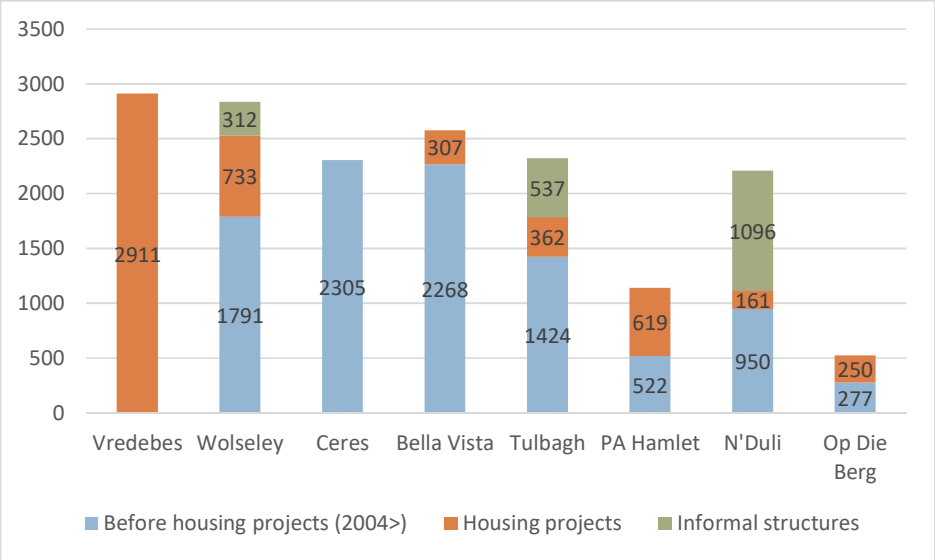


Resources and bulk infrastructure remains a major challenge in achieving planned targets. Witzenberg is in process of implementing the Bella Vista (307 units) and Vredebes (2 800 units) housing projects. Both these projects require significant bulk infrastructure upgrades. The Bella Vista project were completed in 2017 with the Vredebes project being developed over the next couple of years depending on the availability of funding to complete bulk infrastructure.

All bulk water and sanitation infrastructure required should be completed by 2018 with the construction of houses can start. The upgrading of the adjacent R44, bus routes, bulk stormwater, and link road however require in the access of R150m. It should also be noted that the project's electricity requirements are approximately 5MVA of which Eskom cannot supply due to insufficient bulk capacity as discussed under Programme 1.1(a).

Witzenberg is committed to creating sustainable, integrated human settlements rather than merely providing low-cost housing. The Vredebes project when completed will have a significant influence on the municipal financial viability, service delivery, transport network and Ceres CBD. The Provincial Government will assist Witzenberg through the Regional Social and Economic Programme (RSEP) to develop an implementation plan for Vredebes to ensure an integrated and sustainable community. The main focus would be to ensure the buy-in of all sectors such as education, social and economic development, security, etc. and to align the construction of houses with the availability of social and technical infrastructure.

The table below gives an indication of the size of Vredebes. It also provides the number of beneficiaries per town over the past couple of years.



Rental stock disposal programme

During the 1980s, government initiated the discount benefit scheme to encourage tenants and sales debtors to acquire ownership of their saleable housing units. An asset management improvement programme will soon be finalised, which will enable Witzenberg to better manage and maintain its assets especially in terms of rental stock. To meet this need, Witzenberg will assess the possible sale or transfer of rental stock to clearly identified beneficiaries according to prescripts of the National Housing Codes. This will allow for a sense of ownership for community members and support economic independence for beneficiaries. Approximately 240 of these rental units are earmarked for transfer to tenants over the next three years.

Achievements

Rental stock properties transferred since 2017/18(2014/15) – 193 properties

- **PROGRAMME 4.1 (D): JOB CREATION**

The Expanded Public Works Programme(EPWP) is a national government programme that aims to provide social protection through the creation of jobs. The programme's mandate is "to contribute to development by providing work opportunities to poor and unemployed people in the labour-intensive delivery of public and community assets and services". EPWP programmes in Witzenberg will complement existing municipal service delivery and will also aim to provide unemployed persons with experience in environmental cleaning initiatives, infrastructure and maintenance projects, as well as social sector programmes. An existing operating procedure are regularly ~~will be~~ updated that would include the maintenance of a register for job seekers to be utilised with EPWP recruitment. The Department of Public Works Conditional Grant will be utilised to complement service delivery in the municipality, such as assistance to youth, maintenance of parks,

rivers and open spaces, as well as road maintenance. Workers on the programme can also benefit from training initiatives (where funding is available).

The Municipality will aim to prioritize persons with disabilities, youth and women.

II. OBJECTIVE 4.2: CREATE AN ENABLING ENVIRONMENT TO SUPPORT LOCAL ECONOMY

▪ PROGRAMME 4.2 (A): LOCAL ECONOMIC DEVELOPMENT

Witzenberg Municipality is committed to support local economic development not only through various programmes but also through the construction and upgrading of infrastructure. Witzenberg developed an Investment Incentive and retention policy framework in 2014 as well as an Economic Development Strategy. The LED Maturity Assessment Report of January 2015 indicated shortcomings and the municipality have started the process to review the strategy. The implementation of the existing strategy is measured on a bi-annual basis.

Witzenberg Municipality has supported SMME developments through the following projects.

- SEDA training
- Registration of businesses on municipal and provincial supply chain databases
- Meetings with business forums platforms
- Supply chain workshops
- CWDM seed funding support
- Granting extension of permits to existing hawker permit holders due to the COVID 19 pandemic
- Providing information on National Department and Provincial Department funding opportunities to SMMEs, as well as assisting with funding applications
- Development of a Small Business Hub in Prince Alfred's Hamlet
- Development of a Policy for management of business property for local economic purposes with its aim of capacitating previous disadvantaged communities

Provision of COVID 19 SMME support & information Other interventions that are currently being implemented or planned for 2021/2022 are as follows:

- Investigate the development of dignified and accessible trading facilities
- Review of informal trader (street traders and spaza shops) by-law
- Tourism improvement: Develop and profile (branding) Ceres as a family destination
- Ceres tourism business plan
- Upgrade existing municipal tourism facilities
- Completion of a business hub in Ceres
- Township tourism opportunities
- Bee extraction facility for aCo-operative
- Review of LED strategy
- Link SMMEs to be absorbed in value chains of local economy
- Establish and strengthen existing communication platform with informal traders in each area
- Awareness on social marketing and technological marketing benefits for SMME's
- Facilitating mentorship opportunities with SMME's
- Focused input regarding Municipal procurement opportunities for SMME's

Witzenberg agriculture has indicated that an anticipated growth of the primary agri-sector of between 5% - 8% is expected over the next five years. It was further indicated that secondary processing will grow by more than 10%. Such

growth expectations will have a significant influence on Witzenberg in terms of the following:

- Need for serviced industrial land for agro-processing plants
- Increased need for bulk services such as water, sanitation and electricity
- Increased road usage especially by heavy vehicles
- Increased job availability
- In-migration of workers leading to expansion of informal areas
- Increased income for municipality on rates and taxes
- Increased dependant on indigent subsidy during off-season

A major threat that would undermine the expected growth is the unavailability of electricity due to bulk provision incapacity of Eskom as discussed under Programme 1.1(a), as well as the ongoing water scarcity.

Witzenberg has developed a good relationship with the **Department of Rural Development and Land Reform** over the past couple of years and has implemented several bulk infrastructure projects that support economic growth funded by Rural Development. As Witzenberg has been identified for the development of an **Agri-Park** with the Agri-hub situated in the Skoonvlei Industrial area, Ceres, it is expected that the relationship will continue in the future. Infrastructure projects that were completed in the past year as part of the Agri-Park initiative included the upgrade of Boerneef Street and bulk electricity network to a total value of R50m. The infrastructure has unlocked several private initiatives which included an R80m fruit packaging facility that created 200 permanent jobs. Several more roads need to be upgraded that would enable the development of more private invested facilities not only for the larger business but also for small and upcoming business.

Tourism

Witzenberg Municipality has a service level agreement (SLA) with three local tourism associations that conduct marketing of the municipal area and local established businesses in order to draw investment and trade to the area. Local businesses join as members of the local tourism authorities to participate in the marketing initiative. Membership holds businesses accountable to ethical norms and standards for the industry, and to a code of conduct.

Tourism aims to market Witzenberg Municipality as an affordable holiday destination with activities for the entire family. Tourism liaises with district, provincial and national stakeholders to develop the Witzenberg brand through

attraction of tourists, awareness campaigns, roadshows, expos, events and festivals. Tourism further aims to train and skill local entrepreneurs

Their functions include:

- Marketing the area, events and activities.
- Creating opportunities for transformation, niching, diversification and support of new stakeholders.
- Ensuring that tourism development remains on trend.
- Promotion and development of Accessible Tourism.
- To enlist new members and plan for the growth of both operations and market.

As per our SLA with Witzenberg Tourism, which is an external entity to Witzenberg Municipality, we have the following strategic priorities:

- Promotion of our towns as travel destinations and as film and photoshoot locations (with attractive scenes in farm and desert areas, mountains, snow, and skylines.)
- Promotion and protection of the local towns, events and the municipal brand.
- Promotion of conservation and Green Tourism. Provision of statistical research and data outputs.
- Promotion of Agri-Tourism.
- The growth and expansion of tourism.

Witzenberg Tourism runs educational packages with schools, front of house staff, and local stores to promote clientele service. The entity also sources courses such as first aid training, communication, administration and hospitality to help local businesses improve their output and skill levels.

Part of the municipality's agreement with Witzenberg Tourism is to expand the broad demographic of tourism to encompass culture, heritage, diversity and transformation. We aim to develop two new travel routes within Witzenberg to promote social cohesion as well as introduce formal trade to township and rural areas.

Witzenberg Tourism has produced tear-off maps which are distributed to points of sale with high

to meet tourism-related demands, and provide the requisite services and products necessary to promote local trade and economic development.

traffic, providing location and contact details of local tourist attractions. They have also produced a joint brochure called the Witzenberg Meander, covering activities throughout the municipality.

Tourism bureaus for Wolseley, Ceres and Tulbagh also created their own brochures with niche marketing of their sectors in conjunction with social media promotion through Facebook and websites. Witzenberg Tourism has been successful in marketing the destination to visitors within South Africa as an affordable and picturesque location for weddings, snow tourism,

heritage tourism, agri-tourism, wine tourism, adventure tourism, cultural tourism, sports tourism and rural tourism.

Witzenberg Tourism also conducts quarterly educational visits of the areas to tourism authorities outside of our borders as well as to journalists, media groups and bloggers, in order to review and publicise the activities and services offered in the area. A significant area of focus in the IDP for tourism is access to qualitative and quantitative research, specific to our area.

Ceres Business Initiative

The Ceres Business Initiative was originally founded as the Ceres Chamber of Commerce in 1936. The institution represents various business and enterprise areas in the Witzenberg area. The Witzenberg Municipality has a good relation with the CBI and plays an important supporting role in achieving the following goals of CBI:

- Building bridges between the municipality & the business community.
- Ensure that the town is clean & safe
- Accomplish economic growth, create opportunities for entrepreneurs
- To consult with the municipality regarding service delivery.

CBI has initiated several opportunities for small and upcoming entrepreneurs with support from its members and other role-players.

- **PROGRAMME 4.2 (B): UTILISING MUNICIPAL AND PUBLIC PROPERTY TO SUPPORT ECONOMIC GROWTH AND SUSTAINABLE DEVELOPMENT**

Witzenberg completed a land audit in 2009 indicating all municipal and public properties. These properties are categorised with the focus on underutilised properties. The land audit is updated regularly and an implementation plan was developed with annual implementation targets. The purpose is mainly to sell or make available underutilised municipal property to leverage growth, support economic development and job creation with the focus on sustainable development especially in poor communities.

Economic benefits include:

- small-business development through support initiatives stimulating local economic activity and possible job creation
- the creation of potential opportunity streams through mixed-use activities
- encouraging and enhancing entrepreneur-ship across various key sectors.

Witzenberg will, in conjunction with the Department of Rural Development and Land Reform and the Department of Agriculture, investigate the utilisation of **commonage land as part of the Agri-Park development**. The main purpose would be to grow the local economy, job creation and empowerment of the previously disadvantaged.

The investigation should give an indication of the preferred commodity as determined by soil conditions and available markets, but also water availability and support by existing commercial farmers.

Large tracks of commonage has been identified as Critical Biodiversity Areas. These areas are however not managed and protected as it is being overgrazed and illegal dumping occurs in some areas.

It is therefore necessary to investigate if the land can be utilised in a more effective manner that would contribute to the community's wellbeing.

INTERNAL MONITORING AND REPORTING

Measuring of performance on Strategic Objectives is measured through the Service Delivery and Budget Implementation Plan as included in Chapter 7. The results are published in the Annual Report.
Departmental indicators are included in the Departmental SDBIP with monthly internal reporting to managers.

5 MANAGEMENT AND GOVERNANCE

A. COUNCIL STRUCTURE

B. COMMITTEE SYSTEM

Executive Mayor
Barnito Klaasen

Executive Deputy
Mayor Karriem Adams
(Ward 6) - DA

Chairperson:
Community Development

Members: Councillors
Daniels
N Phatsoane
G Laban

Cllr. Ronald Visagie
(Ward 4) - DA

Chairperson:
Technical Services

Members: Councillors
D Swart
R Simpson
M Mdala
M Jacobs

Cllr. Elisabeth Sidego
(Ward 11) - DA

Chairperson:
Human Settlements

Members: Councillors
J Phungula
Z Mzauziwa
S Hugo

Cllr. Trevor Abrahams
(PR) - DA

Chairperson:
Local Economic Development and Tourism

Members: Councillors
C Lottering
P Heradien
H Visagie
M Jacobs

Alderman Hennie Smit
(Ward 5) - DA

Chairperson:
Corporate and Financial Services

Members: Councillors
D Kinnear
Alderman J Schuurman
T Mgoboza

C. AUDIT COMMITTEE

Members of the Performance, Risk and Audit Committee	
Mr J George (Chairperson) 2 Dickens Close, Somerset Park, Van der Stel, SOMERSET-WEST 7130 Telephone: Facsimile: Cell: (062) 655-0455 E-mail: jonathang@quantumadvisory.co.za	Mr Jean Basson (Deputy Chairperson) PO Box 220 11 De Keur Street KOUE BOKKEVELD 6836 / SANLAM Building, Voortrekker Street, Ceres Telephone: (023) 317-0946 (H) Facsimile: (086) 541-9273 Cell: (083) 412-8783 E-mail: jeanba@just.property
Mr Ameen Amod 5th Floor, 56 Shortmarket Street, CAPE TOWN 8001 Telephone: (021) 488-9500 (076) 426-4251 (PA) Facsimile: (086) 508-9221 Cell: (083) 212-9221 E-mail: ameen@mtnselect.co.za E-mail 2: ameenamod@mweb.co.za	Mr Tsepo Lesihla 24 Coatbridge Crescent Parklands MILNERTON RURAL 7441 Telephone: (021) 407-6431 (W) (021) 556-1010 (H) Facsimile: Cell: (079) 849-2732 E-mail: tsepo@maqheka.com
Mr. SA Redelinghuys 24 Breë Street, PRINCE ALFRED'S HAMLET Telephone and facsimile: (023) 313-3554 Cell: (083) 270 4801 E-mail: fanusr@gmail.com	

D. ESTABLISHMENT OF WARD COMMITTEES

Through the establishment process, it is intended that members of the community will understand the purpose and potential benefits of the Ward Committee System. Community members would also be in a better position to make informed decisions with regard to nominating and electing appropriate members of Ward Committees and be able to hold Ward Committees accountable once they are established.

For the month of September 2016 Witzenberg Municipality had an intensive mobilisation campaign on the process for the establishment of Ward Committees. On 30 September 2016 the nomination process closed.

The verifications on nominations were done, some candidates were only disqualified after verifications were done. Candidates were disqualified if they were not registered voters, if they were nominated in the wrong voting district, if they were not nominated by a registered voter, if they were nominated by a voter that was not registered in the same voting district as the candidate, and if nominations were received after the deadline of 30 September 2016.

The election process was facilitated by contract workers who also did duty as contract workers for the Independent Electoral Committee (IEC) during the 2016 Local Government Elections. The elections in the different wards took place on 24, 25 and 26 October 2016. **The newly elected Ward Committee inauguration took place on 28 February 2017.**

E. MACRO MANAGEMENT

David Nasson

Municipal Manager

Email: david@witzenberg.gov.za

Monwabisi Mpeluza

Director: Corporate Services

Email: monwabisi@witzenberg.gov.za

Joseph Barnard

Director: Technical Services

Email: joseph@witzenberg.gov.za

Cobus Kritzinger

Director: Finance

Email: cobus@witzenberg.gov.za

Directors Community Services vacant

6 STRATEGIC FINANCIAL OUTLOOK

A. EXECUTIVE SUMMARY

The National Treasury projects real economic growth of 3.3 per cent in 2021, following an expected contraction of 7.8 per cent in 2020. Real GDP growth is expected to moderate to 1.7 per cent in 2022 and 1.5 per cent in 2023, averaging 2.1 per cent over the medium term.
South Africa experienced its largest recorded decline in economic output in the second quarter of 2020 due to the strict COVID-19 lockdown. Real GDP fell by 17.1 per cent relative to the previous quarter (or 51 per cent on a seasonally adjusted and annualised basis), with all major sectors except agriculture declining. The second-quarter results were weaker than expected in the June 2020 special adjustments budget, which projected a contraction of 7.2 per cent in 2020.
High-frequency data for the third quarter shows evidence of a limited economic rebound. Although growth rates are likely to improve quickly as restrictions are removed, based on current projections, output is only expected to return to pre-pandemic levels in 2024.

The main risks to the economic outlook are weaker-than-expected growth, continued deterioration in the public finances and a failure to implement structural reforms. Electricity remains a binding constraint on economic recovery, with power interruptions expected to continue into 2021.

These factors may jeopardise South Africa's prudent macroeconomic and fiscal policies, which include inflation targeting and a flexible exchange rate, the local economy's ability to adjust to global volatility and the stable investment platform.
South Africa was downgraded by two rating agencies. The downgrading may have a negative impact on prices of all commodities imported as well as interest rates. These economic challenges will continue to pressurise municipal revenue generation and collection levels. Hence a conservative approach is advised for projecting revenue. Municipalities will have to improve their efforts to limit non-priority spending and to implement stringent cost-containment measures. Municipalities along with other sectors will play a key role in reviving and reforming the economy of a post covid-19 South Africa

B. FINANCIAL STRATEGIC APPROACH

The 2021/20 MTREF process commenced with a technical analysis of previous years' performance outcomes, an assessment of the economic outlook, and consultation with various role-players. The process encompassed the following:

- Framework for and strategic direction of the budget provided by the MAYCO
- Long-term Financial Plan presentations to Council.
- Eskom's application for electricity tariff increases to the National Energy Regulator of South Africa (NERSA).

C. FINANCIAL MODELLING AND KEY PLANNING DRIVERS

The outcome of the LTFP modelling incorporated the assumptions outlined in the paragraphs below on which the 2021/22 MTREF was compiled. The principles applied to the MTREF in determining and maintaining an affordability envelope included:

- Higher-than-inflation repairs and maintenance provision to attain nationally benchmarked levels, thereby ensuring and enhancing the preservation of Witzenberg Municipality assets;
- Higher increases to selected cost elements subjected to higher-than-average inflationary pressure, such as employee related costs;
- The assumption of a 95% capital expenditure implementation rate;
- Credible collection rates based on collection achievements to date, and also incorporating anticipated improvements in selected revenue items;
- National and provincial allocations as per the 2020 Division of Revenue Act (DORA); and
- Province's 2021/22 MTREF allocations circular to municipalities.

D. ECONOMIC OUTLOOK/EXTERNAL FACTORS

The sluggish growth experienced in the South African economy is aggravated by the drought conditions, constraints in electricity supply decline in business confidence and the Covid-19 pandemic. The value of the rand against the US dollar and Euro has declined continuously over the past three years and the covid-19 pandemic has placed a damper on exports. The Covid-19 pandemic will have a negative impact on the export market which is a major contributor to the economy of the Witzenberg area.

Unemployment may increase during the coming months which will put the municipality under pressure in terms of collections.

E. NATIONAL AND PROVINCIAL INFLUENCES

Conditional grant funding targets delivery of national government's service delivery priorities. It is imperative that Witzenberg Municipality understands and complies with the conditions stipulated in the Division of Revenue Act (DoRA) in order to access this funding. The equitable share constitutes unconditional funding, and is designed to fund the provision of free basic services to disadvantaged communities.

F. EXPENDITURE ANALYSIS – A THREE-YEAR PREVIEW

I. GENERAL INFLATION OUTLOOK AND ITS IMPACT ON MUNICIPAL ACTIVITIES

The MFMA Budget Circular for 2020/2021 indicates the following inflation forecasts:

2021/2022	4,1%
2022/2023	4,4%
2023/2024	4,5%

II. INTEREST RATES FOR BORROWING AND INVESTMENT OF FUNDS

Changes in interest rates will not affect the budget over the medium term as the interest rates on most of the existing loans are fixed. The interest and redemption expenses will decrease as loans are being redeemed.

III. COLLECTION RATE FOR REVENUE SERVICES

The collection rate for revenue service will be under more pressure due to the weak economic outlook. Prepaid water meters will be installed to reduce the provision for impairment of water debtors.

IV. SALARY, WAGES AND RELATED STAFF EXPENSES

The increase in employee-related costs is expected to be more than the inflation forecast as per collective agreement. The 2,5% notch increase will increase the employee-related costs even further. The job descriptions of all employees are in the process of being re-evaluated – the outcome of the evaluations is still unknown but it is expected that the salaries of some employees will increase.

V. REPAIRS AND MAINTENANCE

Higher-than-inflation repairs and maintenance provision is made in the budget to attain nationally benchmarked levels, thereby ensuring and enhancing the preservation of Witzenberg Municipality assets.

VI. DEPRECIATION

Depreciation charges will increase on an annual basis due to new assets being added to the asset register through the capital budget.

G. REVENUE ANALYSIS – A THREE-YEAR PREVIEW

I. GROWTH OR DECLINE IN MUNICIPAL TAX BASE

The revenue base is growing but the rate is not sufficient to support improved service delivery. The majority of the economic development in Witzenberg occurs in the rural areas where the municipality is not the service provider. The Skoonvlei area is being developed as an industrial area with assistance from Rural Development to attract industries to the town areas and to create job opportunities.

II. MAJOR TARIFFS AND CHARGES: ECONOMIC AND TRADING SERVICES

Witzenberg Municipality strives to keep tariff increases below inflation. The three-year indicative tariffs are determined for major services to illustrate the financial effect of medium-term operational and investment plans.

III. PROPERTY RATES

Property rates revenue is used to finance municipal functions other than economic and trade services. Property rates revenue is subsidised by the surpluses from economic and trade services. Property rates tariffs are therefore increased with more than the inflation forecasts. A new valuation roll will be implemented from 1 July 2023. The average valuations will be higher than those of the previous roll, but tariffs will be adjusted downward to limit the effect of the increased valuations. The limitations on property rates tariffs of Agricultural Property, Public Service Infrastructure and Public Benefit Organisation Property has a negative effect on the possible rates revenue.

H. IMPACT OF NATIONAL, PROVINCIAL AND LOCAL POLICIES ON OPERATING REVENUE

I. 2021 DORA

Allocations and grants to Witzenberg Municipality are included in the DoRA.

The equitable share allocation is utilised to fund the provision of free basic services to indigent households.

The Municipal Infrastructure Grant is mainly allocated to the provision of bulk service infrastructure to new low cost housing projects.

The Regional Bulk Infrastructure Grant is earmarked for Bulk Water Storage for the Tulbagh area.

II. MAJOR PARAMETERS

The following table summarises the major parameters applied to the operating budget:

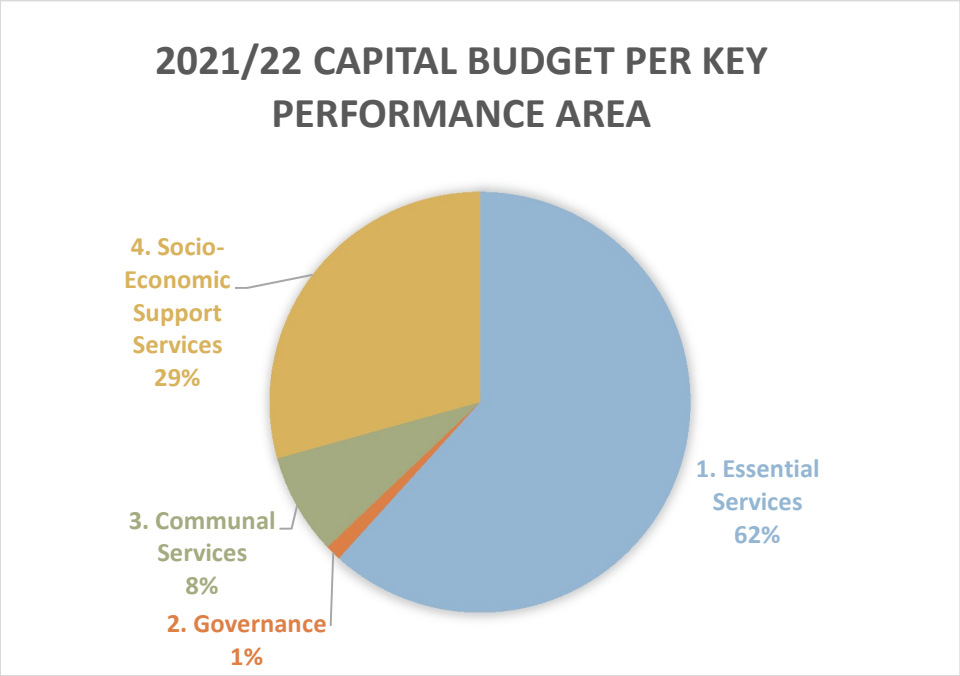
Description	Budget year 2021/2022	Budget year + 1 2022/2023	Budget year + 2 2023/2024
CPI	5.0%	5.0%	5.0%
Collection rate	91%	91%	91%
Tariff Increases:			
Rates	6%	7%	6%
Electricity - Residential	14.8%	13.0%	13.0%
Electricity - Business	17.8%	13.0%	13.0%
Water consumption - Residential	6%	6%	6%
Water consumption - Business	6%	6%	6%
Sewerage	6%	6%	6%
Refuse removal	6%	6%	5%
Equitable share allocation	R 106 mil	R 115 mil	R 117 mil
Total grant allocations	R 231 mil	R 193 mil	R 161 mil

I. CAPITAL INVESTMENT FRAMEWORK

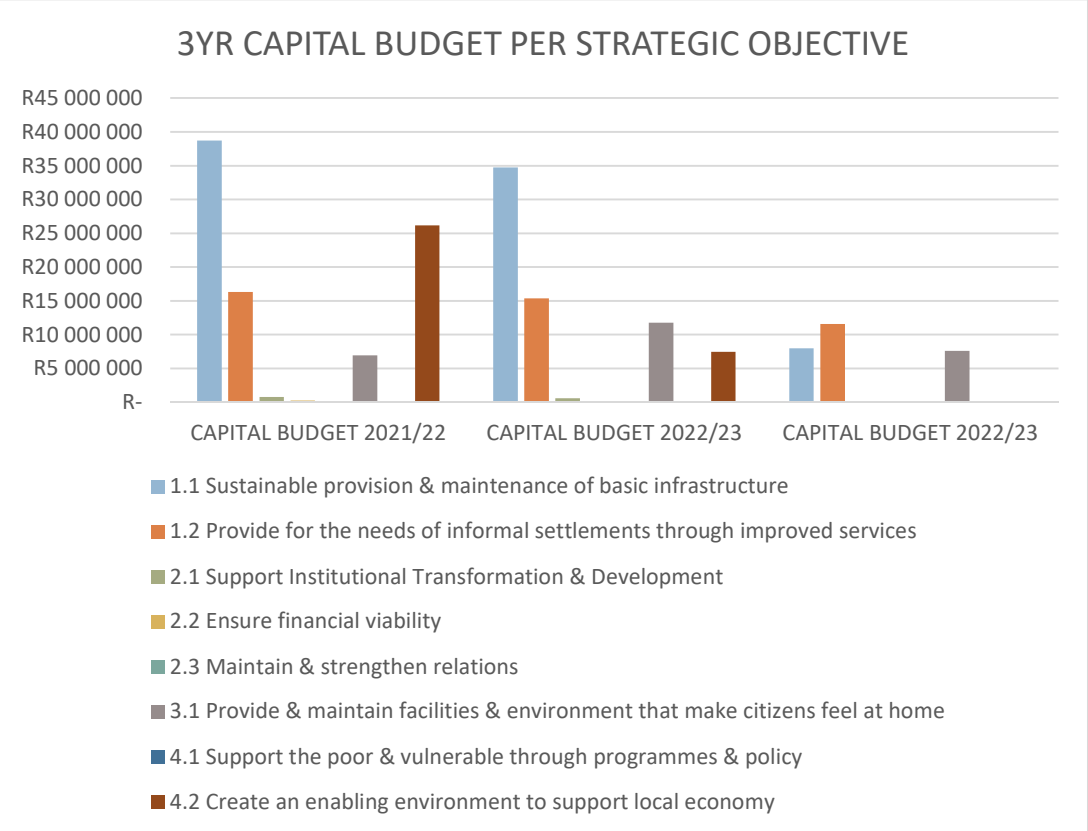
The past couple of financial years, capital investment were dominated by bulk infrastructure projects linked to especially the Vredebes subsidized housing project. The majority of the required bulk infrastructure has been completed and construction of houses and servicing of sites has commenced. No top structures will be constructed in the next two years due to the incapacity of Eskom bulk supply electricity network to Witzenberg as well as a policy change from the National Department of Housing where the focus will be more on serviced sites. It was indicated that upgrading of the electricity supply lines would only commenced by 2030. With regards to housing the focus would be on the servicing of an additional 520 sites at Vredebes with the purpose to accommodate the informal settlement at Nduli which should be upgraded the year after. Major projects mainly include the construction of a storage dam in Tulbagh that will be phased over 2 years, and other network upgrading for water/sanitation and electricity services.

The construction of a new Material Recovery Facility where solid waste will be recycled will commence as well as the upgrading of the Van Breda Bridge in Ceres.

In terms of the Witzenberg Strategic Map, the bulk of the funding is allocated to the key performance area of Essential Services with the strategic objectives related to the provision of services receiving the majority of capital funding as indicated in the graphs below.



KEY PERFORMANCE AREA	STRATEGIC OBJECTIVE	CAPITAL BUDGET 2021/22	CAPITAL BUDGET 2022/23	CAPITAL BUDGET 2022/23
1. Essential Services	1.1 Sustainable provision & maintenance of basic infrastructure	R 38 728 053	R 34 755 742	R 8 000 000
	1.2 Provide for the needs of informal settlements through improved services	R 16 327 701	R 15 385 218	R 11 563 478
2. Governance	2.1 Support Institutional Transformation & Development	R 800 000	R 600 000	R 20 000
	2.2 Ensure financial viability	R 280 000	R 180 000	R 180 000
	2.3 Maintain & strengthen relations	R -		
3. Communal Services	3.1 Provide & maintain facilities & environment that make citizens feel at home	R 6 955 652	R 11 772 519	R 7 624 348
4. Socio-Economic Support Services	4.1 Support the poor & vulnerable through programmes & policy	R -		
	4.2 Create an enabling environment to support local economy	R 26 153 043	R 7 440 000	R 152 174
Total		**R 89 244 450**	**R 70 133 479**	**R 27 540 000**

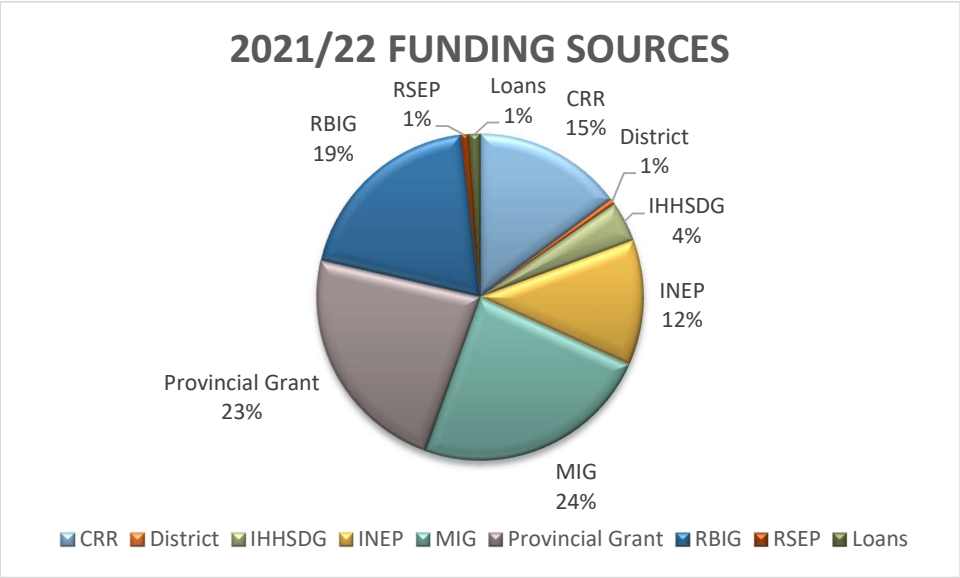


Funding Sources

The Capital Budget is funded by the following sources:

Funding Source Name		Institution	Purpose
Capital Replacement Reserve	CRR	Municipality	Mainly upgrading and equipment
Integrated Housing and Human Settlements Development Grant	IHHSDG	Dept. of Human Settlements	Capital funding for internal social housing developments' infrastructure networks as well as related bulk infrastructure. *Funding for top structures (houses) is included in the operational budget.*
Municipal Infrastructure Grant	MIG	Dept. of Cooperative Governance	Infrastructure that supports the poor, mainly bulk infrastructure related to social housing projects.
Regional Bulk Infrastructure Grant	RBIG	Dept. of Water Affairs	Bulk water and sanitation related projects.
Integrated National Electrification Programme	INEP	Dept. of Energy	Electrical networks for social housing projects.
Regional Socio-Economic Programme	RSEP	Provincial Government	Socio-economic upgrading – non-motorised transport – walkways.
Twinning agreement with Essen, Belgium	Belgium	Belgium Federal Government	Support in implementation of Waste Management Strategy
CWDM	District	Cape Winelands District Municipality	Identified projects. Non-motorised Transport such as walkways & pavements
Provincial Government	Prov Grant	Western Cape Provincial Government	Various Grant related to upgrading of main roads (bridges), fire fighting vehicles, libraries

The graph below gives an indication of the contribution value of the different funding sources to the capital budget:



Detailed five-year Capital Budget

The following tables show the individual budgeted projects as allocated per ward (note that outer years are indicative and only for planning purposes)

KEY PERFORMANCE AREA: 1. ESSENTIAL SERVICES

Strategic Objective: 1.1 Sustainable provision and maintenance of basic infrastructure

Department	Description	Funding Source	Ward	Budget 2021_2022	Budget 2022_2023	Budget 2023_2024	Budget 2024_2025	Budget 2025_2026
Electricity Adminis	MV Substation Equipment	CRR	All	500 000	1 000 000		1 500 000	1 500 000
Electricity Adminis	Upgrade of LV Network Cables	CRR	All		1 000 000		1 000 000	1 000 000
Electricity Adminis	MV Network Equipment	CRR	All		1 000 000		1 000 000	1 000 000
Electricity Adminis	Upgrade of MV Cables	CRR	All		1 000 000		600 000	600 000
Electricity Adminis	Tools & Equipment	CRR	All				150 000	150 000
Electricity Streetlig	Upgrade of Streetlights	CRR	All				350 000	350 000
Roads	Network streets	CRR	All		2 000 000		2 500 000	3 000 000
Sewerage	Aerator replacement programme	CRR	All				500 000	
Sewerage	Refurbishment WWTW	CRR	All				750 000	
Sewerage	Sewer Pumps-replacement	CRR	All				250 000	500 000
Sewerage	Sewer Network Replacement	CRR	All		1 500 000		2 000 000	1 500 000
Sewerage	Security upgrades	CRR	All				300 000	
Solid Waste Dispo	Transfer stations & related infrastructure (	CRR	3	5 817 400				
Storm Water	Network - Storm Water Upgrading	CRR	All				450 000	500 000
Water Distribution	Infrastructure Management System	CRR	All				200 000	
Water Distribution	Plant & Equipment	CRR	All				50 000	
Water Distribution	Security upgrades	CRR	All				450 000	
Water Distribution	Network- Water Pipes & Valve Replaceme	CRR	All		1 500 000		2 000 000	2 500 000
Water Distribution	Tulbagh Dam	RBIG	7, 11	17 391 304	16 729 565			
Electricity Adminis	Electrical Network Refurbishment	CRR	All				1 500 000	1 500 000
Roads	Vredebes Ph1 Busroutes	MIG	5				210 436	
Solid Waste Dispo	New Material Recovery Facility/Drop Off	MIG	All	11 164 767				
Fleet Managemer	Vehicle Replacement Program	Loans	All	1 000 000	1 000 000	1 000 000		
Water Distribution	Grey Water System	CRR	All				1 500 000	1 500 000
Roads	Tools & Equipment	CRR	All				50 000	50 000
Roads	NMT Sidewalks Ceres	CRR	3,5				500 000	500 000
Solid Waste Rem	Drop-offs Transfer stations	CRR	All				2 000 000	4 000 000
Water Distribution	Op-Die-Berg Reservoir	MIG	8	2 854 582				
Water Distribution	Tulbagh Reservoir	MIG	7,11			7 000 000		
Water Distribution	Tierhokskloof bulk pipeline	MIG	2,7		8 026 177			

Strategic Objective: 1.2 Provide for the needs of Informal Settlements through improved services.

Department	Description	Funding Source	Ward	Budget 2021_2022	Budget 2022_2023	Budget 2023_2024	Budget 2024_2025	Budget 2025_2026
Electricity Adminis	Vredebes Electrical Network	INEP	5	11 097 391				
Electricity Adminis	Nduli infill Electrical Network	INEP	12		2 714 783	3 478 261		
Storm Water	Vredebes New Storm water Channel & De	MIG	5	107 609				
Roads	Nduli Infill Internal Roads	IHHSDG	1,12		2 820 000			
Sewerage	Nduli Infill Internal Sewerage	IHHSDG	1,12		2 820 000			
Water Distribution	Nduli Infill Internal Water	IHHSDG	1,12		2 820 000			
Storm Water	Nduli Infill Internal Storm water	IHHSDG	1,12		2 820 000			
Roads	Vredebes Access Collector	MIG	5		1 390 435	8 085 217		
Roads	Vredebes Phase H Internal Roads	IHHSDG	5	889 371				
Water Distribution	Vredebes Phase H Internal Water	IHHSDG	5	889 371				
Storm Water	Vredebes Phase H Internal Storm Water	IHHSDG	5	889 371				
Sewerage	Vredebes Phase H Internal Sewerage	IHHSDG	5	889 371				
Electricity Streetlig	Vredebes Phase H Streetlights	MIG	5	1 565 217				

KEY PERFORMANCE AREA: 2. GOVERNANCE

Strategic Objective: 2.1 Support Institutional Transformation and Development

Department	Description	Funding Source	Ward	Budget 2021_2022	Budget 2022_2023	Budget 2023_2024	Budget 2024_2025	Budget 2025_2026
Dir Corp	Office Equipment	CRR	All				50 000	
Dir Comm	Office Equipment	CRR	All				30 000	
Dir Tech	Office Equipment (Director)	CRR	All				30 000	
Information Techr	IT Equipment	CRR	All	200 000	600 000		650 000	700 000
Municipal Manage	Office Equipment	CRR	All				30 000	30 000
Municipal Manage	Office Equipment	MIG	All			20 000		
Roads	Traffic Calming	CRR	All				200 000	250 000
Administrative & (	Council chambers furniture	CRR	All	600 000				

Strategic Objective: 2.2 Financial Stability

Department	Description	Funding Source	Ward	Budget 2021_2022	Budget 2022_2023	Budget 2023_2024	Budget 2024_2025	Budget 2025_2026
Dir Fin	Office Equipment	CRR	All				30 000	
Finance	IT Equipment	Prov Grant	All	100 000				
Finance	IT Equipment	CRR	All	100 000	100 000	100 000		
Finance	Furniture & equipment	CRR	All	30 000	30 000	30 000		
Finance	Computor hardware	CRR	All	50 000	50 000	50 000		

Strategic Objective: 2.3 Maintain and Strengthen Relations

Department	Description	Funding Source	Ward	Budget 2021_2022	Budget 2022_2023	Budget 2023_2024	Budget 2024_2025	Budget 2025_2026
Communication	Access Control - Furniture and Equipmen	CRR	All					75 000
Communication	Signage & Billboards	CRR	All					80 000
Communication	Camera equipment	CRR	All				20 000	

KEY PERFORMANCE AREA: 3. COMMUNAL SERVICES

Strategic Objective: 3.1 Provide and Maintain Facilities and Environment that make citizens feel at home

Department	Description	Funding Source	Ward	Budget 2021_2022	Budget 2022_2023	Budget 2023_2024	Budget 2024_2025	Budget 2025_2026
Community Parks	Chainsaws	CRR	All				90 000	
Community Parks	Brushcutters	CRR	All				120 000	
Community Parks	Irrigation equipment for parks	CRR	All					500 000
Sport Grounds &	Containers 3x3m	CRR	All				100 000	
Community Parks	Truck 1.3 ton	CRR	All				350 000	
Cemeteries	Expanding of Cemetery	CRR	All				300 000	500 000
Fire Fighting & Pr	Capex Fire Fighting Equipment	CRR	All				350 000	
Fire Fighting & Pr	Firefighting Response Vehicle	Prov Grant	All			856 522		
Sport Grounds &	Ceres upgrade Of Leyell Str Sport Facilitie	MIG	3	5 455 652	6 843 477			
Cemeteries	New regional cemetery	MIG	All		4 819 042	6 767 826		
Community Halls	Fencing Nduli Comm Hall	CRR	1, 12					500 000
Sport Grounds &	Kliprug sportfield change rooms	CRR	4					1 500 000
Sport Grounds &	Sportsground development	CRR	All				400 000	400 000
Sport Grounds &	Resurface netball courts	CRR	All				200 000	300 000
Community Parks	Landscaping of parks	CRR	All				300 000	300 000
Community Halls	Townhalls Equipment	CRR	All		40 000			
Sport Grounds &	Sportfield equipment	CRR	All		30 000			
Community Parks	Parks equipment	CRR	All		40 000			
Public Toilets	Wolseley Public Toilets	CRR	2,7	1 000 000				
Public Toilets	Wolseley Public Toilets	District	2,7	500 000				

KEY PERFORMANCE AREA: **4. SOCIO-ECONOMIC SUPPORT SERVICES**

Strategic Objective: **4.2 Create an enabling environment to support local economy**

Department	Description	Funding Source	Ward	Budget 2021_2022	Budget 2022_2023	Budget 2023_2024	Budget 2024_2025	Budget 2025_2026
Roads	Upgrade Van Breda Bridge	Prov Grant	3,5	20 547 826	6 200 000	152 174		
LED	Hamlet Economic Hub	RSEP	4,1	695 652				
Roads	Rehabilitation - Streets Tulbagh	CRR	11				3 500 000	2 500 000
Resorts	Chalet Furniture	CRR	3				450 000	
Roads	Upgrade Van Breda bridge (own contribut	CRR	3,5	4 909 565	1 240 000			

Provincial Investment

Below is a table setting out the allocations by national / municipality for the MTEF period 2021/22 – 2023/24for Witzenberg Municipality.

	No of Projects	Value (all amounts rounded to R'000)						
		Infrastructure Transfers - Capital	Maintenance and Repairs	New or Replaced Infrastructure	Non-Infrastructure	Rehabilitation, Renovations & Refurbishment	Upgrading and Additions	MTEF Total
Education	3			47000			10000	57000
Environ Affairs & Dev Plan (Cape Nature)	1						5000	5000
Health	7			1	2702	14544	4376	21623
Human Settlements	5	39898						39898
Transport and Public Works	8		191010			321000		512010
Total	**24**	**39898**	**191010**	**47001**	**2702**	**335544**	**19376**	**635531**

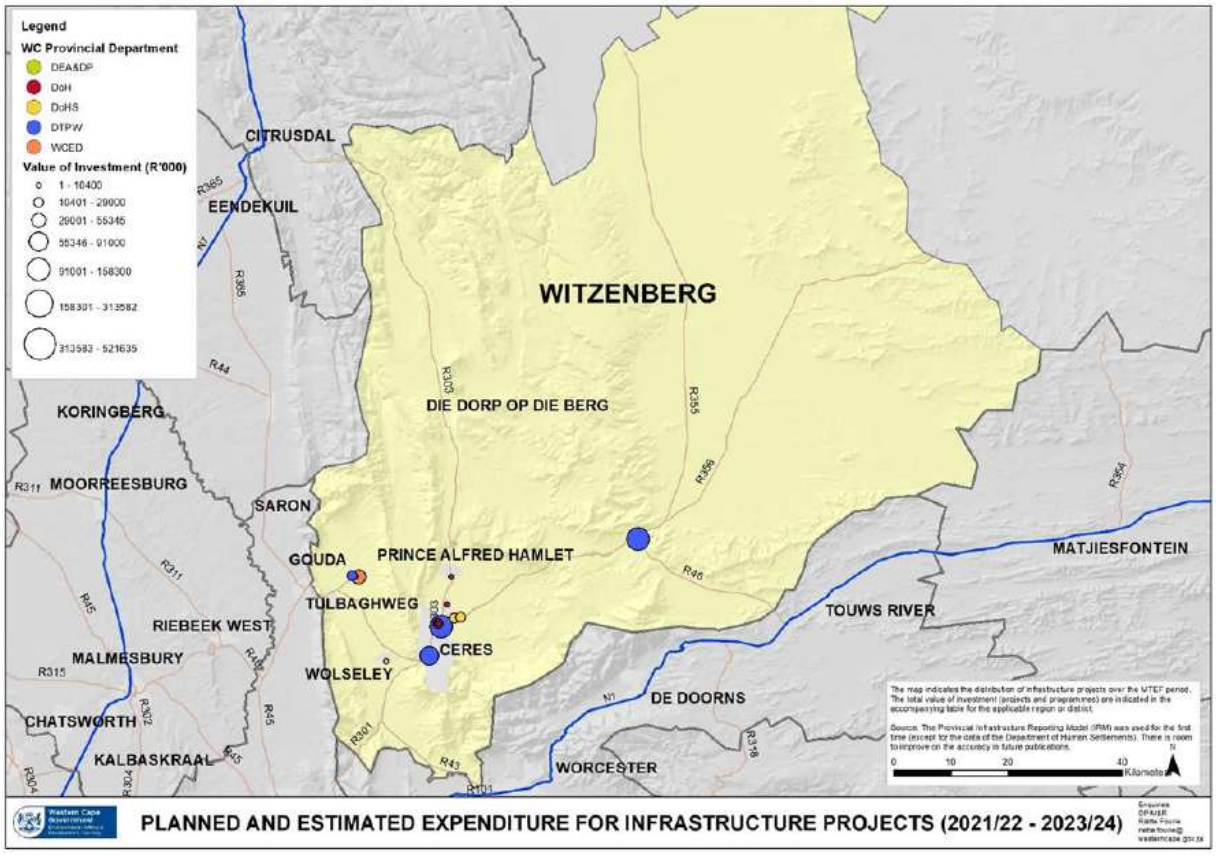
Source: Western Cape Government: Provincial Treasury

List of Provincial Infrastructure Investment Projects in the Witzenberg Municipality for the MTEF period 2020/21 – 2022/23

Department Entity	Nature of Investment	Funding Source	Project Name	2021-22	2022-23	2023-24	MTEF Total
Education	New or Replaced Infrastructure	Education Infrastructure Grant	Ndluli PS	0	0	2000	2000
Education	Upgrading and Additions	Education Infrastructure Grant	Tulbagh HS	10000	0	0	10000
Education	New or Replaced Infrastructure	Education Infrastructure Grant	Waveren SS	15000	30000	0	45000
Environ Affairs & Dev Plan (Cape Nature)	Upgrading and Additions	Equitable Share	Wolwekloof Recreational Facilities Upgrade	5000	0	0	5000
Health	Non-Infrastructure	Health Facility Revitalisation Grant	Ceres - Bella Vista Clinic - HT - General maintenance (Alpha)	155	512	0	667
Health	Non-Infrastructure	Health Facility Revitalisation Grant	Ceres - Ceres CDC - HT - General upgrade, extension and maintenance	0	0	1300	1300
Health	Rehabilitation, Renovations & Refurbishment	Health Facility Revitalisation Grant	Ceres ├ Ceres Hospital - Hospital and nurses home repairs and renovations	359	1439	12746	14544
Health	Non-Infrastructure	Health Facility Revitalisation Grant	Ceres - Ceres Hospital - HT - New Acute Psychiatric Ward	113	250	0	363
Health	Upgrading and Additions	Health Facility Revitalisation Grant	Ceres - Ceres Hospital - New Acute Psychiatric Ward	4169	1	206	4376
Health	New or Replaced Infrastructure	Health Facility Revitalisation Grant	Prince Alfred Hamlet - Prince Alfred Hamlet Clinic - Replacement	1	0	0	1
Health	Non-Infrastructure	Health Facility Revitalisation Grant	Tulbagh - Tulbagh Clinic - HT - Structural repair	372	0	0	372
Human Settlements	Infrastructure Transfers - Capital	Human Settlements Development Grant	Ceres Vredebes Phase H (529)	24540	0	0	24540
Human Settlements	Infrastructure Transfers - Capital	Human Settlements Development Grant	Tulbagh (225) IRDP	0	730	0	730
Human Settlements	Infrastructure Transfers - Capital	Human Settlements Development Grant	Witzenberg: Ceres: Nduli: 188 Sites - UISP	1598	11280	0	12878

Department Entity	Nature of Investment	Funding Source	Project Name	2021-22	2022-23	2023-24	MTEF Total
Human Settlements	Infrastructure Transfers - Capital	Human Settlements Development Grant	Witzenberg: Tulbagh: Chris Hani 427 T/S UISP Stage 4	750	0	0	750
Human Settlements	Infrastructure Transfers - Capital	Human Settlements Development Grant	Wolseley Montana (700)	0	0	1000	1000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Equitable Share	C1091.1 Aston - Swellendam	15000	0	0	15000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Equitable Share	C1102 Reseal Windmeul	0	2000	0	2000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Provincial Roads Maintenance Grant	C1116 PRMG Ceres Towsriver	0	34000	110000	144000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Equitable Share	C1116 Wolseley Ceres	0	0	0	0
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Equitable Share	C1128 Worcester-Wolseley	0	0	0	0
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Provincial Roads Maintenance Grant	C1145 Voor Paardeberg rd	0	0	60000	60000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Provincial Roads Maintenance Grant	C1203 Trunnt & Divisional rd	0	0	100000	100000
Transport and Public Works	Maintenance and Repairs	Equitable Share	Routine Maintenance CW DM	65580	62000	63430	191010
TOTAL				142637	142212	350682	635531

Map showing the spatial distribution of Provincial infrastructure investment projects in the Witzenberg Municipality for the MTEF period 2020/21 -2022/23



Witzenberg Budgeted National and Provincial Allocations(R'000)

Source	Department	Municipality	Transfer description	2021/22	2022/23	2023/24
WCG	Local Government	Witzenberg	Community Development Workers (CDW) Operational Support Grant	132	132	132
WCG	Cultural Affairs and Sport	Witzenberg	Community library services grant	2638	2683	2729
National	National Treasury	Witzenberg	Equitable Share	106666	114960	116996
National	Public works and Infrastructure	Witzenberg	Expanded Public Works Programme Integrated Grant for Municipalities	2617	0	0
WCG	Transport and Public Works	Witzenberg	Financial assistance to Municipalities for maintenance and construction of transport infrastructure	23630	7130	175
WCG	Local Government	Witzenberg	Fire Service Capacity Building Grant	0	0	985
WCG	Human Settlements	Witzenberg	Human Settlements Development Grant (Beneficiaries)	26888	12010	1000
National	Mineral Resources and Energy	Witzenberg	Integrated National Electrification Programme (Municipal) Grant	12762	3122	4000
WCG	Cultural Affairs and Sport	Witzenberg	Library service: Replacement funding for most vulnerable B3 Municipalities	7065	7185	7307
National	National Treasury	Witzenberg	Local Government Financial Management Grant	1550	1550	1550
WCG	Human Settlements	Witzenberg	Municipal accreditation and capacity building grant	252	264	264
National	Cooperative Governance	Witzenberg	Municipal Infrastructure Grant	24980	25091	26054
National	Water and Sanitation	Witzenberg	Regional Bulk Infrastructure Grant	20000	19239	0
WCG	Environmental Affairs and Development Planning	Witzenberg	Regional Socio-Economic Projects (RSEP) Programme - Municipal Projects	800	0	0
WCG	Provincial Treasury	Witzenberg	Western Cape Financial Management Capacity Building Grant	250	0	0
WCG	Local Government	Witzenberg	Western Cape Municipal Interventions Grant	600	0	0
Total				**230830**	**193366**	**161192**

7 PERFORMANCE MONITORING AND EVALUATION

The Municipal Systems Act requires that the IDP be reviewed every five years in line with municipal elections, with an annual review of the budget and progress. A Performance Management Policy Framework has been approved by Council.

The IDP is considered as the five-year strategic plan for the municipality and therefore provides an outline of Witzenberg Municipality's vision, mission, objectives and operational and service delivery indicators that are realistic and attainable.

The Municipal Finance Management Act 56 of 2003 (MFMA) and National Treasury MFMA Circular No. 13 requires that municipalities prepare a service delivery budget implementation plan (SDBIP) indicating how the budget and the strategic objectives of Council as included in the IDP will be implemented. The SDBIP is prepared in terms of Section 53(1)(c)(ii) of the Municipal Finance Management (MFMA), National Treasury MFMA Circular No. 13 and the Budgeting and Reporting Regulations.

The SDBIP serves as a "contract" between the administration, council and community; expressing the goals and objectives set by the council as quantifiable outcomes that can be implemented by the administration in the applicable financial year. It provides the link between the mayor, the council (executive) and the administration, and facilitates the process for holding management accountable for its performance. It is therefore a management, implementation and monitoring tool that will assist the mayor, councilors, municipal manager, senior managers and community to monitor the municipality's performance on a quarterly basis. The SDBIP will ensure that appropriate information is circulated internally and externally for purposes of monitoring the implementation of the budget, the execution of projects, the performance of senior management and the achievement of the strategic objectives set by council.

The SDBIP sets in-year information, such as quarterly service delivery and monthly budget targets, and links each service delivery output to the budget of the municipality, thus providing credible management information and a detailed plan for how the municipality will provide such services with the inputs and financial resources that will be utilised.

The SDBIP will determine the performance agreements of the municipal manager and senior managers, including the outputs and deadlines for which they will be held responsible. Expenditure information (for capital projects and services) per municipal ward is provided so that each output can be broken down per ward, where it is possible to support ward councilors to provide feedback to their communities on progress with service delivery.

Reporting on achievements are done through a mid-year report and combined in the Annual Performance report included in the Annual Report.

The tables below indicate the following:

- Strategic Map – Strategic Objectives and linkage to Key Performance Areas.
- Five-year Scorecard – Key Performance Indicators with targets linked to the Strategic Objectives
- Definitions of Key Performance Indicators

A. STRATEGIC MAP

WITZENBERG MUNICIPALITY: STRATEGIC MAP 2021/22					
Vision	**Mission**	**Municipal KPA**		**Pre-determined Objectives**	
A municipality that cares for its community, creating growth and opportunities.	The Witzenberg Municipality is committed to improve the quality of life of its community by: - Providing & maintaing affordable services - Promoting Social & Economic Development - The effective & efficient use of resources - Effective stakeholder & community participation.	1	Essential Services	1,1	Sustainable provision & maintenance of basic infrastructure
				1,2	Provide for the needs of informal settlements through improved services
		2	Governance	2,1	Support Institutional Transformation & Development
				2,2	Ensure financial viability.
				2,3	To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the creation of participative structures.
		3	Communal Services	3,1	Provide & maintain facilities that make citizens feel at home.
		4	Socio-Economic Support Services	4,1	Support the poor & vulnerable through programmes & policy
				4,2	Create an enabling environment to attract investment & support local economy.

B. 5 YEAR SCORECARD

KEY PERFORMANCE AREA: ESSENTIAL SERVICES

Strategic Objective: 1.1 Sustainable provision & maintenance of basic infrastructure

Ref	Key Performance Indicator	Reporting Directorate	Baseline 2019/20	Target 2021/22	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Definitions
TecDir1	Percentage expenditure on the preventative- & corrective planned maintenance budget of the Technical Department	Technical	95%	98%	25%	50%	75%	98%	98%	99%	99%	99%	Percentage reflecting year to date spend /preventative- & corrective planned maintenance budget votes of technical department. Maintenance as defined according to mSCOA and excludes emergency corrective maintenance.
TecDir3	% Expenditure on Capital Budget by Technical Directorate	Technical	50%	95%	10%	40%	60%	95%	96%	97%	97%	97%	Percentage reflecting year to date spend / Total capital budget less any contingent liabilities relating to the capital budget of the technical directorate. The total capital budget is the council approved adjusted budget at the time of the measurement. Contingent liabilities are only identified at the year end.
TecWat21	Percentage compliance with drinking water quality standards.	Technical	100%	98%	98%	98%	98%	98%	98%	98%	98%	98%	Measure of potable water sample pass rate according to the SANS 241 standard. Average of sample results. Only microbiological results of Escherichia Coli are considered in the measurement. Result should be less than 1 count per 100ml.
TecWat36	Percentage of valid water connection applications connected by reporting period end	Technical	100%	95%	95%	95%	95%	95%	95%	96%	97%	97%	This indicator reflects the percentage of residential valid water connection applications (where down payment has been received) connected, where the applicant has access to the municipal water network. Proxy measure for National Key Performance Indicator.
TecSan22	Percentage of valid sanitation connection applications connected by reporting period end	Technical	100%	95%	95%	95%	95%	95%	95%	96%	97%	97%	This indicator reflects the percentage of residential valid sewer connection applications (where down payment has been received) connected, where the applicant has access to the municipal sewer network. Proxy measure for National Key Performance Indicator.
TecEl60	Percentage of valid electricity connection applications connected by reporting period end. (excl subsidised housing)	Technical	100%	95%	95%	95%	95%	95%	95%	95%	96%	96%	This indicator reflects the percentage of residential valid electricity connection applications (where down payment has been received) connected, where the applicant has access to the municipal electrical network. Proxy measure for National Key Performance Indicator.
TecRef46	Access to the weekly removal of residential solid waste in all seven Witzenberg towns according to a publicised programme.	Technical	7	7	7	7	7	7	7	7	7	7	The removal of solid household waste in all formal accessible residential areas on a weekly basis in all 7 formalised towns according to a publicised programme. National Key Performance Indicator. Proxy measure for National Key Performance Indicator.

Ref	Key Performance Indicator	Reporting Directorate	Baseline 2019/20	Target 2021/22	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Definitions
TecWat20	Decrease unaccounted water losses.	Technical	15%	18%	18%	18%	18%	18%	18%	16%	16%	16%	Unaccounted-for water (UFW) is the difference between the quantity of water supplied to the municipality's network and the metered quantity of water used by the customers. UFW has two components: (a) physical losses due to leakage from pipes, and (b) administrative losses due to illegal connections and under registration of water meters. The reduction of UFW is a crucial step to improve the financial health and to save scarce water resources.
TecEl37	Decrease unaccounted electricity losses.	Technical	10,7%	10%	10%	10%	10%	10%	10%	10%	10%	10%	Unaccounted-for electricity (UFE) is the difference between the quantity of electricity supplied to the municipality's network and the metered quantity of electricity used by the customers. UFE has two components: (a) Technical losses due to ageing/inadequate networks, and (b) administrative or non-technical losses due to illegal connections and under registration of electricity meters. The reduction of UFE is a crucial step to improve the financial health.
TecRo7	Kilometres of roads upgraded & rehabilitated	Technical	4,4	4	0	1	2	4	3	4	4	4	This indicator measures the kilometres of new roads constructed, roads upgraded & rehabilitated and resurfaced.

Strategic Objective: 1.2 Provide for the needs of informal settlements through improved

Ref	Key Performance Indicator	Reporting Directorate	Baseline 2019/20	Target 2021/22	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Definitions
TecDir2	Number of subsidised serviced sites developed.	Technical	No target	500	0	100	300	500	0	50	50	50	A housing opportunity is incremental access to and or delivery of one of the following Housing products: Incremental Housing which provides a serviced site with or without tenure. A serviced site is being defined as a demarcated site with access to water & sanitation services located adjacent to a road.
TecWat22	Percentage of households in demarcated informal areas with access to a water point (tap)	Technical	3	95%	95%	95%	95%	95%	96%	97%	97%	97%	This indicator reflects the percentage of households in demarcated informal areas with access to a water point (tap). Access are being defined as households within 200m radius of a water point (tap). Certain taps may however have been vandalised or removed after provision. Excluding areas that was illegally occupied and not part of the municipalities planning initiatives. Proxy for National KPI.
TecSan13	Percentage of households in demarcated informal areas with access to a communal toilet facility.	Technical	3	95%	95%	95%	95%	95%	96%	97%	97%	97%	This indicator reflects the percentage of households in demarcated informal areas with access to a communal toilet facility. Access are being defined as households within 200m radius of a communal toilet facility. Certain toilets may however have been vandalised or removed after provision. Excluding areas that was illegally occupied and not part of the municipalities planning initiatives. Proxy for National KPI.
TecRef31	Percentage of households in demarcated informal areas with access to a periodic solid waste removal or a skip for household waste.	Technical	3	95%	95%	95%	95%	95%	96%	97%	97%	97%	This indicator reflects the percentage of households in demarcated informal areas with access to a to a periodic solid waste removal or a skip for household waste. Access are being defined as households within 200m radius of a periodic waste pick-up route or skip for household waste. Certain skips may however have been vandalised or removed after provision. Excluding areas that was illegally occupied and not part of the municipalities planning initiatives. Proxy for National KPI.
TecEl36	Percentage of houses in a subsidised housing project connected to the electrical network.	Technical	99%	95%	95%	95%	95%	95%	95%	95%	95%	95%	This indicator reflects the percentage of houses in a subsidised housing project connected to the electrical network. Proxy for National KPI.

KEY PERFORMANCE AREA: GOVERNANCE

Strategic Objective: 2.1 Support Institutional Transformation & Development

Ref	Key Performance Indicator	Reporting Directorate	Baseline 2019/20	Target 2021/22	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Definitions
CorpHR13	Percentage budget spent on implementation of Workplace Skills Plan.	Corporate	65%	96%	25%	50%	75%	96%	96%	96%	96%	96%	A Workplace Skills Plan is a document that outlines the planned education, training and development interventions for the organisation. Its purpose is to formally plan and allocate the budget for appropriate training interventions which will address the needs arising out of Local Governments' Skills Sector Plan, the municipality's strategic requirements as contained in the IDP and the individual departmental staffing strategies and individual employees' PDP's. The WSP shall also take into account the Employment Equity Plan, ensuring incorporation of relevant developmental equity interventions into the plan. Kpi measures percentage expenditure of vote allocated towards training needs as arise from WSP. Proxy for National KPI.
CorpHR12	Report on percentage of people from employment equity target groups employed in the three highest levels of management in the municipality.	Corporate	4	4 Reports	1	1	1	1	4 Reports	4 Reports	4 Reports	4 Reports	Quarterly reports on the percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan. Quarterly report submitted to Municipal Manager. National Key Performance Indicator.

Strategic Objective: 2.3 To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the creation

Ref	Key Performance Indicator	Reporting Directorate	Baseline 2019/20	Target 2021/22	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Definitions
MMIDP9	Number of IDP community engagements held.	Municipal Manager	7	14		7		14	14	14	14	14	Bi-annual community engagements as per IDP Process Plan held in each of the 7 towns.
ComSoc49	Number of meetings with inter-governmental partners.	Community	9	12	3	6	9	12	12	12	12	12	Number of Inter-Governmental meetings attended.

Strategic Objective: 2.2 Financial Viability

Ref	Key Performance Indicator	Reporting Directorate	Baseline 2019/20	Target 2021/22	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Definitions
FinFAdm10	Financial viability expressed as Debt-Coverage ratio	Finance	233	200	200	200	200	200	200	200	200	200	This indicator measures debt coverage as (total operating revenue – operating grants received) / debt service payments due within the year. This means the municipality is able to cover its debt service payments from operating revenue
FinFAdm9	Financial viability expressed as Cost-Coverage ratio	Finance	3,3	2,8	2,8	2,8	2,8	2,8	2,8	2,8	2,8	2,8	This indicator measures: (available cash + investments) / monthly fixed operating expenditure. This indicates that with the available cash the municipality is able to pay its fixed operating expenditure for certain amount of months. Proxy for National KPI.
FinFAdm11	Financial viability expressed outstanding service debtors	Finance	71%	60%	60%	60%	60%	60%	60%	60%	60%	60%	These indicator measure service debtors to revenue (total outstanding service debtors / revenue received for services). This means that a % of revenue in the SFP is still outstanding as at year end. Proxy for National KPI.
FinDir3	Achieve an unqualified opinion of the Auditor-General on annual financial statements of the previous year.	Finance	Unqualified	Unqualified			1		Unqualified	Unqualified	Unqualified	Unqualified	This indicator measures good governance and accounting practices and will be evaluated and considered by the Auditor General in determining his opinion. An unqualified audit opinion refers to the position where the auditor having completed his audit has no reservation as to the fairness of presentation of financial statements and their conformity with General Recognised Accounting Practices.
FinInc15	Increased revenue collection	Finance	88%	95%	95%	95%	95%	95%	95%	95%	95%	95%	This indicator reflects the percentage of revenue collected from service accounts delivered.
MM1	Percentage expenditure on the preventative- & corrective planned maintenance budget of the whole of the municipality.	Municipal Manager	88%	98%	25%	50%	75%	98%	98%	99%	99%	99%	Percentage reflecting year to date spend /preventative- & corrective planned maintenance budget votes for the whole of the municipality. Maintenance as defined according to mSCOA and excludes emergency corrective maintenance.
MM2	Percentage spend of capital budget for the whole of the municipality.	Municipal Manager	45%	95%	10%	40%	60%	95%	96%	97%	97%	97%	Percentage reflecting year to date spend / Total capital budget less any contingent liabilities relating to the capital budget. The total capital budget is the council approved adjusted budget at the time of the measurement. Contingent liabilities are

KEY PERFORMANCE AREA: COMMUNAL SERVICES

Strategic Objective: 3.1 Provide & maintain facilities that make citizens feel at home.

Ref	Key Performance Indicator	Reporting Directorate	Baseline 2019/20	Target 2021/22	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Definitions
ComAm34	Report on annual customer satisfaction survey on community facilities.	Community	1	1 Report		1			1 Report	1 Report	1 Report	1 Report	Analysis report of a community survey on community perception and satisfaction in respect of the access to and maintenance of certain community facilities.
ComDir1	Percentage expenditure on the preventative- & corrective planned maintenance budget of the Community Department.	Community	54%	98%	25%	50%	75%	98%	98%	99%	99%	99%	Percentage reflecting year to date spend /preventative- & corrective planned maintenance budget votes for the Community Department. Maintenance as defined according to mSCOA and excludes emergency corrective maintenance.
ComDir2	% Expenditure on Capital Budget by Community Directorate	Community	29%	95%	10%	40%	60%	95%	96%	97%	97%	97%	Percentage reflecting year to date spend / Total capital budget less any contingent liabilities relating to the capital budget of the community directorate. The total capital budget is the council approved adjusted budget at the time of the measurement. Contingent liabilities are only identified at the year end.

KEY PERFORMANCE AREA: SOCIO-ECONOMIC SUPPORT

Strategic Objective: 4.1 Support the poor & vulnerable through programmes & policy

Ref	Key Performance Indicator	Reporting Directorate	Baseline 2019/20	Target 2021/22	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Definitions
ComSoc41	Number of account holders subsidised through the municipality's Indigent Policy	Community	3093	4500	4500	4500	4500	4500	4500	4400	4300	4300	Refers to the number of account holders subsidised through the municipality's Indigent Policy as at the end of reporting period.
ComLed8	The number of jobs created through municipality's local economic development initiatives including capital projects.	Community	409	400	100	200	300	400	410	410	420	420	This indicator measures the number of work opportunities created through the expanded Public Works Programme (EPWP) and contracts for temporary workers and temporary workers employed through contractors on projects. Proxy for National KPI.
ComSoc 42	Number of engagements with target groups with the implementation of social development programmes.	Community	25	20	5	10	15	20	20	20	20	20	The indicator refers to the number of engagements with target groups for the implementation social developmental programmes and /or initiatives .
ComHS14	Number of housing opportunities provided per year.	Community	199	0	0	0	0	0	0	200	100	100	A housing opportunity is incremental access to and or delivery of one of the following Housing products: Practically completed Subsidy Housing which provides a minimum 40m² house.
ComHS15	Number of Rental Stock transferred	Community	30	30	5	10	20	30	40	50	50	50	Number of rental stock transferred to approved beneficiaries, using established criteria. Rental stock is being defined as subsidised houses constructed before 1994 (scheme houses) and leased by the municipality to identified and approved beneficiaries.

Strategic Objective: 4.2 Create an enabling environment to attract investment & support local economy.

ComLed19	Bi-annual report on investment incentives implemented.	Community	4	2 Reports		1		1	2 Reports	2 Reports	2 Reports	2 Reports	Bi-annual report on investment incentives implemented.
ComLed20	Quarterly report on the Small Business Entrepreneurs Development Programme.	Community	4	4 Reports	1	1	1	1	4 Reports	4 Reports	4 Reports	4 Reports	Quarterly report on the Small Business Entrepreneurs Development Programme.
ComLed4	Quarterly report on the implementation of strategies and planned actions as identified in the Witzenberg LED Strategy.	Community	4	4 Reports	1	1	1	1	4 Reports	4 Reports	4 Reports	4 Reports	Progress reports on the implementation of strategies and planned actions as identified in the Witzenberg LED Strategy.

8 LIST OF STATUTORY, STRATEGIC AND OPERATIONAL PLANS

Operational Strategies and Sector Plans (See Annexures)

SECTOR PLAN	STATUS	ADOPTED DATE	REVIEWED DATE	NEXT REVIEW DATE
INTEGRATED DEVELOPMENT PLAN 2017-2022	Adopted	2nd Review		
SPATIAL DEVELOPMENT FRAMEWORK	Adopted	May 2020	Under review	
SOCIAL DEVELOPMENT PROGRAMME	Adopted	May 2012	Under review	
LOCAL ECONOMIC DEVELOPMENT PLAN	Adopted	May 2012	Under review	
FINANCIAL PLAN	Adopted	30 May 2016	May 2019	
DISASTER MANAGEMENT PLAN	Adopted	~~28 May 2014~~		
WATER SERVICES DEVELOPMENT PLAN	Adopted	11/12	10/2013	
AIR QUALITY MANAGEMENT	Adopted	28 May 2014		
INTEGRATED TRANSPORT AND ROADS PLAN	Adopted	13 Dec 2016		
ELECTRICITY / ENERGY MASTER PLAN	Adopted	Oct 2011	Under review	
HOUSING PIPELINE	Adopted	2015/16	Under review	
HUMAN SETTLEMENT PLAN	Adopted	Dec 2010	Under review	
INTEGRATED WASTE MANAGEMENT PLAN	Adopted	July 2013	Under review	
COMMUNICATIONS STRATEGY	Adopted	13 Dec 2013		
IDP PROCESS PLAN	Adopted	Sept 2016		
PUBLIC PARTICIPATION PROCESS PLAN	1st Draft	2017/18	-	
ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM	Adopted	13 Dec 2012	2016	

9 ADDENDUMS AND ANNEXURES

ADDENDUMS AND ANNEXURES	STATUS	ADOPTED DATE	REVIEWED DATE	NEXT REVIEW DATE
MFMA CIRCULAR 88: WITZENBERG MUNICIPALITY NATIONAL INDICATORS				
MFMA CIRCULAR 88: WITZENBERG MUNICIPALITY COMPLIANCE QUESTIONS				

10 BIBLIOGRAPHY

- Witzenberg Municipality – Institutional Analysis
    1. Du Toit – Mr Pieter Du toit
    2. Department of Health – Ceres Hospital
    3. South African Police Services – Ceres Cluster
    4. Department of Education – Mr Sarel Brown
    5. Directorate Technical Services
        i. Water and Sanitation
        ii. Streets and Storm water
        iii. Town Planning
        iv. Solid waste
    6. Directorate Community Services
        i. Human Settlements
        ii. Environmental Services and Amenities
        iii. Fire and Disaster Management
    7. Directorate Corporate Services
        i. Information and Communications Technology
        ii. Marketing and Communications
        iii. Traffic Services
        iv. Human Resources
    8. Directorate Finance
- Department of Local Government
- Provincial Treasury
- Department of Agriculture
- Department of Environmental Affairs and Development Planning
- Cape Winelands District Municipality
- Cooperative Governance and Traditional Affairs(CoGTA)
- South African Local Government Association (SALGA)
- Municipal Systems Act (No. 32 of 2000)
- Municipal Finance Management Act (No.56 of 2003)
- Municipal Structures Amendment Act (No.33 of 2000)

ANNEXURE: CIRCULAR 88

To be implemented as a pilot process in the 2021/22 financial year, intermediate cities, district and local municipalities will not be required to incorporate the indicators in their existing performance indicator tables in the IDP and SDBIP. Instead, these indicators should find expression in a dedicated Annexure to the IDP and SDBIP which clearly indicates the MFMA Circular No. 88 indicators applicable to the municipality at Tier 1 and 2 levels of readiness. For this pilot process, the applicable indicators as included in the Annexures will be monitored and reported on, on a quarterly and annual basis, to the DCoG and the provincial departments of Cooperative Governance and Traditional Affairs (COGTA). No reporting in the MSA section 46 statutory annual performance report (APR) will be required. This "parallel" pilot process will allow and encourage municipalities to plan, implement and report on the MFMA Circular No. 88 indicators, without limiting their statutory performance planning and reporting in fear of audit findings before they have not adequately institutionalized the process.

MUNICIPAL NAME: WITZENBERG

Outcome Indicator Planning Template:2021-22 *during the pilot*

Performance indicator	Ref No. (sub)	Data element	Baseline (Annual Performance of 2020/21 estimated)	Medium term target for 2025/26	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available
OUTCOME INDICATORS FOR ANNUAL MONITORING							
EE4.4	Percentage total electricity losses		11,0%	10,0%			
	EE4.4(1)	(1) Electricity Purchases in kWh	199989108				
	EE4.4(2)	(2 Electricity Sales in kWh	176767183				
WS3.1	Frequency of sewer blockages per 100 KMs of pipeline		2552	2700			
	WS3.1(1)	(1) Number of blockages in sewers that occurred	5088				
	WS3.1(2)	(2) Total sewer length in KMs	199				
WS3.2	Frequency of water mains failures per 100 KMs of pipeline		87	95			
	WS3.2(1)	(1) Number of water mains failures (including failures of valves and fittings	42				
	WS3.2(2)	(2) Total mains length (water) in KMs	48				
WS3.3	Frequency of unplanned water service interruptions		28	25			
	WS3.3(1)	(1) Number of unplanned water service interruptions	468				
	WS3.3(2)	(2) Total number of water service connections	16489				
WS4.1	Percentage of drinking water samples complying to SANS241		100%	98%			
	WS4.1(1)	(1) Number of water sample tests that complied with SANS 241 requirements	396				
	WS4.1(2)	(2) Total number of water samples tested	396				
WS4.2	Percentage of wastewater samples compliant to water use license conditions		85%	90%			
	WS4.2(1)	(1) Number of wastewater samples tested per determinant that meet compliance to specified water use	325				
	WS4.2(2)	(2) Total wastewater samples tested for all determinants over the municipal financial year	384				
WS5.1	Percentage of non-revenue water		17,0%	15,0%			
	WS5.1(1)	(1) Number of Kilolitres Water Purchased or Purified	4956258				
	WS5.1(2)	(2) Number of kilolitres of water sold	4113694				
WS5.2	Total water losses		170	160			
	WS5.2(1)	(1) System input volume	6708325				
	WS5.2(2)	(2) Authorised consumption	4113694				
	WS5.2(3)	(3) Number of service connections	16489				
WS5.4	Percentage of water reused		3,0%	5,0%			
	WS5.4(1)	(1) Volume of water recycled and reused (VRR)			No baseline data	System to be put in pla	October 2021
	WS5.4(2)	(2) 1.a Direct use of treated municipal wastewater (not including irrigation)			No baseline data	System to be put in pla	October 2021
	WS5.4(3)	(3) 1.b Direct use of treated municipal wastewater for irrigation purposes			No baseline data	System to be put in pla	October 2021
	WS5.4(4)	(4) System input volume			No baseline data	System to be put in pla	October 2021
ENV5.1	Recreational water quality (coastal)		Not applicable		Not applicable to this municipality		
	ENV5.1(1)	(1) Number of coastal water samples classified as "sufficient"					
	ENV5.1(2)	(2) Total number of recreatinoal coastal water quality samples taken					
ENV5.2`	Recreationalwater quality (inland)		Not applicable		Not applicable to this municipality		
	ENV5.2(1)	(1) Number of inland water sample tests within the 'targeted range' for intermediate contract recreational					
	ENV5.2(2)	(2) Total number of sample tests undertaken					
HS3.5	Percentage utilisation rate of community halls		2,0%	31,0%			
	HS3.5(1)	(1) Sum of hours booked across all community halls in the period of assessment	1267				
	HS3.5(2)	(2) Sum of available hours for all community halls in the period of assessment	63360				
HS3.6	Average number of library vists per library		18000	23000			
	HS3.6(1)	(1) Total number of library visits	2571				
	HS3.6(2)	(2) Count of municipal libraries	7				
HS3.7	Percentage of municipal cemetery plots available		33%	22%			
	HS3.7(1)	(1) Number of available municipal burial plots in active municipal cemeteries	5153				
	HS3.7(2)	(2) Total capacity of all burial plots in active municipal cemeteries	15646				
TR6.2	Number of potholes reported per 10kms of municipal road network		0	0			
	TR6.2(1)	(1) Number of potholes reported			No baseline data	System to be put in pla	October 2021
	TR6.2(2)	(2) Kilometres of surfaced municipal road network	229				
GG1.1	Percentage of municipal skills development levy recovered		83,0%	90%			
	GG1.1(1)	(1) R-value of municipal skills development levy recovered	R 291 659,00				
	GG1.1(2)	(2) R-value of the total qualifying value of the municipal skills development levy	R 350 000,00				
GG1.2	Top management stability		72,0%	90%			
	GG1.2(1)	(1) Total sum of standard working days, in the reporting period, that each S56 and S57 post was occupied	860				
	GG1.2(2)	(2) Aggregate working days for all S56 and S57 Posts	1200				
GG2.1	Percentage of ward committees that are functional (meet four times a year, are quorate, and have an action plan)		100,0%	100,0%			
	GG2.1(1)	(1) Functional ward committees	12				
	GG2.1(2)	(2) Total number of wards	12				
GG2.2	Attendance rate of municipal council meeting by recognised traditional and Khoi-San leaders				No recognised traditional Khoi-San leaders currently		
	GG2.2(1)	(1) Sum of the total number of recognised traditional and Khoi-San leaders in attendance at municipal	0				
	GG2.2(2)	(2) The total number of traditional and Khoi-San leaders within the municipality	0				
	GG2.2(3)	(3) Total number of Council meetings	10				
GG4.1	Percentage of councillors attending council meetings		89,0%	90%			
	GG4.1(1)	(1) The sum total of councillor attendance of all council meetings	204				
	GG4.1(2)	(2) The total number of council meetings	10				
	GG4.1(3)	(3) The total number of councillors in the municipality	23				

WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

M E M O R A N D U M

AAN / TO: Municipal Manager

VAN / FROM: Director Finance

DATUM / DATE: 19 May 2021

VERW. / REF.: **5/1/1/20**

DRAFT BUDGET: 2021/2022 – 2023/2024

1. Purpose

The purpose of this report is to table the 2020/2021 draft Budget and IDP for consideration for approval to the Executive Mayor and Council.

2. Legal framework

Section 16 - 18 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) stipulates as follows:

'Annual budgets

16. (1) The council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year.

(2) In order for a municipality to comply with subsection (1), the mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.

(3) Subsection (1) does not preclude the appropriation of money for capital expenditure for a period not exceeding three financial years, provided a separate appropriation is made for each of those financial years.'

'Contents of annual budgets and supporting documents

17.(1) An annual budget of a municipality must be a schedule in the prescribed format –

(a) setting out realistically anticipated revenue for the budget year from each revenue source;
(b) appropriating expenditure for the budget year under the different votes of the municipality;
(c) setting out indicative revenue per revenue source and projected expenditure by vote for the two financial years following the budget year;
(d) setting out –

(i) estimated revenue and expenditure by vote for the current year; and
(ii) actual revenue and expenditure by vote for the financial year preceding the current year; and
(e) a statement containing any other information required by section 215(3) of the Constitution or as may be prescribed.

(2) An annual budget must generally be divided into a capital and an operating budget in accordance with international best practice, as may be prescribed.

(3) When an annual budget is tabled in terms of Section 16 (2), it must be accompanied by the following documents:

(a)draft resolutions –
(i) approving the budget of the municipality;
(ii) imposing any municipal tax and setting any municipal tariffs as may be required for the budget year;
(iii) approving the budgets for the relevant financial year of each municipal entity under the sole or shared control of the municipality; and
(iv) approving any other matter that may be prescribed;
(b) measurable performance objectives for each vote in the budget, taking into account the municipality's integrated development plan;
(c) a projection of cash flow for the budget year by revenue source, broken down per month;
(d) any proposed amendments to the municipality's integrated development plan following the annual review of the integrated development plan in terms of section 34 of the Municipal Systems Act;

(e) any proposed amendments to the budget-related policies of the municipality;

(f) particulars of the municipality's investments;

(g) any prescribed budget information on municipal entities under the sole or shared control of the municipality;

(h) particulars of all proposed new municipal entities which the municipality intends to establish or in which the municipality intends to participate;

(i) particulars of any proposed service delivery agreements, including material amendments to existing service delivery agreements;

(j) particulars of any proposed allocations or grants by the municipality to –
(i) other municipalities;
(ii) any municipal entities and other external mechanisms assisting the municipality in the exercise of its functions or powers;
(iii) any other organs of state;
(iv) any organisations or bodies referred to in section 67(1);

(k) the proposed cost to the municipality for the budget year of the salary, allowances and benefits of –
(i) each political office-bearer of the municipality;
(ii) councillors of the municipality; and
(iii) the municipal manager, the chief financial officer, each senior manager of the municipality and any other official of the municipality at a remuneration package at least equal to that of a senior manager;

(l) the proposed cost for the budget year to a municipal entity under the sole or shared control of the municipality of the salary, allowances and benefits of –
(i) each member of the entity's board of directors; and
(ii) the chief executive officer and each senior manager of the entity; and

(m) any other supporting documentation as may be prescribed.'

'Funding of expenditures

18.(1) An annual budget may only be funded from –
(a) realistically anticipated revenues to be collected;
(b) cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and
(c) borrowed funds, but only for the capital budget referred to in section 17 (2).

(2) Revenue projections in the budget must be realistic, taking into account –

(a) projected revenue for the current year based on collection levels to date; and
(b) actual revenue collected in previous financial years.'

The following documents will be tabled at the Council Meeting:

(a) Draft Budget: 2021/2022 – 2023/2024
(b) Draft Budget Related Policies: 2021/2022
(c) Draft Budget Schedules: 2021/2022 – 2023/2024

3. Recommendation

(a) That the annual budget of Witzenberg Municipality for the financial year 2021/2022 and indicative for the two projected years 2022/2023 and 2023/2024, as set out in the schedules, 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 8.1.2(c) and any other municipal tax reflected in annexure 8.1.2(c) are imposed for the budget year 2021/2022.

(c) Tariffs and charges reflected in annexure 8.1.2(c) are approved for the budget year 2021/2022.

(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 2021/2022.

(e) The measurable performance objectives for each vote reflected in SA8 are approved for the budget year 2021/2022.

(f) That the new amended budget related policies be approved with implementation as from 1 July 2021:

(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) Travel Management Policy
(xix) Cost Containment Policy

(g) That Council takes cognisance of the budget circulars issued by National Treasury and Provincial Treasury.

(h) That Council takes cognisance of the LG MTEC Integrated Planning and Budgeting Assessment and the responses by the municipality.

Yours faithfully

HJ KRITZINGER
DIRECTOR FINANCE

DRAFT BUDGET FOR CONSIDERATION

2021 / 2022 – 2023 / 2024

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SECTION B – BUDGET

1 Capital Budget

2 Tariffs

3 Supporting Tables

4 LG MTEC Integrated Planning and Budgeting Assessment

5 Responses to the LG MTEC Assessment

6 Procurement Plan

7 Service Standards

8 MFMA Circulars 98-99 (For noting only)

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, **s**pending 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 2021 / 2022 financial year as well as the 2022 / 2023 to 2023 / 2024 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. The level of outstanding debt was also highlighted in the Audit Report. Strict credit control and stewardship from council will enhance our ability to collect what is due to the municipality.

The collection rate of the municipality has decreased from 94% to 88%. This was primarily due to credit control measures not being implemented as a form of Covid-19 relief to the community. We believe that the collection rate will rise again as we have started to implement credit control measures and have thus estimated that the budgeted collection rate for the new financial year will reach 91%. The inability to implement credit control measures in the Eskom supply areas of Op-Die-Berg & Prince Alfred's Hamlet is of great concern. Strategic engagements with Eskom will be required to unlock the potential revenue collection. National revenue sources such as the Equitable Share is decreasing and this will urge the municipality to explore other potential sources of income such as the quarry at PA Hamlet, the leasing of fibre space, commercialization of excess water in the Koekedouw dam and the resale of recycled material.

It is well known and documented, that the South African economy is experiencing very slow economic growth, that state owned entities such as Eskom & SAA is not financially sound, that the unemployment rate has increased and that government has most recently taken up an enormous loan to fund Covid-19 related expenditure. It is inevitable that we, as a country, are staring down the barrel of an economic and social crisis. The Witzenberg Municipality has not been immune to these challenges and the most evident effects of these challenges are reflected in the decreased collection rate, minimal income from rental of facilities, lower usage of electricity and big businesses seeking alternative ways of electricity supply.

It will be of utmost importance that we collectively strive to stretch the value of each rand spent on variable expenditure items such as security services, hiring charges, overtime and standby expenditure. It must also be noted that Capital expenditure funded from our own resources and expenditure on repairs and maintenance is very limited. Effective and efficient managing of the aforementioned expenditure items as well adherence to the cost containment regulations will not only save us money but reduce the burden on tariff increases that will be required to balance the budget.

The municipality cash and cash equivalents is only sufficient to cover expenditure for about 3 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 were 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.

- Households earning between R3 000 and R5 000 rand may qualify for a rebate equal to 50% of the normal indigent subsidy

- 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 R109 million of which R 13 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 R769 million of which R 451 million is from own revenue. The rest of the operating budget is financed from Grants.

Tariff implications of the annual budget

Electricity:

The increase in electricity tariffs will be 14.59% for residential consumers and 17.8% for business, industrial and agricultural consumers.

Water:

The water consumption tariff increase will be ± 6% for residential consumers. An increase of ±6% is proposed for business, industrial and agricultural consumers.

Rates:

The increase of Property Rates Revenue will be 6%. It is recommended that the ratio for bona fide farms be amended from 0.135:1 to 0.14:1

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 2021/2022 and indicative for the two projected years 2022/2023 and 2023/2024, as set out in the schedules, 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 8.1.2(c) and any other municipal tax reflected in annexure 8.1.2(c) are imposed for the budget year 2021/2022.

(c) Tariffs and charges reflected in annexure 8.1.2(c) are approved for the budget year 2021/2022.

(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 2021/2022.

(e) The measurable performance objectives for each vote reflected in SA8 are approved for the budget year 2021/2022.

(f) That the new amended budget related policies be approved with implementation as from 1 July 2021:

(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) Travel Management Policy
(xix) Cost Containment Policy

(g) That Council takes cognisance of the budget circulars issued by National Treasury and Provincial Treasury.

(h) That Council takes cognisance of the LG MTEC Integrated Planning and Budgeting Assessment and the responses by the municipality.

(i) That Council takes cognisance of the Top Layer SDBIP

4 Executive Summary

Economic outlook

The year 2020 will be remembered as the year of the COVID-19 pandemic and the “Great Lockdown”.

The Western Cape economy suffered a significant shock in 2020. Even before the current economic crisis, brought upon by COVID-19 pandemic, the Western Cape, along with the rest of South Africa, struggled economically. In 2018, the Western Cape economy grew by only 0.8 per cent. In 2020, Tourism and restaurants suffered significant losses, while agriculture was the only sector that positively contributed to GDP growth in the 2nd quarter (Stats SA, 2020). These shocks in GDP have important implications for the Western Cape.

In line with global and national economic developments, the Province’s economic outlook significantly deteriorated. The Western Cape is expected to grow on average at an annual growth rate of 1.0 per cent between 2020 and 2024, only surpassing the 2019 GDPR levels in 2023.

The Western Cape has an open economy and is therefore vulnerable to external shocks. As a prime global tourism destination and centre of wine production in South Africa, the Western Cape economy is particularly vulnerable to lockdown restrictions pertaining to tourism and alcohol. The restrictions on travel and the prohibition on the distribution and sale of alcohol during the national “hard” lockdown period impacted on the Province’s tourism and wine industries and further deteriorated its economic outlook. On a more positive note, the positive agricultural performance in the 2nd quarter 2020 could be a source of resilience for the Western Cape, considering the importance of agriculture as an employment provider and export earner for the Provincial economy.

According to Urban Econ, the Western Cape economy is expected to contract by a significant 6.9 per cent in 2020 and rebound by 3.8 per cent in 2021.

The National Energy Regulator of South Africa (NERSA) is responsible for price determination of the bulk costs for electricity. The Consultation Paper on Municipal Guideline Increases has been published by NERSA on the 12 March 2021. The indication from the Consultation paper is that bulk purchases from Eskom will increase by 17,8%, whilst the resale by municipalities to consumers will increase by 14.59%.

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. However, we must duly note that we are very close to our Notional Maximum Demand in terms of electricity supply capacity and that Eskom will only increase such capacity if the municipality makes a substantial funding contribution. Sustainable job creation must be on the agenda of the Private sector and the only way that Witzenberg Municipality can make it viable to the private sector is through the creation of an enabling local economic environment.

Past performance

Witzenberg Municipality has now attained eight 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 spending on behalf of the local population.

Budget Summary

The Municipality's 2021 / 2022 budget amounts to R 855 million, represented by a Capital Budget of R 109 million and an Operating Budget of R746 million.

The total 2021/ 2022 budget (operating and capital) will be financed from own income R 451 million, Government Grants R 231 million. Debt Impairment is estimated at R64 million

Revenue / tariff increases

- The increase of Property Rates Revenue will be ± 6%.
- The increase of Water Consumption Tariffs will be ± 6% for residential consumers. An increase of ±6% is proposed for business, industrial and agricultural consumers
- 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 14.59% for residential consumers and 17.8% for business, industrial and agricultural consumers

Expenditure category increases

The budgeted increase in expenditure categories are as follows:

Expenditure by Type	**2020 / 2021**	**2021 / 2022**	**Increase**
	R'000	R'000	R'000
Employee related costs	194 542	202 402	4%
Job Creation	7 265	6 823	-6%
Post-Employment Provisions	23 779	28 177	18%
Remuneration of councillors	12 032	12 007	0%
Depreciation & asset impairment	40 688	39 729	-2%
Bulk purchases	238 360	285 789	20%
Debt Impairment	44 689	63 750	43%
Repairs & Maintenance	20 296	20 384	0%
Operational Projects	10 264	3 393	-67%
General Expenses	55 321	46 186	-17%
Vehicle Expenditure	8 632	9 905	15%

Expenditure by Type	2020 / 2021	2021 / 2022	Increase
Housing Top Structures	5 861	2 348	-60%
Other Contracted Services	40 281	27 996	-30%

The increase in salary expenditure in based on an expected increase of 4% CP as well as the notch increase for qualifying employees. This is in line with the new wage agreement. The municipality has also limited the budget for Overtime & Standby expenditure and expenditure on these items will be closely monitored.

The increase in bulk purchases is expected to be 17.8%. The municipality is however expecting a decrease consumption due to Covid-19 pandemic.

The financing of capital expenditure from own funds (CRR) totals R 13 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 (88%) of the Municipality's Capital Budget in 2021 / 2022 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 2021 / 2022 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 2021 / 2022 to 2023 / 2024 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	**2020 / 2021**	**2021 / 2022**	**Increase**
	R'000	**R'000**	**R'000**
Property Rates	89 077	93 662	5%
Service Charges: Electricity	276 053	328 329	19%
Service Charges: Water	41 588	45 083	8%
Service Charges: Waste Water	35 091	34 797	-1%
Service Charges: Waste Management	33 311	36 209	9%
Rental from Fixed Assets	1 163	1 470	26%
Interest, Dividend and Rent on Land	8 415	15 690	86%
Fines, Penalties and Forfeits	20 456	21 479	5%
Licences or Permits	2 010	2 111	5%
Agency Services	3 854	4 046	5%
Transfers and Subsidies	210 575	220 840	5%
Operational Revenue	9 138	7 477	-18%

The increases in service charges above does not reflect the increases as requested in the tariffs due to the fact that the municipality is expecting a significant increase in indigents (up to 6000 indigents in total) due to the Covid-19 pandemic. This sharp increase in indigents will result in less revenue being earned which is reflected in the increases above

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	**2021 / 2022**	**2022 / 2023**	**2023 / 2024**
	R'000	**R'000**	**R'000**
UNCONDITIONAL GRANTS			
EQUITABLE SHARE	106 666	114 960	116 996
CONDITIONAL GRANTS			
INFRASTRUCTURE			
MIG	24 980	25 091	26 054
INEP	12 762	3 122	4 000
RBIG	20 000	19 239	
SPECIFIC PURPOSE ALLOCATIONS			
LG FMG	1 550	1 550	1 550
EPWP	2 617		
NATIONAL GRANTS TOTAL	**168 575**	**163 962**	**148 600**

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

PROVINCIAL ALLOCATIONS	2021 / 2022	2022 / 2023	2023 / 2024
	R'000	R'000	R'000
DEPARTMENT OF HUMAN SETTLEMENTS	**27 140**	**12 274**	**1 264**
IHHSDG	26 888	12 010	1 000
Municipal Accreditation and Capacity Building Grant	252	264	264
DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING	**800**		
Regional socio-economic project/violence prevention through urban upgrading	800		
DEPARTMENT OF TRANSPORT AND PUBLIC WORKS	**23 630**	**7 130**	**175**
Maintenance of proclaimed roads	23 630	7 130	175
DEPARTMENT OF CULTURAL AFFAIRS AND SPORT	**9 703**	**9 868**	**10 036**
Library Services	2 638	2 683	2 729
library services: Municipal Replacement Funding	7 065	7 185	7 307
DEPARTMENT OF LOCAL GOVERNMENT	**732**	**132**	**1 117**
Thusong Centre			
Community Development Worker Operational Support Grant	132	132	132
Fire Service Capacity Building Grant			985
Municipal Interventions Grant	600		
PROVINCIALTREASURY	**250**		
Financial Management Capacity Building	250		

PROVINCIAL ALLOCATIONS	2021 / 2022	2022 / 2023	2023 / 2024
Financial Management Support			
GRAND TOTAL	**62 255**	**29 404**	**12 592**

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

DISTRICT ALLOCATION	2021 / 2022	2022 / 2023	2023 / 2024
	R'000	**R'000**	**R'000**
Financial Assistance	500	-	-

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)

- A1 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 107 & 108 – 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 2021 / 2022 budget cycle was adopted by Council during August 2020, 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 2020 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 2021, local input has been 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 2021 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 has been published in the relevant media during April/May 2021, where input from various stakeholders have been requested

Community representatives and organizations had to review the priorities given previously and to ascertain whether it has been captured as priorities during the 2021 / 2022 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 2021 / 2022), 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 2021/ 2022 to 2023 / 2024 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:

DESCRIPTION	2021 / 2022	2022 / 2023	2023 / 2024
	R'000	R'000	R'000
Property rates	9 426	10 086	10 691
Water	5 406	5 460	11 033
Sanitation	13 392	14 196	14 906
Electricity	4 851	5 482	6 195
Refuse	10 635	11 273	11 950
Total	43 711	46 497	54 774

It is expected that indigents will increase significantly due to the Covid-19 pandemic.

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 3 000 households that will receive 50 kWh electricity per month as well as 6 kilolitre water per month. Provision has also been made for households earning between R3000 and R5000 which may qualify for 50% of the indigent subsidy

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 consideration:

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
Cost Containment Policy
olicies 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 Energy tariffs (SSEG) and or an alternative tariff, the Service charge/month/100kW of installed panels, be brought into the tariff policy. The application of one or both of these tariffs will be the discretion of the Director Technical Services in consultation with the Director Financial Services

It is also recommended that a waste recycling tariff be brought in. This tariff will be the amount the municipality will pay to sellers for each bag of 15L recycled material. It recommended that instead of making payment to sellers, a discount be given to sellers on their municipal accounts.

A significant adjustment has been made to the water tariff 5.1.2.3 (Block C - Aimed at larger industrial clients). This adjustment was made to ensure fairness across the board and to ensure that all users pay for what they use.

A number of sundry tariffs have been removed or added to ensure relevancy. The list of these amendments are too exhaustive and amendments have been noted in the Tariff List.

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 0.135:1 to 0.137:1 which is still within the regulated norm of 0.25:1. A phased-in approached will be followed in future until the maximum allowable ratio of 0.25:1 is reached.

It is recommended that Property Rates policy be amended to indicate that the rebate for new business and or industries will only be applicable on the additional rates account of the applicant to the original account

It is recommended that the policy be amended to ensure compliance with the property rates act.

The Property Rates policy has been amended, for approval, to include the most recent zoning scheme.

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:

No amendments are recommended.

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 2019 to be “parked” and written-off in instalments as the conditions are met. Verified debt accrued after 1st July 2019 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.

No amendments are recommended.

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.

No amendments are recommended.

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. Change the amount from R5million to R10 million for request of financial statements. Change the period of appeal from 21 days to 14 days.

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 are recommended.

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.

No amendments are recommended.

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 4 % increase in salaries plus an additional notch increase for qualifying employees

The Minister of Finance might approve increases of councillors during the 2021 / 2022 financial year, and the increase will be implemented as from 1 July 2021.

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 2021 / 2022 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 17.8% as from 1 July 2021, as approved by NERSA.

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 91%. 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 2021 / 2022 financial year.

Indigents

It is assumed that the number of indigents will increase to an estimated 5000 during the financial year due to Covid-19 pandemic. This significant increase is also due the additional rebate the municipality is offering to households earning between R3 000 and R5 000

The Coronavirus

We have experienced a first and second wave of the Covid19-pandemic. The social and financial impact of the coronavirus we have felt in terms of our collections and income streams such as rental income from Resorts, Community Halls and Sport Facilities which were all negatively impacted.
The productivity of the workforce was also negatively impacted due to employees being required to isolate as result of either contracting the virus or being classified as a close contact.

We sincerely believe that the roll out of the vaccination programme by government will have a positive lasting effect on our community. Council is advised to act prudently and diligently during this period.

Rumours of a third wave is possible.

The municipality has received Covid-19 relief funds from Provincial Government. The covid-19 expenditure that was incurred during the previous financial year was subjected to audit and the Auditor General has satisfied themselves that all Covid-19 expenditure was in compliance with all relevant legislation.

Unforeseen and unavoidable expenditure during the Covid-19 pandemic 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.

Efficiencies and cost containment measures

The municipality is committed through its applications and strengthening of its existing internal controls, policies and through the use of technology to ensure that the resources at its disposal will be used to the best of its ability. Cost containment measures has been implemented and operational expenses such travelling cost, catering services and consultant services are managed within the parameters of the Cost containment measures.

12 Overview of Budget Funding

Summary

The operating budget for 2021 / 2022 will be financed as follows:

	2020 /2021	2021/2022	**Increase**
	R'000	**R'000**	**R'000**
Charged for electricity, water, refuse and sewerage	386 043	444 419	15%
Property Rates	89 077	93 662	5%
Provincial and National Operating Grants	114 655	162 836	42%
Sundry charges / Other	45 036	52 273	16%
Total Operating Revenue excl. Capital Transfers	**634 812**	**753 189**	**19%**

The capital budget for 2021/ 2022 to 2023 / 2024 will be financed as follows:

	2021 /2022	**2022/2023**	**2023 / 2024**
	R'000	**R'000**	**R'000**
Own Funds (Capital Replacement Reserves)	13 027	10 950	-
Grants	96 020	58 003	26 360
Borrowing	-	-	-
Total Capital Budget	**109 047**	**68 953**	**26 360**

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 ± 6%. Property rates tariffs will increase with ± 6%. The municipality has no control over the increases of electricity tariffs and the proposed 14.59 – 17.80% 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 revised collection rates due to the impact of the Covid-19 pandemic:

Rates	95.0%
Electricity	98.0%
Water	73.0%
Sanitation	61.0%
Refuse	70.0%

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 2021 / 2022 financial year.

Planned use of previous year's cash backed accumulated surplus

Where cash backed accumulated surplus is available, the municipality will utilise it to fund the budget.

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

Position	**2021-2022 R**
Speaker (1)	834 147
Executive Mayor (1)	984 782
Deputy Executive Mayor (1)	833 682
Executive Committee (4)	3 184 029
Other Councillors (15)	6 170 308
TOTAL	**12 006 949**

Senior Managers (Including performance bonus provision)

Position	**2021-2022 R**
Municipal Manager	1 981 760
Director: Corporate Services	1 610 387
Director: Community Services	1 547 549
Director: Technical Services	1 601 386
Chief Financial Officer	1 535 236
TOTAL Senior Management	**8 276 318**
All other staff	**222 302 268**

Number of Councillors 23

Number of Senior Managers employed 4

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 Significant Amendments to the Tabled Budget

Changes to Budget Assumptions

- Collection rates changed from 92% to 93% for outer years
- Property Rates change in increases for outer years: 6% to 7% (2022) & 6% to 8% (2023)
- Change in Electricity Service Charges for outer years: 13 % to 8,9% (2022) & 13% to 8,9% (2023)
- Change in for Bulk Purchases for outer years: 15 % to 8,9% (2022) & 15% to 8,9% (2023)

Changes to Revenue Items

	TABLED			FINAL		
ITEM	**2021 R'000**	**2022 R'000**	**2023 R'000**	**2021 R'000**	**2022 R'000**	**2023 R'000**
Property Rates	93 662	99 282	105 238	93 662	100 218	108 236
Service Charges-Electricity	328 329	371 012	419 244	328 329	357 551	389 373
Indigent Rebate	44 281	47 101	55 415	44 665	47 518	50 353
Surcharges and Taxes	3 099	3 305	4 000	10 769	7 145	4 091

Reason for above changes

- Property Rates change for outer years: 6% to 7% (2022) & 6% to 8% (2023)
- Change in Electricity Service Charges for outer years: 13 % to 8,9% (2022) & 13% to 8,9% (2023)
- Correction of Indigent Rebate for outer year 2023
- Correction of Surcharges and Taxes. It must be emphasised that the realization of this revenue item is dependent on the Capital Projects funded by Grants

Changes to Expenditure Items

	TABLED			FINAL		
ITEM	**2021 R'000**	**2022 R'000**	**2023 R'000**	**2021 R'000**	**2022 R'000**	**2023 R'000**
Employee Related Cost	202 402	221 249	240 109	202 402	216 119	231 034
Post-Employment Provisions	28 177	28 968	31 568	28 177	29 022	29 893
Debt Impairment	63 750	61 967	66 038	63 750	57 829	61 399
Bulk Purchases	285 789	328 657	377 955	285 789	311 224	338 923

Tourism Contribution	750	781	820	900	900	900
Eskom Increase in Max Demand	-	-	-	5 000	5 000	5 000

Reason for above changes

- Alignment of Employee Related Cost for the outer years. This item is dependent on a new bargaining council agreement to be reached
- Post-Employment Provisions: Alignment of outer year expenditure
- Debt Impairment: Collection rates changed from 92% to 93% for outer years
- Bulk Purchases: Change in increase for Bulk Purchases for outer years: 15 % to 8,9% (2022) & 15% to 8,9% (2023)
- Tourism Contribution. Contribution aligned to current year 2020 expenditure

Changes to Capital Items

		TABLED			**FINAL**		
Project	**Fund**	**2021 R'000**	**2022 R'000**	**2023 R'000**	**2021 R'000**	**2022 R'000**	**2023 R'000**
New Material Recovery Facility	MIG	12 907	-	-	11 165	-	-
Transfer stations & related infrastructure (contribution to above)	CRR	5 317	-	-	5 817	-	-
Ceres upgrade Of Leyell Str Sport Facilities	MIG	1 304	6 843	-	5 456	6 843	-
Vredebes Bulk storm water & attenuation	MIG	312	-	-	108	-	-
Op-Die-Berg Reservoir	MIG	5 059	-	-	2 855	-	-

Vredebes Phase H Internal Water	IHH SDG	6 135	-	-	889	-	-
Vredebes Phase H Internal Sewerage	IHH SDG	6 135	-	-	889	-	-
Vredebes Phase H Internal Roads	IHH SDG	6 135	-	-	889	-	-
Vredebes Phase H Internal Storm Water	IHH SDG	6 135	-	-	889	-	-
Tulbagh Steinthalweg walkways	CRR	500	-	-	-	-	-
Vehicle Replacement	CRR	-	-	-	1 000	1 000	1 000
IT Equipment	CRR	-	-	-	100	100	100
Furniture & Equipment	CRR	-	-	-	30	30	30
Computer Hardware	CRR	-	-	-	50	50	50

Reason for above changes

MIG Funded Projects
Delay in appointment of contractor for the Material Recovery Facility Project. Movement of MIG Funds between projects Material Recovery Facility Project and Upgrade of Leyell Street Sport Facilities.

Housing (IHHSDG) Projects

Own Funded (CRR) Projects
New projects added to address the current critical needs of the municipality
Computer Hardware and Furniture & Equipment projects added

19 Inputs received

The following letter was received form CBI:

Insette Ceres sakesektor: Munisipaliteit Witzenberg Konsepbegroting:

1) Die versoek dat besighede betrek word by die sonpaneelplan. Eskom bied tans baie gunstige opsies aan hul direkte kliënte wat insluit krediet vir krag terug na netwerk.
2) 'n Stadiger eskalasie in die eiendomsbelasting vir agri besighede.
3) Die moontlike "op ys" plaas van "rebates" vir nuwe besighede om bestaande netwerk te beskerm en risiko van bestaande kliënte nie te verhoog nie.
4) Verhoging van elektrisiteit aan besighede baseer word op 'n 7%-verhoging in hul bestaande wins en nie 17.8%-verhoging. Berekening hieronder om te verduidelik.

Electricity Increase July 2021 Proposal

	2020/2021	Increase	2021/2022
Electricity Selling Price	R128,20	15,42%	R147,97
Purchase Price from Eskom	R100,00	17,80%	R117,80
Witzenberg Margin	R28,20	7,00%	R30,17
Witzenberg Margin %	22,00%		20,39%

Electricity Increase July 2021 Budget Presentation 17 May 2021

	2020/2021	Increase	2021/2022
Electricity Selling Price	R128,20	17,80%	R151,02
Purchase Price from Eskom	R100,00	17,80%	R117,80
Witzenberg Margin	R28,20	17,80%	R33,22
Witzenberg Margin %	22,00%		22,00%

Response to inputs:

Various options for alternative energy are currently investigated. The willingness of the business sector to be involved are appreciated.

Unfortunately, the discriminating property rates tariffs between businesses in town areas and those on farms are in contradiction of the municipal property rates act and need to be corrected as soon as possible – the instruction from COGTA was that it must be done immediately, but the recommendation is to phase the difference out over two years.

Applications in terms of the rebate policy will be considered in view of the electricity distribution problem – A number of applications for new and/or additional electricity have already been rejected.

The municipality is aware of the negative impact of the tariff increases but unfortunately expenditure to an estimated amount of between R 20 to R 25 million

must be incurred in the next 24 months to improve the electricity reticulation to Witzenberg.

20 Legislation compliance status

Witzenberg Municipality complies in general with legislation applicable to municipalities.

21 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

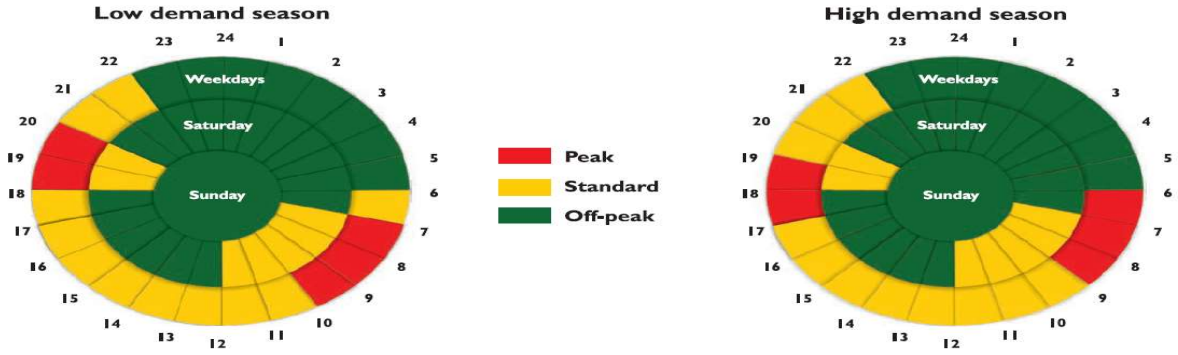
Municipal Manager of WITZENBERG MUNICIPALITY.

Signature: _____

Date 28 May 2021

RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Including Vat	Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
		1.	**Property rates and other municipal taxes**								
		1.1.	**Property rates**								
R 0.00927	R 0.00927	**1.1.1.**	Residential Property	0.0%	**R 0.00983**	6.00%	R 0.01051	7.00%	R 0.01135	8.00%	R 0.00983
R 0.00831	R 0.00831	**1.1.2.**	Informal Settlements	0.0%	**R 0.00983**	18.18%	R 0.01051	7.00%	R 0.01135	8.00%	R 0.00983
R 0.01674	R 0.01674	**1.1.3.**	Business/Commercial Property	0.0%	**R 0.01775**	6.00%	R 0.01899	7.00%	R 0.02051	8.00%	R 0.01775
R 0.01629	R 0.01629	**1.1.4.**	Industrial Property	0.0%	**R 0.01727**	6.00%	R 0.01848	7.00%	R 0.01996	8.00%	R 0.01727
		1.1.5.	Agricultural Properties:								
R 0.00125	R 0.00125	1.1.5.1	Bona fida Agricultural	0.0%	**R 0.00135**	8.00%	R 0.00146	8.00%	R 0.00158	8.00%	R 0.00135
R 0.01045	R 0.01045	1.1.5.2	Agricultural/Business	0.0%	**R 0.01400**	33.98%	R 0.01899	35.63%	R 0.02051	8.00%	R 0.01400
R 0.01045	R 0.01045	1.1.5.3	Agricultural/Industrial	0.0%	**R 0.01400**	33.98%	R 0.01848	31.99%	R 0.01996	8.00%	R 0.01400
R 0.01461	R 0.01461	**1.1.6.**	State owned Property	0.0%	**R 0.01607**	10.00%	R 0.01767	10.00%	R 0.01944	10.00%	R 0.01607
R 0.01393	R 0.01393	**1.1.7.**	Vacant Land - Urban	0.0%	**R 0.01477**	6.00%	R 0.01580	7.00%	R 0.01707	8.00%	R 0.01477
R 0.00231	R 0.00231	**1.1.8.**	Public Service Infrastructure	0.0%	**R 0.00245**	6.00%	R 0.00263	7.00%	R 0.00284	8.00%	R 0.00245
R 0.00231	R 0.00231	**1.1.9.**	Public Benefit Organisations	0.0%	**R 0.00245**	6.00%	R 0.00263	7.00%	R 0.00284	8.00%	R 0.00245
R 0.01158	R 0.01158	**1.1.10.**	Building clauses	0.0%	**R 0.01228**	6.00%	R 0.01314	7.00%	R 0.01419	8.00%	R 0.01228
R 0.00464	R 0.00464	**1.1.11.**	Residential Property - Qualifying Pensioners	0.0%	**R 0.00492**	6.00%	R 0.00526	7.00%	R 0.00568	8.00%	R 0.00492
			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 1,799.00	**R 1,799.00**	**1.2.1.**	Residential properties		**R 2,000.00**	11.17%	R 2,120.00	6.00%	R 2,247.20	6.00%	R 2,000.00
R 1,799.00	**R 1,799.00**	**1.2.2.**	Bona fida Agricultural		**R 2,000.00**	11.17%	R 2,120.00	6.00%	R 2,247.20	6.00%	R 2,000.00
		2.	**Electricity Service Tariffs**								
			High-demand (June – August) and low-demand (September – May) seasons								



		2.1	**Service Availability:**								
R 230.01	R 200.01		Unimproved sites charge per month or part of it	15.0%	**R 263.57**	14.59%	R 297.832	13.00%	R 336.551	13.00%	R 229.19
		2.2	**Residential customers**								
		2.2.1	**Single part tariff**								
		2.2.1.1	**Prepaid**								
R 1.623	R 1.411		0-50 kWh	15.0%	**R 1.863**	14.80%	R 2.105	13.00%	R 2.379	13.00%	R 1.620
R 1.623	R 1.411		51-350 kWh	15.0%	**R 1.863**	14.80%	R 2.105	13.00%	R 2.379	13.00%	R 1.620
R 1.623	R 1.411		351-600 kWh	15.0%	**R 1.863**	14.80%	R 2.105	13.00%	R 2.379	13.00%	R 1.620
R 2.804	R 2.438		601-800 kWh	15.0%	**R 3.209**	14.43%	R 3.626	13.00%	R 4.097	13.00%	R 2.790
R 2.804	R 2.438		Above 800 kWh	15.0%	**R 3.301**	17.72%	R 3.730	13.00%	R 4.214	13.00%	R 2.870
		2.2.1.2	**1 x 20 A**								
			0-50 kWh								
			51-350 kWh								
			351-600 kWh								
			Above 600 kWh								
					Removed - All consumers moved to 2.2.1.3						
		2.2.1.3	**Single phase**								
R 1.845	R 1.605		0-50 kWh	15.0%	**R 2.116**	14.67%	R 2.391	13.00%	R 2.702	13.00%	R 1.840
R 1.845	R 1.605		51-350 kWh	15.0%	**R 2.116**	14.67%	R 2.391	13.00%	R 2.702	13.00%	R 1.840
R 1.845	R 1.605		351-600 kWh	15.0%	**R 2.116**	14.67%	R 2.391	13.00%	R 2.702	13.00%	R 1.840
R 2.494	R 2.169		601-800 kWh	15.0%	**R 2.864**	14.80%	R 3.236	13.00%	R 3.656	13.00%	R 2.490
R 2.494	R 2.169		Above 800 kWh	15.0%	**R 2.944**	18.02%	R 3.327	13.00%	R 3.759	13.00%	R 2.560

RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Including Vat	Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
		2.2.1.4	**Three phase**								
			0-50 kWh		**Removed - All consumers moved to 2.2.2.2**						
			51-350 kWh								
			351-600 kWh								
			Above 600 kWh								
		2.2.2	**Two part tariff**								
		2.2.2.1	**Single phase**								
			Basic charge per month or part of it:		**Removed - All consumers moved to 2.2.1.3**						
			Energy in c/kWh								
			0-50 kWh								
			51-350 kWh								
			351-600 kWh								
			Above 600 kWh								
		2.2.2.2	**Three phase**								
R 728.97	R 633.89		Basic charge per month or part of it:	15.0%	**R 858.73**	17.80%	R 970.36	13.00%	R 1,096.51	13.00%	R 746.72
			Energy in c/kWh								
R 1.048	R 0.912		0-50 kWh	15.0%	**R 1.235**	17.80%	R 1.40	13.00%	R 1.58	13.00%	R 1.074
R 1.048	R 0.911		51-350 kWh	15.0%	**R 1.235**	17.80%	R 1.40	13.00%	R 1.58	13.00%	R 1.073
R 1.048	R 0.911		351-600 kWh	15.0%	**R 1.235**	17.80%	R 1.40	13.00%	R 1.58	13.00%	R 1.073
R 1.505	R 1.309		Above 600 kWh	15.0%	**R 1.773**	17.80%	R 2.00	13.00%	R 2.26	13.00%	R 1.542
		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:	15.0%	**R 0.00**		R 0.000		R 0.000		R 0.00
			The basic charge on prepaid commercial customers is not applicable to schools or church properties								
		2.3.1.2	Energy in c/kWh								
R 2.524	R 2.195		0-600 kWh	15.0%	**R 2.974**	17.80%	R 3.4197	15.00%	R 3.933	15.00%	R 2.586
R 2.748	R 2.390		Above 600 kWh	15.0%	**R 3.237**	17.80%	R 3.723	15.00%	R 4.281	15.00%	R 2.815
		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 442.55	R 384.83		20A - Connection	15.0%	**R 521.33**	17.80%	R 599.53	15.00%	R 689.46	15.00%	R 453.33
R 809.38	R 703.81		40A - Connection	15.0%	**R 953.45**	17.80%	R 1,096.47	15.00%	R 1,260.94	15.00%	R 829.09
R 976.51	R 849.14		60A - Connection	15.0%	**R 1,150.33**	17.80%	R 1,322.88	15.00%	R 1,521.31	15.00%	R 1,000.29
R 977.86	R 850.31		80A - Connection	15.0%	**R 1,151.92**	17.80%	R 1,324.71	15.00%	R 1,523.42	15.00%	R 1,001.67
R 1,272.56	R 1,106.57		100A - Connection	15.0%	**R 1,499.07**	17.80%	R 1,723.93	15.00%	R 1,982.52	15.00%	R 1,303.54
R 1,393.44	R 1,211.69		150A - Connection	15.0%	**R 1,641.48**	17.80%	R 1,887.70	15.00%	R 2,170.86	15.00%	R 1,427.37
R 1,601.12	R 1,392.28		200A - Connection	15.0%	**R 1,886.13**	17.80%	R 2,169.05	15.00%	R 2,494.41	15.00%	R 1,640.11
R 1,779.48	R 1,547.37		250A - Connection	15.0%	**R 2,096.22**	17.80%	R 2,410.65	15.00%	R 2,772.25	15.00%	R 1,822.80
R 2.109	R 1.834	2.3.2.2	Energy in c/kWh	15.0%	**R 2.484**	17.80%	R 2.857	15.00%	R 3.2851	15.00%	R 2.160
			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 1,421.25	R 1,235.87		20A - Connection	15.0%	**R 1,674.23**	17.80%	R 1,925.362	15.00%	R 2,214.17	15.00%	R 1,455.85
R 1,596.49	R 1,388.25		40A - Connection	15.0%	**R 1,880.66**	17.80%	R 2,162.764	15.00%	R 2,487.18	15.00%	R 1,635.36
R 1,703.41	R 1,481.23		60A - Connection	15.0%	**R 2,006.62**	17.80%	R 2,307.617	15.00%	R 2,653.76	15.00%	R 1,744.89
R 1,822.23	R 1,584.55		80A - Connection	15.0%	**R 2,146.59**	17.80%	R 2,468.579	15.00%	R 2,838.87	15.00%	R 1,866.60
R 2,205.37	R 1,917.71		100A - Connection	15.0%	**R 2,597.92**	17.80%	R 2,987.607	15.00%	R 3,435.75	15.00%	R 2,259.06
R 2,705.85	R 2,352.91		150A - Connection	15.0%	**R 3,187.49**	17.80%	R 3,665.613	15.00%	R 4,215.45	15.00%	R 2,771.73
R 3,233.08	R 2,811.37		200A - Connection	15.0%	**R 3,808.56**	17.80%	R 4,379.842	15.00%	R 5,036.82	15.00%	R 3,311.79
R 3,304.35	R 2,873.35		250A - Connection	15.0%	**R 3,892.53**	17.80%	R 4,476.411	15.00%	R 5,147.87	15.00%	R 3,384.81
R 1.871	R 1.627	2.3.3.2	Energy in c/kWh	15.0%	**R 2.204**	17.80%	R 2.535	15.00%	R 2.9148	15.00%	R 1.917

RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Including Vat	Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
		2.4	**Agricultural customers**								
		2.4.1	**< 25 KVA**								
R 852.45	R 741.26		Basic charge per month or part of it:	15.0%	**R 1,004.18**	17.80%	R 1,154.807	15.00%	R 1,328.03	15.00%	R 873.20
		2.4.2	**25 KVA < = 50 KVA**								
R 1,246.00	R 1,083.48		Basic charge per month or part of it:	15.0%	**R 1,467.79**	17.80%	R 1,687.960	15.00%	R 1,941.15	15.00%	R 1,276.34
		2.4.3	**50 KVA < = 100 KVA**								
R 1,685.59	R 1,465.73		Basic charge per month or part of it:	15.0%	**R 1,985.62**	17.80%	R 2,283.468	15.00%	R 2,625.99	15.00%	R 1,726.63
		2.4.4	**Energy charge c/kWh**								
R 2.257	R 1.963		Energy in c/kWh < 1,000 units	15.0%	**R 2.659**	17.80%	R 3.058	15.00%	R 3.517	15.00%	R 2.312
R 2.257	R 1.963		Energy in c/kWh > 1,000 units	15.0%	**R 2.659**	17.80%	R 3.058	15.00%	R 3.517	15.00%	R 2.312
		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 9,728.92	R 8,459.93		Basic charge per month or part of it	15.0%	**R 11,460.67**	17.80%	R 13,179.771	15.00%	R 15,156.736	15.00%	R 9,965.80
R 167.601	R 145.740		Demand charge R/KVA	15.0%	**R 197.432**	17.80%	R 227.047	15.00%	R 261.104	15.00%	R 171.68
			Energy charge c/kWh								
			In season								
R 4.515	R 3.926		Peak time	15.0%	**R 5.318**	17.80%	R 6.116	15.00%	R 7.034	15.00%	R 4.625
R 1.455	R 1.266		Standard	15.0%	**R 1.714**	17.80%	R 1.972	15.00%	R 2.267	15.00%	R 1.491
R 0.862	R 0.749		Off- peak time	15.0%	**R 1.015**	17.80%	R 1.168	15.00%	R 1.343	15.00%	R 0.883
			Out of season								
R 1.575	R 1.369		Peak time	15.0%	**R 1.855**	17.80%	R 2.134	15.00%	R 2.454	15.00%	R 1.613
R 1.129	R 0.981		Standard	15.0%	**R 1.330**	17.80%	R 1.529	15.00%	R 1.758	15.00%	R 1.156
R 0.758	R 0.659		Off- peak time	15.0%	**R 0.892**	17.80%	R 1.026	15.00%	R 1.180	15.00%	R 0.776
		2.5.1.1.2	***Low tension***								
R 6,235.96	R 5,422.57		Basic charge per month or part of it	15.0%	**R 7,345.96**	17.80%	R 8,447.852	15.00%	R 9,715.030	15.00%	R 6,387.79
R 155.69	R 135.38		Demand charge R/KVA	15.0%	**R 183.40**	17.80%	R 210.912	15.00%	R 242.549	15.00%	R 159.48
			Energy charge c/kWh								
			In season								
R 4.975	R 4.326		Peak time	15.0%	**R 5.860**	17.80%	R 6.740	15.00%	R 7.750	15.00%	R 5.096
R 1.604	R 1.395		Standard	15.0%	**R 1.890**	17.80%	R 2.173	15.00%	R 2.499	15.00%	R 1.643
R 0.951	R 0.827		Off- peak time	15.0%	**R 1.120**	17.80%	R 1.288	15.00%	R 1.481	15.00%	R 0.974
			Out of season								
R 1.738	R 1.511		Peak time	15.0%	**R 2.047**	17.80%	R 2.354	15.00%	R 2.707	15.00%	R 1.780
R 1.233	R 1.072		Standard	15.0%	**R 1.452**	17.80%	R 1.670	15.00%	R 1.921	15.00%	R 1.263
R 0.831	R 0.723		Off- peak time	15.0%	**R 0.979**	17.80%	R 1.126	15.00%	R 1.295	15.00%	R 0.851
		2.5.1.2	***Normal***								
		2.5.1.2.1	***< 1 MVA High tension***								
R 9,311.60	R 8,097.04		Basic charge per month or part of it	15.0%	**R 10,969.06**	17.80%	R 12,614.415	15.00%	R 14,506.577	15.00%	R 9,538.31
R 212.77	R 185.02		*Demand charge R/KVA*	15.0%	**R 250.64**	17.80%	R 288.239	15.00%	R 331.475	15.00%	R 217.95
R 1.202	R 1.046		Energy charge c/kWh	15.0%	**R 1.416**	17.80%	R 1.629	15.00%	R 1.873	15.00%	R 1.232
		2.5.1.2.2	***Low tension***								
R 5,485.97	R 4,770.41		Basic charge per month or part of it	15.0%	**R 6,462.47**	17.80%	R 7,431.842	15.00%	R 8,546.618	15.00%	R 5,619.54
R 281.27	R 244.58		*Demand charge R/KVA*	15.0%	**R 331.34**	17.80%	R 381.039	15.00%	R 438.195	15.00%	R 288.12
R 1.100	R 0.956		Energy charge c/kWh	15.0%	**R 1.295**	17.80%	R 1.490	15.00%	R 1.713	15.00%	R 1.126

RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Including Vat	Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 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 20,366.72	R 17,710.19		Basic charge per month or part of it	15.0%	**R 23,991.99**	17.80%	R 27,590.789	15.00%	R 31,729.407	15.00%	R 20,862.60
R 117.70	R 102.35		Demand charge R/KVA	15.0%	**R 138.66**	17.80%	R 159.454	15.00%	R 183.372	15.00%	R 120.57
			Energy charge c/kWh								
			In season								
R 5.272	R 4.585		Peak time	15.0%	**R 6.211**	17.80%	R 7.142	15.00%	R 8.214	15.00%	R 5.401
R 1.708	R 1.486		Standard	15.0%	**R 2.012**	17.80%	R 2.314	15.00%	R 2.661	15.00%	R 1.750
R 0.995	R 0.865		Off- peak time	15.0%	**R 1.172**	17.80%	R 1.348	15.00%	R 1.551	15.00%	R 1.019
			Out of season								
R 1.811	R 1.575		Peak time	15.0%	**R 2.134**	17.80%	R 2.454	15.00%	R 2.822	15.00%	R 1.855
R 1.307	R 1.136		Standard	15.0%	**R 1.539**	17.80%	R 1.770	15.00%	R 2.036	15.00%	R 1.338
R 0.862	R 0.749		Off- peak time	15.0%	**R 1.015**	17.80%	R 1.168	15.00%	R 1.343	15.00%	R 0.883
		2.5.2.1.2	***< 1 MVA High tension***								
R 12,192.69	R 10,602.34		Basic charge per month or part of it	15.0%	**R 14,362.99**	17.80%	R 16,517.443	15.00%	R 18,995.060	15.00%	R 12,489.56
R 130.94	R 113.86		Demand charge R/KVA	15.0%	**R 154.25**	17.80%	R 177.387	15.00%	R 203.995	15.00%	R 134.13
			Energy charge c/kWh								
			In season								
R 5.614	R 4.882		Peak time	15.0%	**R 6.614**	17.80%	R 7.606	15.00%	R 8.747	15.00%	R 5.751
R 1.811	R 1.575		Standard	15.0%	**R 2.134**	17.80%	R 2.454	15.00%	R 2.822	15.00%	R 1.855
R 1.055	R 0.917		Off- peak time	15.0%	**R 1.243**	17.80%	R 1.429	15.00%	R 1.644	15.00%	R 1.081
			Out of season								
R 1.946	R 1.692		Peak time	15.0%	**R 2.292**	17.80%	R 2.636	15.00%	R 3.032	15.00%	R 1.993
R 1.382	R 1.201		Standard	15.0%	**R 1.628**	17.80%	R 1.872	15.00%	R 2.153	15.00%	R 1.415
R 0.951	R 0.827		Off- peak time	15.0%	**R 1.120**	17.80%	R 1.288	15.00%	R 1.481	15.00%	R 0.974
		2.5.2.1.3	***Low tension***								
R 11,075.20	R 9,630.61		Basic charge per month or part of it	15.0%	**R 13,046.59**	17.80%	R 15,003.577	15.00%	R 17,254.114	15.00%	R 11,344.86
R 148.01	R 128.70		Demand charge R/KVA	15.0%	**R 174.35**	17.80%	R 200.504	15.00%	R 230.580	15.00%	R 151.61
			Energy charge c/kWh								
			In season								
R 5.641	R 4.905		Peak time	15.0%	**R 6.645**	17.80%	R 7.6420	15.00%	R 8.788	15.00%	R 5.778
R 1.815	R 1.579		Standard	15.0%	**R 2.139**	17.80%	R 2.4595	15.00%	R 2.828	15.00%	R 1.860
R 1.081	R 0.940		Off- peak time	15.0%	**R 1.273**	17.80%	R 1.464	15.00%	R 1.683	15.00%	R 1.107
			Out of season								
R 1.950	R 1.695		Peak time	15.0%	**R 2.297**	17.80%	R 2.6412	15.00%	R 3.037	15.00%	R 1.997
R 1.384	R 1.203		Standard	15.0%	**R 1.630**	17.80%	R 1.875	15.00%	R 2.156	15.00%	R 1.418
R 0.938	R 0.816		Off- peak time	15.0%	**R 1.105**	17.80%	R 1.271	15.00%	R 1.461	15.00%	R 0.961
		2.5.2.2	***Normal***								
		2.5.2.2.1	***> 1 MVA High tension***								
R 16,995.53	R 14,778.72		Basic charge per month or part of it	15.0%	**R 20,020.73**	17.80%	R 23,023.839	15.00%	R 26,477.415	15.00%	R 17,409.33
R 150.10	R 130.52		*Demand charge R/KVA*	15.0%	**R 176.81**	17.80%	R 203.3344	15.00%	R 233.835	15.00%	R 153.75
R 1.485	R 1.291		Energy charge c/kWh	15.0%	**R 1.749**	17.80%	R 2.0111	15.00%	R 2.313	15.00%	R 1.521
		2.5.2.2.2	***< 1 MVA High tension***								
R 13,839.68	R 12,034.50		Basic charge per month or part of it	15.0%	**R 16,303.14**	17.80%	R 18,748.606	15.00%	R 21,560.897	15.00%	R 14,176.64
R 161.76	R 140.66		*Demand charge R/KVA*	15.0%	**R 190.56**	17.80%	R 219.138	15.00%	R 252.009	15.00%	R 165.70
R 1.440	R 1.252		Energy charge c/kWh	15.0%	**R 1.696**	17.80%	R 1.951	15.00%	R 2.243	15.00%	R 1.475
		2.5.2.2.3	***Low tension***								
R 11,258.57	R 9,790.06		Basic charge per month or part of it	15.0%	**R 13,262.59**	17.80%	R 15,251.983	15.00%	R 17,539.780	15.00%	R 11,532.69
R 153.02	R 133.06		*Demand charge R/KVA*	15.0%	**R 180.25**	17.80%	R 207.289	15.00%	R 238.3819	15.00%	R 156.74
R 1.560	R 1.356		Energy charge c/kWh	15.0%	**R 1.837**	17.80%	R 2.113	15.00%	R 2.4297	15.00%	R 1.598
		2.6	**Sport customers**								
R 2.466	R 2.144		Energy charge c/kWh	15.0%	**R 2.905**	17.80%	R 3.341	15.00%	R 3.842	15.00%	R 2.526
		2.7	**Streetlights**								
R 2.066	R 2.066		Energy charge c/kWh	0.0%	**R 2.433**	17.80%	R 2.798	15.00%	R 3.218	15.00%	R 2.433
R 500.00	R 0.00	**2.8**	Unnecessary call outs for work on customer side	15.0%	**R 500.00**	New	R 575.000	15.00%	R 661.250	15.00%	R 0.000
R 0.01	R 0.01	**2.9**	**Feeding in Tariff**	15.0%	R 0.01	New	R 0.01		R 0.01		R 0.01

RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Including Vat	Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
		3.	**Refuse Service Tariffs**								
			(All Areas in respect of residential sites)								
R 85.69	R 74.51	**3.1.**	**Service Availability charge per month or part of it: Unimproved sites**	15.0%	**R 90.83**	6.00%	R 96.30	6.02%	R 102.08	6.00%	R 78.98
		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 192.30	R 167.22		Valuation ≤ 100 000	15.0%	**R 203.84**	6.00%	R 216.07	6.00%	R 229.03	6.00%	R 177.25
R 207.09	R 180.08		Valuation > 100 000 ≤ 150 000	15.0%	**R 219.52**	6.00%	R 232.69	6.00%	R 246.65	6.00%	R 190.89
R 221.89	R 192.94		Valuation > 150 000 ≤ 200 000	15.0%	**R 235.20**	6.00%	R 249.31	6.00%	R 264.27	6.00%	R 204.52
R 236.68	R 205.81		Valuation > 200 000 ≤ 500 000	15.0%	**R 250.88**	6.00%	R 265.93	6.00%	R 281.89	6.00%	R 218.16
R 257.39	R 223.82		Valuation > 500 000 ≤ 800 000	15.0%	**R 272.83**	6.00%	R 289.20	6.00%	R 306.55	6.00%	R 237.24
R 266.26	R 231.53		Valuation > 800 000 ≤ 1 000 000	15.0%	**R 282.24**	6.00%	R 299.17	6.00%	R 317.12	6.00%	R 245.43
R 295.85	R 257.26		Valuation > 1 000 000	15.0%	**R 313.60**	6.00%	R 332.42	6.00%	R 352.36	6.00%	R 272.70
R 192.30	R 167.22		All other residential consumers	15.0%	**R 203.84**	6.00%	R 216.07	6.00%	R 229.03	6.00%	R 177.25
R 192.30	R 167.22		Additional units per collection	15.0%	**R 203.84**	6.00%	R 216.07	6.00%	R 229.03	6.00%	R 177.25
			Pine Forest Flat Rate								
			Residential Properties : (240L Wheelie Bin)								
			1 Collection per week per 240 Wheelie Bin per household	15.0%	**R 230.00**	New	R 243.80	6.00%	R 258.43	6.00%	R 200.00
			All other properties Monthly Tariff								
			770L Wheelie Bin								
R 887.55	R 771.78		1 Collection per week per	15.0%	**R 940.80**	6.00%	R 997.25	6.00%	R 1,057.08	6.00%	R 818.09
R 1,775.09	R 1,543.56		2 Collections per week per 700L Wheelie Bin	15.0%	**R 1,881.60**	6.00%	R 1,994.50	6.00%	R 2,114.17	6.00%	R 1,636.17
R 2,662.64	R 2,315.34		3 Collections per week per 700L Wheelie Bin	15.0%	**R 2,822.39**	6.00%	R 2,991.73	6.00%	R 3,171.24	6.00%	R 2,454.26
R 887.55	R 771.78		1 Collection per week per additional Wheelie Bin	15.0%	**R 940.80**	6.00%	R 997.25	6.00%	R 1,057.08	6.00%	R 818.09
R 1,775.09	R 1,543.56		2 Collections per week per additional Wheelie Bin	15.0%	**R 1,881.60**	6.00%	R 1,994.50	6.00%	R 2,114.17	6.00%	R 1,636.17
R 2,662.64	R 2,315.34		3 Collections per week per additional Wheelie Bin	15.0%	**R 2,822.39**	6.00%	R 2,991.73	6.00%	R 3,171.24	6.00%	R 2,454.26
			If a counter system is available, the above tariffs will be implemented as follows:								
R 887.55	R 771.78		Service availability - per month. Include 4 removals/month.	15.0%	**R 940.80**	6.00%	R 997.25	6.00%	R 1,057.08	6.00%	R 818.09
R 220.59	R 191.82		Additional removals per removal.	15.0%	**R 233.82**	6.00%	R 247.85	6.00%	R 262.72	6.00%	R 203.33
			240L Wheelie Bin								
R 369.81	R 321.57		1 Collection per week per 240L Wheelie Bin	15.0%	**R 392.00**	6.00%	R 415.52	6.00%	R 440.45	6.00%	R 340.87
R 739.62	R 643.15		2 Collections per week per 240L Wheelie Bin	15.0%	**R 784.00**	6.00%	R 831.04	6.00%	R 880.90	6.00%	R 681.74
R 1,109.43	R 964.72		3 Collections per week per 240L Wheelie Bin	15.0%	**R 1,176.00**	6.00%	R 1,246.56	6.00%	R 1,321.35	6.00%	R 1,022.61
R 369.81	R 321.57		1 Collection per week per additional Wheelie Bin	15.0%	**R 392.00**	6.00%	R 415.52	6.00%	R 440.45	6.00%	R 340.87
R 739.62	R 643.15		2 Collections per week per additional Wheelie Bin	15.0%	**R 784.00**	6.00%	R 831.04	6.00%	R 880.90	6.00%	R 681.74
R 1,109.43	R 964.72		3 Collections per week per additional Wheelie Bin	15.0%	**R 1,176.00**	6.00%	R 1,246.56	6.00%	R 1,321.35	6.00%	R 1,022.61
			If a counter system is available, the above tariffs will be implemented as follows:								
R 369.81	R 321.57		Service availability - per month. Include 4 removals/month.	15.0%	**R 392.00**	6.00%	R 415.52	6.00%	R 440.45	6.00%	R 340.87
R 93.43	R 81.24		Additional removals per removal.	15.0%	**R 99.03**	5.99%	R 104.97	6.00%	R 111.27	6.00%	R 86.11
			Cost of Wheelie Bins								
R 5,582.04	R 4,853.95		**700L Wheelie Bin**	15.0%	**R 5,916.97**	6.00%	R 6,271.99	6.00%	R 6,648.31	6.00%	R 5,145.19
R 627.98	R 546.07		**240L Wheelie Bin**	15.0%	**R 665.66**	6.00%	R 705.60	6.00%	R 747.94	6.00%	R 578.83
		3.3	Recyclable material per filled 15l recyclable bag/ 15l of recyclable material	15.0%	**-R 2.00**	New	-R 2.12	6.00%	-R 2.25	6.00%	-R 1.74

RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Including Vat	Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
		4.	**Sewerage Service Tariffs**								
		4.1.	**Septic Tank systems**								
			(All Areas, excluding rural area in respect of availability charge)								
		4.1.1.	**Service Availability charge per month or part of it:**								
R 40.50	R 35.22	4.1.1.1	Per site with improvements	15.0%	**R 42.93**	6.00%	R 45.51	6.00%	R 48.24	6.00%	R 37.33
		4.1.2.	**Suction charge:**								
R 242.16	R 210.57	**4.1.2.1.**	Urban areas charge per occasion	15.0%	**R 256.69**	6.00%	R 272.09	6.00%	R 288.41	6.00%	R 223.21
		4.1.2.2.	**Rural areas:**								
R 976.59	R 849.21	4.1.2.2.1	Charge per occasion	15.0%	**R 1,035.19**	6.00%	R 1,097.30	6.00%	R 1,163.14	6.00%	R 900.16
R 45.58	R 39.63	4.1.2.2.2	Charge per kilometre	15.0%	**R 48.31**	6.00%	R 48.31	0.00%	R 48.31	0.00%	R 42.01
		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 larges water connection will be applicable on every point of service)								
		4.2.1.	**Service Availability charge per month or part of it:**								
R 85.67	R 74.50	4.2.1.1	Unimproved sites	15.0%	**R 90.81**	6.00%	R 96.26	6.00%	R 102.03	6.00%	R 78.97
R 242.16	R 210.57	4.2.1.2	Water connection size: 0 - 25 mm	15.0%	**R 256.69**	6.00%	R 272.09	6.00%	R 288.41	6.00%	R 223.21
R 942.35	R 819.43	4.2.1.3	Water connection size: 26 - 50 mm	15.0%	**R 998.89**	6.00%	R 1,058.82	6.00%	R 1,122.35	6.00%	R 868.60
R 2,412.89	R 2,098.17	4.2.1.4	Water connection size: 51 - 80 mm	15.0%	**R 2,557.66**	6.00%	R 2,711.12	6.00%	R 2,873.79	6.00%	R 2,224.06
R 3,769.77	R 3,278.06	4.2.1.5	Water connection size: 81 - 100 mm	15.0%	**R 3,995.95**	6.00%	R 4,235.71	6.00%	R 4,489.85	6.00%	R 3,474.74
R 8,479.38	R 7,373.38	4.2.1.6	Water connection size: 101 - 150 mm	15.0%	**R 8,988.15**	6.00%	R 9,527.44	6.00%	R 10,099.08	6.00%	R 7,815.78
		4.2.2.	**Exceptions: Charge per month or part of it**								
R 40,119.94	R 34,886.90	4.2.2.1	Obiqua Prison - Tulbagh	15.0%	**R 42,527.13**	6.00%	R 45,078.76	6.00%	R 47,783.49	6.00%	R 36,980.11
R 242.16	R 210.57	4.2.2.2	Schools - Op-die-Berg	15.0%	**R 256.69**	6.00%	R 272.09	6.00%	R 288.41	6.00%	R 223.21
R 242.16	R 210.57	4.2.2.3	Other sites - Op-die-Berg	15.0%	**R 256.69**	6.00%	R 272.09	6.00%	R 288.41	6.00%	R 223.21
R 86.49	R 86.49	4.2.2.4	Departmental tariff	0.0%	**R 91.68**	6.00%	R 97.18	6.00%	R 103.01	6.00%	R 91.68
		4.2.2.5	**Special Contracts, for example Del monte as per each agreement. Rand per Kg COD**								
R 6.69	R 5.82	4.2.2.5.1	Ceres Group Companies	15.0%	**R 7.09**	6.00%	R 7.52	6.00%	R 7.97	6.00%	R 6.17
R 10.76	R 9.35	4.2.2.5.2	Du Toit Vrugte	15.0%	**R 11.40**	6.00%	R 12.09	6.00%	R 12.81	6.00%	R 9.92
R 10.76	R 9.35	4.2.2.5.3	L O Rall	15.0%	**R 11.40**	6.00%	R 12.09	6.00%	R 12.81	6.00%	R 9.92
R 10.76	R 9.35	4.2.2.5.4	Bokkeveld Korrektiewe Dienste	15.0%	**R 11.40**	6.00%	R 12.09	6.00%	R 12.81	6.00%	R 9.92
R 10.76	R 9.35	4.2.2.5.5	Snocooled Marketing (Edms). Bpk.	15.0%	**R 11.40**	6.00%	R 12.09	6.00%	R 12.81	6.00%	R 9.92
R 10.76	R 9.35	4.2.2.5.6	Ceres Fruit Growers	15.0%	**R 11.40**	6.00%	R 12.09	6.00%	R 12.81	6.00%	R 9.92
R 158.93	R 158.93	4.2.2.6	Informal settlements without an account (Flat rate)	0.0%	**R 168.46**	6.00%	R 178.57	6.00%	R 189.28	6.00%	R 168.46
R 500.00	R 434.78	4.3	Unnecessary call outs for work on customer side	15.0%	**R 530.00**	6.00%	R 561.80	6.00%	R 595.51	6.00%	R 460.87

RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Including Vat	Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 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 152.81	R 132.88	5.1.1.1	Unimproved sites	15.0%	**R 161.98**	6.00%	R 171.70	6.00%	R 182.00	6.00%	R 140.85
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 1,221.98	6.00%	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 3,087.11	6.00%	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 4,887.93	6.00%	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 10,933.53	6.00%	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 237,965.00	6.00%	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 360.16	6.00%	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**	6.00%	R 10.54	6.00%	R 11.06	5.00%	R 8.64
R 9.38	R 8.15		61-300 kl	15.0%	**R 9.94**	6.00%	R 10.44	5.00%	R 10.96	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 10.85	R 9.43		0-300 kl	15.0%	**R 11.50**	6.00%	R 12.07	5.00%	R 12.68	5.00%	R 10.00
R 10.85	R 9.43		301-1000 kl	15.0%	**R 11.50**	6.00%	R 12.07	5.00%	R 12.68	5.00%	R 10.00
R 10.49	R 9.12		1001-8000 kl	15.0%	**R 11.50**	9.59%	R 12.07	5.00%	R 12.68	5.00%	R 10.00
R 10.49	R 9.12		Above 8000 kl	15.0%	**R 11.50**	9.59%	R 12.07	5.00%	R 12.68	5.00%	R 10.00
		5.1.2.3	**Block C (Aimed at larger industrial clients)**								
R 3.36	R 2.92		Consumption above 20,000 kl per month	15.0%	**R 3.57**	6.19%	R 3.82	7.10%	R 4.09	7.10%	R 3.10
		5.1.2.4	**Block D (Internal)**								
R 2.85	R 2.47		Departmental consumption	15.0%	**R 3.02**	6.00%	R 3.17	5.00%	R 3.33	5.00%	R 2.62
		5.1.2	**Consumption per kiloliter: Restrictions Level 1**								
		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 10.42	R 9.06		7-30 kl	15.0%	**R 11.05**	6.00%	R 11.60	5.00%	R 12.18	5.0%	R 9.60
R 10.42	R 9.06		31-60 kl	15.0%	**R 11.05**	6.00%	R 11.60	5.00%	R 12.18	5.0%	R 9.60
R 10.42	R 9.06		61-300 kl	15.0%	**R 11.05**	6.00%	R 11.60	5.00%	R 12.18	5.0%	R 9.60
R 40.00	R 34.78		Above 300 kl	15.0%	**R 40.00**	0.00%	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 13.02	R 11.32		0-300 kl	15.0%	**R 13.80**	6.00%	R 14.49	5.00%	R 15.22	5.0%	R 12.00
R 13.02	R 11.32		301-1000 kl	15.0%	**R 13.80**	6.00%	R 14.49	5.00%	R 15.22	5.0%	R 12.00
R 12.60	R 10.95		1001-8000 kl	15.0%	**R 13.80**	9.59%	R 14.49	5.00%	R 15.22	5.0%	R 12.00
R 12.60	R 10.95		Above 8000 kl	15.0%	**R 13.80**	9.59%	R 14.49	5.00%	R 15.22	5.0%	R 12.00
		5.1.2.3	**Block C (Aimed at larger industrial clients)**								
R 3.80	R 3.30		Consumption above 20,000 kl per month	15.0%	**R 4.28**	12.62%	R 4.62	8.00%	R 4.99	8.0%	R 3.72
		5.1.2	**Consumption per kiloliter: Restrictions Level 2**								
		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 13.14	R 11.42		7-30 kl	15.0%	**R 13.92**	6.00%	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**	6.00%	R 14.62	5.00%	R 15.35	5.0%	R 12.11
R 13.14	R 11.42		61-300 kl	15.0%	**R 13.92**	6.00%	R 14.62	5.00%	R 15.35	5.0%	R 12.11
R 45.00	R 39.13		Above 300 kl	15.0%	**R 45.00**	0.00%	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 15.20	R 13.22		0-300 kl	15.0%	**R 16.11**	6.00%	R 16.91	5.00%	R 17.76	5.0%	R 14.01
R 15.20	R 13.22		301-1000 kl	15.0%	**R 16.11**	6.00%	R 16.91	5.00%	R 17.76	5.0%	R 14.01
R 14.70	R 12.78		1001-8000 kl	15.0%	**R 16.11**	9.59%	R 16.91	5.00%	R 17.76	5.0%	R 14.01
R 14.70	R 12.78		Above 8000 kl	15.0%	**R 16.11**	9.59%	R 16.91	5.00%	R 17.76	5.0%	R 14.01
		5.1.2.3	**Block C (Aimed at larger industrial clients)**								
R 4.50	R 3.91		Consumption above 20,000 kl per month	15.0%	**R 4.99**	10.98%	R 5.24	5.00%	R 5.51	5.0%	R 4.34
		5.1.2	**Consumption per kiloliter: Restrictions Level 3**								
		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 15.02	R 13.06		7-30 kl	15.0%	**R 15.92**	6.00%	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 15.92**	6.00%	R 16.71	5.00%	R 17.55	5.0%	R 13.84
R 15.02	R 13.06		61-300 kl	15.0%	**R 15.92**	6.00%	R 16.71	5.00%	R 17.55	5.0%	R 13.84
R 50.00	R 43.48		Above 300 kl	15.0%	**R 50.00**	0.00%	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 17.37	R 15.11		0-300 kl	15.0%	**R 18.41**	6.00%	R 19.34	5.00%	R 20.30	5.0%	R 16.01
R 17.37	R 15.11		301-1000 kl	15.0%	**R 18.41**	6.00%	R 19.34	5.00%	R 20.30	5.0%	R 16.01
R 16.80	R 14.61		1001-8000 kl	15.0%	**R 18.41**	9.59%	R 19.34	5.00%	R 20.30	5.0%	R 16.01
R 16.80	R 14.61		Above 8000 kl	15.0%	**R 18.41**	9.59%	R 19.34	5.00%	R 20.30	5.0%	R 16.01
		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 5.71**	13.27%	R 5.99	5.00%	R 6.29	5.0%	R 4.96
		5.1.2	**Consumption per kiloliter: Restrictions Level 4**								
		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 16.90	R 14.69		7-30 kl	15.0%	**R 17.91**	6.00%	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 17.91**	6.00%	R 18.81	5.00%	R 19.75	5.0%	R 15.57
R 16.90	R 14.69		61-300 kl	15.0%	**R 17.91**	6.00%	R 18.81	5.00%	R 19.75	5.0%	R 15.57
R 55.00	R 47.83		Above 300 kl	15.0%	**R 55.00**	0.00%	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 19.55	R 17.00		0-300 kl	15.0%	**R 20.72**	6.00%	R 21.76	5.00%	R 22.84	5.0%	R 18.02
R 19.55	R 17.00		301-1000 kl	15.0%	**R 20.72**	6.00%	R 21.76	5.00%	R 22.84	5.0%	R 18.02
R 18.91	R 16.44		1001-8000 kl	15.0%	**R 20.72**	9.59%	R 21.76	5.00%	R 22.84	5.0%	R 18.02
R 18.91	R 16.44		Above 8000 kl	15.0%	**R 20.72**	9.59%	R 21.76	5.00%	R 22.84	5.0%	R 18.02
		5.1.2.3	**Block C (Aimed at larger industrial clients)**								
R 6.00	R 5.22		Consumption above 20,000 kl per month	15.0%	**R 6.42**	7.06%	R 6.74	5.00%	R 7.08	5.0%	R 5.59

RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Including Vat	Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 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 3.24	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 18.77	R 16.32		7-30 kl	15.0%	**R 19.89**	6.00%	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 19.89**	6.00%	R 20.89	5.00%	R 21.93	5.0%	R 17.30
R 18.77	R 16.32		61-300 kl	15.0%	**R 19.89**	6.00%	R 20.89	5.00%	R 21.93	5.0%	R 17.30
R 60.00	R 52.17		Above 300 kl	15.0%	**R 60.00**	0.00%	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 21.71	R 18.88		0-300 kl	15.0%	**R 23.01**	6.00%	R 24.16	5.00%	R 25.37	5.0%	R 20.01
R 21.71	R 18.88		301-1000 kl	15.0%	**R 23.01**	6.00%	R 24.16	5.00%	R 25.37	5.0%	R 20.01
R 21.00	R 18.26		1001-8000 kl	15.0%	**R 23.01**	9.59%	R 24.16	5.00%	R 25.37	5.0%	R 20.01
R 21.00	R 18.26		Above 8000 kl	15.0%	**R 23.01**	9.59%	R 24.16	5.00%	R 25.37	5.0%	R 20.01
		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 7.13**	10.61%	R 7.49	5.00%	R 7.87	5.0%	R 6.20
		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 6.15**	6.00%	R 6.45	5.00%	R 6.78	5.00%	R 5.34
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 7.22**	5.07%	R 7.58	5.00%	R 7.96	5.00%	R 6.27
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 8.29**	4.38%	R 8.70	5.00%	R 9.14	5.00%	R 7.21
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 9.36**	3.86%	R 9.82	5.00%	R 10.32	5.00%	R 8.14
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 10.43**	3.45%	R 10.95	5.00%	R 11.49	5.00%	R 9.07
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 12.29**	6.00%	R 12.91	5.00%	R 13.55	5.00%	R 10.69
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 981.07	R 853.10	**5.3.**	**"Leiwater beurte" (In Urban areas per month)**	15.0%	**R 1,030.12**	5.00%	R 1,081.63	5.00%	R 1,135.71	5.00%	R 895.76
R 101.55	R 88.30	**5.4.**	**Informal settlements without an account (Flat rate)**	15.0%	**R 106.63**	5.00%	R 111.96	5.00%	R 117.55	5.00%	R 92.72
		5.5.	**Mobile Water provision**								
Free		**5.5.1**	Humanitarian purposes		**Free**		**Free**		**Free**		
R 283.50	R 246.52	**5.5.2**	All non Residential per trip	15.0%	**R 297.68**	5.00%	R 312.56	5.00%	R 328.19	5.00%	R 258.85
R 567.00	R 493.04	**5.6**	Unnecessary call outs for work on customer side	15.0%	**R 595.35**	5.00%	R 625.12	5.00%	R 656.37	5.00%	R 517.70

RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Including Vat	Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
		5.7	**Greywater**								
R 0.2875	R 0.2500	5.7.1	Per Cubic Meter (m3)	15.0%	**R 0.30**	5.00%	R 0.32	5.00%	R 0.33	5.00%	R 0.26
		5.8	**Raw Water for Agricultural use**								
R 0.5060	R 0.4400	5.81	Per kiloliter water	15.0%	**R 0.69**	36.36%	R 0.72	5.00%	R 0.76	5.00%	R 0.60
		6.	**Other tariffs and charges**								
		6.1.	**CORPORATE SERVICES**								
R 638.00	R 554.78	6.1.1	Erection of banners (per application)	15.0%	**R 669.00**	4.86%	R 702.00	4.93%	R 737.00	4.99%	R 581.74
R 490.00	R 426.09	6.1.2	Erection of placards (deposit)	15.0%	**R 514.00**	4.90%	R 539.00	4.86%	R 565.00	4.82%	R 446.96
R 996.00	R 866.09	6.1.3	Cancellation of purchase agreement (Admin fee)	15.0%	**R 1,045.00**	4.92%	R 1,097.00	4.98%	R 1,151.00	4.92%	R 908.70
		6.1.4	Agenda and minutes of Council meetings								
R 163.00	R 141.74		001-400 q	15.0%	**R 171.00**	4.91%	R 179.00	4.68%	R 187.00	4.47%	R 148.70
R 181.00	R 157.39		401-500 q	15.0%	**R 190.00**	4.97%	R 199.00	4.74%	R 208.00	4.52%	R 165.22
R 214.00	R 186.09		501-600 q	15.0%	**R 224.00**	4.67%	R 235.00	4.91%	R 246.00	4.68%	R 194.78
R 231.00	R 200.87		601-700 q	15.0%	**R 242.00**	4.76%	R 254.00	4.96%	R 266.00	4.72%	R 210.43
R 285.00	R 247.83		701+ q	15.0%	**R 299.00**	4.91%	R 313.00	4.68%	R 328.00	4.79%	R 260.00
R 443.00	R 385.22	6.1.6	Translation service (Per hour or part of it)	15.0%	**R 465.00**	4.97%	R 488.00	4.95%	R 512.00	4.92%	R 404.35
		6.1.7	Access to information								
R 118.00	R 102.61	6.1.7.1	Fee payable when information is requested	15.0%	**R 123.00**	4.24%	R 129.00	4.88%	R 135.00	4.65%	R 106.96
		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 23.00	R 20.00		Information on a memory stick	15.0%	**R 25.00**	8.70%	R 27.00	8.00%	R 29.00	7.41%	R 21.74
R 133.00	R 115.65		Information on a CD	15.0%	**R 139.00**	4.51%	R 145.00	4.32%	R 152.00	4.83%	R 120.87
R 74.00	R 64.35		Transcription of visual image (A4 page) per page	15.0%	**R 77.00**	4.05%	R 80.00	3.90%	R 84.00	5.00%	R 66.96
R 196.00	R 170.43		Copy of a visual image (A4 page) per page	15.0%	**R 205.00**	4.59%	R 215.00	4.88%	R 225.00	4.65%	R 178.26
R 40.00	R 34.78		Transcription of an audio record (A4 page) per page	15.0%	**R 42.00**	5.00%	R 44.00	4.76%	R 46.00	4.55%	R 36.52
R 54.00	R 46.96		Copy of audio record	15.0%	**R 56.00**	3.70%	R 58.00	3.57%	R 60.00	3.45%	R 48.70
		6.1.7.3	Investigation fee								
R 49.00	R 42.61		To search for record and to prepare it for release -- per hour, first hour excluded	15.0%	**R 51.00**	4.08%	R 53.00	3.92%	R 55.00	3.77%	R 44.35
		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 4,165.00	R 3,621.74	6.1.8	Application for extention of trading hours to sell Liquor	15.0%	**R 4,373.00**	4.99%	R 4,591.00	4.99%	R 4,820.00	4.99%	R 3,802.61
		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 149.00	R 129.57		08:00 - 13:00	15.0%	**R 156.00**	4.70%	R 163.00	4.49%	R 171.00	4.91%	R 135.65
R 163.00	R 141.74		13:00 - 18:00	15.0%	**R 171.00**	4.91%	R 179.00	4.68%	R 187.00	4.47%	R 148.70
R 181.00	R 157.39		18:00 - 00:00	15.0%	**R 190.00**	4.97%	R 199.00	4.74%	R 208.00	4.52%	R 165.22
			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 401.00	R 348.70	6.2.1.2	Kitchen rental (per session or part thereof)	15.0%	**R 421.00**	4.99%	R 442.00	4.99%	R 464.00	4.98%	R 366.09
R 176.00			Deposit for kitchen rental	Exempt	**R 184.00**	4.55%	R 193.00	4.89%	R 202.00	4.66%	
		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 643.00	R 559.13		(a) First hour per officer (normal working hours)	15.0%	**R 675.00**	4.98%	R 708.00	4.89%	R 743.00	4.94%	R 586.96
R 231.00	R 200.87		(b) Subsequent hourly tariff within normal working hours	15.0%	**R 242.00**	4.76%	R 254.00	4.96%	R 266.00	4.72%	R 210.43
R 810.00	R 704.35		(c) First hour per officer (after hours & weekends)	15.0%	**R 850.00**	4.94%	R 892.00	4.94%	R 936.00	4.93%	R 739.13
R 319.00	R 277.39		(d) Subsequent hourly tariff after hours & weekends	15.0%	**R 334.00**	4.70%	R 350.00	4.79%	R 367.00	4.86%	R 290.43
R 1,665.00	R 1,447.83		(e) Per officer (Sundays per 4 hour bracket)	15.0%	**R 1,748.00**	4.98%	R 1,835.00	4.98%	R 1,926.00	4.96%	R 1,520.00
R 196.00	R 170.43		(f) Per vehicle (less than 15 km)	15.0%	**R 205.00**	4.59%	R 215.00	4.88%	R 225.00	4.65%	R 178.26
R 9.60	R 8.35		(g) Per kilometre tariff thereafter	15.0%	**R 10.40**	8.33%	R 11.00	5.77%	R 11.50	4.55%	R 9.04
R 196.00	R 170.43		(h) Hiring of road signs and equipment	15.0%	**R 205.00**	4.59%	R 215.00	4.88%	R 225.00	4.65%	R 178.26
R 823.00	R 715.65		(i) Mega phone per day	15.0%	**R 864.00**	4.98%	R 907.00	4.98%	R 952.00	4.96%	R 751.30
		6.2.2.1.2	Non-Profit Organisations: (per gathering/march)								
R 231.00	R 200.87		(a) First hour per officer (normal working hours)	15.0%	**R 242.00**	4.76%	R 254.00	4.96%	R 266.00	4.72%	R 210.43
R 118.00	R 102.61		(b) Subsequent hourly tariff within normal working hours	15.0%	**R 123.00**	4.24%	R 129.00	4.88%	R 135.00	4.65%	R 106.96
R 303.00	R 263.48		(c) First hour per officer (after hours & weekends)	15.0%	**R 318.00**	4.95%	R 333.00	4.72%	R 349.00	4.80%	R 276.52
R 181.00	R 157.39		(d) Subsequent hourly tariff after hours & weekends	15.0%	**R 190.00**	4.97%	R 199.00	4.74%	R 208.00	4.52%	R 165.22
R 831.00	R 722.61		(e) Per officer (Sundays per 4 hour bracket)	15.0%	**R 872.00**	4.93%	R 915.00	4.93%	R 960.00	4.92%	R 758.26
R 118.00	R 102.61		(f) Per vehicle (less than 15 km)	15.0%	**R 123.00**	4.24%	R 129.00	4.88%	R 135.00	4.65%	R 106.96
R 9.60	R 8.35		(g) Per kilometre tariff thereafter	15.0%	**R 10.40**	8.33%	R 11.00	5.77%	R 11.50	4.55%	R 9.04
R 88.00	R 76.52		(h) Hiring of road signs and equipment	15.0%	**R 92.00**	4.55%	R 96.00	4.35%	R 100.00	4.17%	R 80.00
R 408.00	R 354.78		(i) Mega phone per day	15.0%	**R 428.00**	4.90%	R 449.00	4.91%	R 471.00	4.90%	R 372.17
		6.2.2.2	**Dog Tax Tariffs**								
R 245.00	R 213.04	6.2.2.2.1	Male dog: per year or part thereof	15.0%	**R 257.00**	4.90%	R 269.00	4.67%	R 282.00	4.83%	R 223.48
R 493.00	R 428.70	6.2.2.2.2	Bitch: per year or part thereof	15.0%	**R 517.00**	4.87%	R 542.00	4.84%	R 569.00	4.98%	R 449.57
R 121.00	R 105.22	6.2.2.2.3	Sterilised/castrated (proof)	15.0%	**R 127.00**	4.96%	R 133.00	4.72%	R 139.00	4.51%	R 110.43
R 195.00	R 169.57	**6..2.2.3**	**Executing of warrants of arrest**	15.0%	**R 204.00**	4.62%	R 214.00	4.90%	R 224.00	4.67%	R 177.39

RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Including Vat	Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 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 2,915.00	R 2,534.78	6.2.3.1	Call-outs (per call) (excluding resedential)	15.0%	**R 3,060.00**	4.97%	R 3,213.00	5.00%	R 3,373.00	4.98%	R 2,660.87
			This includes all fire fighting vehicles, all manpower water supply and (Per hour or part thereof)								
		6.2.3.2	Additional services (such as pumping, cleaning roads, decontamination) and consumables								
Cost			a) Call-out per hour or part thereof	15.0%	**R 510.00**	New	R 535.00	4.90%	R 561.00	4.86%	R 443.48
			b) Absorbent per kilogram	15.0%	**R 45.00**	New	R 47.00	4.45%	R 49.00	4.26%	R 39.13
			c) Foam per litre	15.0%	**R 48.00**	New	R 50.00	4.16%	R 52.00	4.00%	R 41.74
			d) Handheld extinguisher	15.0%	**R 450.00**	New	R 472.00	4.89%	R 495.00	4.87%	R 391.30
			e) Decontamination concentrate	15.0%	**R 104.00**	New	R 109.00	4.81%	R 114.00	4.59%	R 90.43
		6.2.3.3	Spesial Standby Services at Events								
R 1,943.00	R 1,689.57		a) First hour	15.0%	**R 2,040.00**	4.99%	R 2,142.00	5.00%	R 2,249.00	5.00%	R 1,773.91
			b) Per hour or part thereof, thereafter	15.0%	**R 513.00**	New	R 538.00	4.87%	R 564.00	4.83%	R 446.09
		6.2.3.4	Controlled Burns	15.0%	**R 2,501.00**	New	R 2,626.00	5.00%	R 2,757.00	4.99%	R 2,174.78
		6.2.3.5	Clearing of overgrown properties (residential areas) and clearing of fire	15.0%	**R 650.00**	New	R 682.00	4.92%	R 716.00	4.99%	R 565.22
		6.2.3.6	Flammable Liquid Certificates:								
			(a) Domestic installations	15.0%	**R 120.00**	New	R 126.00	5.00%	R 132.00	4.76%	R 104.35
			(b) Commercial installations	15.0%	**R 460.00**	New	R 483.00	5.00%	R 507.00	4.97%	R 400.00
			(c) Industrial Installations	15.0%	**R 520.00**	New	R 545.00	4.81%	R 572.00	4.95%	R 452.17
			(d) LPG Suppliers	15.0%	**R 460.00**	New	R 483.00	5.00%	R 507.00	4.97%	R 400.00
			(e) Spray paint rooms	15.0%	**R 460.00**	New	R 483.00	5.00%	R 507.00	4.97%	R 400.00
		6.2.3.7	Fire Safety Certification								
			a) New Building plan or alterations	15.0%	**R 355.00**	New	R 372.00	4.79%	R 390.00	4.84%	R 308.70
			b) Educational and old age facilities	15.0%	**R 120.00**	New	R 126.00	5.00%	R 132.00	4.76%	R 104.35
			c) New business licence application	15.0%	**R 355.00**	New	R 372.00	4.79%	R 390.00	4.84%	R 308.70
			d) Commercial/Industrial Facility	15.0%	**R 460.00**	New	R 483.00	5.00%	R 507.00	4.97%	R 400.00
		6.2.3.8	Dangerous Goods Transport Permit (Annual)								
			a) Light Delivery vehicle up to 3500 kg	15.0%	**R 305.00**	New	R 320.00	4.92%	R 336.00	5.00%	R 265.22
			b) Light Delivery vehicle above 3500 kg	15.0%	**R 385.00**	New	R 404.00	4.94%	R 424.00	4.95%	R 334.78
			c) Rigid tankers and flat beds up to 20 000 litres	15.0%	**R 755.00**	New	R 792.00	4.90%	R 831.00	4.92%	R 656.52
			d) Rigid tankers and flat beds above 20 000 litres	15.0%	**R 1,130.00**	New	R 1,186.00	4.96%	R 1,245.00	4.97%	R 982.61
			e) Articulated vehicles up to 20 000 litres								
			1) Horse	15.0%	**R 305.00**	New	R 320.00	4.92%	R 336.00	5.00%	R 265.22
			2) Per unit or tanker thereafter	15.0%	**R 755.00**	New	R 792.00	4.90%	R 831.00	4.92%	R 656.52
			f) Articulated vehicles above 20 000 litres								
			1) Horse	15.0%	**R 305.00**	New	R 320.00	4.92%	R 336.00	5.00%	R 265.22
			2) Per unit or tanker thereafter	15.0%	**R 1,130.00**	New	R 1,186.00	4.96%	R 1,245.00	4.97%	R 982.61
			g) Transfer of certificate	15.0%	**R 170.00**	New	R 178.00	4.70%	R 186.00	4.49%	R 147.83
		6.2.3.9	Event application								
			a) Below 500 attendees	15.0%	**R 170.00**	New	R 178.00	4.70%	R 186.00	4.49%	R 147.83
			b) Between 500 and 1000 attendees	15.0%	**R 340.00**	New	R 356.00	4.71%	R 373.00	4.78%	R 295.65
			c) More than 1000 attendees	15.0%	**R 685.00**	New	R 719.00	4.96%	R 754.00	4.87%	R 595.65
		6.2.3.10	Training per person								
			Industrial and Commercial Basic Firefighting – 3 days	15.0%	**R 360.00**	New	R 377.00	4.72%	R 395.00	4.77%	R 313.04
			Industrial and Commercial Advanced– 5 days	15.0%	**R 600.00**	New	R 630.00	5.00%	R 661.00	4.92%	R 521.74
			Portable Fire Extinguisher course – 4 hours (excluding consumables)	15.0%	**R 120.00**	New	R 126.00	5.00%	R 132.00	4.76%	R 104.35

RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Including Vat	Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
R 3,000.00	R 2,608.70	**6.2.4**	**Filling of swimming pools** (per pool)	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
		6.2.5	**Permits** (per permit)								
R 275.00	R 239.13		(a) Gas	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 275.00	R 239.13		(b) Liquid Fuel	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 302.00	R 262.61		(c) Inspection of Vehicles for Hazardous contents transport (HAZCHEM):	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 605.00	R 526.09		(d) Spray-paint rooms	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
		6.2.6	**Refuse tariffs moved to Civil Services**								
		6.2.7	**Licensing and Regulating: Hiring and Sundry**								
R 824.00	R 716.52	6.2.7.1	Vendor stalls (uncovered)	15.0%	**R 865.00**	4.98%	R 908.00	4.97%	R 953.00	4.96%	R 752.17
R 1,334.00	R 1,160.00	6.2.7.2	Vendor stalls -- under cover (per annum)	15.0%	**R 1,400.00**	4.95%	R 1,470.00	5.00%	R 1,543.00	4.97%	R 1,217.39
		6.2.7.3	Clean-up of premises (cost recoverable from owner)								
		6.2.8	**Holiday Resorts**								
R 624.00			Deposit for hiring C & D types Chalets at Pine Forest (*Dennebos*)	Exempt	**R 655.00**	4.97%	R 687.00	4.89%	R 721.00	4.95%	
R 485.00			Deposit for hiring of other	Exempt	**R 509.00**	4.95%	R 534.00	4.91%	R 560.00	4.87%	
		6.2.8.1	**Pine Forest (*Dennebos*)**								
		6.2.8.1.1	Administrative levy for cancellation of booking								
25.00%	21.74%		(% 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 394.00	R 342.61		High season	15.0%	**R 413.00**	4.82%	R 433.00	4.84%	R 454.00	4.85%	R 359.13
R 256.00	R 222.61		In season	15.0%	**R 268.00**	4.69%	R 281.00	4.85%	R 295.00	4.98%	R 233.04
R 156.00	R 135.65		Out of season	15.0%	**R 163.00**	4.49%	R 171.00	4.91%	R 179.00	4.68%	R 141.74
R 485.00			Deposit	Exempt	**R 509.00**	4.95%	R 534.00	4.91%	R 560.00	4.87%	
		6.2.8.1.3	**Annual Booking Fee**								
R 19,803.00	R 17,220.00		A-type - caravan premises	15.0%	**R 20,793.00**	5.00%	R 21,832.00	5.00%	R 22,923.00	5.00%	R 18,080.87
R 15,570.00	R 13,539.13		B-type - caravan premises	15.0%	**R 16,348.00**	5.00%	R 17,165.00	5.00%	R 18,023.00	5.00%	R 14,215.65
R 14,486.00	R 12,596.52		C-type - caravan premises	15.0%	**R 15,210.00**	5.00%	R 15,970.00	5.00%	R 16,768.00	5.00%	R 13,226.09
R 19,803.00	R 17,220.00		Log Cabins	15.0%	**R 20,793.00**	5.00%	R 21,832.00	5.00%	R 22,923.00	5.00%	R 18,080.87
R 15,206.00	R 13,222.61		A-type - Lost City	15.0%	**R 15,966.00**	5.00%	R 16,764.00	5.00%	R 17,602.00	5.00%	R 13,883.48
R 12,753.00	R 11,089.57		B-type - Lost City	15.0%	**R 13,390.00**	4.99%	R 14,059.00	5.00%	R 14,761.00	4.99%	R 11,643.48
			Deposit	Exempt							
		6.2.8.1.4	**Chalets (per unit per night)**								
		6.2.8.1.4.1	**A - Type**								
R 480.00	R 417.39		High season (24 December to 9 January & Easter weekend)	15.0%	**R 504.00**	5.00%	R 529.00	4.96%	R 555.00	4.91%	R 438.26
R 428.00	R 372.17		In season	15.0%	**R 449.00**	4.91%	R 471.00	4.90%	R 494.00	4.88%	R 390.43
R 349.00	R 303.48		Out of season	15.0%	**R 366.00**	4.87%	R 384.00	4.92%	R 403.00	4.95%	R 318.26
		6.2.8.1.4.2	**B - Type**								
R 782.00	R 680.00		High season (24 December to 9 January & Easter weekend)	15.0%	**R 821.00**	4.99%	R 862.00	4.99%	R 905.00	4.99%	R 713.91
R 637.00	R 553.91		In season	15.0%	**R 668.00**	4.87%	R 701.00	4.94%	R 736.00	4.99%	R 580.87
R 492.00	R 427.83		Out of season	15.0%	**R 516.00**	4.88%	R 541.00	4.84%	R 568.00	4.99%	R 448.70
		6.2.8.1.4.3	**C - Type**								
R 1,121.00	R 974.78		High season (24 December to 9 January & Easter weekend)	15.0%	**R 1,177.00**	5.00%	R 1,235.00	4.93%	R 1,296.00	4.94%	R 1,023.48
R 1,071.00	R 931.30		In season	15.0%	**R 1,124.00**	4.95%	R 1,180.00	4.98%	R 1,239.00	5.00%	R 977.39
R 590.00	R 513.04		Out of season	15.0%	**R 619.00**	4.92%	R 649.00	4.85%	R 681.00	4.93%	R 538.26
		6.2.8.1.4.4	**D - Type**								
R 1,015.00	R 882.61		High season (24 December to 9 January & Easter weekend)	15.0%	**R 1,065.00**	4.93%	R 1,118.00	4.98%	R 1,173.00	4.92%	R 926.09
R 851.00	R 740.00		In season	15.0%	**R 893.00**	4.94%	R 937.00	4.93%	R 983.00	4.91%	R 776.52
R 538.00	R 467.83		Out of season	15.0%	**R 564.00**	4.83%	R 592.00	4.96%	R 621.00	4.90%	R 490.43
		6.2.8.1.4.5	**E - Type**								
R 737.00	R 640.87		High season (24 December to 9 January & Easter weekend)	15.0%	**R 773.00**	4.88%	R 811.00	4.92%	R 851.00	4.93%	R 672.17
R 682.00	R 593.04		In season	15.0%	**R 716.00**	4.99%	R 751.00	4.89%	R 788.00	4.93%	R 622.61
R 438.00	R 380.87		Out of season	15.0%	**R 459.00**	4.79%	R 481.00	4.79%	R 505.00	4.99%	R 399.13
		6.2.8.1.4.6	**F - Type**								
R 480.00	R 417.39		High season (24 December to 9 January & Easter weekend)	15.0%	**R 504.00**	5.00%	R 529.00	4.96%	R 555.00	4.91%	R 438.26
R 428.00	R 372.17		In season	15.0%	**R 449.00**	4.91%	R 471.00	4.90%	R 494.00	4.88%	R 390.43
R 349.00	R 303.48		Out of season	15.0%	**R 366.00**	4.87%	R 384.00	4.92%	R 403.00	4.95%	R 318.26
		6.2.8.1.4.7	**G - Type**								
R 1,127.00	R 980.00		High season (24 December to 9 January & Easter weekend)	15.0%	**R 1,183.00**	4.97%	R 1,242.00	4.99%	R 1,304.00	4.99%	R 1,028.70
R 898.00	R 780.87		In season	15.0%	**R 942.00**	4.90%	R 989.00	4.99%	R 1,038.00	4.95%	R 819.13
R 557.00	R 484.35		Out of season	15.0%	**R 584.00**	4.85%	R 613.00	4.97%	R 643.00	4.89%	R 507.83
		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 78.00	R 67.83		Per person per day	15.0%	**R 81.00**	3.85%	R 85.00	4.94%	R 89.00	4.71%	R 70.43
R 73.00	R 63.48		Per vehicle per day	15.0%	**R 76.00**	4.11%	R 79.00	3.95%	R 82.00	3.80%	R 66.09

RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Including Vat	Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 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%	
			Conference Hall hire: per session								
R 566.00	R 492.17		08:00 – 13.00	15.0%	**R 594.00**	4.95%	R 623.00	4.88%	R 654.00	4.98%	R 516.52
R 566.00	R 492.17		13:00 – 18:00	15.0%	**R 594.00**	4.95%	R 623.00	4.88%	R 654.00	4.98%	R 516.52
R 757.00	R 658.26		18:00 – 24:00	15.0%	**R 794.00**	4.89%	R 833.00	4.91%	R 874.00	4.92%	R 690.43
R 1,449.00	R 1,260.00		Conference Hall hire: per day	15.0%	**R 1,521.00**	4.97%	R 1,597.00	5.00%	R 1,676.00	4.95%	R 1,322.61
			Renting of Recreational Halls to sports clubs (local):								
R 350.00			Deposit	Exempt	**R 350.00**	0.00%	R 367.00	4.86%	R 385.00	4.90%	
R 1,802.00	R 1,566.96		Annual tariff	15.0%	**R 1,892.00**	4.99%	R 1,986.00	4.97%	R 2,085.00	4.98%	R 1,645.22
R 84.00	R 73.04		Bedding hiring: per set per week (chalets)	15.0%	**R 88.00**	4.76%	R 92.00	4.55%	R 96.00	4.35%	R 76.52
			Entrance (Local Residents)								
R 185.00	R 160.87		Clip cards - Local residence in Witzenberg area entrance (5 Visits)	15.0%	**R 194.00**	4.86%	R 203.00	4.64%	R 213.00	4.93%	R 168.70
			Local residence in Witzenberg annual tickets (per ticket)								
R 428.00	R 372.17		Adults	15.0%	**R 449.00**	4.91%	R 471.00	4.90%	R 494.00	4.88%	R 390.43
R 314.00	R 273.04		Children	15.0%	**R 329.00**	4.78%	R 345.00	4.86%	R 362.00	4.93%	R 286.09
R 294.00	R 255.65		Vehicles	15.0%	**R 308.00**	4.76%	R 323.00	4.87%	R 339.00	4.95%	R 267.83
R 66.00	R 57.39		Clip cards - Recreational facilities 5 clips per ticket	15.0%	**R 69.00**	4.55%	R 72.00	4.35%	R 75.00	4.17%	R 60.00
			Laundromat facilities								
R 53.00	R 46.09		Per 8kg, excluding washing powder	15.0%	**R 55.00**	3.77%	R 57.00	3.64%	R 59.00	3.51%	R 47.83
		6.2.8.2	**Klipriver Park (Closed)**								
		6.2.8.2.1	**Chalets (per unit per night)**								
			A - Type								
R 416.00	R 361.74		High season (15 December to 16 January & Easter weekend)	15.0%	**R 436.00**	4.81%	R 457.00	4.82%	R 479.00	4.81%	R 379.13
R 349.00	R 303.48		In season	15.0%	**R 366.00**	4.87%	R 384.00	4.92%	R 403.00	4.95%	R 318.26
R 245.00	R 213.04		Out of season	15.0%	**R 257.00**	4.90%	R 269.00	4.67%	R 282.00	4.83%	R 223.48
			B - Type								
R 461.00	R 400.87		High season (15 December to 16 January & Easter weekend)	15.0%	**R 484.00**	4.99%	R 508.00	4.96%	R 533.00	4.92%	R 420.87
R 367.00	R 319.13		In season	15.0%	**R 385.00**	4.90%	R 404.00	4.94%	R 424.00	4.95%	R 334.78
R 251.00	R 218.26		Out of season	15.0%	**R 263.00**	4.78%	R 276.00	4.94%	R 289.00	4.71%	R 228.70
		6.2.8.2.2	**Camping (per stand per night)**								
R 204.00	R 177.39		High season	15.0%	**R 214.00**	4.90%	R 224.00	4.67%	R 235.00	4.91%	R 186.09
R 144.00	R 125.22		In season	15.0%	**R 151.00**	4.86%	R 158.00	4.64%	R 165.00	4.43%	R 131.30
R 83.00	R 72.17		Out of season	15.0%	**R 87.00**	4.82%	R 91.00	4.60%	R 95.00	4.40%	R 75.65
		6.2.8.2.3	**Day Visitors**								
R 72.00	R 62.61		Per person per day	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		Per vehicle per day	15.0%	**R 75.00**	4.17%	R 78.00	4.00%	R 81.00	3.85%	R 65.22
		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**								
			All swimming pools in Witzenberg								
R 11.00	R 9.57		Entrance: Adults	15.0%	**R 11.00**	0.00%	R 11.00	0.00%	R 11.00	0.00%	R 9.57
R 2.50	R 2.17		Children (school-going)	15.0%	**R 2.50**	0.0%	R 2.50	0.00%	R 2.50	0.00%	R 2.17
R 150.00	R 130.43		Season tickets	15.0%	**R 150.00**	0.00%	R 150.00	0.00%	R 150.00	0.00%	R 130.43
R 600.00	R 521.74		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
R 1,100.00	R 956.52		Annual fee per Service providers for Swimming training/lessons (Allow all trainees entry free)	15.0%	**R 1,100.00**	0.00%	R 1,100.00	0.00%	R 1,100.00	0.00%	R 956.52
		6.2.1	**Sports grounds**								
		6.2.10.1	**All sports grounds in Witzenberg**								
R 78.00	R 67.83		School practices (per practice) max 2/week @3hours / occasion	15.0%	**R 81.00**	3.85%	R 85.00	4.94%	R 89.00	4.71%	R 70.43
R 69.00	R 60.00		If the school book the practices at the beginning of year and pay in full for all practices. (per practice) No refunds	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 166.00	R 144.35		School matches (per match)	15.0%	**R 174.00**	4.82%	R 182.00	4.60%	R 191.00	4.95%	R 151.30
R 166.00	R 144.35		Sports clubs (per practice) max 2/week @3hours / occasion	15.0%	**R 174.00**	4.82%	R 182.00	4.60%	R 191.00	4.95%	R 151.30
R 123.00	R 106.96		If the sport club book the practices at the beginning of year and pay in full for all practices. (per practice) No refunds	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 361.00	R 313.91		Sports clubs (per match)	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Sports clubs (per match) with no entrance fees	15.0%	**R 500.00**	**New**	R 525.00	5.00%	R 551.00	4.95%	R 434.78
			Sports clubs (per match) with entrance/ gate fees	15.0%	**R 1,000.00**	**New**	R 1,050.00	5.00%	R 1,102.00	4.95%	R 869.57
R 394.00	R 342.61		Other events	15.0%	**R 1,500.00**	280.71%	R 1,575.00	5.00%	R 1,653.00	4.95%	R 1,304.35
			Tournaments / day	15.0%	**R 1,500.00**	**New**	R 1,575.00	5.00%	R 1,653.00	4.95%	R 1,304.35
R 1,071.00	R 931.30		Festivals and Carnivals (per day)	15.0%	**R 1,500.00**	40.06%	R 1,575.00	5.00%	R 1,653.00	4.95%	R 1,304.35
R 429.00		**6.2.10.2**	**Deposit per event**	Exempt	**R 2,500.00**	482.75%	R 2,625.00	5.00%	R 2,756.00	4.99%	R 2,500.00
			No standing depositos will be accepted. Each booking stand alone								
		6.2.11	**Community Halls and Town Halls**								
			No discos or dances in any facility								
			ALL community Halls:								
			Sessions: morning: 8h00-13h00								
			afternoon: 13h00-18h00								
			evening: 18h00-12h00								
			PENALTY : LATE OUT : 50% of deposit								
		6.2.11.1	**Non-local and Outside Organisations**								
		6.2.11.1.1	**Tulbagh Community Hall**								
			Concerts, Theatre productions and Film Shows								
R 1,330.00	R 1,156.52		Non-local Associations	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Conferences, Meetings, Gatherings, Church Services and								
R 189.00	R 164.35		Non-local Associations (per session)	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Dances, Dinners, Birthdays, Celebrations, Receptions and Disco's								
R 1,623.00	R 1,411.30		Non-local Associations	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Shows, Exhibitions and Auctions								
R 1,330.00	R 1,156.52		Non-local Associations	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Performances, Mannequin Parades, Cooking demo's and Debutant								
R 1,330.00	R 1,156.52		Non-local Associations	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 928.00	R 806.96		Deposit for all the above	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 114.00	R 99.13		Preparation of hall per hour	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**

RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Including Vat	Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
		6.2.11.1.2	**Tulbagh Town Hall**								
			Concerts, Theatre productions and Film Shows								
R 1,505.00	R 1,308.70		Non-local Associations	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 1,606.00	R 1,606.00		Deposit for above	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Local Organisations/Individuals								
		6.2.11.1.3	**Town Hall - Ceres**								
			Hall, stage and main toilets								
R 381.00	R 331.30		Morning	15.0%	**R 400.00**	4.99%	R 420.00	5.00%	R 441.00	5.00%	R 347.83
R 381.00	R 331.30		Afternoon	15.0%	**R 400.00**	4.99%	R 420.00	5.00%	R 441.00	5.00%	R 347.83
R 471.00	R 409.57		Evening	15.0%	**R 494.00**	4.88%	R 518.00	4.86%	R 543.00	4.83%	R 429.57
			Kitchen								
R 248.00	R 215.65		Morning	15.0%	**R 260.00**	4.84%	R 273.00	5.00%	R 286.00	4.76%	R 226.09
R 248.00	R 215.65		Afternoon	15.0%	**R 260.00**	4.84%	R 273.00	5.00%	R 286.00	4.76%	R 226.09
R 322.00	R 280.00		Evening	15.0%	**R 287.00**	-10.87%	R 301.00	4.88%	R 316.00	4.98%	R 249.57
			Banqueting Hall: (only when not used in conjunction with								
R 234.00	R 203.48		Morning	15.0%	**R 245.00**	4.70%	R 257.00	4.90%	R 269.00	4.67%	R 213.04
R 234.00	R 203.48		Afternoon	15.0%	**R 245.00**	4.70%	R 257.00	4.90%	R 269.00	4.67%	R 213.04
R 266.00	R 231.30		Evening	15.0%	**R 279.00**	4.89%	R 292.00	4.66%	R 306.00	4.79%	R 242.61
			Tariff 2: Public dances per session								
R 928.00	R 806.96		Hall, stage and toilets	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Tariff 3: Guarantee deposit								
R 1,606.00	R 1,606.00		Per function	Exempt	**R 2,000.00**	24.53%	R 2,099.00	4.95%	R 2,203.00	4.95%	R 1,739.13
			Tariff 4: equipment per occasion								
R 34.00	R 29.57		Hiring of table cloths (each, per day)	15.0%	**R 35.00**	2.94%	R 36.00	2.86%	R 37.00	2.78%	R 30.43
R 23.00	R 20.00		Hiring of tables (each, per day)	15.0%	**R 24.00**	4.35%	R 25.00	4.17%	R 26.00	4.00%	R 20.87
R 21.00	R 18.26		Hiring of cutlery (per dozen, per day)	15.0%	**R 22.00**	4.76%	R 23.00	4.55%	R 24.00	4.35%	R 19.13
			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 R50 per hour will be levied until such time that the premises have been fully vacated								
			Tariff 7: Pianos per function (currently not available)								
R 221.00	R 192.17		Piano organ	15.0%	**R 232.00**	4.98%	R 243.00	4.74%	R 255.00	4.94%	R 201.74
R 248.00	R 215.65		Grand piano	15.0%	**R 260.00**	4.84%	R 273.00	5.00%	R 286.00	4.76%	R 226.09
			Tariff 8: Rehearsals (per rehearsal)								
			In respect of hall and stage only								
R 156.00	R 135.65		Morning: 10:00 - 12:00 (per rehearsal)	15.0%	**R 163.00**	4.49%	R 171.00	4.91%	R 179.00	4.68%	R 141.74
R 174.00	R 151.30		Evening: 18:00 - 20:00 (per rehearsal)	15.0%	**R 182.00**	4.60%	R 191.00	4.95%	R 200.00	4.71%	R 158.26
			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 128.00	R 111.30		Levy	15.0%	**R 134.00**	4.69%	R 140.00	4.48%	R 147.00	5.00%	R 116.52
R 266.00	R 231.30		**Sound system for Town Hall (per occasion)**	15.0%	**R 279.00**	4.89%	R 292.00	4.66%	R 306.00	4.79%	R 242.61
		6.2.11.1.4	**Bella Vista Community Hall**								
			All traditional curch services (through the night) X2 the 24hour tarriff								
			Deposit for above	Exempt	**R 2,500.00**	New	R 2,625.00	5.00%	R 2,756.00	4.99%	R 2,500.00
			Tariff 1: Basic charges per session								
			Hall, stage and main toilets								
R 274.00	R 238.26		Morning	15.0%	**R 287.00**	4.74%	R 301.00	4.88%	R 316.00	4.98%	R 249.57
R 274.00	R 238.26		Afternoon	15.0%	**R 287.00**	4.74%	R 301.00	4.88%	R 316.00	4.98%	R 249.57
R 412.00	R 358.26		Evening	15.0%	**R 432.00**	4.85%	R 453.00	4.86%	R 475.00	4.86%	R 375.65
			Kitchen								
R 248.00	R 215.65		Morning	15.0%	**R 260.00**	4.84%	R 273.00	5.00%	R 286.00	4.76%	R 226.09
R 248.00	R 215.65		Afternoon	15.0%	**R 260.00**	4.84%	R 273.00	5.00%	R 286.00	4.76%	R 226.09
R 274.00	R 238.26		Evening	15.0%	**R 287.00**	4.74%	R 301.00	4.88%	R 316.00	4.98%	R 249.57
			Change rooms (excluding main toilets)								
R 71.00	R 61.74		Morning	15.0%	**R 74.00**	4.23%	R 77.00	4.05%	R 80.00	3.90%	R 64.35
R 71.00	R 61.74		Afternoon	15.0%	**R 74.00**	4.23%	R 77.00	4.05%	R 80.00	3.90%	R 64.35
R 143.00	R 124.35		Evening	15.0%	**R 150.00**	4.90%	R 157.00	4.67%	R 164.00	4.46%	R 130.43
			Tariff 2: Public dances per session								
R 945.00	R 821.74		Hall, stage and toilets	15.0%	**R 992.00**	4.97%	R 1,041.00	4.94%	R 1,093.00	5.00%	R 862.61
			Tariff 3: Guarantee deposit								
R 395.00	R 343.48		Per function --- excluding kitchen	15.0%	**R 500.00**	26.58%	R 525.00	5.00%	R 551.00	4.95%	R 434.78
R 1,606.00	R 1,396.52		Per function --- including kitchen	15.0%	**R 2,000.00**	24.53%	R 2,099.00	4.95%	R 2,203.00	4.95%	R 1,739.13
			Tariff 4: equipment per occasion								
R 34.00	R 29.57		Hiring of table cloths (each, per day)	15.0%	**R 35.00**	2.94%	R 36.00	2.86%	R 37.00	2.78%	R 30.43
R 17.90	R 15.57		Hiring of tables (each, per day)	15.0%	**R 24.00**	34.08%	R 25.20	5.00%	R 26.50	5.16%	R 20.87
R 16.60	R 14.43		Hiring of cutlery (per dozen, per day)	15.0%	**R 17.40**	4.82%	R 18.30	5.17%	R 19.20	4.92%	R 15.13
			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 R50 per hour will be levied until such time that the premises have been fully vacated								
			Tariff 7: Pianos		**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Tariff 8: Rehearsals (per rehearsal)								
			In respect of hall and stage only								
R 100.00	R 86.96		Morning: 10:00 - 12:00 (per rehearsal)	15.0%	**R 105.00**	5.00%	R 110.00	4.76%	R 115.00	4.55%	R 91.30
R 143.00	R 124.35		Evening: 18:00 - 20:00 (per rehearsal)	15.0%	**R 150.00**	4.90%	R 157.00	4.67%	R 164.00	4.46%	R 130.43
			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 114.00	R 99.13		Levy	15.0%	**R 119.00**	4.39%	R 124.00	4.20%	R 130.00	4.84%	R 103.48

RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Including Vat	Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 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 238.00	R 206.96		Morning	15.0%	**R 249.00**	4.62%	R 261.00	4.82%	R 274.00	4.98%	R 216.52
R 238.00	R 206.96		Afternoon	15.0%	**R 249.00**	4.62%	R 261.00	4.82%	R 274.00	4.98%	R 216.52
R 326.00	R 283.48		Evening	15.0%	**R 342.00**	4.91%	R 359.00	4.97%	R 376.00	4.74%	R 297.39
			Kitchen								
R 80.00	R 69.57		Morning	15.0%	**R 84.00**	5.00%	R 88.00	4.76%	R 92.00	4.55%	R 73.04
R 80.00	R 69.57		Afternoon	15.0%	**R 84.00**	5.00%	R 88.00	4.76%	R 92.00	4.55%	R 73.04
R 96.00	R 83.48		Evening	15.0%	**R 100.00**	4.17%	R 105.00	5.00%	R 110.00	4.76%	R 86.96
			Change rooms (excluding main toilets)								
R 69.00	R 60.00		Morning	15.0%	**R 72.00**	4.35%	R 75.00	4.17%	R 78.00	4.00%	R 62.61
R 69.00	R 60.00		Afternoon	15.0%	**R 72.00**	4.35%	R 75.00	4.17%	R 78.00	4.00%	R 62.61
R 151.00	R 131.30		Evening	15.0%	**R 158.00**	4.64%	R 165.00	4.43%	R 173.00	4.85%	R 137.39
			Tariff 2: Public dances per session								
R 909.00	R 790.43		Hall, stage and toilets	15.0%	**R 954.00**	4.95%	R 1,001.00	4.93%	R 1,051.00	5.00%	R 829.57
R 346.00	R 346.00		**Tariff 3: Guarantee deposit per function**	Exempt	**R 363.00**	4.91%	R 381.00	4.96%	R 400.00	4.99%	R 363.00
			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 69.00	R 60.00		Morning: 10:00 - 12:00 (per rehearsal)	15.0%	**R 72.00**	4.35%	R 75.00	4.17%	R 78.00	4.00%	R 62.61
R 110.00	R 95.65		Evening: 18:00 - 20:00 (per rehearsal)	15.0%	**R 115.00**	4.55%	R 120.00	4.35%	R 126.00	5.00%	R 100.00
			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 110.00	R 95.65		Levy	15.0%	**R 115.00**	4.55%	R 120.00	4.35%	R 126.00	5.00%	R 100.00
		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 248.00	R 215.65		Morning	15.0%	**R 260.00**	4.84%	R 273.00	5.00%	R 286.00	4.76%	R 226.09
R 248.00	R 215.65		Afternoon	15.0%	**R 260.00**	4.84%	R 273.00	5.00%	R 286.00	4.76%	R 226.09
R 340.00	R 295.65		Evening	15.0%	**R 357.00**	5.00%	R 374.00	4.76%	R 392.00	4.81%	R 310.43
			Tariff 2: Public dances per session								
R 945.00	R 821.74		Hall, stage and toilets	15.0%	**R 992.00**	4.97%	R 1,041.00	4.94%	R 1,093.00	5.00%	R 862.61
R 360.00	R 360.00		**Tariff 3: Guarantee deposit per function**	Exempt	**R 378.00**	5.00%	R 396.00	4.76%	R 415.00	4.80%	R 378.00
			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 71.00	R 61.74		Morning: 10:00 - 12:00 (per rehearsal)	15.0%	**R 74.00**	4.23%	R 77.00	4.05%	R 80.00	3.90%	R 64.35
R 114.00	R 99.13		Evening: 18:00 - 20:00 (per rehearsal)	15.0%	**R 119.00**	4.39%	R 124.00	4.20%	R 130.00	4.84%	R 103.48
			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 128.00	R 111.30		Levy	15.0%	**R 134.00**	4.69%	R 140.00	4.48%	R 147.00	5.00%	R 116.52
		6.2.11.1.7	**N'duli New Hall**								
			All traditional curch services (through the night) X2 the 24 hour tarriff								
			Deposit for above	Exempt	**R 2,500.00**	New	R 2,625.00	5.00%	R 2,756.00	4.99%	R 2,500.00
			Tariff 1: Basic charges per session								
			Hall, stage and main toilets								
R 291.00	R 253.04		Morning	15.0%	**R 287.00**	-1.37%	R 301.00	4.88%	R 316.00	4.98%	R 249.57
R 291.00	R 253.04		Afternoon	15.0%	**R 287.00**	-1.37%	R 301.00	4.88%	R 316.00	4.98%	R 249.57
R 412.00	R 358.26		Evening	15.0%	**R 432.00**	4.85%	R 453.00	4.86%	R 475.00	4.86%	R 375.65
			Kitchen								
R 128.00	R 111.30		Morning	15.0%	**R 134.00**	4.69%	R 140.00	4.48%	R 147.00	5.00%	R 116.52
R 128.00	R 111.30		Afternoon	15.0%	**R 134.00**	4.69%	R 140.00	4.48%	R 147.00	5.00%	R 116.52
R 189.00	R 164.35		Evening	15.0%	**R 198.00**	4.76%	R 207.00	4.55%	R 217.00	4.83%	R 172.17
			Change rooms (excluding main toilets)								
R 54.00	R 46.96		Morning	15.0%	**R 56.00**	3.70%	R 58.00	3.57%	R 60.00	3.45%	R 48.70
R 54.00	R 46.96		Afternoon	15.0%	**R 56.00**	3.70%	R 58.00	3.57%	R 60.00	3.45%	R 48.70
R 84.00	R 73.04		Evening	15.0%	**R 88.00**	4.76%	R 92.00	4.55%	R 96.00	4.35%	R 76.52
			Tariff 2: Public dances per session								
R 1,003.00	R 872.17		Hall, stage and toilets	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 518.00	R 518.00		**Tariff 3: Guarantee deposit per function**	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Deposit per function- excluding kitchen	Exempt	**R 500.00**	New	R 525.00	5.00%	R 551.00	4.95%	R 500.00
			Deposit per function- including kitchen	Exempt	**R 2,000.00**	New	R 2,100.00	5.00%	R 2,205.00	5.00%	R 2,000.00
			Tariff 4: Equipment								
			Hiring of tables (each, per day)	15.0%	**R 24.00**	New	R 25.00	4.17%	R 26.00	4.00%	R 20.87
			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 R50 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 114.00	R 99.13		Morning: 10:00 - 12:00 (per rehearsal)	15.0%	**R 119.00**	4.39%	R 124.00	4.20%	R 130.00	4.84%	R 103.48
R 143.00	R 124.35		Evening: 18:00 - 20:00 (per rehearsal)	15.0%	**R 150.00**	4.90%	R 157.00	4.67%	R 164.00	4.46%	R 130.43
			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 114.00	R 99.13		Levy	15.0%	**R 119.00**	4.39%	R 124.00	4.20%	R 130.00	4.84%	R 103.48

RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Including Vat	Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
		6.2.11.1.8	**Prince Alfred's Hamlet Town Hall**								
			All traditional curch services (through the night) X2 the 24 hour tarriff								
			Deposit for above	Exempt	**R 2,500.00**	New	R 2,625.00	5.00%	R 2,756.00	4.99%	R 2,500.00
R 54.00	R 46.96		**Tariff 1: Information sessions**	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Tariff 2: Welfare Functions								
			Tariff 3: Meetings per session (included coucil chamber for councillors)								
R 71.00	R 61.74		Hire	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 228.00	R 228.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Tariff 4: All functions not covered under other tariffs (e.g Weddings, dinners, receptions and all dances/ bithdays)								
R 1,003.00	R 872.17		Hire	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 1,139.00	R 1,139.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Tariff 5: Church services (per service) and fundraisings								
R 516.00	R 448.70		Hire	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 725.00	R 725.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Tariff 6: Sport practices (per session)								
R 234.00	R 203.48		Hire	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 413.00	R 413.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Tariff 1: Basic charges per session								
			Hall, stage and main toilets								
			Morning	15.0%	**R 287.00**	New	R 301.00	4.88%	R 316.00	4.98%	**R 249.57**
			Afternoon	15.0%	**R 287.00**	New	R 301.00	4.88%	R 316.00	4.98%	**R 249.57**
			Evening	15.0%	**R 432.00**	New	R 453.00	4.86%	R 475.00	4.86%	**R 375.65**
			Kitchen								
			Morning	15.0%	**R 134.00**	New	R 140.00	4.48%	R 147.00	5.00%	**R 116.52**
			Afternoon	15.0%	**R 134.00**	New	R 140.00	4.48%	R 147.00	5.00%	**R 116.52**
			Evening	15.0%	**R 198.00**	New	R 207.00	4.55%	R 217.00	4.83%	**R 172.17**
			Tariff 3: Guarantee deposit								
			Per function --- excluding kitchen	15.0%	**R 500.00**	New	R 525.00	5.00%	R 551.00	4.95%	**R 434.78**
			Per function --- including kitchen	15.0%	**R 2,000.00**	New	R 2,100.00	5.00%	R 2,205.00	5.00%	**R 1,739.13**
			Tariff 4: equipment per occasion								
			Hiring of tables (each, per day)	15.0%	**R 24.00**	New	R 25.00	4.17%	R 26.00	4.00%	**R 20.87**
			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 R50 per hour will be levied until such time that the premises have been fully vacated								
			Tariff 8: Rehearsals (per rehearsal)								
			Morning: 10:00 - 12:00 (per rehearsal)	15.0%	**R 105.00**	New	R 110.00	4.76%	R 115.00	4.55%	**R 91.30**
			Evening: 18:00 - 20:00 (per rehearsal)	15.0%	**R 150.00**	New	R 157.00	4.67%	R 164.00	4.46%	**R 130.43**
			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								
			Levy	15.0%	**R 119.00**	New	R 124.00	4.20%	R 130.00	4.84%	**R 103.48**
		6.2.11.1.9	**Prince Alfred's Hamlet Community Hall**								
			All traditional curch services (through the night) X2 the 24 hour tarriff								
			Deposit for above	Exempt	**R 2,500.00**	New	R 2,625.00	5.00%	R 2,756.00	4.99%	R 2,500.00
R 54.00	R 46.96		**Tariff 1: Information sessions**	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Tariff 2: Welfare Functions								
			Tariff 3: Meetings (per session)								
R 71.00	R 61.74		Hire	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 179.00	R 179.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Tariff 4: All functions not covered under other tariffs (e.g Weddings, dinners, receptions and all dances/ bithdays)								
R 960.00	R 834.78		Hire	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 1,035.00	R 1,035.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Tariff 5: Church services (per service) and fundraisings								
R 516.00	R 448.70		Hire	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 725.00	R 725.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Tariff 6: Sport practices								
R 114.00	R 99.13		Hire	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 569.00	R 569.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Tariff 1: Basic charges per session								
			Hall, stage and main toilets								
			Morning	15.0%	**R 287.00**	New	R 301.00	4.88%	R 316.00	4.98%	**R 249.57**
			Afternoon	15.0%	**R 287.00**	New	R 301.00	4.88%	R 316.00	4.98%	**R 249.57**
			Evening	15.0%	**R 432.00**	New	R 453.00	4.86%	R 475.00	4.86%	**R 375.65**
			Kitchen								
			Morning	15.0%	**R 134.00**	New	R 140.00	4.48%	R 147.00	5.00%	**R 116.52**
			Afternoon	15.0%	**R 134.00**	New	R 140.00	4.48%	R 147.00	5.00%	**R 116.52**
			Evening	15.0%	**R 198.00**	New	R 207.00	4.55%	R 217.00	4.83%	**R 172.17**
			Tariff 3: Guarantee deposit								
			Per function --- excluding kitchen	15.0%	**R 500.00**	New	R 525.00	5.00%	R 551.00	4.95%	**R 434.78**
			Per function --- including kitchen	15.0%	**R 2,000.00**	New	R 2,100.00	5.00%	R 2,205.00	5.00%	**R 1,739.13**
			Tariff 4: equipment per occasion								
			Hiring of tables (each, per day)	15.0%	**R 24.00**	New	R 25.00	4.17%	R 26.00	4.00%	**R 20.87**
			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								
			Tariff 8: Rehearsals (per rehearsal)								
			Morning: 10:00 - 12:00 (per rehearsal)	15.0%	**R 105.00**	New	R 110.00	4.76%	R 115.00	4.55%	**R 91.30**
			Evening: 18:00 - 20:00 (per rehearsal)	15.0%	**R 150.00**	New	R 157.00	4.67%	R 164.00	4.46%	**R 130.43**
			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								
			Levy	15.0%	**R 119.00**	New	R 124.00	4.20%	R 130.00	4.84%	**R 103.48**
		6.2.11.1.10	**Tulbagh Community Hall**								
			All traditional curch services (through the night) X2 the 24 hour tarrifftarriff								
			Deposit for above	Exempt	**R 2,500.00**	New	R 2,625.00	5.00%	R 2,756.00	4.99%	R 2,500.00
			Indoor Sport								
R 1,922.00	R 1,671.30		Professional	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 1,106.00	R 961.74		Amateur	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 143.00	R 124.35		Practices -- per hour	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 774.00	R 774.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Concerts, Theatre productions and Film Shows								
R 781.00	R 679.13		Local Associations	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 1,922.00	R 1,671.30		Professional / Private	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 774.00	R 774.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Conferences, Meetings, Gatherings, Church Services and Bazaars								
R 156.00	R 135.65		Local Associations	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 646.00	R 646.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**

RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Including Vat	Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
			Dances, Dinners, Birthdays, Celebrations, Receptions and Disco's								
R 1,242.00	R 1,080.00		Local Associations	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 1,876.00	R 1,631.30		Private	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 774.00	R 774.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Shows. Exhibitions and Auctions								
R 1,330.00	R 1,156.52		Non-local Associations	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Local Associations								
R 854.00	R 854.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Performances, Mannequin Parades, Cooking demo's and Debutant								
R 1,120.00	R 973.91		Non-local Associations	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 781.00	R 679.13		Local Associations	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 1,423.00	R 1,423.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 114.00	R 99.13		**Preparation of hall per hour**	15.0%	**R 119.00**	4.39%	R 124.00	4.20%	R 130.00	4.84%	R 103.48
			Tariff 1: Basic charges per session								
			Hall, stage and main toilets								
			Morning	15.0%	**R 287.00**	New	R 301.00	4.88%	R 316.00	4.98%	**R 249.57**
			Afternoon	15.0%	**R 287.00**	New	R 301.00	4.88%	R 316.00	4.98%	**R 249.57**
			Evening	15.0%	**R 432.00**	New	R 453.00	4.86%	R 475.00	4.86%	**R 375.65**
			Kitchen								
			Morning	15.0%	**R 134.00**	New	R 140.00	4.48%	R 147.00	5.00%	**R 116.52**
			Afternoon	15.0%	**R 134.00**	New	R 140.00	4.48%	R 147.00	5.00%	**R 116.52**
			Evening	15.0%	**R 198.00**	New	R 207.00	4.55%	R 217.00	4.83%	**R 172.17**
			Tariff 3: Guarantee deposit								
			Per function --- excluding kitchen	15.0%	**R 500.00**	New	R 525.00	5.00%	R 551.00	4.95%	**R 434.78**
			Per function --- including kitchen	15.0%	**R 2,000.00**	New	R 2,100.00	5.00%	R 2,205.00	5.00%	**R 1,739.13**
			Tariff 4: equipment per occasion								
			Hiring of tables (each, per day)	15.0%	**R 24.00**	New	R 25.00	4.17%	R 26.00	4.00%	**R 20.87**
			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								
			Tariff 8: Rehearsals (per rehearsal)								
			Morning: 10:00 - 12:00 (per rehearsal)	15.0%	**R 105.00**	New	R 110.00	4.76%	R 115.00	4.55%	**R 91.30**
			Evening: 18:00 - 20:00 (per rehearsal)	15.0%	**R 150.00**	New	R 157.00	4.67%	R 164.00	4.46%	**R 130.43**
			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								
			Levy	15.0%	**R 119.00**	New	R 124.00	4.20%	R 130.00	4.84%	**R 103.48**

RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Including Vat	Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
		6.2.11.2	**Local Organisations**								
		6.2.11.2.1	**Tulbagh Town Hall**								
			All traditional curch services (through the night) X2 the 24 hour tarrifftarriff								
			Deposit for above	Exempt	**R 2,500.00**	New	R 2,625.00	5.00%	R 2,756.00	4.99%	R 2,500.00
			Deposit								
R 1,423.00	R 1,423.00		Main hall	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 453.00	R 453.00		Banqueting hall	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 453.00	R 453.00		Auditorium	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 245.00	R 245.00		Kitchen	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 426.00	R 426.00		Tables	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Hire:								
			Indoor Sport								
R 2,069.00	R 1,799.13		Professional	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 1,106.00	R 961.74		Amateur	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 291.00	R 253.04		Kitchen	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Concerts, Theatre productions and Film Shows								
R 677.00	R 588.70		Local Associations	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 1,922.00	R 1,671.30		Professional / Private	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 291.00	R 253.04		Kitchen	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Conferences, Meetings, Gatherings, Church Services and Bazaars								
R 677.00	R 588.70		Main hall	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 291.00	R 253.04		Banqueting hall	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 471.00	R 409.57		Auditorium	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 303.00	R 263.48		Kitchen	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Dances, Dinners, Birthdays, Celebrations, Receptions and Disco's								
R 1,772.00	R 1,540.87		Main hall	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 793.00	R 689.57		Banqueting hall	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 381.00	R 331.30		Kitchen	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Shows, Exhibitions and Auctions								
R 1,623.00	R 1,411.30		Main hall	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 781.00	R 679.13		Banqueting hall	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 381.00	R 331.30		Kitchen	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Performances, Mannequin Parades, Cooking demo's and Debutant								
R 1,623.00	R 1,411.30		Main hall	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 1,623.00	R 1,411.30		Banqueting hall	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Tariff 1: Basic charges per session								
			Hall, stage and main toilets								
			Morning	15.0%	**R 400.00**	New	R 420.00	5.00%	R 441.00	5.00%	**R 347.83**
			Afternoon	15.0%	**R 400.00**	New	R 420.00	5.00%	R 441.00	5.00%	**R 347.83**
			Evening	15.0%	**R 494.00**	New	R 518.00	4.86%	R 543.00	4.83%	**R 429.57**
			Kitchen								
			Morning	15.0%	**R 260.00**	New	R 273.00	5.00%	R 286.00	4.76%	**R 226.09**
			Afternoon	15.0%	**R 260.00**	New	R 273.00	5.00%	R 286.00	4.76%	**R 226.09**
			Evening	15.0%	**R 287.00**	New	R 301.00	4.88%	R 316.00	4.98%	**R 249.57**
			Banqueting Hall: (only when not used in conjunction with kitchen) per session								
			Morning	15.0%	**R 245.00**	New	R 257.00	4.90%	R 269.00	4.67%	**R 213.04**
			Afternoon	15.0%	**R 245.00**	New	R 257.00	4.90%	R 269.00	4.67%	**R 213.04**
			Evening	15.0%	**R 279.00**	New	R 292.00	4.66%	R 306.00	4.79%	**R 242.61**
			Tariff 3: Guarantee deposit								
			Per function	15.0%	**R 2,000.00**	New	R 2,100.00	5.00%	R 2,205.00	5.00%	**R 1,739.13**
			Tariff 4: equipment per occasion								
			Hiring of tables (each, per day)	15.0%	**R 24.00**	New	R 25.00	4.17%	R 26.00	4.00%	**R 20.87**
			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 R50 per hour will be levied until such time that the premises have been fully vacated								
			Tariff 8: Rehearsals (per rehearsal)								
			In respect of hall and stage only								
			Morning: 10:00 - 12:00 (per rehearsal)	15.0%	**R 163.00**	New	R 171.00	4.91%	R 179.00	4.68%	**R 141.74**
			Evening: 18:00 - 20:00 (per rehearsal)	15.0%	**R 182.00**	New	R 191.00	4.95%	R 200.00	4.71%	**R 158.26**
			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								
			Levy	15.0%	**R 134.00**	New	R 140.00	4.48%	R 147.00	5.00%	**R 116.52**
R 143.00	R 124.35		**Preparation of hall per hour**	15.0%	**R 150.00**	4.90%	R 157.00	4.67%	R 164.00	4.46%	R 130.43
R 25.00	R 21.74		**Tables: per table to maximum of R110.00**	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
		6.2.11.2.2	**Drostdy hall**								
R 498.00	R 433.04		Hire	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 426.00	R 426.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
		6.2.11.2.3	**Montana Community Hall**								
			All traditional curch services (through the night) X2 the 24 hour tarrifftarriff								
			Deposit for above	Exempt	**R 2,500.00**	New	R 2,625.00	5.00%	R 2,756.00	4.99%	R 2,500.00
			Concerts and stage performances								
R 723.00	R 723.00		Hire	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 631.00	R 631.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Disco's and Dances								
R 1,167.00	R 1,167.00		Hire	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 774.00	R 774.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Film shows, Wedding receptions and birthdays								
R 561.00	R 487.83		Hire	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 631.00	R 631.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
	R 0.00		**Meetings**								
R 266.00	R 266.00		Hire	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 386.00	R 386.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
	0		**Senior citizens' meetings and gatherings; Schools and Churches (Special Occasions) per session**								
	R 0.00		**Performances**								
R 471.00	R 471.00		Hire	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 518.00	R 518.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
	R 0.00		**Exhibitions**								
R 471.00	R 471.00		Hire	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 413.00	R 413.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
	R 0.00		**Bazaars**								
R 291.00	R 291.00		Hire: Churches and Schools	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 516.00	R 516.00		Hire: Other	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 594.00	R 594.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 100.00	R 100.00		**Kitchen**	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**

RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Including Vat	Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
			Tariff 1: Basic charges per session								
			Hall, stage and main toilets								
			Morning	15.0%	**R 287.00**	New	R 301.00	4.88%	R 316.00	4.98%	**R 249.57**
			Afternoon	15.0%	**R 287.00**	New	R 301.00	4.88%	R 316.00	4.98%	**R 249.57**
			Evening	15.0%	**R 432.00**	New	R 453.00	4.86%	R 475.00	4.86%	**R 375.65**
			Kitchen								
			Morning	15.0%	**R 260.00**	New	R 273.00	5.00%	R 286.00	4.76%	**R 226.09**
			Afternoon	15.0%	**R 260.00**	New	R 273.00	5.00%	R 286.00	4.76%	**R 226.09**
			Evening	15.0%	**R 287.00**	New	R 301.00	4.88%	R 316.00	4.98%	**R 249.57**
			Change rooms (excluding main toilets)								
			Morning	15.0%	**R 74.00**	New	R 77.00	4.05%	R 80.00	3.90%	**R 64.35**
			Afternoon	15.0%	**R 74.00**	New	R 77.00	4.05%	R 80.00	3.90%	**R 64.35**
			Evening	15.0%	**R 150.00**	New	R 157.00	4.67%	R 164.00	4.46%	**R 130.43**
			Tariff 3: Guarantee deposit								
			Per function --- excluding kitchen	15.0%	**R 500.00**	New	R 525.00	5.00%	R 551.00	4.95%	**R 434.78**
			Per function --- including kitchen	15.0%	**R 2,000.00**	New	R 2,100.00	5.00%	R 2,205.00	5.00%	**R 1,739.13**
			Tariff 4: equipment per occasion								
			Hiring of tables (each, per day)	15.0%	**R 24.00**	New	R 25.00	4.17%	R 26.00	4.00%	**R 20.87**
			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 R50 per hour will be levied until such time that the premises have been fully vacated								
			Tariff 8: Rehearsals (per rehearsal)								
			Morning: 10:00 - 12:00 (per rehearsal)	15.0%	**R 105.00**	New	R 110.00	4.76%	R 115.00	4.55%	**R 91.30**
			Evening: 18:00 - 20:00 (per rehearsal)	15.0%	**R 150.00**	New	R 157.00	4.67%	R 164.00	4.46%	**R 130.43**
			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								
			Levy	15.0%	**R 119.00**	New	R 124.00	4.20%	R 130.00	4.84%	**R 103.48**
R 128.00	R 128.00		**Montana Library Hall :** Per occasion (No Church Services)	15.0%	**R 134.00**	4.69%	R 140.00	4.48%	R 147.00	5.00%	R 116.52
R 156.00	R 156.00		**Stamper Street Hall :** (per occasion)	15.0%	**R 163.00**	4.49%	R 171.00	4.91%	R 179.00	4.68%	R 141.74
	R 0.00										

RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Including Vat	Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
	R 0.00	**6.2.11.2.4**	**Pine Valley Community Hall**								
			All traditional curch services (through the night) X2 the 24 hour tarrifftarriff								
			Deposit for above	Exempt	**R 2,500.00**	New	R 2,625.00	5.00%	R 2,756.00	4.99%	R 2,500.00
	R 0.00		**Concerts and stage performances**								
R 723.00	R 723.00		Hire	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 631.00	R 631.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
	R 0.00		**Disco's and Dances**								R 0.00
R 1,167.00	R 1,167.00		Hire	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 774.00	R 774.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Film shows, Wedding receptions and birthdays								
R 561.00	R 487.83		Hire	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 631.00	R 631.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
	R 0.00		**Meetings**								R 0.00
R 266.00	R 266.00		Hire	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 386.00	R 386.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Senior citizens' meetings and gatherings; Schools and Churches (Special Occasions)								
			Performances								
R 471.00	R 409.57		Hire	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 518.00	R 518.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Exhibitions								
R 471.00	R 471.00		Hire	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 413.00	R 413.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Bazaars								
R 291.00	R 291.00		Hire: Churches and Schools	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 516.00	R 516.00		Hire: Other	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 594.00	R 594.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 100.00	R 86.96		**Kitchen**	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Tariff 1: Basic charges per session								
			Hall, stage and main toilets								
			Morning	15.0%	**R 287.00**	New	R 301.00	4.88%	R 316.00	4.98%	**R 249.57**
			Afternoon	15.0%	**R 287.00**	New	R 301.00	4.88%	R 316.00	4.98%	**R 249.57**
			Evening	15.0%	**R 432.00**	New	R 453.00	4.86%	R 475.00	4.86%	**R 375.65**
			Kitchen								
			Morning	15.0%	**R 260.00**	New	R 273.00	5.00%	R 286.00	4.76%	**R 226.09**
			Afternoon	15.0%	**R 260.00**	New	R 273.00	5.00%	R 286.00	4.76%	**R 226.09**
			Evening	15.0%	**R 287.00**	New	R 301.00	4.88%	R 316.00	4.98%	**R 249.57**
			Change rooms (excluding main toilets)								
			Morning	15.0%	**R 74.00**	New	R 77.00	4.05%	R 80.00	3.90%	**R 64.35**
			Afternoon	15.0%	**R 74.00**	New	R 77.00	4.05%	R 80.00	3.90%	**R 64.35**
			Evening	15.0%	**R 150.00**	New	R 157.00	4.67%	R 164.00	4.46%	**R 130.43**
			Tariff 3: Guarantee deposit								
			Per function --- excluding kitchen	15.0%	**R 500.00**	New	R 525.00	5.00%	R 551.00	4.95%	**R 434.78**
			Per function --- including kitchen	15.0%	**R 2,000.00**	New	R 2,100.00	5.00%	R 2,205.00	5.00%	**R 1,739.13**
			Tariff 4: equipment per occasion								
			Hiring of tables (each, per day)	15.0%	**R 24.00**	New	R 25.00	4.17%	R 26.00	4.00%	**R 20.87**
			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								
			Tariff 8: Rehearsals (per rehearsal)								
			Morning: 10:00 - 12:00 (per rehearsal)	15.0%	**R 105.00**	New	R 110.00	4.76%	R 115.00	4.55%	**R 91.30**
			Evening: 18:00 - 20:00 (per rehearsal)	15.0%	**R 150.00**	New	R 157.00	4.67%	R 164.00	4.46%	**R 130.43**
			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								
			Levy	15.0%	**R 119.00**	New	R 124.00	4.20%	R 130.00	4.84%	**R 103.48**
			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.								
			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.								
		6.2.11.2.5	**Op-Die-Berg Community Hall**								
			All traditional curch services (through the night) X2 the 24 hour tarrifftarriff								
			Deposit for above	Exempt	**R 2,500.00**	New	R 2,625.00	5.00%	R 2,756.00	4.99%	R 2,500.00
			Concerts and stage performances								
R 723.00	R 628.70		Hire	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 631.00	R 631.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Disco's and Dances								
R 1,167.00	R 1,167.00		Hire	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 774.00	R 774.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Film shows, Wedding receptions and birthdays								
R 561.00	R 487.83		Hire	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 631.00	R 631.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
	R 0.00		**Meetings**								R 0.00
R 266.00	R 266.00		Hire	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 386.00	R 386.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Senior citizens' meetings and gatherings; Schools and Churches (Special Occasions)								

RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Including Vat	Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
			Performances								
R 471.00	R 409.57		Hire	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 518.00	R 518.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
	R 0.00		**Exhibitions**								R 0.00
R 471.00	R 471.00		Hire	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 413.00	R 413.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
	R 0.00		**Bazaars**								R 0.00
R 291.00	R 291.00		Hire: Churches and Schools	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 516.00	R 516.00		Hire: Other	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 594.00	R 594.00		Deposit	Exempt	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 100.00	R 86.96		**Kitchen**	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Tariff 1: Basic charges per session								
			Hall, stage and main toilets								
			Morning	15.0%	**R 287.00**	New	R 301.00	4.88%	R 316.00	4.98%	**R 249.57**
			Afternoon	15.0%	**R 287.00**	New	R 301.00	4.88%	R 316.00	4.98%	**R 249.57**
			Evening	15.0%	**R 432.00**	New	R 453.00	4.86%	R 475.00	4.86%	**R 375.65**
			Kitchen								
			Morning	15.0%	**R 260.00**	New	R 273.00	5.00%	R 286.00	4.76%	**R 226.09**
			Afternoon	15.0%	**R 260.00**	New	R 273.00	5.00%	R 286.00	4.76%	**R 226.09**
			Evening	15.0%	**R 287.00**	New	R 301.00	4.88%	R 316.00	4.98%	**R 249.57**
			Change rooms (excluding main toilets)								
			Morning	15.0%	**R 74.00**	New	R 77.00	4.05%	R 80.00	3.90%	**R 64.35**
			Afternoon	15.0%	**R 74.00**	New	R 77.00	4.05%	R 80.00	3.90%	**R 64.35**
			Evening	15.0%	**R 150.00**	New	R 157.00	4.67%	R 164.00	4.46%	**R 130.43**
			Tariff 3: Guarantee deposit								
			Per function --- excluding kitchen	15.0%	**R 500.00**	New	R 525.00	5.00%	R 551.00	4.95%	**R 434.78**
			Per function --- including kitchen	15.0%	**R 2,000.00**	New	R 2,100.00	5.00%	R 2,205.00	5.00%	**R 1,739.13**
			Tariff 4: equipment per occasion								
			Hiring of tables (each, per day)	15.0%	**R 24.00**	New	R 25.00	4.17%	R 26.00	4.00%	**R 20.87**
			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								
			Tariff 8: Rehearsals (per rehearsal)								
			Morning: 10:00 - 12:00 (per rehearsal)	15.0%	**R 105.00**	New	R 110.00	4.76%	R 115.00	4.55%	**R 91.30**
			Evening: 18:00 - 20:00 (per rehearsal)	15.0%	**R 150.00**	New	R 157.00	4.67%	R 164.00	4.46%	**R 130.43**
			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								
			Levy	15.0%	**R 119.00**	New	R 124.00	4.20%	R 130.00	4.84%	**R 103.48**

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.

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.

RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Including Vat	Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 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 4,086.00	R 3,553.04		6 ft excavation: plot included	15.0%	**R 4,290.00**	4.99%	R 4,504.00	4.99%	R 4,729.00	5.00%	R 3,730.43
R 4,853.00	R 4,220.00		8 ft excavation: plot included	15.0%	**R 5,095.00**	4.99%	R 5,349.00	4.99%	R 5,616.00	4.99%	R 4,430.43
R 1,222.00	R 1,062.61		Re-burials: opening and closing of graves	15.0%	**R 1,283.00**	4.99%	R 1,347.00	4.99%	R 1,414.00	4.97%	R 1,115.65
R 411.00	R 357.39		Memorial plaque	15.0%	**R 431.00**	4.87%	R 452.00	4.87%	R 474.00	4.87%	R 374.78
		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.								
			Plots for indigent cases are free of charge, being funded from the Indigent Allocation at non-local tariffs.								
		6.2.12.2.2	**Local Residents and all other cases**								
R 455.00	R 395.65		Plot	15.0%	**R 477.00**	4.84%	R 500.00	4.82%	R 525.00	5.00%	R 414.78
R 1,458.00	R 1,267.83		6 ft excavation	15.0%	**R 1,530.00**	4.94%	R 1,606.00	4.97%	R 1,686.00	4.98%	R 1,330.43
R 1,563.00	R 1,359.13		8 ft excavation	15.0%	**R 1,641.00**	4.99%	R 1,723.00	5.00%	R 1,809.00	4.99%	R 1,426.96
R 701.00	R 609.57		Re-burials: opening and closing of graves	15.0%	**R 736.00**	4.99%	R 772.00	4.89%	R 810.00	4.92%	R 640.00
R 394.00	R 342.61		Memorial plaque	15.0%	**R 413.00**	4.82%	R 433.00	4.84%	R 454.00	4.85%	R 359.13
		6.2.13	**Dept. Parks -- private works -- equipment -- tariff per hour**								
R 74.00	R 64.35		Lawnmower: 450 mm (small) per hour	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 133.00	R 115.65		Lawnmower: 750 mm (large) per hour	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 105.00	R 91.30		Forest cutters (per hour)	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 105.00	R 91.30		Chain saws (per hour)	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 214.00	R 186.09		Bush cutters (per hour)	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 214.00	R 186.09		Trailers (per hour)	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 243.00	R 211.30		Spray pumps: Mechanical and triangular (per hour)	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**

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		6.3.	**FINANCIAL SERVICES**								
		6.3.1	**Administrative fees**								
R 149.00	R 129.57	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 156.00**	4.70%	R 163.00	4.49%	R 171.00	4.91%	R 135.65
		6.3.1.2	Valuations & deed search								
		6.3.1.2.1	Re-evaluation of properties (per application)								
R 267.00	R 232.17		- Residential properties	15.0%	**R 280.00**	4.87%	R 294.00	5.00%	R 308.00	4.76%	R 243.48
R 1,304.00	R 1,133.91		- Business properties	15.0%	**R 1,369.00**	4.98%	R 1,437.00	4.97%	R 1,508.00	4.94%	R 1,190.43
R 1,621.00	R 1,409.57		- Agricultural properties	15.0%	**R 1,702.00**	5.00%	R 1,787.00	4.99%	R 1,876.00	4.98%	R 1,480.00
R 1,458.00	R 1,267.83		- State owned properties	15.0%	**R 1,530.00**	4.94%	R 1,606.00	4.97%	R 1,686.00	4.98%	R 1,330.43
R 132.00	R 114.78		- Urban vacant land	15.0%	**R 138.00**	4.55%	R 144.00	4.35%	R 151.00	4.86%	R 120.00
R 267.00	R 232.17		- Other not specified above	15.0%	**R 280.00**	4.87%	R 294.00	5.00%	R 308.00	4.76%	R 243.48
R 58.00	R 50.43	6.3.1.2.2	Deeds office search per erf	15.0%	**R 60.00**	3.45%	R 63.00	5.00%	R 66.00	4.76%	R 52.17
R 1,046.00	R 909.57	6.3.1.2.3	Request for valuation detail per erf	15.0%	**R 1,098.00**	4.97%	R 1,152.00	4.92%	R 1,209.00	4.95%	R 954.78
R 57.00	R 49.57	6.3.1.3	Tracing of any information older than six months. (per hour or part thereof)	15.0%	**R 59.00**	3.51%	R 61.00	3.39%	R 64.00	4.92%	R 51.30
R 57.00	R 49.57	6.3.1.4	Issuing of accounts' duplicates (per account)	15.0%	**R 59.00**	3.51%	R 61.00	3.39%	R 64.00	4.92%	R 51.30
R 582.00	R 506.09	6.3.1.5	Furnishing of name- and address list (per list) (per town)	15.0%	**R 611.00**	4.98%	R 641.00	4.91%	R 673.00	4.99%	R 531.30
R 118.00	R 102.61	6.3.1.6	Surcharge on *Refer to Drawer* cheques (per cheque)	15.0%	**R 123.00**	4.24%	R 129.00	4.88%	R 135.00	4.65%	R 106.96
R 39.00	R 33.91	6.3.1.7	Excess	15.0%	**R 40.00**	2.56%	R 42.00	5.00%	R 44.00	4.76%	R 34.78
		6.3.1.8	Recovery costs								
		6.3.1.8.1	Tariffs for processes and the serving of documentation by the Municipality								
R 43.00	R 37.39	6.3.1.8.1.1	Serving of a registered reminder (per reminder)	15.0%	**R 45.00**	4.65%	R 47.00	4.44%	R 49.00	4.26%	R 39.13
R 64.00	R 55.65	6.3.1.8.1.2	Stamp costs (per summons)	15.0%	**R 67.00**	4.69%	R 70.00	4.48%	R 73.00	4.29%	R 58.26
		6.3.1.8.1.3	Serving of summonses and/or writs (per serving)								
R 181.00	R 157.39		Inside the Witzenberg jurisdiction	15.0%	**R 190.00**	4.97%	R 199.00	4.74%	R 208.00	4.52%	R 165.22
R 443.00	R 385.22		Outside the Witzenberg jurisdiction	15.0%	**R 465.00**	4.97%	R 488.00	4.95%	R 512.00	4.92%	R 404.35
		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 133.00	R 115.65	6.3.2.1	(a) Urban areas	15.0%	**R 139.00**	4.51%	R 145.00	4.32%	R 152.00	4.83%	R 120.87
R 163.00	R 141.74		(b) Rural areas	15.0%	**R 171.00**	4.91%	R 179.00	4.68%	R 187.00	4.47%	R 148.70
		6.3.2.2	Re-connection after non-payment per suspension list - per connection								
R 52.00	R 45.22		(a) Urban areas	15.0%	**R 54.00**	3.85%	R 56.00	3.70%	R 58.00	3.57%	R 46.96
R 77.00	R 66.96		(b) Rural areas	15.0%	**R 80.00**	3.90%	R 84.00	5.00%	R 88.00	4.76%	R 69.57
		6.3.2.3	Special meter reading per reading per meter								
R 196.00	R 170.43		(a) Urban areas	15.0%	**R 205.00**	4.59%	R 215.00	4.88%	R 225.00	4.65%	R 178.26
R 303.00	R 263.48		(b) Rural areas	15.0%	**R 318.00**	4.95%	R 333.00	4.72%	R 349.00	4.80%	R 276.52

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		6.3.2.5	**Tampering with meter connection**								
R 1,304.00	R 1,133.91		(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.	15.0%	**R 1,369.00**	4.98%	R 1,437.00	4.97%	R 1,508.00	4.94%	R 1,190.43
			(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								
R 2,611.00	R 2,270.43		(ii) An admission of guilt (see tariff attached) plus the cost of the damage and possible consumption be paid.	15.0%	**R 2,741.00**	4.98%	R 2,878.00	5.00%	R 3,021.00	4.97%	R 2,383.48
			(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 1,000.00	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**								
		6.3.3.1	Re-connections of cut supplies of Pre-Paid, per re-connection:								
R 49.00	R 42.61		(a) Urban areas	15.0%	**R 51.00**	4.08%	R 53.00	3.92%	R 55.00	3.77%	R 44.35
R 49.00	R 42.61		(b) Rural areas	15.0%	**R 51.00**	4.08%	R 53.00	3.92%	R 55.00	3.77%	R 44.35
		6.3.3.2	Re-connections of cut supplies on request of consumers of Conventional Meters, per re-connection:								
R 130.00	R 113.04		(a) Urban areas	15.0%	**R 136.00**	4.62%	R 142.00	4.41%	R 149.00	4.93%	R 118.26
R 163.00	R 141.74		(b) Rural areas	15.0%	**R 171.00**	4.91%	R 179.00	4.68%	R 187.00	4.47%	R 148.70
R 232.00	R 201.74		(c) All areas after hours	15.0%	**R 243.00**	4.74%	R 255.00	4.94%	R 267.00	4.71%	R 211.30
		6.3.3.3	Special meter reading as per Article 52(3) per reading per meter								
R 196.00	R 170.43		(a) Urban areas	15.0%	**R 205.00**	4.59%	R 215.00	4.88%	R 225.00	4.65%	R 178.26
R 303.00	R 263.48		(b) Rural areas	15.0%	**R 318.00**	4.95%	R 333.00	4.72%	R 349.00	4.80%	R 276.52
R 17.00	R 14.78	6.3.3.4	Duplicate Identification Card: Pre-Paid electricity, per card.	15.0%	**R 18.00**	5.88%	R 15.00	-16.67%	R 15.00	0.00%	R 15.65
R 300.00	R 260.87	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
		6.3.4	**Deposits - new buildings**								
R 2,287.00	R 2,287.00		Businesses	Exempt	**R 2,401.00**	4.98%	R 2,521.00	5.00%	R 2,647.00	5.00%	R 2,401.00
			Industries (Estimated on consumption)	Exempt							
			Residential clients								
R 333.00	R 333.00		With pre-paid electricity and water meter	Exempt	**R 349.00**	4.80%	R 366.00	4.87%	R 384.00	4.92%	R 349.00
R 538.00	R 538.00		With only a pre-paid electricity meter	Exempt	**R 564.00**	4.83%	R 592.00	4.96%	R 621.00	4.90%	R 564.00
R 1,278.00	R 1,278.00		All other residential clients	Exempt	**R 1,341.00**	4.93%	R 1,408.00	5.00%	R 1,478.00	4.97%	R 1,341.00
			Deposit can be adjusted to align it to the Credit Contril Policy								

RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Including Vat	Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
		6.4.	**TECHNICAL SERVICES**								
		6.4.1.	**CIVIL SERVICES**								
		6.4.1.1	**Building Plan**								
R 24.00	R 20.87	**6.4.1.1.1**	Calculate on the gross covered area, to the nearest square meter - tariff per building plan per m²	15.0%	**R 26.00**	8.33%	R 28.00	7.69%	R 30.00	7.14%	R 22.61
			(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)								
R 288.00	R 250.43		With a minimum building plan tariff	15.0%	**R 302.00**	4.86%	R 317.00	4.97%	R 332.00	4.73%	R 262.61
R 1,986.00			Building deposit	Exempt	**R 2,085.00**	4.98%	R 2,189.00	4.99%	R 2,298.00	4.98%	
R 157.00	R 136.52		In the event of illegal building operations without an approved plan, a charge of three times the above building plan fees plus the following tariff per day that the plan is outstanding, will apply:	15.0%	**R 164.00**	4.46%	R 172.00	4.88%	R 180.00	4.65%	R 142.61
R 484.00	R 420.87	**6.4.1.1.2**	Swimming pools - per application, irrespective of the size of the pool. Fixed tariff per swimming pool.	15.0%	**R 508.00**	4.96%	R 533.00	4.92%	R 559.00	4.88%	R 441.74
		6.4.1.1.3	**Advertising signs application**								
R 2,326.00	R 2,022.61		Permitted third party advertising sign (<2,0m²) per board	15.0%	**R 2,442.00**	4.99%	R 2,564.00	5.00%	R 2,692.00	4.99%	R 2,123.48
R 3,878.00	R 3,372.17		Permitted third party advertising sign (>2,0m²) per board	15.0%	**R 4,071.00**	4.98%	R 4,274.00	4.99%	R 4,487.00	4.98%	R 3,540.00
R 306.00	R 266.09		Advertising sign, direction indicator or name sign on building (<1.0m²) per sign	15.0%	**R 321.00**	4.90%	R 337.00	4.98%	R 353.00	4.75%	R 279.13
R 1,081.00	R 940.00		Advertising sign, direction indicator or name sign on building (<5.0m²) per sign	15.0%	**R 1,135.00**	5.00%	R 1,191.00	4.93%	R 1,250.00	4.95%	R 986.96
R 2,326.00	R 2,022.61		Advertising sign, direction indicator or name sign on building (>5,0m²) per sign	15.0%	**R 2,442.00**	4.99%	R 2,564.00	5.00%	R 2,692.00	4.99%	R 2,123.48
R 459.00	R 399.13		Advertising sign, direction indicator or name sign, Free-standing or on Refuse bin (<1.0m²) per board	15.0%	**R 481.00**	4.79%	R 505.00	4.99%	R 530.00	4.95%	R 418.26
R 1,625.00	R 1,413.04		Advertising sign, direction indicator or name sign, Free-standing or on Refuse bin (<5.0m²) per board	15.0%	**R 1,706.00**	4.98%	R 1,791.00	4.98%	R 1,880.00	4.97%	R 1,483.48
R 3,100.00	R 2,695.65		Advertising sign, direction indicator or name sign, Free-standing or on Refuse bin (>5,0m²) per board	15.0%	**R 3,255.00**	5.00%	R 3,417.00	4.98%	R 3,587.00	4.98%	R 2,830.43
R 1,000.00	R 869.57		Removal of illegal sings or advertisements	15.0%	**R 1,000.00**	new	R 1,050.00	5.00%	R 1,102.00	4.95%	R 869.57
R 705.00	R 613.04	**6.4.1.1.4**	Internal Changes (All Buildings)	15.0%	**R 740.00**	4.96%	R 777.00	5.00%	R 815.00	4.89%	R 643.48
R 1,996.00	R 1,735.65	**6.4.1.1.5**	Major Hazard Installations	15.0%	**R 2,095.00**	4.96%	R 2,199.00	4.96%	R 2,308.00	4.96%	R 1,821.74
R 1,603.00	R 1,393.91	**6.4.1.1.6**	LPG Installations	15.0%	**R 1,683.00**	4.99%	R 1,767.00	4.99%	R 1,855.00	4.98%	R 1,463.48
R 2,767.00	R 2,406.09	**6.4.1.1.7**	Cellphone Mast	15.0%	**R 2,905.00**	4.99%	R 3,050.00	4.99%	R 3,202.00	4.98%	R 2,526.09
R 942.00	R 819.13	**6.4.1.1.8**	Extension of approved building plan (for consideration of extending plan validity. Extension must be applied to prior to lapse date of plan)	15.0%	**R 989.00**	4.99%	R 1,038.00	4.95%	R 1,089.00	4.91%	R 860.00
R 1,179.00	R 1,025.22	**6.4.1.1.9**	Demolition certificate	15.0%	**R 1,237.00**	4.92%	R 1,298.00	4.93%	R 1,362.00	4.93%	R 1,075.65
R 2,360.00	R 2,052.17	**6.4.1.1.10**	Temporary commencement of building work in terms of Article 7(6) NBR (Not refundable)	15.0%	**R 2,478.00**	5.00%	R 2,601.00	4.96%	R 2,731.00	5.00%	R 2,154.78
R 455.00	R 395.65	**6.4.1.1.11**	Minimum building fee	15.0%	**R 477.00**	4.84%	R 500.00	4.82%	R 525.00	5.00%	R 414.78
R 10,000.00	R 8,695.65	**6.4.1.1.12**	Penalty Fee for moving into house without occupation certificate	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 6,701.00	R 5,826.96		Sewerage connection, per connection	15.0%	**R 7,036.00**	5.00%	R 7,387.00	4.99%	R 7,756.00	5.00%	R 6,118.26
R 6,716.00	R 5,840.00		150 mm - connection to the maximum of 10 m in length	15.0%	**R 7,051.00**	4.99%	R 7,403.00	4.99%	R 7,773.00	5.00%	R 6,131.30
R 346.00	R 300.87		> 10 m lengths (per meter)	15.0%	**R 363.00**	4.91%	R 381.00	4.96%	R 400.00	4.99%	R 315.65
			Sewerage blockages: per blockage	15.0%							
R 631.00	R 548.70		Week days	15.0%	**R 662.00**	4.91%	R 695.00	4.98%	R 729.00	4.89%	R 575.65
R 1,114.00	R 968.70		Weekends and Public Holidays - per call-out	15.0%	**R 1,169.00**	4.94%	R 1,227.00	4.96%	R 1,288.00	4.97%	R 1,016.52
			Sewerage Connection (Per Connections) > 10 m lengths (per meter) - **Actual Cost**								
			Illegally installing a connecting sewer without the necessary authority or approval	15.0%	**R 2,500.00**	New	R 2,624.00	4.96%	R 2,755.00	4.99%	R 2,173.91
			Failure to provide for a grease trap of an approved type, size and capacity on a premises that discharge sewage to on-site sanitation systems and that discharge industrial and commercial effluent which contain oil, fat or inorganic solid matter	15.0%	**R 1,500.00**	New	R 1,575.00	5.00%	R 1,653.00	4.95%	R 1,304.35
			Causing or permitting an accumulation of oil, fat, inorganic solid matter, or any other substance in any trap, tank or chamber that may cause the blockage or ineffective operation of a grease trap	15.0%	**R 1,000.00**	New	R 1,049.00	4.90%	R 1,101.00	4.96%	R 869.57
			Discharging or causing the discharge of or permit industrial effluent to be discharged into the municipal sanitation system, without the approval of the Municipality . Charged per incident or calendar day	15.0%	**R 5,000.00**	New	R 5,249.00	4.98%	R 5,511.00	4.99%	R 4,347.83
			Delivering sewage by road haulage to sewage treatment plant and discharging the sewage concerned into a municipal sewage treatment plant, without the approval of the Municipality. Charged per incident	15.0%	**R 1,500.00**	New	R 1,575.00	5.00%	R 1,653.00	4.95%	R 1,304.35
			Discharging or causing the discharge of sewage or industrial effluent transported by road haulage at an unauthorised discharge point other than the point authorised for discharge by the Municipality. Charged per incident	15.0%	**R 2,500.00**	New	R 2,624.00	4.96%	R 2,755.00	4.99%	R 2,173.91
			Unlawfully and unauthorized discharging or causing or permitting sewage or industrial effluent directly or indirectly into a storm water drain, a river or a natural watercourse or artificial watercourse or any open field. Charged per incident or calendar day	15.0%	**R 2,500.00**	New	R 2,624.00	4.96%	R 2,755.00	4.99%	R 2,173.91
		6.4.1.3	**Water**								
		6.4.1.3.1	Water connection (per connection)								
R 3,303.00	R 2,872.17		Size: To 25 mm	15.0%	**R 3,468.00**	5.00%	R 3,641.00	4.99%	R 3,823.00	5.00%	R 3,015.65
R 4,218.00	R 3,667.83		32 mm	15.0%	**R 4,428.00**	4.98%	R 4,649.00	4.99%	R 4,881.00	4.99%	R 3,850.43
R 4,809.00	R 4,181.74		40 mm	15.0%	**R 5,049.00**	4.99%	R 5,301.00	4.99%	R 5,566.00	5.00%	R 4,390.43
R 9,850.00	R 8,565.22		50 mm	15.0%	**R 10,342.00**	4.99%	R 10,859.00	5.00%	R 11,401.00	4.99%	R 8,993.04
R 11,047.00	R 9,606.09		80 mm	15.0%	**R 11,599.00**	5.00%	R 12,178.00	4.99%	R 12,786.00	4.99%	R 10,086.09
R 12,723.00	R 11,063.48		100 mm	15.0%	**R 13,359.00**	5.00%	R 14,026.00	4.99%	R 14,727.00	5.00%	R 11,616.52
R 24,524.00	R 21,325.22		150 mm	15.0%	**R 25,750.00**	5.00%	R 27,037.00	5.00%	R 28,388.00	5.00%	R 22,391.30
		6.4.1.3.2	Smart Meter Connection (per connection)								
R 5,644.00	R 4,907.83		15 mm	15.0%	**R 5,926.00**	5.00%	R 6,222.00	4.99%	R 6,533.00	5.00%	R 5,153.04
R 5,749.00	R 4,999.13		20 mm	15.0%	**R 6,036.00**	4.99%	R 6,337.00	4.99%	R 6,653.00	4.99%	R 5,248.70
R 27,597.00	R 23,997.39		50 mm	15.0%	**R 28,976.00**	5.00%	R 30,424.00	5.00%	R 31,945.00	5.00%	R 25,196.52
		6.4.1.3.3	Testing of water meters (per test per water meter)	15.0%							
R 346.00	R 300.87		Size: To 205 mm	15.0%	**REMOVE**		**REMOVE**		**REMOVE**		**REMOVE**
R 346.00	R 300.87		32	15.0%	**REMOVE**		**REMOVE**		**REMOVE**		**REMOVE**
R 2,955.00	R 2,569.57		40	15.0%	**REMOVE**		**REMOVE**		**REMOVE**		**REMOVE**
R 5,505.00	R 4,786.96		50	15.0%	**REMOVE**		**REMOVE**		**REMOVE**		**REMOVE**
R 9,145.00	R 7,952.17		80	15.0%	**REMOVE**		**REMOVE**		**REMOVE**		**REMOVE**
			Refundable where meter is found to be faulty.								

RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Including Vat	Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
		6.4.1.4	**Civil**								
			Motor driveways								
R 2,229.00	R 1,938.26		Single driveways (3,5m max) each	15.0%	**R 2,340.00**	4.98%	R 2,457.00	5.00%	R 2,579.00	4.97%	R 2,034.78
R 4,030.00	R 3,504.35		Double driveways (7,0m max) each	15.0%	**R 4,231.00**	4.99%	R 4,442.00	4.99%	R 4,664.00	5.00%	R 3,679.13
R 741.00	R 644.35		Placement of bridging/kerbing (each)	15.0%	**R 778.00**	4.99%	R 816.00	4.88%	R 856.00	4.90%	R 676.52
			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 105.00	R 91.30		Copies of plans per square meter size of plan	15.0%	**R 110.00**	4.76%	R 115.00	4.55%	R 120.00	4.35%	R 95.65
R 260.00	R 226.09		Copies: Sepia, per copy	15.0%	**R 273.00**	5.00%	R 286.00	4.76%	R 300.00	4.90%	R 237.39
R 306.00	R 266.09		Copies: Durester, per copy	15.0%	**R 321.00**	4.90%	R 337.00	4.98%	R 353.00	4.75%	R 279.13
R 12.00	R 10.43		A3 or A4 , per copy	15.0%	**R 13.00**	8.33%	R 14.00	7.69%	R 15.00	7.14%	R 11.30
		6.4.1.6	**Town Planning costs**								
			(In terms of Ordinance on Land Use Planning)								
R 1,674.00	R 1,455.65	6.4.1.6.1	Concessionary use, per application	15.0%	**R 1,757.00**	4.96%	R 1,844.00	4.95%	R 1,936.00	4.99%	R 1,527.83
R 1,674.00	R 1,455.65	6.4.1.6.2	Re-zoning, per property	15.0%	**R 1,757.00**	4.96%	R 1,844.00	4.95%	R 1,936.00	4.99%	R 1,527.83
		6.4.1.6.3	Departure Art 15(1)(a)(i)								
R 346.00	R 300.87		Erven <500m² per application	15.0%	**R 363.00**	4.91%	R 381.00	4.96%	R 400.00	4.99%	R 315.65
R 696.00	R 605.22		Erven 500m² - 750m² per application	15.0%	**R 730.00**	4.89%	R 766.00	4.93%	R 804.00	4.96%	R 634.78
R 1,674.00	R 1,455.65		Erven > 750m² per application	15.0%	**R 1,757.00**	4.96%	R 1,844.00	4.95%	R 1,936.00	4.99%	R 1,527.83
R 1,674.00	R 1,455.65		Section 15(1)(a)(ii)(temporary) per application	15.0%	**R 1,757.00**	4.96%	R 1,844.00	4.95%	R 1,936.00	4.99%	R 1,527.83
		6.4.1.6.4	Sub-divisions: per application								
R 1,674.00	R 1,455.65		Up to 20 erven	15.0%	**R 1,757.00**	4.96%	R 1,844.00	4.95%	R 1,936.00	4.99%	R 1,527.83
R 74.00	R 64.35		More than 20 erven (Tariff 4.6.4.1 plus tariff per erven)	15.0%	**R 77.00**	4.05%	R 80.00	3.90%	R 84.00	5.00%	R 66.96
		6.4.1.6.5	Contribution to external services - New Developments (bulk services per site)	15.0%							
R 28,650.00	R 24,913.04		Tulbagh (Town area)	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 30,244.00	R 26,299.13		Tulbagh (Agricultural area, outside town area)	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 30,294.00	R 26,342.61		P A Hamlet	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 20,901.00	R 18,174.78		Other areas	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
		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 2,863.00	R 2,489.57		2nd unit smaller than 50 m²	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 14,324.00	R 12,455.65		2nd unit 50 m² - 120 m²	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 28,650.00	R 24,913.04		2nd unit larger than 120 m2	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
		6.4.1.6.6.2	PA Hamlet								
R 3,026.00	R 2,631.30		2nd unit smaller than 50 m²	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 15,146.00	R 13,170.43		2nd unit 50 m² - 120 m²	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 30,294.00	R 26,342.61		2nd unit larger than 120 m2	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
		6.4.1.6.6.3	All other areas								
R 2,087.00	R 1,814.78		2nd unit smaller than 50 m²	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 10,449.00	R 9,086.09		2nd unit 50 m² - 120 m²	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 20,901.00	R 18,174.78		2nd unit larger than 120 m2	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
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 8,268.00	4.99%	R 6,521.74
		6.4.1.6.7	Town Planning costs: (In terms of the Land Use Planning By-law)								
R 1,674.00	R 1,455.65	6.4.1.6.7.1	Public place closure	15.0%	**R 1,757.00**	4.96%	R 1,844.00	4.95%	R 1,936.00	4.99%	R 1,527.83
R 1,674.00	R 1,455.65	6.4.1.6.7.2	Restrictive condition	15.0%	**R 1,757.00**	4.96%	R 1,844.00	4.95%	R 1,936.00	4.99%	R 1,527.83
R 1,674.00	R 1,455.65	6.4.1.6.7.3	Deemed zoning	15.0%	**R 1,757.00**	4.96%	R 1,844.00	4.95%	R 1,936.00	4.99%	R 1,527.83
R 1,674.00	R 1,455.65	6.4.1.6.7.4	Amendment/cancellation of subdivision	15.0%	**R 1,757.00**	4.96%	R 1,844.00	4.95%	R 1,936.00	4.99%	R 1,527.83
R 1,674.00	R 1,455.65	6.4.1.6.7.5	Consolidation	15.0%	**R 1,757.00**	4.96%	R 1,844.00	4.95%	R 1,936.00	4.99%	R 1,527.83
R 1,674.00	R 1,455.65	6.4.1.6.7.6	Amendment of Condition	15.0%	**R 1,757.00**	4.96%	R 1,844.00	4.95%	R 1,936.00	4.99%	R 1,527.83
R 1,674.00	R 1,455.65	6.4.1.6.7.7	Extension of validity period	15.0%	**R 1,757.00**	4.96%	R 1,844.00	4.95%	R 1,936.00	4.99%	R 1,527.83
R 1,674.00	R 1,455.65	6.4.1.6.7.8	Lease area	15.0%	**R 1,757.00**	4.96%	R 1,844.00	4.95%	R 1,936.00	4.99%	R 1,527.83
R 1,674.00	R 1,455.65	6.4.1.6.7.9	Transfer certificate	15.0%	**R 1,757.00**	4.96%	R 1,844.00	4.95%	R 1,936.00	4.99%	R 1,527.83
R 13,226.00	R 11,500.87	6.4.1.6.7.10	SDF amendment	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
R 6,612.00	R 5,749.57		Strategic/High impact developments (incl. renewable energy & rezonings exceeding 10ha)	15.0%	**R 6,942.00**	4.99%	R 7,289.00	5.00%	R 7,653.00	4.99%	R 6,036.52
		6.4.1.7	**Industrial effluent**								
			Industries that dispose via the normal network								
			Industries that dispose directly into the sewage treatment works	15.0%	As per contractual agreements						
			Industries that exceed with disposal	15.0%	Penalty rate calculated as per contractual agreement						
		6.4.1.8	**Refuse removal**								
R 151.00	R 131.30		Receipt and processing of private dumping at dumping site, per cubic meter	15.0%	**R 158.00**	4.64%	R 165.00	4.43%	R 173.00	4.85%	R 137.39
R 305.00	R 265.22		Abattoir waste at dumping site, per cubic meter	15.0%	**R 320.00**	4.92%	R 336.00	5.00%	R 352.00	4.76%	R 278.26
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 9.00	R 7.83		Provision of refuse bins for special events - per bin per occasion	15.0%	**R 9.50**	5.56%	R 10.00	5.26%	R 10.50	5.00%	R 8.26
R 673.00	R 585.22		Advertisements on street refuse bins. Per advertisement per bin p/a	15.0%	**R 706.00**	4.90%	R 741.00	4.96%	R 778.00	4.99%	R 613.91
R 490.00	R 426.09		Refuse removal: special events (Festivals & Carnivals)	15.0%	**R 514.00**	4.90%	R 539.00	4.86%	R 565.00	4.82%	R 446.96
R 933.00	R 811.30		Hire of 6m skip for Garden refuse per day	15.0%	**R 979.00**	4.93%	R 1,027.00	4.90%	R 1,078.00	4.97%	R 851.30
R 75.00	R 65.22		Additonial day (Skip)	15.0%	**R 78.00**	4.00%	R 81.00	3.85%	R 85.00	4.94%	R 67.83
R 1,167.00	R 1,014.78		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 1,225.00**	4.97%	R 1,286.00	4.98%	R 1,350.00	4.98%	R 1,065.22

RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Including Vat	Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
		6.4.1.9	**Development Charges**								
		6.4.1.9.1	**Ceres (Zone 1)**								
R 5,006.00	R 4,353.04	6.4.1.9.1.1	Water: Unit of measurement R/kl/day	15.0%	**R 5,256.00**	4.99%	R 5,518.00	4.98%	R 5,793.00	4.98%	R 4,570.43
R 3,341.00	R 2,905.22	6.4.1.9.1.2	Sewer: Unit of measurement R/kl/day	15.0%	**R 3,508.00**	5.00%	R 3,683.00	4.99%	R 3,867.00	5.00%	R 3,050.43
R 700.00	R 608.70	6.4.1.9.1.3	Roads: Unit of measurement R/trips/day	15.0%	**R 735.00**	5.00%	R 771.00	4.90%	R 809.00	4.93%	R 639.13
R 97,192.00	R 84,514.78	6.4.1.9.1.4	Storm water: Unit of measurement R/trips/day	15.0%	**R 102,051.00**	5.00%	R 107,153.00	5.00%	R 112,510.00	5.00%	R 88,740.00
R 1,399.00	R 1,216.52	6.4.1.9.1.5	Solid Waste: Unit of measurement R/kg/day	15.0%	**R 1,468.00**	4.93%	R 1,541.00	4.97%	R 1,618.00	5.00%	R 1,276.52
R 1,425.00	R 1,239.13	6.4.1.9.1.6	Electricity: Unit of measurement R/kVA	15.0%	**R 1,496.00**	4.98%	R 1,570.00	4.95%	R 1,648.00	4.97%	R 1,300.87
		6.4.1.9.2	**ODB (Zone 2)**								
R 5,006.00	R 4,353.04	6.4.1.9.2.1	Water: Unit of measurement R/kl/day	15.0%	**R 5,256.00**	4.99%	R 5,518.00	4.98%	R 5,793.00	4.98%	R 4,570.43
R 3,341.00	R 2,905.22	6.4.1.9.2.2	Sewer: Unit of measurement R/kl/day	15.0%	**R 3,508.00**	5.00%	R 3,683.00	4.99%	R 3,867.00	5.00%	R 3,050.43
R 700.00	R 608.70	6.4.1.9.2.3	Roads: Unit of measurement R/trips/day	15.0%	**R 735.00**	5.00%	R 771.00	4.90%	R 809.00	4.93%	R 639.13
R 97,192.00	R 84,514.78	6.4.1.9.2.4	Storm water: Unit of measurement R/trips/day	15.0%	**R 102,051.00**	5.00%	R 107,153.00	5.00%	R 112,510.00	5.00%	R 88,740.00
R 1,399.00	R 1,216.52	6.4.1.9.2.5	Solid Waste: Unit of measurement R/kg/day	15.0%	**R 1,468.00**	4.93%	R 1,541.00	4.97%	R 1,618.00	5.00%	R 1,276.52
R 1,425.00	R 1,239.13	6.4.1.9.2.6	Electricity: Unit of measurement R/kVA	15.0%	**R 1,496.00**	4.98%	R 1,570.00	4.95%	R 1,648.00	4.97%	R 1,300.87
		6.4.1.9.3	**PAH (Zone 3)**								
R 5,006.00	R 4,353.04	6.4.1.9.3.1	Water: Unit of measurement R/kl/day	15.0%	**R 5,256.00**	4.99%	R 5,518.00	4.98%	R 5,793.00	4.98%	R 4,570.43
R 3,341.00	R 2,905.22	6.4.1.9.3.2	Sewer: Unit of measurement R/kl/day	15.0%	**R 3,508.00**	5.00%	R 3,683.00	4.99%	R 3,867.00	5.00%	R 3,050.43
R 700.00	R 608.70	6.4.1.9.3.3	Roads: Unit of measurement R/trips/day	15.0%	**R 735.00**	5.00%	R 771.00	4.90%	R 809.00	4.93%	R 639.13
R 97,192.00	R 84,514.78	6.4.1.9.3.4	Storm water: Unit of measurement R/trips/day	15.0%	**R 102,051.00**	5.00%	R 107,153.00	5.00%	R 112,510.00	5.00%	R 88,740.00
R 1,399.00	R 1,216.52	6.4.1.9.3.5	Solid Waste: Unit of measurement R/kg/day	15.0%	**R 1,468.00**	4.93%	R 1,541.00	4.97%	R 1,618.00	5.00%	R 1,276.52
R 1,425.00	R 1,239.13	6.4.1.9.3.6	Electricity: Unit of measurement R/kVA	15.0%	**R 1,496.00**	4.98%	R 1,570.00	4.95%	R 1,648.00	4.97%	R 1,300.87
		6.4.1.9.4	**Wolseley (Zone 4)**								
R 5,006.00	R 4,353.04	6.4.1.9.4.1	Water: Unit of measurement R/kl/day	15.0%	**R 5,256.00**	4.99%	R 5,518.00	4.98%	R 5,793.00	4.98%	R 4,570.43
R 3,341.00	R 2,905.22	6.4.1.9.4.2	Sewer: Unit of measurement R/kl/day	15.0%	**R 3,508.00**	5.00%	R 3,683.00	4.99%	R 3,867.00	5.00%	R 3,050.43
R 700.00	R 608.70	6.4.1.9.4.3	Roads: Unit of measurement R/trips/day	15.0%	**R 735.00**	5.00%	R 771.00	4.90%	R 809.00	4.93%	R 639.13
R 97,192.00	R 84,514.78	6.4.1.9.4.4	Storm water: Unit of measurement R/trips/day	15.0%	**R 102,051.00**	5.00%	R 107,153.00	5.00%	R 112,510.00	5.00%	R 88,740.00
R 1,399.00	R 1,216.52	6.4.1.9.4.5	Solid Waste: Unit of measurement R/kg/day	15.0%	**R 1,468.00**	4.93%	R 1,541.00	4.97%	R 1,618.00	5.00%	R 1,276.52
R 1,425.00	R 1,239.13	6.4.1.9.4.6	Electricity: Unit of measurement R/kVA	15.0%	**R 1,496.00**	4.98%	R 1,570.00	4.95%	R 1,648.00	4.97%	R 1,300.87
		6.4.1.9.5	**Tulbagh (Zone 5)**								
R 5,006.00	R 4,353.04	6.4.1.9.5.1	Water: Unit of measurement R/kl/day	15.0%	**R 5,256.00**	4.99%	R 5,518.00	4.98%	R 5,793.00	4.98%	R 4,570.43
R 3,341.00	R 2,905.22	6.4.1.9.5.2	Sewer: Unit of measurement R/kl/day	15.0%	**R 3,508.00**	5.00%	R 3,683.00	4.99%	R 3,867.00	5.00%	R 3,050.43
R 700.00	R 608.70	6.4.1.9.5.3	Roads: Unit of measurement R/trips/day	15.0%	**R 735.00**	5.00%	R 771.00	4.90%	R 809.00	4.93%	R 639.13
R 97,192.00	R 84,514.78	6.4.1.9.5.4	Storm water: Unit of measurement R/trips/day	15.0%	**R 102,051.00**	5.00%	R 107,153.00	5.00%	R 112,510.00	5.00%	R 88,740.00
R 1,399.00	R 1,216.52	6.4.1.9.5.5	Solid Waste: Unit of measurement R/kg/day	15.0%	**R 1,468.00**	4.93%	R 1,541.00	4.97%	R 1,618.00	5.00%	R 1,276.52
R 1,425.00	R 1,239.13	6.4.1.9.5.6	Electricity: Unit of measurement R/kVA	15.0%	**R 1,496.00**	4.98%	R 1,570.00	4.95%	R 1,648.00	4.97%	R 1,300.87
		6.4.1.10	**Wayleaves for the installation of services in the road reserve**								
		6.4.1.10.1	**Administration and Supervision (Per Application)**								
R 540.00	R 469.57	6.4.1.10.1.1	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
R 1,836.00	R 1,596.52	6.4.1.10.1.2	Administration fee for awayleave 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
R 4,860.00	R 4,226.09	6.4.1.10.1.3	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
rvision fees	rvision fees										
		6.4.1.10.1.4	Unauthorised commencement of use of the road reservean	15.0%	**200% of above admin & supervision fees**	New	200% of above admin & supervision fees		200% of above admin & supervision fees		200% of above admin & supervision fees
		6.4.1.10.2	**Refundable deposit**								
R 1,840.00	R 1,600.00	6.4.1.10.2.1	Trenches in roadways measured per m²	15.0%	**R 1,840.00**	New	R 1,932.00	5.00%	R 2,028.00	4.97%	R 1,600.00
R 821.00	R 713.91	6.4.1.10.2.2	Trenches in surfaced sidewalks measured m²	15.0%	**R 821.00**	New	R 862.00	4.99%	R 905.00	4.99%	R 713.91
R 162.00	R 140.87	6.4.1.10.2.3	Trenches in natural or grass sidewalks measured per m²	15.0%	**R 162.00**	New	R 170.00	4.94%	R 178.00	4.71%	R 140.87
R 7,560.00	R 6,573.91	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**								
R 6,048.00	R 5,259.13	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
R 1,296.00	R 1,126.96	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
0% of the above	0% of the above	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**
		6.4.1.10.3.4	Fee for lying Electronic Communication network in the public road reserve, Charged per kilometer per annum	15.0%	**R 220.00**	New	R 230.00	4.55%	R 241.00	4.78%	R 191.30
		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 1,765.00	R 1,534.78		First offence	15.0%	**R 1,853.00**	4.99%	R 1,945.00	4.96%	R 2,042.00	4.99%	R 1,611.30
R 3,534.00	R 3,073.04		Second offence	15.0%	**R 3,710.00**	4.98%	R 3,895.00	4.99%	R 4,089.00	4.98%	R 3,226.09
		6.4.2.2	**Repair to supply**								
			In terms of Section 22 of the Supply Regulations								
			Per repair to supply								
R 363.00	R 315.65		Urban areas	15.0%	**R 381.00**	4.96%	R 400.00	4.99%	R 420.00	5.00%	R 331.30
R 411.00	R 357.39		Rural areas	15.0%	**R 431.00**	4.87%	R 452.00	4.87%	R 474.00	4.87%	R 374.78
			In terms of Section 28 of the Supply Regulations								
			Per re-connection (Section 28(1))								
R 173.00	R 150.43		Urban areas	15.0%	**R 181.00**	4.62%	R 190.00	4.97%	R 199.00	4.74%	R 157.39
R 218.00	R 189.57		Rural areas	15.0%	**R 228.00**	4.59%	R 239.00	4.82%	R 250.00	4.60%	R 198.26
		6.4.2.3	**Verification and Testing of electricity meter**								
			In terms of Section 51 (3)								
			Per testing of meter								
			Urban areas								
R 644.00	R 560.00		(i) Test Single Phase electro-mechanical, per meter	15.0%	**R 676.00**	4.97%	R 709.00	4.88%	R 744.00	4.94%	R 587.83
R 843.00	R 733.04		(ii) Test Three Phase electro-mechanical, per meter	15.0%	**R 885.00**	4.98%	R 929.00	4.97%	R 975.00	4.95%	R 769.57
R 625.00	R 543.48		(iii) Test Single phase pre-paid meter, per meter	15.0%	**R 656.00**	4.96%	R 688.00	4.88%	R 722.00	4.94%	R 570.43
R 824.00	R 716.52		(iv) Test Three phase pre-paid meter, per meter	15.0%	**R 865.00**	4.98%	R 908.00	4.97%	R 953.00	4.96%	R 752.17
R 963.00	R 837.39		(v) Test KVA / kWh meter, per meter	15.0%	**R 1,011.00**	4.98%	R 1,061.00	4.95%	R 1,114.00	5.00%	R 879.13
R 275.00	R 239.13		(vi) Meter verifying	15.0%	**R 400.00**	45.45%	R 419.00	4.75%	R 439.00	4.77%	R 347.83
			Rural areas								
R 701.00	R 609.57		(i) Test Single phase electro-mechanical, per meter	15.0%	**R 736.00**	4.99%	R 772.00	4.89%	R 810.00	4.92%	R 640.00
R 901.00	R 783.48		(ii) Test Three Phase electro-mechanical, per meter	15.0%	**R 946.00**	4.99%	R 993.00	4.97%	R 1,042.00	4.93%	R 822.61
R 688.00	R 598.26		(iii) Test Single Phase pre-paid meter, per meter	15.0%	**R 722.00**	4.94%	R 758.00	4.99%	R 795.00	4.88%	R 627.83
R 887.00	R 771.30		(iv) Test Three phase pre-paid meter per meter	15.0%	**R 931.00**	4.96%	R 977.00	4.94%	R 1,025.00	4.91%	R 809.57
R 1,024.00	R 890.43		(v) Test KVA / kWh meter per meter	15.0%	**R 1,075.00**	4.98%	R 1,128.00	4.93%	R 1,184.00	4.96%	R 934.78
R 330.00	R 286.96		(vi) Meter verifying	15.0%	**R 550.00**	66.67%	R 577.00	4.91%	R 605.00	4.85%	R 478.26

RATES AND TARIFFS 2021/2022 - 2023/2024

Tariffs 2020/2021 Including Vat	Tariffs 2020/2021 Excluding Vat		Description	VAT Status	Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Indicative Tariffs 2023/2024 Including Vat	Variance	Tariffs 2021/2022 Excluding Vat
		6.4.2.4	**Single phase connection**								
R 14,356.00	R 12,483.48		Single phase connection with underground cable and electro-mechanical meter, per connection	15.0%	**R 15,073.00**	4.99%	R 15,826.00	5.00%	R 16,617.00	5.00%	R 13,106.96
R 14,356.00	R 12,483.48		Single phase connection with underground cable and pre-paid meter, per connection	15.0%	**R 15,073.00**	4.99%	R 15,826.00	5.00%	R 16,617.00	5.00%	R 13,106.96
R 9,986.00	R 8,683.48		Single phase connection with overhead cable and electro-mechanical meter, per connection	15.0%	**R 10,485.00**	5.00%	R 11,009.00	5.00%	R 11,559.00	5.00%	R 9,117.39
R 9,986.00	R 8,683.48		Single phase connection with overhead cable and pre-paid meter, per connection	15.0%	**R 10,485.00**	5.00%	R 11,009.00	5.00%	R 11,559.00	5.00%	R 9,117.39
R 11,233.00	R 9,767.83		Informal Single phase overhead connection with pre-paid meter and ready board	15.0%	**R 11,794.00**	4.99%	R 12,383.00	4.99%	R 13,002.00	5.00%	R 10,255.65
R 950.00	R 826.09		Change from electro-mechanical meter to automat meter, per change	15.0%	**R 997.00**	4.95%	R 1,046.00	4.91%	R 1,098.00	4.97%	R 866.96
		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 8,994.00	R 7,820.87	**6.4.2.6**	Government-subsidised housing - (20 % admin. Charges not included)	15.0%	**R 9,443.00**	4.99%	R 9,915.00	5.00%	R 10,410.00	4.99%	R 8,211.30

WITZENBERG
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BUDGET POLICY

Date of implementation 01 July 2010

Adopted by Council 15/06/2010

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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 o 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 polices related to personnel including polices 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
  - interact 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
(ii) entitlement of officials as at 30 June of each financial year,
(iii) 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
25/05/2020

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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:

- the provisions of section 74 of the Act on Municipal Systems (Act 32 of 2000) are complied with;
- a properly documented policy is in place to determine how the tariffs of the Witzenberg Municipality are to be determined; and
- 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:

- Equalisation within the shortest possible time
- Affordability of service
- Discouragement of wastage through pricing mechanisms
- Ensuring adequate cash flow
- Simple and understandable structure
- Justifiable structure
- 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:

- Clients unable to make any contribution towards the provision of services and who have to be subsidised fully.
- Clients who can afford a partial contribution and who need only to be subsidised partially.
- 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:

- 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.
- 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:

- Fully subsidised in terms of the Indigent policy
- 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.

- Electricity - Profit of 15%
- Water - Profit of 15%
- Sewerage - Profit of 0,5%
- 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 proof that leakage existed. The relief application will be considered based on the following criteria:

(a) Usage portion of the client indicated that the clients consumption prior to the leakage was less than 300kl and
(b) 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 X 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.

[5]Where 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 defined 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.

[6]Where 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 defined 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:

- Morning session - from 08:00 – 13:00, including preparation and tidying up
- Afternoon session – from 13:00 - 18:00, including preparation and tidying up.
- Evening session - from 18:00 – 24:00, including preparation and tidying up.
- A pro-rata contribution must be paid, in addition to the letting fee, for every hour or portion there of 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 omitting 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 (To be phased out)[8]

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 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

The criteria and weights for evaluating the application are as follow:

[8] Phasing out recommended to Council 2021

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.[9]

7 Rebates (From 1 July 2021)[10]

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 local 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:

[9] Amended by Council 25/05/2020
[10] New paragraph recommended to council 2021

7.1 Criteria

The person or organisation must create new or extent building and create new local job opportunities. The investor must apply for the rebate and provide at least the following information in writing:

- Total cost of planned new buildings
- Total number of local 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 R100,000.00 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. (e.g. if 60% of directors are HDI 6 points will be allocated.

Cancelation of 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.

If it is found that false information was submitted the rebate will be stopped immediately and all rebates already credited to the municipal account will be cancelled.

7.2 Extent

Two categories of rebates exist. A minimum of 75 points must be obtained to qualify for a category A rebate. A minimum of 50 points must be obtained to qualify for a category B 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	100 %	75 %
Year 2	80 %	60 %
Year 3	60 %	45 %
Year 4	40 %	30 %
Year 5	20 %	15 %

The rebate will be applicable to property rates only.

The rebate will only be applicable on the rates payable on the additions to the buildings.

The chief financial officer will calculate the property value that qualify for the rebate based on the previous valuations when a new general valuation is implemented.

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.

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 COMMUNIY, 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]

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.

[1] Added on 30 May 2017

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~~

6.1 The municipality has determined categories of rateable properties based on the following criteria:

a. Use of the property
b. And/or permitted use
c. Combination of (a) and (b)
d. For properties used for multiple purposes, the Municipality may apply the category of multiple use. For such properties the Municipal Valuer as appointed by the Municipality, will apportion a value to each distinct use of said property and apply the appropriate category for billing at the applicable rate. [2]

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

[2] Recommended for amendment

(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."[3]
(k) Vacant Residential Vacant- Permitted use set for a Residential property.
(l) Vacant Business Vacant -Permitted use set for a Business property[4]

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) pensioners[5]

7.2 In determining whether a property forms part of a particular category indicated below, the council shall have regard to the actual zoning-use or permitted use of the property 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, commercial and/or industrial improvements on agricultural properties will be rated separately from the rest of the property according to the zoning and/or consent uses of the improvement.

[3] Amended by Council on 27/02/2017 in terms of amendments to the Act
[4] Recommended for inclusion
[5] Added on 30 May 2017

Table 1

Rating categories	Use codes
Residential Property	GEN RES
	GROUP HOUSE
	RES
	RES 1
	RES 2
	RES 3
	RES 4
	SIN RES
	RESORT 2
	AGRI 1/ROS 2
	RURAL RESIDENTIAL ZONE I
	SINGLE RESIDENTIAL ZONE I
	SINGLE RESIDENTIAL ZONE II
	GENERAL RESIDENTIAL ZONE I
	GENERAL RESIDENTIAL ZONE II
	GENERAL RESIDENTIAL ZONE III
	GENERAL RESIDENTIAL ZONE IV
	GENERAL RESIDENTIAL ZONE V
	AGRICULTURAL ZONE III
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

Rating categories	Use codes
	RES 5
	RESORT 1
	ROS 1/ OPEN S 3
	BUSINESS ZONE I
	BUSINESS ZONE II
	BUSINESS ZONE III
	BUSINESS ZONE IV
	BUSINESS ZONE V
	BUSINESS ZONE VI
	RESORT ZONE I
	OPEN SPACE ZONE II
	OPEN SPACE ZONE III
	OPEN SPACE ZONE IV
	TRANSPORT ZONE III
	RENEWABLE ENERGY ZONE
	TELECOMMUNICATION STATION ZONE
	UNDETERMINED ZONE
Industrial property	IND
	IND 1
	IND 3
	INDUSTRIAL ZONE 1
	INDUSTRIAL ZONE II
	INDUSTRIAL ZONE III
	INDUSTRIAL ZONE IV
	UNDETERMINED ZONE
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[6]
	AUTH
	AGRICULTURAL ZONE I
Agricultural / Business	AGRI 1/BUS 2/RES 5
	AGRI 1/ROS 1/RES 5
	AGRI 1/BUS 2

[6] Updated by Council 29/05/2013 with effect from July 2012

Rating categories	Use codes
	AGRI 1/RES 5
Agricultural / Industrial	AGRI 1/AGRI 2
	AGRI 1/IND 1
	AGRI 1/IND 2
	AGRI 2
	AGRICULTURAL ZONE II
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
	COMMUNITY ZONE I
	COMMUNITY ZONE III
	TRANSPORT ZONE I
	TRANSPORT ZONE II
	AUTHORITY ZONE
Municipal Property	AGRI 1
	AUT

Rating categories	Use codes
	BUS
	EDUC
	GEN RES
	INST
	INST 1
	INST 2
	INST 3
	LOC BUS
	OS 1
	OS 2
	OS 3
	POS
	RES
	RES 1
	SERV
	SIN RES
	SPORT
	TRANS
	TRANS 1
	TRANS 2
	TRANS 3
	UNDET
	COMMUNITY ZONE IV
	OPEN SPACE ZONE I
	AUTHORITY ZONE
Vacant Land - Urban	VACANT
	POS
Public Service Infrastructure	SERV STAT
	TRANS
	TRANS 1
	TRANS 2
	UNDET
Place of worship	**COMMUNITY ZONE II**[7]

[7] Zonings in terms of new zoning scheme recommended for inclusion

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 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[8]
Residential Property:	
Bona Fida residential	1:1
Informal settlements	1:1
Business / Commercial property:	1:1.81
Industrial Property	1:1.76
Agricultural Properties:	
Bona Fida Agricultural	1:0.14
Agricultural/Business	1:1.42
Agricultural / Industrial	1:1.42
State owned Property	1:1.63
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

[8] Updated in line with proposed tariffs

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 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**.)

(d) Public Service Infrastructure properties (PSI)

The Municipality will apply the rate ratio as set out in the MPRA (Definitions, Sections 17 (1) (a) and 17 (1) (a)(A) and the Regulations) to public service infrastructure.[9]

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;

[9] Sub-paragraph recommended for inclusion

(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 R 120 000 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 R105 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.[10]

(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 R120 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.[11]

(g) Pensioners may qualify for a rebate of 50% on residential property.

- Pensioners may qualify for a rebate of 50% on residential property in terms of councils' policy.
- Only the primary property of the owner will qualify for the 50% rebate.[12]
- Only persons 60 years and older will qualify for the 50% rebate.[13]
- Rebates will be granted once an application was received and approved by the municipal manager or his/her delegate.[14]

(h) The Municipality provides rebates to people or organisations that assist with economic growth within Witzenberg by the creation of new

[10] Subsection (e) added by Council 18/05/2016
[11] Subsection (f) added by Council 18/05/2016
[12] Recommend for inclusion
[13] Recommend for inclusion
[14] Paragraph (g) - added by Council 30/05/2017

structures or by additions to existing buildings and the creation of job opportunities in terms of the tariff policy.[15]

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~~.[16]

Properties with split zoning and/or consent use (properties used for multiple purposes) as per Section 9 of the MPRA will be categorised separately for each distinct use as determined by the Municipality and applied for billing at the appropriate and applicable rate.[17]

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] Paragraph (h) recommended for inclusion
[16] Paragraph 12 added by Council 18/05/2016
[17] Recommend to replace Paragraph 12

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.[18]

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 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.[19]

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.[20]

15.4 A rate levied by a municipality on a sectional title unit is payable by the owner of the unit.[21]

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

[18] Paragraph 16.1 added by Council 18/05/2016
[19] Paragraph 16.2 amended by Council 18/05/2016
[20] Paragraph 16.3 added by Council 18/05/2016
[21] Paragraph 16.4 added by Council 18/05/2016

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

(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.[22]

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.

19. ENFORCEMENT/IMPLEMENTATION

This policy has been approved by the Municipality and came into effect from 1 July 2009.

[22] Paragraph 17 added by Council 18/05/2016

CREDIT CONTROL & DEBT COLLECTION POLICY

OUR VISION: "A MUNICIPALITY THAT CARES FOR ITS COMMUNIY, 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 deposits[3]

[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 of2000), 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 proceedings[5]

[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
[7] Updated 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 / 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; and[9]

24. A Changing meters of defaulters[10]

(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);

[9]Updated 31/05/2012 Council meeting
[10]Updated 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:

- 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
- 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 default[11].

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.

[11]Updated 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 two[18] 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

Reviewed Council 15/06/2010
Council 28/05/2009
Special Council Meeting 13/11/2008 Item 5.4

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APPENDIX A

PREAMBLE

Whereas 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;

and whereas a bank, in accordance with the provisions of section 13 of the Act, has to disclose details regarding a municipalities' investments;

and whereas councillors and officials, as trustees of public funds have an obligation to ensure that cash resources are managed as effectively, efficiently and economically as possible;

now therefore the 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) Te 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 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 form 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. BACKGROUND

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 months 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 timeously pay three (3) consecutive months' account rendered. The account must be paid before or on due date.[1]

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 2019 and the said debt or portion thereof is at date of application still outstanding.[2]

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 2019[3] to be "parked" and written-off in instalments as the conditions are met.

8.2 Verified debt accrued after 1st July 2019[4] to be dealt with via an acknowledgement of debt and arrangement for payment by the participant.

[1] Recommended for adjustment
[2] Recommended for adjustment
[3] Recommended for adjustment
[4] Recommended for adjustment

9. INCENTIVE CALCULATION

One tenth of applicable debt to be written-off upon the participant promptly and timeously paying three (3) consecutive months account rendered in addition to the acknowledgement of debt accrued after 1st July 2019.[5]

Example

(a)	Verified outstanding debt as at the 30th June 2019 amounts to	R5 000-00
(b)	Incentive portion written off each quarter 1/10th of debt as per (a)	R500-00
(c)	Verified outstanding debt for the period accrued after 1st July 2019	R2 400-00
(d)	Monthly accounts rendered to be paid timeously.	
(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 three 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.

[5] 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

(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;

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

WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

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 27/05/2020
Reviewed by Council 30/05/2019
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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1. INTRODUCTION

Witzenberg acknowledges the fact that priority must be given to the basic needs of the community and that the social and economic 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 acknowledged that the assistance will only be possible with the assistance of National Governments Fiscal support.

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 spouse[2], 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] Amended by Council 30/05/2019
[2] Amended by Council 30/05/2019
[3] Amended by Council 28/09/2011
[4] Amended by Council 30/05/2019

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 that the site on which the household resides; and

6.1.5. The household joint gross income may not exceed the level of R 5,000[5] 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.[6]

6.1.7. The municipal manager may approve a household as indigent in exceptional circumstances.[7]

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 municipality[8]

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] Amended by Council 27/05/2020
[6] Amended by Council 30/05/2019
[7] Amended by Council 30/05/2017
[8] Amended by Council 27/05/2020

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 an 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.

7.2. Households with a joint gross household income more that R 3,000 but less than R 5,000.[9]

7.2.1. 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.

7.2.2. Electricity

A subsidy equal to 100% of the amount charged for the first 25 kWh consumed per month, where the Municipality is the service provider.

7.2.3. Water

A subsidy equal to 100% of the amount charged for the first 3 kilolitres consumption per month as well as 50% subsidy on the basic charge for water, where the Municipality is the service provider.

7.2.4. Sanitation

A subsidy equal to 50% of the amount charged for the service per month where the Municipality is the service provider.

7.2.5. Refuse removal

A subsidy equal to 50% of the amount charged for the service per month where the Municipality is the service provider.

7.2.6. House rental

A subsidy equal to 50% of the amount charged in the case of municipal sub economical rental stock as house rental per month

7.2.7. Graveyard costs

[9] Paragraph 7.2 inserted by council 27/05/2020

A subsidy equal to 50% of the amount charged for graveyard cost. The subsidy can be in terms of every deceased member of the household and minor dependents.

7.2.8. Transfer costs

7.2.8.1. A subsidy equal to 50% 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.

7.2.8.2. A subsidy equal to 50% 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.

7.3. The rebates in terms of sections 7.2.2', 7.2.3, 7.2.4, 7.2.5 and 7.2.6 is subject to the payment of the municipal account by the applicant. The accounts will be monitored on regular intervals and if it is found that the applicant failed to pay the monthly account, the rebates will be stopped.

7.4. Old age Homes

7.4.1. Electricity

A subsidy equal to 10% of the amount charged for the service per month

7.4.2. Water

A subsidy equal to 81.2% of the amount charged for the service per month

7.4.3. Sanitation

A subsidy equal to 59% of the amount charged for the service per month.

7.4.4. Refuse removal

A subsidy equal to 33% of the amount charged for the service per month.

8. RESTRICTIONS / LIMITATIONS ON INDIGENT RELIEVE:[10]

8.1. 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);

8.2. 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;

8.3. The cost of the replacement meters will be borne by the municipality.

9. ADMINISTRATIVE PROCEDURES

9.1. 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 councillors 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.

[10] Amended council 28/09/2011

9.2. Application Procedure

9.2.1. 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.

9.2.2. The application must be on the prescribe application form. Attached as Annexure 12.1.2.

9.2.3. 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 12.1.3)
- Copy of the last three months' bank statements when required.

9.2.4. 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.

9.2.5. 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.

9.2.6. The Municipality reserves the right to verify information received by means of ITC checks.[11]

9.2.7. 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.

9.3. Measurement and duration of applications for approval

9.3.1. 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.

[11] Amended by Council 30/05/2019

9.3.2. An approved application is valid for a period of twelve months.

9.3.3. If an applicant's financial position changes and it is of a permanent nature the applicant must inform the Municipality of the change. If the change affects the household in such a manner that it no longer meet the criteria as set in section 6 the approval will automatically stop.

9.3.4. The onus rest with the applicant to inform the Municipality of any such changes.

9.3.5. 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.

9.3.6. Where the applicant is deceased the surviving next of kin (husband/wife/child/grandchild) have to apply as the new head of the household.[12]

9.3.7. The applicant must:[13]

- 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
- If there is no estate, all surviving next of kind have to give consent to the applicant to occupy the estate property

9.4. 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.

[12] Paragraph 9.3.6 included by council 27/05/2020
[13] Paragraph 9.3.7 included by council 27/05/2020

10. TERMINATION OF INDIGENT SUPPORT[14]

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 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

11. COMMENCEMENT DATE

This amended policy takes effect as from the 1 July 2021.

[14] Paragraph 10 included by council 27/05/2020

BUDGET VIREMENT POLICY

Date of implementation 01 July 2010

Reviewed by Council 31/05/2012
Council 15/06/2010

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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: Finance[1]

"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.

[1]Updated 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 Manager[3]

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 Manager[4]

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.

[2]Updated 31/05/2012 Council meeting
[3]Updated 31/05/2012 Council meeting
[4]Updated 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 Officer[5]

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

[5]Updated 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 & Subsides 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 & subsistance	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 & Subsides 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 ensures 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 forwarded 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:

  - Are in a state of damage at year end.
  - Are technologically obsolete at year end. .
  - Have remained idle for a considerable period either prior to them being put into use at year end or during their useful life.
  - Are subject to impairment losses because the subsidies to be received in exchange for assets are less than the carrying amounts.

- 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:
    - In the case of the following paragraph complies with the requirements of that paragraph; and
    - 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:
    - The price is in excess of the market value thereof as assessed by an appraiser; or
    - 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:

- Developing appropriate management systems, procedures, processes and controls for managing assets;
- Providing accurate, reliable and up to date account of assets under their control; and
- 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:-

- Alignment with the Integrated Development Plan;
- Operational guidelines;
- Performance monitoring;
- Maintenance programs;
- Renewal, refurbishment and replacement plans;
- Disposal and Rehabilitation plans;
- Operational, financial and capital support requirements, and
- 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 cognisance 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
INFRASTRUCTRE ASSETS		**INFRASTRUCTRE ASSETS**	
ELECTRICITY:		**GAS:**	
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	**SEWERAGE:**	
Supply and reticulation networks	20	Sewer mains	20
Main supply	20	Outflow sewers	20
		Sewerage purification works	20
ROADS:		Sewerage pumps	15
Motorways	15	Sludge machines	15
Other roads	10		
Traffic islands	10	**PEDESTRAIN MALLS:**	
Traffic lights	20	Footways	20
Street lights	25	Kerbing	20
Overhead bridges	30	Paving	20
Storm water drains	20		
Bridges, subways and culverts	30	AIRPORTS:	20
Car parks	20	Taxiways	20
Bus terminals	20	Runways	20
		Aprons	20
		Airport and radio beacons	20
WATER		**SECURITY**	
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		
COMMUNITY ASSETS		**COMMUNITY ASSETS**	
RECREATIONAL FACILITIES		**BUILDINGS**	
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
OTHER ASSETS		**OTHER ASSETS**	

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 Subsides 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 *information statement* required by section 46(3), containing particulars of the proposed borrowing (debt) instrument.	46(3)(a)(i)
B	If not already incorporated in the *information statement*, the following information should be provided separately (note QBMR = Quarterly Borrowing Monitoring Return to NT, see over page for further information): 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)	46(3)(b)(i) and (ii)
C	A schedule of consultation undertaken, including: date(s) when the *information statement* was made public details of meetings, media adverts and other methods used to consult on the proposed long-term borrowing (debt)	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	If the borrowing (debt) is for the purpose of refinancing existing long-term borrowing (debt), the following information: 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	46(5)

	and any assumptions in the calculations the net present value of projected future payments before refinancing, including the discount rate and assumptions used. the net present value of projected future payments after 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 all long-term borrowing (debt) obligations in the format of the QBMR showing principal and interest payments for the life of all loans 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.

WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

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 is 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.

Positions[1]	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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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 amended[10]
(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; and[12]

(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 policy[14]

"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 R10 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 30 000[23]

(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; and[26]

(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,

should be avoided where ever possible.

(2) Where the storage of goods in bulk is justified, such justification must be based on sound reasons, including the total cost of ownership, cost advantages and environmental impact and must be approved by the 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.

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(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 then 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

(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 access 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~~supply chain management system, may appeal against that decision by giving written notice of the appeal and reasons to the Municipal Manager within 14 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.

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 oblige 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.

Annexure A

Local Government Framework for Infrastructure Delivery and Procurement Management

Date of issue: 01 October 2020

Effective Date: 01 July 2021

national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

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Foreword

In 2012, the Infrastructure Delivery Management System (IDMS) was adopted as the chosen government wide system for infrastructure delivery in South Africa. In the same year (2012), the National Treasury, together with the eight metropolitan municipalities, initiated the customisations of the IDMS for implementation by municipalities. The product of that engagement became the Cities Infrastructure Delivery Management Toolkit (CIDMT), focusing mainly on cities or metros.

In order to establish a common approach to infrastructure delivery across all organs of state, the Standard for Infrastructure Procurement and Delivery Management (SIPDM) was issued for adaptation and adoption by municipalities in terms of Circular 77.

In the process of implementing and institutionalising the SIPDM, institutions expressed concerns regarding the operational challenges imposed by aspects of the SIPDM. This constraint was further compounded when the Preferential Procurement Regulations, 2017 were promulgated and effected, resulting in conflict between the SIPDM and the Regulations.

The National Treasury, in consultation with relevant stakeholders, initiated the SIPDM review process, which resulted in the development of the Local Government Framework for Infrastructure Delivery and Procurement Management (LGFIDPM). The LGFIDPM provides for minimum requirements for effective governance of infrastructure delivery and procurement management. It also recognises the different capacities in the various categories of municipalities and therefore requests municipalities to review their institutional and capacities before adapting and adopting this model.

Introduction

a) The Integrated Development Plan (IDP) is the principal strategic planning instrument for municipalities. The IDP process requires a robust process of gathering and synthesising information related to the medium to long-term management of the municipality's infrastructure needs.

b) The preparation of Roads and Storm Water Services, Water and Sanitation Services, Waste Disposal Services, Electricity Services and Community Facilities and Municipal Buildings, Infrastructure Asset Management Plans (IAMPs) enables municipalities to rank projects and determine budgets, based on a holistic view of local needs and priorities; and serves as a source of valuable information in preparing the IDP.

c) Through the Infrastructure Delivery Management System, Cities Infrastructure Delivery Management System was developed to provide a holistic system for the management of infrastructure based on the requirements of SANS 55001: Asset management tailored for application in South African metropolitan spaces and specifically in support of the country's spatial transformation agenda.

d) There is need to develop an infrastructure delivery management system tailor-made for all municipalities (excluding cities) which should integrate asset management strategy, policy to guide infrastructure planning, delivery management and decision making. The LGFIDPM introduces the initial process focusing on the project processes of the infrastructure delivery management and infrastructure procurement.

e) The Framework for Infrastructure Procurement Management should be implemented together with the project management processes, to ensure alignment, integration and efficient and effective service delivery.

1. Scope

1.1. The Local Government FIDPM applies to organs of state which are subject to the Municipal Finance Management Act (MFMA).

1.2. The Framework provides minimum requirements for the implementation of Infrastructure Delivery and Procurement Management through the:

a) Project processes for infrastructure delivery management, and
b) Infrastructure procurement gates.

1.3. The Framework specifies the allocation of responsibilities for performing activities and making decisions at project stages and procurement gates.

2. Terms and Definitions

Approved: Officially agreed and signed-off by an Accounting Officer or a delegated person / body.

Construction: Everything constructed or resulting from construction operations.

Employer: Organ of state intending to, or entering into, a contract with a contractor.

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 is made whether to proceed to the next process, or not.

Infrastructure:

a) Immovable asset, which is acquired, constructed or results from construction operations; or
b) Movable asset, which cannot function independently from purpose-built immoveable asset(s).

Infrastructure delivery: The combination of all planning, technical, administrative and managerial actions associated with the construction, supply, refurbishment, rehabilitation, alteration, maintenance, operation or disposal of infrastructure.

Infrastructure procurement: The procurement of goods or services, including any combination thereof, associated with the acquisition, refurbishment, rehabilitation, alteration, maintenance, operation or disposal of infrastructure.

Organ of State: Any department of state or administration in the national, provincial and local sphere of government.

Procurement strategy: The selected packaging, contracting, pricing and targeting strategy and procurement procedure for a particular procurement.

Project: A unique set of processes consisting of coordinated and controlled activities with start and end dates, performed to achieve the project objective.

Stage: A collection of periodical and logically related activities in the Project Management Control Stages, that culminates in the completion of an end of stage deliverable.

3. ABBREVIATIONS

CIDB	Construction Industry Development Board
IDP	Integrated Development Plan
FIDPM	Framework for Infrastructure Delivery and Procurement Management
MFMA	Municipal Finance Management Act
PSP	Professional Service Provider
PPPFA	Preferential Procurement Policy Framework Act
SCM	Supply Chain Management
SDBIP	Service Delivery Budget Implementation Plan

4. NORMATIVE REFERENCES

4.1 Acts of Parliament

The following referenced Acts of Parliament are indispensable in the application of this document:

- Architectural Profession Act, 2000 (Act No. 44 of 2000)
- Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003)
- Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996)
- Construction Industry Development Board Act, 2000 (Act No. 38 of 2000)
- Division of Revenue Act (Annual)
- Engineering Profession Act, 2000 (Act No. 46 of 2000)
- Landscape Architectural Profession Act, 2000 (Act No. 45 of 2000)
- Municipal Finance Management Act, (No. 56 of 2003)
- Local Government: Municipal Systems Act, 2000 (Act No. 32 Of 2000)
- National Archives and Record Services of South Africa Act, 1996 (Act No. 43 of 1996)
- Occupational Health and Safety Act, 1993 (Act No. 85 of 1993)
- Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000)
- Project and Construction Management Professions Act, 2000 (Act No. 48 of 2000)
- Public Finance Management Act, 1999 (Act No. 1 of 1999)
- Quantity Surveying Profession Act of 2000 (Act No. 49 of 2000)
- Other Sector Specific Acts of Parliament.

4.2 Regulations issued in terms of the MFMA and MFMA Circulars

- Regulations issued in terms of the MFMA
- Preferential Procurement Policy Framework Act Regulations (PPPFA of 2017 or as amended from time to time) and circulars.

4.3 Standards

- Applicable Construction Industry Development Board Standard for Uniformity
- Construction Sector Code.

4.4 Management System

- Infrastructure Delivery Management System (IDMS)
- Cities Infrastructure Delivery Management Toolkit (CIDMT).

4.5 National Treasury Guidelines

- Local Government Capital Asset Management Guideline and Planning Guidelines
- Budget Facility for Infrastructure (BFI).

4.6 Department of Cooperative Governance and Traditional Affairs Guidelines

- Guidelines for Infrastructure Asset Management in Local Government.

5. FRAMEWORK FOR INFRASTRUCTURE DELIVERY

5.1 The Infrastructure Delivery Management Project Processes

a) The project process of infrastructure delivery management contains control stage deliverables at the end of each stage. Table 1 outlines the stage deliverables that must be approved. The control stages are specific to project management processes; and outline and describe the stages in the life of a project from start to end. The specific stages are determined by the specific project's governance and control needs. The stages follow a logical sequence with a specified start and end. The deliverable is considered to have passed through the relevant stage when it is approved and signed off. The project then moves on to the next sequential stage. It is expected that the municipality's organisation reflects an engagement between the Budget Treasury Office, Engineers and Planners when developing and approving projects. It is also expected that there should be engagements with the National and Provincial Treasury where appropriate or where projects dictate so.

Table 1: Project stage deliverables

Stage		**Project Stage Deliverables**
No	**Name**	**End of Stage Deliverables**
1	**Initiation**	**Initiation Report or Pre-feasibility Report** (i) The Initiation Report defines project objectives, needs, acceptance criteria, organisation's priorities and aspirations, and procurement strategies, which set out the basis for the development of the Concept Report. Or (ii) A Pre-feasibility Report is required on Mega Capital Projects, to determine whether to proceed to the Feasibility Stage; where sufficient information is presented to enable a final project implementation decision to be made. Mega capital projects should be determined in the municipality's policy approved by the Municipal Council. **Stage 1 is complete when the Initiation Report or Pre-feasibility Report is approved.**
2	**Concept**	**Concept Report or Feasibility Report** (i) The Concept Stage presents an opportunity for the development of different design concepts to satisfy the project requirements developed in Stage 1. This stage presents alternative approaches and an opportunity to select a particular conceptual approach. The objective of this stage is to determine whether it is viable to proceed with the project, premised on available budget, technical solutions, time frame and other information that may be required. (ii) The Concept Report should provide the following minimum information:

Stage		Project Stage Deliverables
No	**Name**	**End of Stage Deliverables**
		a) Document the initial design criteria, cost plan, design options and the selection of the preferred design option; or the methods and procedures required to maintain the condition of infrastructure, or the project. b) Establish the detailed brief, scope, scale, form and cost plan for the project, including, where necessary, the obtaining of site studies and construction and specialist advice. c) Provide an indicative schedule for documentation and construction, or maintenance services, associated with the project. d) Include a site development plan, or other suitable schematic layouts, of the works. e) Describe the statutory permissions, funding approvals and utility approvals required to proceed with the works associated with the project. f) Include a baseline risk assessment for the project and a health and safety plan, which is a requirement of the Construction Regulations issued in terms of the Occupational Health and Safety Act. g) Contain a risk report, need for further surveys, tests, investigations, consents and approvals, if any, during subsequent stages. (iii) A Feasibility Report must provide the following minimum information: a) Details regarding the preparatory work covering: • A needs and demand analysis with output specifications. • An options analysis. b) A viability evaluation covering: • A financial analysis. • An economic analysis, if necessary. c) A risk assessment and sensitivity analysis; d) A professional analysis covering: • A technology options assessment. • An environmental impact assessment. • A regulatory due diligence. e) An implementation readiness assessment covering: • Institutional capacity. • A procurement plan. **Stage 2 is complete when the Concept Report or the Feasibility Report is approved.**
3	**Design Development**	**Design Development Report** (i) The Design Development Report must, as necessary: a) Develop, in detail, the approved concept to finalise the design and definition criteria.

Stage		Project Stage Deliverables
No	**Name**	**End of Stage Deliverables**
		b) Establish the detailed form, character, function and costings. c) Define the overall size, typical detail, performance and outline specification for all components. d) Describe how infrastructure, or elements or components thereof, are to function; and how they are to be safely constructed, be commissioned and be maintained. e) Confirm that the project scope can be completed within the budget, or propose a revision to the budget. **Stage 3 is complete when the Design Development Report is approved.**
4	**Design Documentation**	**Design Documentation** (i) Design documentation provides: a) the production information that details performance definition, specification, sizing and positioning of all systems and components that will enable construction; b) the manufacture, fabrication and construction information for specific components of the work, informed by the production information. **Stage 4 is complete when the Design Documentation Report is approved.**
5	**Works**	**Completed Works capable of being used or occupied** (i) Completion of the Works Stage requires: a) Certification of the completion of the works in accordance with the provisions of the contract; or b) Certification of the delivery of the goods and associated services in accordance with the provisions of the contract. **Stage 5 is complete when the Works Completion Report is approved.**
6	**Handover**	**Works which have been taken over by the user or owner; Completed Training; Record Information** (i) The handover stage requires the following activities to be undertaken: a) Finalise and assemble record information which accurately reflects the infrastructure that is acquired, rehabilitated, refurbished or maintained; b) Hand over the works and record information to the user organisation and, if necessary, train end user staff in the operation of the works. **Stage 6 is complete when the Handover/Record Information Report is approved.**
7	**Close-Out**	**Defects Certificate or Certificate of Final Completion; Final Account; Close-Out Report**

Stage		Project Stage Deliverables
No	**Name**	**End of Stage Deliverables**
		(i) The Close-Out Stage commences when the end user accepts liability for the works. It is complete when: a) Record information is archived; b) Defects certificates and certificates of final completion are issued in terms of the contract; c) Final amount due to the contractor is certified in terms of the contract; d) Close-Out Report is prepared by the Implementer and approved by the Municipality. **Stage 7 is complete when the Close-out Report is approved.**

b) Procurement of PSPs and Contractors can occur at different points in the project stages.

c) Additional stages may be added to the described stages above, if deemed necessary. For example, additional stages could include those necessary to ensure that project activities are appropriately carried out and stages linked. Contract activities would, in many instances, be contingent upon the requirements of the specific contract being used.

d) For project progress using the project stages, reporting must be for the deliverable achieved in the stage immediately prior to the 'in progress' stage. For example, if a project is shown as being at Stage No. 3 (Design Development), it implies that the deliverable for Stage No. 2 (i.e. the Concept Report) has been achieved; and that the deliverable for Stage 3 (i.e. the Design Development Report) is in the process of being prepared.

e) Where an organ of state engages another organ of state to provide agency services, a service delivery agreement must be developed that outlines the roles and responsibilities for each organ of state; and establishes a relationship between the client and the implementer. The development of all deliverables should be carried out in a cooperative and consultative manner between the Client and Implementer parties. All deliverables must be developed and signed off in compliance with the specific service delivery agreement.

5.2 Gateway Reviews

5.2.1 Gateway reviews for mega capital projects

(i) The MFMA (Act 56 of 2003), section 19 (2) states: "Before approving a capital project in terms of subsection (1)(b), the council of a municipality must consider the projected cost covering all financial years from the start until the project is operational; and the future operational costs and revenue on the project, including municipal tax and tariff implications."

(ii) The LGFIDPM prescribes the Gateway Review at the end of stage 2, as the minimum requirement to comply with section (i) above.

(iii) The focus of such a review must be on the quality of the documentation in the first instance, and thereafter on:

a) Deliverability: the extent to which a project is deemed likely to deliver;

b) Expected benefits: within the declared cost, time and performance area;

c) Affordability: the extent to which the project's level of expenditure and financial risk can be accepted, given the organisation's overall financial position, both singly, and when considering its other current and projected commitments; and

d) Value for money: The optimum combination of whole life costs and quality (or fitness of purpose), to meet the user's requirements.

(iv) A gateway review team must comprise of not less than three persons who are neither involved, nor associated with the project, but have a broad understanding of the subject matter.

(v) A gateway review must be led by a person who has experience in the planning of infrastructure projects and is registered as a professional with a statutory council under the built environment professions. The members of the team must, as relevant, have expertise in the key technical areas, cost estimating, scheduling and implementation of similar projects.

(vi) It is the duty of the institution's Accounting Officer or Authority to appoint a team responsible for the gateway review of his or her institution.

(vii) The gateway review team must base its findings primarily on:
   a) The information contained in the end-of-stage deliverable;
   b) Supplementary documentation, if any, provided by key staff and obtained during an interview process; and
   c) Interviews with key staff members and stakeholders.

(viii) The gateway review team must issue a report at the conclusion of a gateway review, which reflects the team's assessment of the information at the end of a stage; and provides findings or recommendations on areas where further work should be undertaken to improve such information.

(ix) The gateway review findings must be classified by the gateway review team as:
   a) Critical: Findings that pose adverse effect to the project or package. Critical findings are findings related to the stage deliverable that are wholly unacceptable.
   b) Major: Findings that pose a potentially adverse effect to the project or package. Major findings are serious findings and are in direct violation of key legislation, e.g. The Constitution of the Republic of South Africa, the MFMA or the PPPFA.
   c) Minor: Findings that do not pose any adverse effect to the project or package. Minor findings indicate the need for improvement of practices and processes.

(x) A Stage 2 deliverable must not be approved until such time that all findings have been resolved.

6. FRAMEWORK FOR INFRASTRUCTURE PROCUREMENT

6.1 INTRODUCTION

The framework for infrastructure procurement outlines the minimum infrastructure procurement policy requirements for municipal planning and implementation.
The strategic direction set in the Integrated Development Plan (IDP) informs the framework for infrastructure procurement. For example, procurement strategies must be aligned to the municipality's developmental and internal transformation needs, as specified in the IDP.

6.2 MINIMUM REQUIREMENT FOR INFRASTRUCTURE PROCUREMENT

6.2.1 Infrastructure procurement must be undertaken in accordance with all applicable Infrastructure Procurement related legislation and this Framework.
6.2.2 Infrastructure procurement must be implemented in accordance with the institutional Supply Chain Management System, which promotes differentiated procurement for infrastructure.
6.2.3 Infrastructure procurement must be implemented in accordance with the procurement gates prescribed in clause 6.3 below.
6.2.4 The Accounting Officer must ensure that a budget is available for the duration of the project, in line with MFMA provisions for capital and operating budgets.
6.2.5 The Accounting Officer must ensure that cash flow management processes are in place to meet payment obligations within the time periods specified in the contract.
6.2.6 Procurement gates provided in 6.3 below must be used, as appropriate, to:
a) Authorise commencement of activities that lead to the next control gate;
b) Confirm conformity with requirements; and/or
c) Provide information to eliminate any cause of non-conformity and to prevent reoccurrence.
6.2.7 The authorisation to proceed to the next procurement gate must be given by a delegated person or body. The delegated person or body must be able to apply relevant built environment knowledge and skill to achieve the intended results required at the relevant procurement gate. The level of detail contained in the documentation on which a decision to proceed to the next procurement gate is made, must be sufficient to enable an informed decision.
6.2.8 The Accounting Officer must develop and implement effective and efficient emergency procurement procedures, including relevant approval delegation, in compliance with relevant legislation.
6.2.9 The Accounting Officer must develop and implement an effective and efficient infrastructure disposal policy in line with the Municipal Asset Transfer Regulations. The institution may consider disposal strategies aligned to their internal disposal policy, prior to proceeding with the procurement strategy.
6.2.10 The Accounting Officer must keep records of Procurement Gate Approvals, in a manual or electronic format, with the following minimum requirements:
a) Procurement gate;
b) Delegated person/s or body;
c) Date on which the approval request was received;
d) Date on which the approval was actioned; and
e) Signature of the delegated person or body.
6.2.11 All assets must be recorded in the municipal asset register as required by the GRAP standards.

6.3 Infrastructure Procurement Gates

6.3.1 Procurement **Gate 1 (PG 1)**

a) Initiate a procurement process;

b) **Minimum Requirement for PG 1:**

1) Establish and clarify the procurement need, aligned to the municipality's development and transformation priorities specified in the IDP.
2) Determine a suitable title for the procurement, to be applied as the project description.
3) Prepare the broad scope of work for the procurement.
4) Perform market analysis.
5) Estimate the financial value of proposed procurement and contract for budgetary purposes, based on the broad scope of work.
6) Confirm the budget.
7) Compliance with section 33 of the MFMA with respect to community and stakeholder consultation.

c) **PG 1 is complete when a designated person or body makes the decision to proceed/not to proceed, with the procurement of the infrastructure.**

6.3.2 Procurement **Gate 2 (PG 2)**

a) Approve procurement strategy to be adopted.

b) **Minimum Requirement for PG 2:**

1) Develop a procurement strategy aligned to the institutional procurement strategy:
   a. Establish contracting and pricing strategy comprising of an appropriate allocation of responsibilities and risks; and the methodology for contractor payments.
   b. Identify service required for works.
   c. Decide on contracting strategy.
   d. Decide on pricing strategy.
   e. Decide on form of contract.
   f. Establish opportunities for promoting preferential procurement in compliance with legislative provisions and the Construction Sector Code.

c) **PG 2 is complete when a delegated person or body approves the procurement strategy that is to be adopted.**

6.3.3 Procurement **Gate 3 (PG 3)**

a) Approve procurement documents.

b) **Minimum requirements for PG 3:**

1) Prepare procurement documents that are compatible with:
   (i) approved procurement strategies.
   (ii) project management design documentation.

c) **PG 3 is complete when the Bid Specification Committee approves the procurement document. .**

6.3.4 Procurement **Gate 4 (PG 4)**

a) Confirm that cash flow processes are in place to meet projected contractual obligations.

b) **Minimum requirement for PG 4**

1) Confirm that cash flow processes are in place to meet contractual obligations.
2) Establish control measures for settlement of payments within the time period specified in the contract.

c) **PG 4 is complete when a delegated person or body confirms in writing that cash flow processes are in place; and control measures are established for the procurement to take place.**

6.3.5 Procurement **Gate 5 (PG 5)**

a) Solicit tender offers.

b) **Minimum requirements for PG 5**

1) Invite contractors to submit tender offers.
2) Receive tender offers.
3) Record tender offers.
4) Safeguard tender offers.

c) **PG 5 is complete when tender offers received are recorded and safeguarded by a delegated person from the SCM unit.**

6.3.6 Procurement **Gate 6 (PG 6)**

a) Evaluate tender offers premised on undertakings and parameters established in procurement documents.

b) **Minimum Requirement for PG 6:**

1) Determine whether tender offers are complete.
2) Determine whether tender offers are responsive.
3) Evaluate tender submissions.
4) Review minimum compliance requirements for each tender.
5) Perform a risk analysis.
6) Prepare a report on tender offers received, and on their achievement of minimum compliance.

c) **PG 6 is complete when the chairperson of the Bid Evaluation Committee approves the BEC report.**

6.3.7 Procurement **Gate 7 (PG 7)**

a) Award the contract.

b) **Minimum Requirement for PG 7:**

1) Bid adjudication committee review of the BEC evaluation report.
2) Bid Adjudication Committee makes an award.
3) Accounting Officer approval of the tender process.
4) Notify successful tenderer and unsuccessful tenderers of the outcome.
5) Sign contract document.
6) Formally accept tender offer.

c) **PG 7 is complete when the Accounting Officer, or the Bid Adjudication Committee where delegated, confirms that the tenderer has provided evidence of complying with all requirements stated in the tender data and formally accepts the tender offer in writing, and issues the contractor with a signed copy of the contract.**

6.3.8 Procurement **Gate 8 (PG 8)**

a) Administer and monitor the contract.

b) **Minimum Requirements for PG 8:**

1) Finance department to:

(i) Capture contract award data.

(ii) Manage cash flow projection.

(ii) Administer contract in accordance with the terms and provisions of the contract.

2) Delivery department to:

(i) Ensure compliance with contractual requirements.

c) **PG 8 is complete when a delegated person captures the contract completion/termination data (close out reports and relevant documents), including payment certificates due.**

7. Conclusion

It is advised that municipalities and municipal entities review this document from a practical implementation perspective and amend its SCM policies accordingly by inserting those parts that is practically implementable into the SCM Policy to be approved by the municipal council. You are also encouraged to share this with the relevant officials within the institution to ensure organisational awareness of this reform.

Enquiries pertaining to the content of this framework may be directed to:
Email: InfrastructureProcurement@treasury.gov.za

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"	laundering, 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 is 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

WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

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.

DRAFT
MUNICIPAL COST CONTAINMENT POLICY

WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

July 2019

MUNICIPAL COST CONTAINMENT POLICY
LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, No 56 of 2003
Date of adoption: 1 July 2019

The Council of the Witzenberg Municipality resolves in terms of section 168 (1) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), to adopt the Municipal Cost Containment Regulations (*Government Gazette* No. 42514) as the Cost Containment Policy of the municipality:

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1. DEFINITIONS

In the policy a word or expression to which a meaning has been assigned in the Act has the same meaning as in the Act, unless the context indicates otherwise, and-

"Act" means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

"consultant" means a professional person, individual, partnership, corporation, or a company appointed to provide technical and specialist advice or to assist with a design and implementation of projects or to assist a municipality or municipal entity to perform its functions to achieve the objects of local government in terms of section 152 of the Constitution;

"cost containment" means measures implemented to curtail spending in terms of the policy; and

"credit card" means a card issued by a financial services provider, which creates a revolving account and grants a line of credit to the cardholder.

2. OBJECT OF POLICY

The object of this policy is to ensure that resources of a municipality are used effectively, efficiently and economically by implementing cost containment measures.

3. APPLICATION OF POLICY

This Policy applies to all officials and political office bearers in the municipality.

4. COST CONTAINMENT

The municipality must develop and implement a cost containment policy which must-

(a) be adopted by council as part of its budget related policies; and

(b) be consistent with the Act and the Cost Containment Regulation

5. USE OF CONSULTANTS

The use and appointment of consultants will be in line with the cost regulations and Council's policy on municipal supply chain.

6. VEHICLES USED FOR POLITICAL OFFICE-BEARERS

(1) The threshold limit for vehicle purchases relating to official use by political office-bearers must not exceed R700 000 or 70% (VAT inclusive) of the total annual remuneration package for the different grades of municipalities, as defined in the Public Office Bearers Act and the notices issued in terms thereof by the Minister of Cooperative Governance and Traditional Affairs, whichever is lower.

(2) The procurement of vehicles in sub-regulation (1) must be undertaken using the national government transversal contract mechanism, unless it may be procured at a lower cost through other procurement mechanisms.

(3) Before deciding to procure a vehicle as contemplated in sub-regulation (2), the accounting officer or delegated official must provide the council with information relating to the following criteria which must be considered-

(a) status of current vehicles;

(b) affordability of options including whether to procure a vehicle as compared to rental or hire thereof, provided that the most cost effective option is followed and the cost is equivalent to or lower than that contemplated in sub-regulation (1);

(c) extent of service delivery backlogs;

(d) terrain for effective usage of the vehicle; and

(e) any other policy of council.

(4) If the rental referred to in sub-regulation (3) is preferred, the accounting officer must review the costs incurred regularly to ensure that value for money is obtained.

(5) Regardless of their usage, vehicles for official use by political office bearers may only be replaced after completion of 120 000 kilometres.

(6) Notwithstanding sub-regulation (5), a municipality or municipal entity may replace a vehicle for official use by political office bearers before the completion of 120 000km only in instances where the vehicle has a serious mechanical problem and is in a poor condition and subject to obtaining a detailed mechanical report by the vehicle manufacturer or approved dealer.

(7) The utilisation of municipal vehicles for official purposes is contained in the Fleet Management Policy.

7. TRAVEL AND SUBSISTENCE

The Municipal policy on travel and Subsistence will be applicable. The hiring of private vehicles, as refer to in the cost containment policy will not be allowed.

8. DOMESTIC ACCOMMODATION

Accommodation arrangements will only be approved if the return trip undertaken by any official and or Councillor, for official purposes is more than 500km. All bookings will be made as prescribe by the cost containment regulations.

9. CREDIT AND DEBIT CARDS

(1) The use of any credit and debit card for municipal activities are forbidden.

(2) Where officials or political office bearers incur expenditure in relation to official municipal activities, such officials or political officer bearers must use their personal credit cards or cash or arrangements made by the municipality, and request reimbursement in accordance with the written approved Travel and Subsistence Policy and processes.

10. SPONSORSHIPS, EVENTS AND CATERING

(1) The municipality may not incur catering expenses for meetings which are only attended by persons in the employ of the municipality, unless the prior written approval of the accounting officer is obtained.

(2) The accounting officer may incur catering expenses for the hosting of meetings, conferences, workshops, courses, forums, recruitment interviews, and proceedings of council that exceed five hours.

(3) Entertainment allowances of qualifying officials may not exceed two thousand rand per person per financial year, unless approved otherwise by the accounting officer.

(4) The municipality may not incur expenses on alcoholic beverages unless the municipality recovers the cost from the sale of such beverages.

(5) The accounting officer must ensure that social events, team building exercises, year-end functions, sporting events and budget vote dinners are not financed from the municipality or the municipal entity's budgets or by any suppliers or sponsors.

(6) The municipality may not incur expenditure on corporate branded items like clothing or goods for personal use of officials, other than uniforms, office supplies and tools of trade unless costs related thereto are recovered from affected officials or is an integral part of the business model.

(7) The accounting officer may incur expenditure not exceeding the limits for petty cash usage to host farewell functions in recognition of officials who retire after serving the municipality for ten or more years or retire on grounds of ill health.

11. COMMUNICATION

(1) The municipality may, as far as possible, advertise municipal related events on its website instead of advertising in magazines or newspapers.

(2) The accounting officer must ensure that allowances to officials for private calls and data costs are limited to an amount as determined by the accounting officer.

(3) Newspapers and other related publications must be discontinued on expiry of existing contracts or supply orders, unless required for professional purposes and where unavailable in electronic format.

(4) The municipality may participate in the transversal term contract arranged by the National Treasury for the acquisition of mobile communication services.

12. CONFERENCES, MEETINGS AND STUDY TOURS (HR Manager to ensure if such policies and procedures exist)

(1) The accounting officer must establish policies and procedures to manage applications to attend conferences or events hosted by professional bodies or non-governmental institutions held within and outside the borders of South Africa taking into account their merits and benefits, costs and available alternatives.

(2) When considering applications from officials or political office bearers to attend conferences or events within and outside the borders of South Africa, an accounting officer or mayor as the case may be, must take the following into account-

(a) the official's or political office bearer's role and responsibilities and the anticipated benefits of the conference or event;

(b) whether the conference or event addresses relevant concerns of the institution;

(c) the appropriate number of officials or political office bearers, not exceeding three, attending the conference or event; and

(d) the availability of funds to meet expenses related to the conference or event.

(3) An accounting officer may consider appropriate benchmark costs with other professional bodies or regulatory bodies prior to granting approval for an official to attend a conference or event within and outside the borders of South Africa.

(4) The benchmark costs referred to in sub-regulation (3) may not exceed an amount

as determined from time to time by the National Treasury through a notice.

(5) The amount referred to in sub-regulation (4) excludes costs related to travel, accommodation and related expenses, but includes-

(a) conference or event registration expenses; and

(b) any other expense incurred in relation to the conference or event.

(6) When considering costs for conferences or events these may not include items such as laptops, tablets and other similar tokens that are built into the price of such conferences or events.

(7) The accounting officer of a municipality or municipal entity must ensure that meetings and planning sessions that entail the use of municipal funds are, as far as may be practically possible, held in-house.

(8) Municipal or provincial office facilities must be utilised for conference, meetings, strategic planning sessions, *inter alia,* where an appropriate venue exists within the municipal jurisdiction.

(9) The accounting officer must grant the approval for officials and in the case of political office bearers and the accounting officer, the mayor, as contemplated in sub-regulation (2).

(10) The municipality must, where applicable, take advantage of early registration discounts by granting the required approvals to attend the conference, event or study tour, in advance.

13. OTHER RELATED EXPENDITURE ITEMS

(1) All commodities, services and products covered by a transversal contract concluded by the National Treasury must be considered before approaching the market, to benefit from savings where lower prices or rates have been negotiated.

(2) Municipal resources may not be used to fund elections, campaign activities, including the provision of food, clothing, printing of agendas and brochures and other inducements as part of, or during election periods or to fund any activities of any political party at any time.

(3) Expenditure on tools of trade for political office bearers must be limited to the upper limits as approved and published by the Cabinet member responsible for local government in terms of the Remuneration of Public Office Bearers Act, 1998.

(4) The municipality must avoid expenditure on elaborate and expensive office furniture.

(5) The municipality may only use the services of the South African Police Service to conduct periodical or quarterly security threat assessments of political office bearers and key officials and a report must be submitted to the speaker's office.

(6) The municipality may consider providing additional time-off in lieu of payment for overtime worked. Planned overtime must be submitted to the relevant manager for consideration on a monthly basis. A motivation for all unplanned overtime must be submitted to the relevant manager. (Refer to Overtime Policy)

(7) A municipality must ensure that due process is followed when suspending or dismissing officials to avoid unnecessary litigation costs. (Refer to Disciplinary Policy)

14. ENFORCEMENT PROCEDURES

Failure to implement or comply with this policy may result in any official of the municipality, political office bearer or director of the board that authorised or incurred any expenditure contrary to this policy being held liable for financial misconduct or a financial offence in the case of political office bearers as defined in Chapter 15 of the Act read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014.

15. DISCLOSURES OF COST CONTAINMENT MEASURES

(1) The disclosure of cost containment measures applied by the municipality must be included in the municipal in-year budget reports and annual costs savings disclosed in the annual report.

(2) The measures implemented and aggregate amounts saved per quarter, together with the regular reports on reprioritisation of cost savings and on the implementation of the cost containment measures must be submitted to the Municipal Council for review and resolution. The municipal council can refer such reports to an appropriate Council Committee for further recommendations and actions.

(3) The reports referred to in sub-regulation (2) must be copied to the National Treasury and the relevant provincial treasury within seven calendar days after the report is submitted to municipal council.

16. SHORT TITLE AND COMMENCEMENT

The Municipality Cost Containment policy is in line with the Municipal Cost Containment Regulations published in the Government Gazette 42514 of 7 June 2019 and take effect on 1 July 2019.

NATIONAL TREASURY

MFMA Circular No. 107

Municipal Finance Management Act No. 56 of 2003

Municipal Budget Circular for the 2021/22 MTREF

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Introduction

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

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

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

1. The South African economy and inflation targets

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

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

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

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

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

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

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

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

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

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

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

Table 1: Macroeconomic performance and projections, 2016 - 2020

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

Source: Medium Term Budget Policy Statement 2020.

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

2. Key focus areas for the 2021/22 budget process

2.1 Local government conditional grants allocations

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

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

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

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

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

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

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

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

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

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

Additional instruments to finance infrastructure in municipalities

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

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

3. 2021 Local Government Elections and the budget process

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

The following four risks need to be explicitly managed:

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

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

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

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

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

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

Furthermore, as the current municipal leadership will be responsible for the compilation of the 2022/23 MTREF budgets, councils are advised to prioritise expenditure appropriations aligned to the policy intent as described in the integrated development plans (IDPs). Infrastructure provisioning for water, sanitation, roads and electricity remain key priorities.

In addition, the outgoing council is advised to critically consider the financial implications before entering into new long-term contracts that are not of priority to the municipality and avoid if possible, committing the incoming council. Municipalities should refrain from filling non-critical positions, purchasing cars, procuring new financial systems and from incurring any other expenditure at this stage that will financially burden the incoming council.

During this time of transition, all stakeholders should work together to ensure that municipalities continue to perform their functions efficiently and effectively. The Mayor and municipal manager should now be engaging in the process of the annual review of the fifth and last year of the IDP in terms of section 34 of the Municipal Systems Act (MSA) and the 2022/23 budget preparation process in terms of section 21 of the MFMA. It is particularly important to ensure that arrangements for the review of IDPs and preparation of budgets continue seamlessly as these processes cannot be delayed in anticipation of the announcement of an election date.

In deciding on the schedule for the 2022/23 budget process, the Mayor and municipal manager must also note that the MFMA, read together with the Municipal Budget and Reporting Regulations, only allows for a 'main adjustments budget' to be tabled after the mid-year budget and performance assessment has been tabled in council, i.e. after 25 January 2022. In addition, the permitted scope of an adjustments budget is quite limited in that taxes and tariffs may not be increased (refer to section 28(6) of the MFMA) and any additional revenues may only be appropriated to programmes and projects already budgeted for (refer to section 28 of the MFMA). Therefore, the idea of the current council passing a 'holding budget' which the new council will change substantially through an adjustments budget soon after the start of the municipal financial year is not legally permitted.

Though an IDP is a five-year strategic document of council, municipalities should note that when a new council takes office after a local government election, the norm has been that the new council implements the last adopted IDP during the first year of office. It is normally only in the second year of office that the newly elected council adopts a new IDP after thorough interrogation, extensive consultation and finalisation of a new five-year strategy.

In the absence of detailed information on the 2021 Local Government Elections, National Treasury will provide further guidance in the follow-up MFMA Budget Circular to be issued in March 2021.

4. Municipal Standard Chart of Accounts (*m*SCOA)

4.1 Release of Version 6.5 of the Chart

On an annual basis, the *m*SCOA chart is reviewed to address implementation challenges and correct chart related errors. Towards this end, Version 6.5 is released with this circular.

Version 6.5 of the chart will be effective from 2021/22 and must be used to compile the 2021/22 MTREF and is available on the link below:
http://mfma.treasury.gov.za/RegulationsandGazettes/MunicipalRegulationsOnAStandardChartOfAccountsFinal/Pages/default.aspx

4.2 Budgeting and Reporting for the COVID-19 pandemic and water inventory

In terms of the Annexure to MFMA Circular No. 99, *m*SCOA Circular No. 9, and GRAP 12, municipalities were advised to:

1. Record and ringfence all funding and expenditure pertaining to the COVID-19 pandemic for the 2020/21 MTREF when budgeting and transacting; and

2. Budget and account for bulk water purchases as inventory as per GRAP 12 (paragraph 07).

It is evident from the snapshots that were drawn from the Local Government Database based on the *m*SCOA data strings that were submitted by municipalities in terms of the monthly Section 71 reporting, that most municipalities have not budgeted or reported on COVID-19 related allocations and expenditure, nor bulk water inventory as per the guidance provided.

Although the regulated A1 Schedule will only be amended from the 2021/22 MTREF to align to GRAP 12 (as per MFMA Circular No. 98), municipalities should already record water inventory in the *m*SCOA chart. ***Municipalities must budget for water as inventory in the 2021/22 MTREF.*** This means that municipalities will no longer be able to budget for water bulk purchases as an expense on table A4. Municipalities must use bulk water purchases i.e. system input volume on table A6: inventory. This provides for three different water sources i.e. water treatment works, bulk purchases and natural sources. When water is issued through the billing/ distribution, the cost should be expensed through table A4: inventory consumed with the corresponding accounting transaction in the inventory account on table A6: current assets: water: authorised consumption.

Municipalities that did not adjust their 2020/21 MTREF budgets by 30 September 2020 to respond to the COVID-19 pandemic or budget for bulk water inventory are reminded to do so in the main adjustments budget process in February 2021.

It should also be noted that the National Treasury's reporting on COVID-19 will be drawn as per *m*SCOA Circular No. 9 and we will not be able to identify COVID-19 allocations and expenditure that have been ringfenced in another manner.

Municipalities must submit the adjustments budget and revised project list for 2020/21 in the format of a *m*SCOA data strings (ADJB and PRAR) uploaded to the Local Government (LG) Upload Portal within 10 working days after Council has adopted the adjustments.

4.3 Revised Municipal Property Rates Act Categories

By now all municipalities should be aware that section 8 of the Municipal Property Rates Act on the determination of categories of **rateable** properties has been revised through the Local Government Municipal Property Rates Amendment Act, 2014 ("the Amendment Act"). The new rateable property categorisation framework based on use (provided these property categories exist within the municipality) and consequently, all property categories that are based on ownership, geographic location or any other basis fall away.

Municipalities must implement the new property categorisation framework by not later than 1 July 2021. The *m*SCOA chart Version 6.5 makes provision for the new and the old framework. However, the old framework will be retired in the next version of the chart and municipalities are advised to implement the new property categorisation framework as legislated. Therefore, municipalities cannot use both frameworks to avoid duplication and overstatement of revenue from property rates.

4.4 Forbidden activities

The Item Assets segment of the *m*SCOA chart currently includes items such as staff loans as non-current receivables from non-exchange transactions. This is in contravention with Section 164(1)(c) of the MFMA that stipulates that a municipality may not make loans to councillors or officials of the municipality; directors or officials of the entity; or members of the public. Therefore, municipalities are advised not to use these items when budgeting as National Treasury may retire these items in the next version of the chart.

4.5 Independent Audits on Municipal Financial Systems

All municipalities and municipal entities had to comply with the *m*SCOA Regulations by 1 July 2017. MFMA Circular No. 80 provided guidance on the minimum business processes and system specifications for all categories of municipality (A, B and C). The Request for Proposal (RFP) issued on 4 March 2016 for the appointment of service providers for an integrated financial management and internal control system for local government (RT25-2016 published in Tender Bulletin No. 2906), provided further guidance on the requirements applicable to a specific category of municipality.

The National Treasury will conduct independent audits on all municipal financial systems in 2021 to determine to what extent the financial systems that are currently being used by municipalities comply with the minimum business processes and system specifications required in terms of *m*SCOA. These audits were initially planned for 2020, but due to restrictions on procurement processes and travel in terms of the COVID-19 pandemic it was postponed to 2021. The results of the audits will also inform the new transversal tender for the procurement of municipal financial and internal control systems in 2022. **Until these audits have been concluded, and the results have been released, municipalities should exercise caution when changing their financial system to avoid purchasing a system that does not comply with the necessary *m*SCOA functionality requirements**. However, should a municipality need to procure a new financial system, they must follow the processes set out in the MFMA read together with the Municipal Supply Chain Management Regulations and MFMA Budget Circulars No. 93, 98 and *m*SCOA Circulars No 5 and 6. In addition, National Treasury has not accredited any of the municipal financial systems available in the market and this should therefore not be advertised as a requirement in municipal tender documents.

It should be emphasised that the onus to ensure compliance with the *m*SCOA Regulations and minimum system specifications as per MFMA Circular No. 80 and its Annexure B rests with the municipality and not the system vendor. Municipalities must properly manage Service level agreements (SLA) with system vendors. Penalties, including the termination of the SLA in cases of persistent non-compliance, should be imposed if the system vendor does not meet the agreed upon milestones. Likewise, if a system vendor has delivered on the services agreed upon in the SLA, then the municipality should pay all money owing to the system vendor within 30 days of receiving the relevant invoice or statement, as per the requirements of Section 65(2)(e) of the MFMA. Lastly, municipalities must agree on the services that are to be provided by the system vendors and costs thereof in the SLA that is signed by the municipality and system vendor. Municipalities should consider the financial implications thereof and negotiate more favourable terms with the system vendor if necessary before signing the SLA. Once signed, the SLA is legally binding.

4.6 Regulation of Minimum Business Processes and *m*SCOA System Specifications

National and Provincial Treasuries held extensive engagements with key system providers during which the system functionality on the following were demonstrated: IDP and budget, supply chain management (SCM), asset management, annual financial statements, revenue management, cash flow and period control. These engagements provided National and Provincial Treasuries with an understanding of what functionality is available on each system and what the key system related challenges are.

It was evident from the engagements that municipalities are not using their financial systems optimally. Some of the challenges that were identified in this regard include the following:

- Some municipalities have not purchased all the modules of the core financial system or have not upgraded to the Enterprise Resource Planning (ERP) (*m*SCOA enabling) version of their financial systems;

- A few municipalities are not paying for the required licences to use system solutions and they are not upgrading and maintaining their servers, hardware and software to become and remain *m*SCOA compliant and to protect their data;
- Several municipalities are still transacting on their legacy systems that are not *m*SCOA enabling or they are using excel spreadsheets that are not incorporated in the functionality of their financial systems, while they are paying for maintenance and support for the *m*SCOA enabling system that was procured. This constitutes fruitless and wasteful expenditure; and
- Other municipalities are not using all the modules of the core financial system (using 3rd party systems) while they have procured these modules. This is once again fruitless and wasteful expenditure.

Municipalities should include the cost of the above in their 2021/22 MTREF budgets.

One of the key objectives of the *m*SCOA reform is to ensure that municipalities are budgeting, transacting and reporting directly on and from integrated ERP systems to have one version of the truth in terms of the reported financial performance. The manual correction of data strings by municipal officials or system vendors are not allowed in terms of the *m*SCOA Regulations.

National Treasury will expand and regulate the business processes and system specifications communicated in MFMA Circular No. 80 and its Annexure B in the 2021/22 MTREF to ensure that municipalities are using the functionality available on their financial systems. MFMA Circular No. 80 was issued in 2016, and several Regulations and best practises as per the MFMA Circulars have been introduced since then. The expansion of the requirements will accommodate these new developments.

4.7 Non-compliance with *m*SCOA requirements

If your municipality has not yet achieved the required level of *m*SCOA implementation, then it must provide a detailed action plan (road map) to the National and the respective provincial treasury to indicate how the municipality will fast track the implementation of *m*SCOA. The action plan should include the following priority areas, as applicable to the municipality:

- The functionality of the financial system, including the minimum system functionality and business process as per MFMA Circular No. 80 and Annexure B and functionality required in terms of Regulations and MFMA Circulars that was issued after 08 March 2016 (the date on which MFMA Circular No. 80 was issued);
- Integration of 3rd party sub-systems with the *m*SCOA enabling financial system as required in terms of MFMA Circular No. 80 and Annexure B;
- Change management initiatives to ensure that *m*SCOA is institutionalised as an organisational reform and not only a financial reform; and
- Training initiatives to ensure that all officials in the organisation are familiar with the *m*SCOA chart, basic accounting, balance sheet budgeting and movement accounting and the use of the *m*SCOA enabling financial system.

Importantly, the action plan must be drafted by the municipality and not the system vendor and the progress against it should be carefully monitored by the municipality's *m*SCOA Project Steering Committee (chaired by the Accounting Officer). Municipalities must present progress against the action plan at the 2020/21 Mid-Year Budget and Performance visits and Budget and Benchmark engagements with the National and the respective provincial treasury.

4.8 Extension and Procuring of Service Level Agreements (SLA) for Financial Systems

At least six (6) months prior to the expiry of the SLA for the support and maintenance of the financial system, the municipality should either:

- Extend the existing SLA with the same system vendor subject to the provisions of Section 33 and 116(3) of the MFMA (read in conjunction with MFMA Circular No. 62); or
- Approach the market to procure services for the support and maintenance of the financial system consistent with the Municipal Supply Chain Management Regulations and municipality's Supply Chain Management Policy.

Importantly, once the SLA has expired, it cannot be extended, and the municipality will have to embark on a new procurement process. In addition, when the contract for the support and maintenance of the financial system comes to an end, it does not mean that the municipality must procure a new financial system. It is only support and maintenance services pertaining to the financial system that needs to be procured. Municipalities need to properly document their systems and the system language used to ensure that system support can be procured in the local market when required.

4.9 Cash flow reconciliation

The population of the cash flow reconciliation in tables A7, B7 and C7 of the MBRR formats using *m*SCOA data strings has been a challenge in previous financial years. The main contributing factors to this were that:

- Municipalities were not using the *m*SCOA segments correctly to populate their cash flow information;
- A number of municipalities did not use the movement accounts correctly in the *m*SCOA chart which distorts the figures reported in the cash flow tables;
- Some municipalities did not budget, transact or report directly in or from their financial systems; and
- There were errors in the linkages of the MBRR cash flow tables to the *m*SCOA data strings in the segment item: asset and liabilities on the Local Government Database.

It is critical that municipalities undertake balance sheet and cash flow budgeting to provide accurate cash flow information. National Treasury has provided guidance in this regard in MFMA Circular No. 98 and *m*SCOA Circular No. 10 and have also corrected the errors in the linkages of the MBRR cash flow tables to the *m*SCOA data strings. This has resulted in improvements in the section 71 cash flow data that were published at the end of quarter 1 of the 2020/21 MTREF. Further guidance on the application of the funding segment has also been issued in *m*SCOA Circular No. 11 on 4 December 2020.

4.10 *m*SCOA Calendar for 2021/22

Important dates pertaining to *m*SCOA related activities for the 2020/21 financial year is summarised below for planning purposes:

	Activity	Time Frames
1.	Independent System Audits	February to December 2021
2.	Regulation of Minimum Business Processes and System Specifications	For comments and testing: October 2021
3.	*m*SCOA Virtual Training Sessions (various topics)	Monthly
4.	Roll out of eLearning *mSCOA* course through	July 2020

	National School of Governance	
5.	Issue proposed *m*SCOA chart changes for version 6.6	October 2021
6.	Annual *m*SCOA CIGFARO Budgeting Workshop	November 2021
7.	Issuing of transversal contract for provision of financial systems	March 2022

5. The revenue budget

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

Municipalities are reminded that the local government equitable share allocation is mainly to fund the costs of free basic services and to subsidise the administrative costs of the smaller and more rural municipalities. The increasing unemployment and growth in the number of persons per household means that the revenue foregone in respect of free basic services will likely increase, and it will become even more difficult to collect revenue. Household budgets are becoming increasingly under more pressure, and trade-offs might be applied when it becomes unaffordable to pay all household expenses on a monthly basis.

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the financial sustainability of the municipality. The Consumer Price Index (CPI) inflation is forecasted to be within the lower limit of the 3 to 6 per cent target band; therefore, municipalities are required to ***justify all increases in excess of the*** **projected inflation target for 2021/22** in their budget narratives and pay careful attention to tariff increases across all consumer groups. In addition, municipalities should include a detail of their revenue growth assumptions for the different service charges in the budget narrative.

5.1 Maximising the revenue generation of the municipal revenue base

Reference is made to MFMA Circular No. 93, paragraph 3.1 and No. 98, paragraph 4.1. The emphasis is on municipalities to comply with Section 18 of the MFMA and ensure that they fund their 2021/22 MTREF budgets from realistically anticipated revenues to be collected. Municipalities are cautioned against assuming collection rates that are unrealistic and unattainable as this has been identified as a fundamental reason for municipalities not attaining their desired collection rates.

It is therefore essential that municipalities pay attention to reconciling the valuation roll data to that of the billing system to ensure that revenue anticipated from property rates are accurate. Municipalities are encouraged to undertake this exercise as a routine practice. The list of exceptions derived from this reconciliation will indicate where the municipality may be compromising its revenue generation in respect of property rates. A further test would be to reconcile this with the Deeds Office registry. In accordance with the MFMA Circular No. 93,

municipalities are once more requested to submit the reconciliation of the valuation roll to the financial system to the National Treasury by no later than **05 February 2021**.

The above information must be emailed to linda.kruger@treasury.gov.za or must be uploaded by approved registered users using the LG Upload Portal at: https://lguploadportal.treasury.gov.za/.

5.2 Setting cost-reflective tariffs

Reference is made to MFMA Circular No. 98, paragraph 4.2. The setting of cost-reflective tariffs is a requirement of Section 74(2) of the Municipal Systems Act which is meant to ensure that municipalities set tariffs that enable them to recover the full cost of rendering the service. This forms the basis of compiling a credible budget. A credible budget is one that ensures the funding of all approved items and is anchored in sound, timely and reliable information on expenditure and service delivery (FFC, 2011). Credible budgets are critical for local government to fulfil its mandate and to ensure its financial sustainability.

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

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

Municipalities are encouraged to utilise the tariff setting tool referenced in MFMA Circular 98, item 4.2. This tool will assist in setting tariffs that are cost-reflective and would enable municipalities to recover costs to fulfil its mandate. The National Treasury Municipal Costing Guide is also available on the link below on the National Treasury website.

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

5.3 Bulk Account Payments - Eskom Concessions

During 2018/19, intense work had been undertaken to resolve systemic and structural issues pertaining to the electricity function in municipalities. Core to this work was addressing the escalating Eskom debt that threatened the sustainability of Eskom as well as that of municipalities.

During the process, Eskom was engaged on providing relieve in certain areas. Municipalities must be made aware that the following concessions were agreed upon:

- Reducing the interest rate charged on overdue municipal bulk accounts from prime plus 5 per cent to prime plus 2.5 per cent;
- Payment terms being extended from 15 days to 30 days for municipal bulk accounts; and
- Payments received from municipalities will be allocated to capital first and then the interest.

These concessions are aligned to the MFMA and are meant to curb the growing debt levels by allowing municipalities a more conducive payment regime than what was previously employed. In addition, municipalities are encouraged to budget for bulk services and honour their current account payments religiously to avoid stringent application of the bulk suppliers' credit control policy.

5.4 Timeous allocations and clearing of the control accounts

Municipalities are encouraged to clear the control accounts on a monthly basis and to allocate trade and other receivable payments in these suspense accounts to the relevant debtor accounts regularly before the monthly submissions as required by the MFMA. Implementing and enforcing the credit control policy of the municipality whilst payments are not cleared in the control account is negligent and irresponsible. Municipalities are warned against this bad practice, and this must be avoided at all costs.

5.5 Eskom Bulk Tariff increases

The National Energy Regulator of South Africa (NERSA) is responsible for price determination of the bulk costs for electricity. In March NERSA approved a municipal tariff increase of 6.9 per cent effective 1 July 2020 (1.2 per cent lower than the tariff increase in Multi-Year Price Determination (MYPD) 4 period due to differences in municipal and national financial years).

Municipalities are advised to use the tariff increases previously (March 2019) approved by the Regulator of 5.2 per cent 2021/22, 8.9 per cent for 2022/23 and 8.9 per cent in 2023/24 (*for 2023/24,* an average annual tariff increase is used for the National Energy Regulator of South Africa's multi-year price determination period of 1 April 2019 to 31 March 2022). The outer year is anticipated to be the first year of the MYPD 5 period, which is yet to be published.

6. Funding choices and management issues

Municipalities are under pressure to generate revenue as a result of the economic landscape, the COVID-19 pandemic, weak tariff setting and increases in key cost drivers to provide basic municipal services. The ability of customers to pay for services is declining and this means that less revenue will be collected. Therefore, municipalities must consider the following when compiling their 2021/22 MTREF budgets:

- Improving the effectiveness of revenue management processes and procedures;
- Cost containment measures to, amongst other things, control unnecessary spending on nice-to-have items and non-essential activities as highlighted in the Municipal Cost Containment Regulations read with MFMA Circular No. 82;
- Ensuring value for money through the procurement process;
- The affordability of providing free basic services to all households;
- Not taking on unfunded mandates; and
- Curbing the consumption of water and electricity by the indigents to ensure that they do not exceed their allocation.

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

6.1 Employee related costs

The *Salary and Wage Collective Agreement* for the period 01 July 2018 to 31 June 2020 has come to an end and a new agreement is under consultation, which we hope will take into account the current fiscal constraints faced by government. Therefore, in the absence of any information in this regard from the South African Local Government Bargaining Council (SALGBC), municipalities are advised to take into account their financial sustainability when considering salary increases. It has been observed over the previous years that salary

increases were above inflation. In addition, municipalities that could not afford such increases did not apply for exemption as provided by SALGBC. Given the current economic condition exacerbated by the COVID-19 pandemic, municipalities are urged to consider projecting increases to wage that would reflect their affordability as many municipalities that are already not in a position to afford the current wage cost would indeed have to apply no more than zero per cent increase in the 2021/22 MTREF and to exercise the option for exemption for any negotiated increase above the level of their affordability.

6.2 Remuneration of councillors

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published annually between December and January by the Department of Cooperative Governance. It is anticipated that this salary determination will also take into account the fiscal constraints. Municipalities should also consider guidance provided above on salary increases for municipal officials during this process.

7. Conditional Grant Transfers to Municipalities

7.1 Non-compliance of in-year monitoring

In terms of Section 74(1) of the MFMA, municipalities must submit to the transferring officers, National and Provincial treasuries documents and monthly grant reports as may be prescribed or required. The *m*SCOA Regulations requires the uniform recording and classification of municipal budget and financial information at a transaction level in the form of a *m*SCOA data string that must be submitted to the LG Upload portal. Most municipalities are still not reporting on conditional grants as per the *m*SCOA requirements. As per MFMA Circular No 93, the National Treasury has only used *m*SCOA data strings as the source of data for publications on municipal financial performance from 1 July 2019. The *m*SCOA data strings will also be the main source of data that will be used to monitor the performance against grants and to inform decisions on the stopping and reallocation of conditional grants funding in the 2021/22 MTREF. The credibility of the *m*SCOA data strings reporting on grants will be closely monitored going forward.

Furthermore, section 12(2) of the Division of Revenue Act, 2020 (Act No. 4 of 2020) (DoRA) states that the municipality, as part of the report required in terms of section 71 of the MFMA, report on the matters referred to in subsection (4) and submit a copy of that report to the relevant provincial treasury, the National Treasury and the relevant Transferring Officer.

Some municipalities have not been complying with the reporting requirements as stipulated above. Municipalities are reminded that the non-submission of monthly reports translates to non-compliance with the MFMA and DoRA. The National Treasury and Transferring Officer will be implementing stringent measures to municipalities that do not comply with the prescripts. This includes, but is not limited to, the stopping and reallocation of conditional grants funding of non-compliant municipalities. Municipalities are encouraged to comply with the reporting requirements to avoid withholding or stopping of an allocation.

In terms of performance reporting on conditional grants, municipalities and Transferring Officers are urged to pay particular attention to the contents of money spent against conditional grants. Government is not realising full value for money against the substantial investments it makes through grants.

8. The Municipal Budget and Reporting Regulations

8.1 Ensuring municipal sustainability through a funded budget

A budget is funded from realistically anticipated revenues to be collected, cash backed accumulated funds from the previous year as well as borrowed funds to be utilised for capital projects. A budget is realistic if it takes into account projected revenue for the current year based on the collection levels to date and actual revenue collected in the previous financial year. Municipal budgets must be prepared on this basis. The economic climate and the impact of COVID-19 pandemic had an effect on the ability of municipalities to collect arrear debt during levels 5, 4 and 3 of the national lockdown. This inability to exercise credit control measures during this period had decreased the collection rate in many municipalities.

Municipalities need to be proactive in exercising credit control measures to ensure that arrear debt is collected. Whilst collection rates decreased during the period mentioned above, municipalities must implement efforts to collect arrear debt and return collection rates to pre-COVID-19 levels. Whilst this unprecedented COVID-19 period is the exception, collection rates need to be maintained at 95 per cent in order to ensure the financial sustainability of municipalities. If collection rates have decreased, prudent financial management requires expenditure to be adjusted downward accordingly. This is to ensure that deficits are not realised and that realistically anticipated revenue based on projected collection rates funds expenditure. This will also ensure financial sustainability and avoid situations of financial distress in municipalities.

The Municipal Systems Act states that a municipal council must adopt, maintain and implement a credit control and debt collection policy that would be utilised for the collection of money that is due and payable to it. The municipal Councillors therefore are the custodians of the policy and responsible for its implementation. As a result, Councillors are required to encourage consumers in their municipal jurisdiction to pay for municipal services and to ensure that such debt that is due and payable to the municipality is collected. This would ensure compliance with the Act and ensure that a culture of payment is implemented in the municipal area. Council needs to play an active role in implementing their adopted policies to increase collection rates and ensure that funds are received to render services to the people.

Municipalities are reminded to develop a credible funding plan where the budget is unfunded. This plan must be tabled in and adopted by Council with the 2021/22 MTREF budget and submitted to the National and provincial treasuries when they submit their tabled and adopted budget in terms of Section 22(b)(i) and 24 (3) of the MFMA. Failure to approve a credible plan will result in the invoking of Section 216(2) of the Constitution.

8.2 Budgeting for indirect grant allocations

Some municipalities continue to budget for allocations not directly allocated to them as revenue in the Statement of Financial Performance. This results in revenue being overstated. Therefore, municipalities must refrain from budgeting for indirect grant allocations. A municipality must only budget for the allocations that are directly allocated and transferred to them.

8.3 Monthly reporting of debtors

National Treasury has observed through in-year monitoring that most municipalities are overstating debtors as they report on gross debtors instead of net. The format of the monthly debtors' data strings provides for a column to disclose provision for impairment as per council policy. Therefore, municipalities are urged to always reflect the provision for impairment in the column as indicated above for National Treasury to be able to reconcile the net debtors.

8.4 Schedule A - version to be used for the 2021/22 MTREF

National Treasury has released Version 6.5 of the Schedule A1 (the Excel Formats) which is aligned to Version 6.5 of the *m*SCOA classification framework and must be used when compiling the 2021/22 MTREF budget.

It is imperative that all municipalities prepare their 2021/22 MTREF budgets in their financial systems and that the Schedule A1 be produced directly from their financial system. Vendors have demonstrated their budget modules to the National Treasury and provincial treasuries. All financial systems have this functionality to assist and prepare budgets and to generate the prescribed Schedule A1 directly from the financial system. Therefore, there is no reason why the 2021/22 MTREF budget must be done manually. National Treasury has protected the A1 schedule version 6.5, therefore manual population will not be allowed as the schedule must be extracted from the financial system.

ALL municipalities **MUST** prepare their 2021/22 MTREF tabled and adopted budgets using the A1 schedule version 6.5.

Municipalities must start early enough to capture their tabled budget (and later the adopted budget) in the budget module provided and must ensure that they produce their Schedule A1 directly out of the budget module. **Manual capturing on A1 schedule version 6.5 is not allowed** in terms of the *m*SCOA Regulations.

The National Treasury has indicated in MFMA Circular No. 93 that municipalities must submit all A1 Schedules in PDF format only from the 2019/20 MTREF. Given the fact that the *m*SCOA classification framework makes it possible to generate the financial data required in the A1 schedule directly from the data strings and that additional data needed must be obtained from sub-systems that integrate with the financial system, the National Treasury will only accept the prescribed data string containing the supporting data, populated and uploaded by each municipality. National Treasury published the layout for the data string on the website in MFMA Budget Circular No. 98 and an amended version to be used for the 2021/22 MTREF forms part of this circular. The publication in the 2020/21 MTREF of non-financial data will be done using the supporting data uploaded from these data strings.

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

The budget, adjustments budget and Section 71 monthly reporting Schedules that have been regulated in terms of the MBRR have also been aligned to the *m*SCOA chart version 6.5 changes. The revised MBRR Schedules for the 2021/22 MTREF and its linkages to the data string are available on the link below:

http://cenvappsp10:31200/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Documents/Forms/AllItems.aspx?RootFolder=%2fRegulationsandGazettes%2fMunicipal%20Budget%20and%20Reporting%20Regulations%2fDocuments%2f2020%2d21&FolderCTID=0x0120001860D4A2BD7AD042BF8427FC3BB59F67

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

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

8.5 Assistance with the compilation of budgets

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

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

National and provincial treasuries will analyse the credibility of the data string submissions.

8.6 Assessing the 2021/22 MTREF budget

National and provincial treasuries will assess the 2021/22 MTREF budgets to determine if it is complete, funded and complies with the *m*SCOA requirements. The *m*SCOA data strings for the tabled (TABB) and adopted (ORGB) budgets will be used for this assessment.

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

Importantly, in order to generate an adopted budget (ORGB) data string, the budget must be locked on the financial system by the 10th working day of July each year. Therefore, once the ORGB data string has been generated, errors in the ORGB can only be corrected via an adjustments budget in February of each year. In terms of the design principles of *m*SCOA, municipalities are not allowed to open the budget on the system for corrections after it has been locked. This means that the tabled budget data string (TABB) should in fact be verified and errors in the TABB should be corrected in the ORGB **before the adopted budget is locked on the financial system and the ORGB data string is generated**.

The previous verification process and timeframes (i.e. July to September) can no longer be applied as municipalities are already transacting against the adopted and locked budget from 01 July 2020.

Amending an unfunded, incomplete and erroneous budget through an adjusted budget is also not encouraged as the National Treasury only considers an adjusted budget in the third and fourth quarter of the financial year for analysis and publication purposes. This will result in overspending and unauthorised expenditure not been monitored in the first six months of the financial year.

Municipal managers are reminded that the annual budget must be accompanied by a quality certificate and council resolution, as well as a budget locking certificate (in the case of the adopted budgets) in accordance with the format specified in Regulation 31 of Schedule A of the MBRR. The A1 schedule must be included as part of the budget documentation in pdf format.

The National Treasury would like to emphasise that ***where municipalities have adopted an unfunded budget without a* credible funding plan*, they will be required to correct the budget and go back to the Municipal Council to ensure they adopt and implement a funded budget as required in terms of Section 18 of the MFMA***.

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

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

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

In the past it was noted that municipalities have challenges to align the audited outcomes on the financial system to A1 Schedule. Municipalities must ensure that the audited figures and adjusted budget figures captured on the A1 Schedule aligns to the annual financial statements and Schedule B respectively.

9. Budget process and submissions for the 2021/22 MTREF

9.1 Submitting budget documentation and A1 schedules for 2021/22 MTREF

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

- Section 22(b)(i) of the MFMA requires that, ***immediately*** after an annual budget is tabled in a municipal council, it must be submitted to the National Treasury and the relevant provincial treasury in electronic formats. If the annual budget is tabled to council on **31 March 2021**, the final date of submission of the electronic budget documents and corresponding *m*SCOA data strings is **Thursday, 01 April 2021**.

Section 24(3) of the MFMA, read together with regulation 20(1) of the MBRR, requires that municipalities must submit the approved annual budget to both National Treasury and the relevant provincial treasury ***within ten working days*** after the council has approved the annual budget. E.g. if the council approves the annual budget on **31 May 2021**, given the new timeframe for the evaluation of the municipal budgets, the adopted budget data strings and documentation must be submitted by the latest **Monday, 14 June 2020**.

Municipalities are no longer expected to submit hard copies of all required documents including budget-related, Annual Financial Statements and Annual Reports to National Treasury via post or courier services. Hard copies must be submitted in pdf format to the LG Upload portal.

9.2 Expected submissions for 2021/22 MTREF

- The budget documentation as set out in the MBRR. The budget document must include the main A1 Schedule Tables (A1 - A10);
- The non-financial supporting tables (A10, SA9, SA11, SA12, SA13, SA24 and any other information not contained in the financial data string) in the A1 in the prescribed *m*SCOA data string in the format published with Version 6.5 of the A1 schedule;
- The draft and final service delivery and budget implementation plan (SDBIP) in electronic PDF format;
- The draft and final IDP;
- The council resolution for the tabled and adopted budgets;
- Signed Quality Certificate as prescribed in the MBRR for the tabled and adopted budgets;
- D Schedules specific for the entities; and
- A budget locking certificate immediately at the start of the new municipal financial year on 1 July.

Budget-related documents and schedules must be uploaded by approved registered users using the LG Upload Portal at: https://lguploadportal.treasury.gov.za/. It should be emphasised that municipalities should submit all required documents to the LG Upload portal and not to lgdocuments@treasury.gov.za. National Treasury will retire lgdocuments@treasury.gov.za on 1 July 2021 to ensure that there is a single collection point of municipal financial data.

Also note that the LG Upload Portal does not have the same size restrictions encountered with lgdocuments@treasury.gov.za, but requires all documents to:

1. Be in PDF format only; and

2. Each PDF file must NOT contain multiple document e.g. council resolution and quality certificate within the budget document. Each document type must be identified clearly and uploaded separately.

Any problems experienced with the submission of documents can be addressed with Elsabe Rossouw at Elsabe.Rossouw@treasury.gov.za.

The 2020/21 MTREF and the preliminary Quarter 1 Section 71 results for the 2020/21 financial year that has recently been published, have indicated that the credibility of the *m*SCOA data strings is still a concern although we have observed a marked improvement in some areas. At the core of the problem is:

- The incorrect use of the *m*SCOA chart and segments, balance sheet budgeting, movement accounting and basic municipal accounting practices by municipalities;
- Some municipalities are not budgeting, transacting and reporting directly in/from their core financial systems; and
- Municipalities are not locking their adopted budgets and their financial systems at month-end to ensure prudent financial management. To enforce municipalities to lock their budgets and close their financial system at month-end in 2020/21, the Local Government Database and Reporting System will lock all submission periods within the reporting period at the end of each quarter. The published period will NOT be opened again to ensure consistency between publications. System vendors were also requested to build this functionality into their municipal financial systems.

To improve the credibility of these data string, National and provincial treasuries are analysing the accuracy of the data strings and the use of the six regulated segments. The National Treasury has developed tools to analyse the segment/chart use and trained budget analysts from both National and provincial treasuries on the use thereof. To date, the analysis has highlighted that municipalities are not using the FUND, REGION and COSTING segments correctly. In many instances, these segments are simply defaulted which impedes the multi-dimensional reporting power of the *m*SCOA classification framework. Another common area of concern is that total capital expenditure do not balance to total funding. Currently, the expenditure is much higher than the available funding reported.

It needs to be noted that the single source for all analysis and publications will be the data strings submitted by the municipalities for the 2020/21 municipal financial year. It is therefore imperative that municipalities ensure the credibility and accuracy of the data strings before submission.

9.3 Publication of budgets on municipal websites

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

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

9.4 Communication by municipal entities to National Treasury

Municipal entities should not request meetings directly from National Treasury. National Treasury will only engage the entities through the parent municipalities. This includes all communications apart from the legislative reporting requirements.

Contact

national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

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

JH Hattingh
Chief Director: Local Government Budget Analysis
04 December 2020

NATIONAL TREASURY

MFMA Circular No. 108

Municipal Finance Management Act No. 56 of 2003

Municipal Budget Circular for the 2021/22 MTREF

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Introduction

This budget circular is a follow-up to the one issued in December 2020. It guides municipalities with their preparation of the 2021/22 Medium Term Revenue and Expenditure Framework (MTREF) and, as with previous annual budget circulars, it should be read within this context. This Circular is linked to the Municipal Budget and Reporting Regulations (MBRR) and the municipal Standard Chart of Accounts *(m*SCOA); and strives to support municipalities' budget preparation processes so that the minimum requirements are achieved. The key focus of this Circular is the grant allocations per the 2021 Budget Review and the 2021 Division of Revenue Bill.

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

1. The South African economy and inflation targets

The South African economy contracted by an estimated 7.2 per cent in 2020 compared with the 7.8 per cent contraction projected in the 2020 Medium Term Budget Policy Statement (MTBPS). The revised estimate results from easing lockdown restrictions in the third quarter and a faster-than-expected resumption of global growth, especially in China. The National Treasury projects real economic growth of 3.3 per cent in 2021, following an estimated contraction of 7.2 per cent in 2020. Real GDP growth is expected to moderate to 1.9 per cent in 2022 and 2023.

The outlook remains highly uncertain, and the economic effects of the pandemic are far-reaching. There were 1.7 million fewer jobs by the third quarter of 2020 compared to the same period in 2019. Rising unemployment and income losses have entrenched existing inequalities. GDP is only expected to recover to pre-pandemic levels in late 2023. High-frequency data for the third quarter, such as the volume of electricity distributed, mining and manufacturing output, business confidence and the ABSA Purchasing Managers' Index (PMI) shows evidence of a limited economic rebound.

Although growth rates are likely to improve quickly as restrictions are removed, based on current projections, the output is only expected to return to pre-pandemic levels in 2024. Given South Africa's structural constraints, its recovery will be slower than many of its developing-country peers. Industrial sectors (which include mining, manufacturing, construction and utilities) lagged substantially, undermined by structural constraints including unreliable electricity supply and weak public investment that preceded the pandemic. Over the next several years, the country requires the implementation of long-standing structural reforms to sustainably move to a higher growth path.

These economic challenges will continue to exert pressure on municipal revenue generation and collection levels; hence a conservative approach is advised for revenue projections.

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

Table 1: Macroeconomic performance and projections, 2019 - 2023

Fiscal year	2019/20	2020/21	2021/22	2022/23	2023/24
	Actual	Estimate		Forecast	
CPI Inflation	4.1%	3.3%	3.9%	4.2%	4.4%

Source: 2021 Budget Review.

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

2. Key focus areas for the 2021/22 budget process

2.1 Changes to local government allocations

Over the next three years, municipalities will have to adjust to significant changes in expenditure plans while improving accountability. The 2021 Budget protects transfers that focus on infrastructure, service delivery and COVID-19 spending while reducing those spent less effectively. The 2021 Budget includes funding for initiatives to improve municipal revenue collection and support financially distressed municipalities.

Transfers to local government over the medium-term account for **9.4 per cent** of nationally raised funds after providing for debt-service costs, the contingency reserve and provisional allocations. Local government's share of revenue has risen in relative terms because reductions to the public-service wage bill affect only national and provincial government. Local government transfers grow by an annual average of 5.2 per cent over the MTEF; the equitable share declines by 4.4 per cent and conditional grants grow by 7.3 per cent. As part of government's fiscal consolidation policies over the medium term, transfers to local government are reduced by R19.4 billion, including R14.7 billion from the local government equitable share, R2.7 billion from the general fuel levy and R2 billion in direct conditional grants.

Conditional grants

The reduction to direct conditional grants includes R329 million from the *municipal infrastructure grant* and R21 million from the *integrated urban development grant*. These amounts have been reprioritised from underspending grants to fund a once-off councillor gratuity for non-returning councillors. The largest proportional reduction of R1.3 billion to local government grants has been made in the *public transport network grant*, because only six of the 13 cities receiving the grant have successfully launched public transport systems. Indirect conditional grants are re duced by R286 million over the period.

Government continues to reform the system of conditional grant transfers to local government based on the principles set out in the 2019 Budget Review. In 2021, government will expand the scope of the *municipal infrastructure grant* to allow municipalities to use up to 5 per cent of their allocation to develop infrastructure asset management plans. This change addresses poor asset management in municipalities.

In 2020, the *integrated city development grant* was repurposed to assist cities to build internal capacity or obtain technical support to prepare and package key infrastructure projects. This will continue in 2021 and private sector participation will be encouraged in these projects.

Two standalone *informal settlement upgrading grants* for provinces and municipalities will be introduced from 2021/22. These grants are made up of components previously within the *human settlements development grant* and the *urban settlements development grant* for provinces and municipalities respectively. In addition, the Municipal Systems Improvement Grant scope is extended to fund comprehensive institutional diagnostic assessments of the 21 district areas where the district municipality is a water service authority and the development of institutional improvement/ support plans that will inform all future capacity development programmes and municipal support initiatives to enhance the continued rollout of the rollout of the District Development Model (DDM).

Municipalities are reminded that all allocations included in their budgets must correspond to the allocations listed in the Division of Revenue Bill. All the budget documentation can be accessed from the National Treasury website by clicking on the link below:
http://www.treasury.gov.za/documents/national%20budget/2021/

3. 2021 Local Government Elections and the budget process

Municipalities are advised to refer to MFMA Circular No. 107 on risks related to the Local Government elections and issues to be considered in compiling the 2021/22 MTREF in addition to the information provided below.

3.1 Transitional processes - development and adoption of IDPs during the 2021 election year

The 2020/21 municipal financial year represents the last year of the current municipal councils' electoral term. Therefore, the next municipal election to usher in new councils is expected to take place between August and November 2021 in terms of the Section 24 (2) of the Municipal Structures Act, 2000 (Act No. 32 of 2000) (MSA).

It is acknowledged that the period within which the coming election's date is expected takes place after the start of a new financial year. This particular scenario poses a latent challenge in so far as adherence to legislated timeframes with regard to the adoption of the 5-year Integrated Development Plan (IDP) and the subsequent implementation.

Given the fact that the IDP and budget would need to be reviewed and adopted by 30 June 2021, the current council has an obligation to ensure that these stipulations are complied with. In this regard, the current council will be expected to continue reviewing the IDP and ensuring that it is adopted within the legislated timeframe.

Section 25 (3) of the MSA does allow the municipal council to adopt the IDP of the preceding council. However, should the incoming councils be unhappy with the priorities set out by the current council, in this case, municipal councils are advised to consider the existing adopted IDP and resolve to initiate or not to initiate an amendment procedure as guided by the MSA and the Municipal Performance and Planning Regulations (2001).

The Department of Cooperative Governance (DCoG), through the Chief Directorate: Development Planning, is rolling out the revised IDP guidelines to municipalities. These guidelines are aimed to, amongst others, guide municipalities with regards to the adoption of IDPs during an election year.

3.2 Hand-over reports for the newly elected councils

Each municipal manager, working together with the CFO and senior managers, is encouraged to prepare a hand-over report that can be tabled at the first meeting of the newly elected council. This hand-over report aims to provide the new councils important orientation information regarding the municipality, the state of its finances, service delivery and capital programme, as well as key issues that need to be addressed.

It is proposed that the hand-over report should include:

- An overview of the demographic and socio-economic characteristics of the municipality;
- An overview of the organisational structure of the municipality, with the names and numbers of senior managers;
- An overview of key municipal policies that councillors need to be aware of and where they can obtain the full text of such policies;
- An overview of issues that still need to be addressed in relation to the municipality's turnaround strategy;
- An overview of the municipality's financial health, with specific reference to:
  - Its cash and investments, and its funding of commitments (Table A8);
  - Cash coverage of normal operations (see Supporting Table SA10);

  - Creditors outstanding for more than 30 days, along with reasons for delayed settlement;
  - Current collection levels and debtors outstanding for more than 30 days; and
  - Extent of existing loans and associated finance and redemption payments.
- The municipality's 2019/20 audit outcome and its strategy to address audit issues;
- An overview of the provision of basic services, including plans to address backlogs;
- An overview of the state of the municipality's assets, with particular reference to the asset management plan, and repairs and maintenance requirements;
- A list of the main infrastructure projects planned for the 2021/22 budget and MTREF;
- A list of key processes requiring council input over the next six months, e.g. revision of the IDP, approval of specific policies etc. and
- Any other information deemed to be important.

In addition to the hand-over report, each new councillor should be given the municipalities' revised IDP, the adopted 2021/22 MTREF budget, the mid-year budget and performance assessment report for 2020/21, and the latest monthly financial statement, and the annual report for 2019/20.

Municipal managers should submit their municipality's hand-over report to the relevant provincial department responsible for local government, to the Department of Co-operative Governance (DCoG) and National and Provincial Treasuries.

4. Municipal Standard Chart of Accounts (*m*SCOA)

4.1 Opening balances

It was noted that some municipalities are not transferring their opening balances consistently to the current year of transacting. Opening balances for the previous year must be transferred in the first month (M01) of the current year, and all adjustments made during the preparation of the annual financial statements in period 14 and 15 must be transferred through journals to the opening balances of the current year in the month that it becomes apparent. When municipalities are not doing this correctly and consistently, it compromises the credibility of the *m*SCOA data strings submitted.

Importantly, journals may only be passed in the core financial system and not in 3rd party sub-systems.

4.2 Surplus or deficit journals

The Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) and MBRR require that municipalities perform their month-end reconciliations at the end of every month before they submit their financial performance information to the National Treasury. Surplus or deficit journals must be passed monthly before a data string is generated to ensure that the financial system remains in balance. The monthly data strings reflected in the Statement of Financial position (table C6 of the regulated C Schedules) will not be in balance for those municipalities that are not doing this, and their *m*SCOA data strings will therefore not be accurate.

Municipalities must also reconcile their creditors and debtors and all month-end processes **before** they submit their monthly data strings to ensure that the data submitted to the National Treasury Local Government Database is credible.

4.3 Rollovers and repayment of unspent grants

Municipalities are required to use the correct posting levels and movement accounting when conditional grants are being receipted, recognised, rolled over, and unspent grants are repaid. The accounting for grants should be done in accordance with GRAP 23: Revenue from

exchange transactions (Taxes and Transfers). Refer to **Annexure A** of this Circular on the correct treatment of rollovers and repayment of unspent grants in *m*SCOA.

5. The revenue budget

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the municipality's financial sustainability. The Consumer Price Index (CPI) is forecasted to be within the lower limit of the 3 to 6 per cent target band; therefore, municipalities are required ***to justify all increases in excess of the projected inflation target for 2021/22 MTREF*** in their budget narratives and pay careful attention to the differential incidence of tariff increases across all consumer groups. It is noted that the tariff increases by Eskom and Water Boards are above inflation and should be considered as such while determining cost-reflective tariffs. In addition, municipalities should include a detail of their revenue growth assumptions for the different service charges in the budget narrative.

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

5.1 Eskom Bulk Tariff increases

The National Energy Regulator of South Africa (NERSA) is responsible for price determination of the bulk costs for electricity. In March, NERSA approved a municipal tariff increase of 6.9 per cent effective 1 July 2020 (1.2 per cent lower than the tariff increase in Multi-Year Price Determination (MYPD) 4 period due to differences in municipal and national financial years).

The equitable share formula uses the 9.9 per cent bulk tariff increase used when National Treasury calculated the baseline for this year in the 2020 MTEF period. Other (non-bulk) electricity costs are updated based on the National Treasury's inflation projections in the 2020 MTBPS. This is due to fiscal constraints and the fact that the court had not pronounced on the Eskom matter at the time that the budget was finalised.

The additional R10 billion that the courts have allowed Eskom to recover in the 2021/22 national financial year translates to a 15.6 per cent bulk increase over the national financial year. However, given that the increase only comes into effect in July for municipalities, NERSA typically allows a higher percentage increase so that Eskom can recover the additional allowable revenue from municipalities over 9 months before the national financial year ends. Therefore, the increase should be expected to be between 16 to 20 per cent. Municipalities can mitigate the negative impact of this increase by improving efficiencies on both the revenue collections and the spending side.

The outer two years of the 2021 MTEF use 8.9 per cent, which is an average annual tariff increase used for the NERSA's multi-year price determination period of 1 April 2019 to 31 March 2022. Moreover, the outer year is anticipated to be the first year of the MYPD 5 period, yet to be published.

6. Funding choices and management issues

Municipalities are under pressure to generate revenue as a result of the economic landscape, the COVID-19 pandemic, weak tariff setting and increases in key cost drivers to provide basic municipal services. Customers' ability to pay for services is declining, which means that less revenue will be collected.

In order to achieve financial sustainability, municipalities must demonstrate the political will to implement the changes required to improve their performance. Where municipalities consistently fail to deliver their mandates, the Constitution provides for provincial and/or national government to intervene.

6.1 Employee related costs

The *Salary and Wage Collective Agreement* for the period 01 July 2018 to 31 June 2020 has come to an end and a new agreement is under consultation, which we hope will take into account the current fiscal constraints faced by government. Therefore, in the absence of any information in this regard from the South African Local Government Bargaining Council (SALGBC), municipalities are advised to take into account their financial sustainability when considering salary increases. It has been observed over the previous years that salary increases were above inflation. In addition, municipalities that could not afford such increases did not apply for exemption as provided by SALGBC.

Given the current economic condition exacerbated by the COVID-19 pandemic, municipalities are urged to consider projecting increases to wage that would reflect their affordability. Some municipalities are already not able to afford the current wage cost and would indeed have to apply no more than a zero per cent increase in the 2021/22 MTREF and exercise the option for exemption for any negotiated increase above the level of their affordability.

Therefore, should accounting officers fail to consider salary increases within the ambit of the municipality's available resources and financial position, such failure will constitute an act of financial misconduct as defined in section 171 of the MFMA read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

6.2 Remuneration of councillors

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published annually between December and January by the Department of Cooperative Governance. It is anticipated that this salary determination will also take into account the fiscal constraints. Municipalities should also consider guidance provided above on salary increases for municipal officials during this process.

6.3 Payment of danger allowance to the employees

The work undertaken by the frontline staff in rendering services to communities must be appreciated whilst understanding the country's economic situation and the world resulting from the impact of COVID-19 pandemic. The SALGBC Circular No. 5 of 2020 provides advice to municipalities about the payment of danger allowance to employees working at the frontline to fight the COVID-19 pandemic.

The Circular provides that the council of the municipality must have an approved policy that should guide how the danger allowance should be paid, based on the affordability of the municipality. During this difficult financial situation posed by the COVID-19 pandemic, municipalities must consider the following:

1. Determine whether or not the municipality will afford the percentage increase in order to accommodate the Danger Allowance;
2. Assess the current status of the Employee Related Costs that form part of the municipality's budget in order to ascertain whether or not the inclusion of such allowance will not place the municipality's financial position in jeopardy in terms of the total Employee Related Costs as a percentage of the total expenditure;
3. Determine the credible funding source for the payment of Danger Allowance;

4. In this case the municipality must subject that change to "public participation processes" when dealing with the 2021/2022 MTREF based on the funding source; and
5. The municipality must also have a policy that operationalise the implementation of this kind of an allowance, only based on the determination/ assessment as per the aforementioned points.

6.4 Mayor's discretionary funds and similar discretionary budget allocations

It has been observed that many municipal budgets contain sub-votes or allocations to "Mayoral Discretionary Funds", "Special Projects", "Special Events" or similar discretionary type funds. Municipalities must refer to section 12 of the MFMA in relation to setting up a relief, charitable, trust or other funds.

National Treasury regards these types of allocations as a bad practice because:

- It is not clear how they are aligned to the constitutional requirement that municipalities structure their budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community (see section 153(a) of the Constitution);
- They do not provide for the appropriation of funds for the purposes of a department or functional area of the municipality (see the definition of 'vote' in section 1 of the MFMA);
- They undermine the budget consultation processes since the intended use of the funds is not transparently reflected in the tabled budget; and
- There is a risk that they may be abused for personal gain or to improperly benefit another person or organisation.

Therefore, National Treasury discourages allocations of this nature. Good budget practice requires that a municipal budget should transparently indicate the purposes and areas where municipal funds (i.e. public funds) are to be allocated. These kinds of discretionary funds immediately raise public suspicions of impropriety and corruption. In terms of section 52(a) of the MFMA the Mayor "must provide general political guidance over the fiscal and financial affairs of the municipality". The Mayor, therefore, provides direct input into the budget. If this is the case, why does the Mayor require a 'discretionary / personal slush fund'?

Section 17(3)(b) of the MFMA requires that when an annual budget is tabled it must be accompanied by "measurable performance objectives ... for each vote in the budget". What measurable performance objectives can be set in relation to these funds given that their use is at the discretion of the Mayor? This means the transparent and effective use of these funds cannot be monitored and assessed by the council and the public.

National Treasury notes that section 17(3)(j) of the MFMA requires that when an annual budget is tabled it must be accompanied by "particulars of any proposed allocations or grants by the municipality to ... (iv) any organisations or bodies referred to in section 67(1)". The aim of this provision is to ensure that all proposed allocations or grants are presented transparently in the budget documentation that is tabled for public consultation and council approval, as well as for budget management and monitoring purposes. *Any allocations or grants made to organisations or bodies that are not reflected in a municipality's budget or adjustments budget must be regarded as unauthorised expenditure because they are "(f) a grant by the municipality otherwise than in accordance with this Act"* (see definition of unauthorised expenditure in section 1 of the MFMA).

National Treasury further notes that section 67 of the MFMA only allows funds to be transferred to 'an organisation or body' and not to an individual. Any allocations or grants to individuals, *other than in terms of the municipality's indigent policy or bursary scheme, must be regarded as*

irregular expenditure because they are expenditures not in accordance with a requirement of the MFMA.

National Treasury and provincial treasuries will exercise close oversight of all discretionary type allocations in municipal budgets. If there are any concerns about the use of these funds, section 74 of the MFMA will be used to request information in this regard and analyse it for consistency with the MFMA legal framework.

7. Conditional Grant Transfers to Municipalities

The annual Division of Revenue Act requires that municipalities must request for a rollover approval against any unspent conditional grants that were allocated through the Act, therefore this section provides guidance to municipalities with regard to the preparation for the 2020/21 unspent conditional grant and rollover process and should be referenced against previous annual budget circulars.

7.1 Criteria for the rollover of conditional grant funds

In terms of Section 22 of the Division of Revenue Act, 2020 (Act No.4 of 2020) (DoRA) in conjunction with the Division of Revenue Amendment Act, 2020 (Act No. 10 of 2020) (DoRAA) and the Division of Revenue Second Amendment Act, 2020 (Act No. 20 of 2020), the Act requires that any conditional allocation or a portion thereof that is not spent at the end of the 2020/21 financial year reverts to the National Revenue Fund, unless the rollover of the allocation is approved in terms of subsection (2). Furthermore, the receiving officer, provincial treasury and national transferring officer is required to prove to National Treasury that the unspent allocation is committed to identifiable projects, in which case the funds may be rolled over.

When requesting a rollover in terms of section 22(2) of the 2020 DoRA, municipalities must include the following information with their submission to National Treasury:

1. A formal letter, signed by the accounting officer addressed to the National Treasury requesting the rollover of unspent conditional grants in terms of section 22(2) of the 2020 DoRA;
2. A list of all the projects that are linked to the unspent conditional grants and a breakdown of how much was allocated and spent per project;
3. The following evidence indicating that work on each of the projects has commenced, as applicable to the specific rollover(s):

    a) Proof that a contractor or service provider was appointed for delivery of the project before 31 March; or
    b) Proof of project tender and tender submissions published and closed before 31 March with the appointment of contractor or service provider for delivery of service before 30 June in cases where additional funding was allocated during the course of the final year of the project;
    c) Incorporation of the Appropriation Statement;
    d) Evidence that all projects linked to an allocation will be fully utilised by 30 June 2022 (attach cash flow projection for the applicable grant).

4. A progress report (also in percentages) on the status of each project's implementation that includes an attached **legible implementation plan**);
5. The value of the committed project funding and the conditional allocation from the funding source;
6. Reasons why the grants were not fully spent during the year of original allocation per the DoRA;

7. Rollover of rollovers will not be considered therefore municipalities must not include previous year's unspent conditional grants as rollover request;
8. An indication of the time period within which the funds are to be spent if the rollover is approved; and
9. Proof that the Municipal Manager and Chief Financial Officer are permanently appointed.

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

If any of the above information is not provided or the application is received by National Treasury (Intergovernmental Relations Division) after 31 August 2021, the application will be declined.

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

1. Compliance with the in-year reporting requirements in terms of sections 71 and 72 of the MFMA and section 12 of the 2020 DoRA, **including the municipal manager and chief financial officer signing-off on the information** sent to National Treasury;
2. Submission of the pre-audited Annual Financial Statements to National Treasury by 31 August 2021;
3. Accurate disclosure of grant performance in the 2020/21 pre-audited Annual Financial Statements, (i.e. correct disclosure of grant receipts and spending in the notes to the AFS);
4. Despite the fact local government is required to comply to different norms and standards prescribed by different legislations, municipalities are expected to fully comply with the provisions of DoRA that relates to rollover processes and disclose conditional grant performance in the 2020/21 pre-audited Annual Financial Statements in order to verify grant expenditure; and
5. Cash available in the bank (net position including short term investments) as at 30 June 2021 is equivalent to the unspent amount at the end of the financial year. If the amount that is requested for rollover **is not entirely cash-backed**, such a rollover will not be approved. National Treasury will also not approve portions of rollover requests.

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

1. The entire 2020/21 allocation to the municipality, in cases whereby the rollover request is more than 50 per cent of the total allocation, National Treasury will approve the rollover amount up to 50 per cent of the 2020/21 allocation;
2. Rollover request of the same grant for the third consecutive time;
3. Funding for projects constituted through Regulation 32 of the Municipal Supply Chain Management Regulations (Gazette No.27636). Projects linked to additional funding and disasters are exempted; and
4. A portion of an allocation where the proof of commitment for the rollover application is linked to invoices that were issued before or on 31 May 2021.

7.2 Rollover request against the Covid-19 allocated through the Equitable Share

The Division of Revenue Amendment Act, 2020 (Act No 10 of 2020) made available to Local government an amount of R11 billion following the President's speech on 20 April 2020. The President pronounced that R20 billion would be made available to municipalities in order to provide emergency water supply, increase sanitation of public transport facilities, and provide

food and shelter for the homeless. The R20 billion consisted of an additional allocation of R11 billion, which was transferred through the Equitable Share, and the R9 billion was funded from the repurposed spending within conditional grants allocated to municipalities. This increased the 2020/21 municipal Equitable Share allocation from R74.7 billion to R85.7 billion.

The R11 billion added to the local government Equitable Share allowed municipalities to maintain existing services despite a temporary decline in revenue collections and also cover some additional expenses incurred in response to the pandemic, including the provision of temporary shelter for homeless people during the lockdown.

Although the R11 billion was allocated through an unconditional grant (Equitable Share), these are committed funds in response to the Covid-19 pandemic. Consequently, the municipalities are required to request a rollover from National Treasury of any unspent committed Covid-19 allocation to be rolled over into the 2021/22 financial year.

Municipalities are therefore required to provide the following information to National Treasury in order to prove that the unspent funds are committed and also provide approval to allow the unspent funds to be spent in the 2021/22 financial year.

1. Provide the contracts that are linked to the response of the Covid-19 pandemic in line with the provisions made in the 2020 DoRAA;
2. Reasons why the funds were not fully spent during the year of original allocation per the DoRAA;
3. Accurate disclosure of Covid-19 allocation expenditure in the 2020/21 pre-audited Annual Financial Statements, (i.e. correct disclosure of grant receipts and spending in the notes to the AFS); and
4. Any expenditure incurred against the unspent Covid-19 funds that was not approved for the rollover will be regarded as unauthorized expenditure.

7.3 Unspent conditional grant funds for 2020/21

The process to ensure the return of unspent conditional grants for the 2020/21 financial year will be managed in accordance with section 22 of the DoRA. In addition to the previous MFMA Circulars, the following practical arrangements will apply:

Step 1: Municipalities must submit their June 2021 conditional grant expenditure reports according to section 71 of the MFMA reflecting all accrued expenditure on conditional grants and further ensure that expenditure reported to both National Treasury and national transferring officers reconcile;

Step 2: When preparing the Annual Financial Statements, a municipality must determine the portion of each national conditional grant allocation that remained unspent as at 30 June 2021. These amounts MUST exclude all interest earned on conditional grants, retentions and VAT related to conditional grant spending that has been reclaimed from SARS, which must be disclosed separately; and

Step 3: If the receiving officer wants to motivate in terms of section 22(2) of the 2020 DoRA that the unspent funds are committed to identifiable projects, the rollover application pack must be submitted to National Treasury by no later than 31 August 2021.

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

Step 4: National Treasury will confirm in writing whether or not the municipality may retain any of the unspent funds as a rollover based on criteria outlined above by 22 October 2021;

Step 5: National Treasury will communicate the unspent conditional grants amount by 08 November 2021. A municipality must return the remaining unspent conditional grant funds that are not subject to a specific repayment arrangement to the National Revenue Fund by 19 November 2021; and

Step 6: Any unspent conditional grant funds that should have, but has not been repaid to the National Revenue Fund by 19 November 2021, and for which a municipality has not requested a repayment arrangement, will be offset against the municipality's 07 December 2021 equitable share allocation.

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

7.4 Importance of section 17 of the Division of Revenue Act

The purpose of this section is to provide further clarity on section 17 of DoRA in relation to the transfer of funds to the organ of state in order to implement projects on behalf of the municipalities.

Section 17 (3) of DoRA states that a receiving officer may not allocate any portion of a schedule 5 allocation to any other organ of state for the performance of a function, unless the receiving officer and the organ of the state agree on the obligation of both parties and a payment schedule, the receiving officer has notified the transferring officer, the relevant provincial treasury and National Treasury of the agreed payment schedule and:

a. The allocation
   - i) Is approved in the budget for the receiving provincial department or municipality; or
   - ii) If not already approved;
     - aa) the receiving officer notifies the National Treasury that the purpose of the allocation is not to artificially inflate the expenditure estimates of the relevant municipality and indicates the reasons for the allocation; and
     - bb) the National Treasury approves the allocation; or

b. The allocation is for the payment for goods or services procured in accordance with the procurement prescripts applicable to the relevant province or municipality and, if it is an advance payment, paragraph (a) (ii) applies with the necessary changes.

Further, section 17 (4) states that the receiving officer must submit a copy of the agreement envisaged in subsection (3) to the transferring officer and the National Treasury before payment is made.

This section requires municipalities to comply with section 17 (3) before any DoRA allocated funds are allocated to any organ of state, and the municipality should first seek approval from National Treasury.

Note that National Treasury considers the following when assessing the request from the municipality for approval:

1. If the municipality is benefitting and utilising from the five per cent from capital grants that may be utilised for Project Management Unit (PMU). In terms of the capital grant framework (i.e. MIG and IUDG and three per cent for the USDG), municipalities are allowed to utilise a certain per cent of the grant for PMU or capacity support in order to implement capital projects. Therefore, if municipalities are benefiting from this initiative, the PMU should be capacitated enough to implement capital project;
2. Municipalities that are benefiting from the added technical support from Municipal Infrastructure Support Agent (MISA) will not be granted approval because MISA would assist with providing support and develop technical capacity towards sustained

accelerated municipal and service delivery. This implies that the municipality would be capacitated and be in a better position to implement capital project; and

3. If the request does not comply with the grant conditions, framework and if the transfer artificially inflates the expenditure estimates.

The following information must be submitted to National Treasury before approval is granted to municipalities to transfer funds to organs of the state:

1. In consultation with the relevant transferring officer municipalities must submit their request to National Treasury for approval;
2. Provide the time frames regarding the duration of this arrangement between the municipality and the organ of the state;
3. Provide the Service Level Agreement between the municipality and the organ of the state in consultation with the relevant transferring officer;
4. Provide the agreed payment schedule reflecting the disbursement of the funds;
5. Must provide the reasons why the municipality has taken such a decision;
7. If amongst the reasons for the request is related to capacity challenges, the municipality must therefore prove beyond reasonable doubt that there are capacity challenges and the reasons thereof; and
8. Upon approval, the municipality must submit the approved budget that includes the allocation.

Note that once the allocation has been approved, the payment for goods or services must be procured in accordance with or in compliance with the procurement prescripts applicable to the relevant municipality. If there is an agreement for an advancement, subsection (a) (ii) will apply in order to determine if the payment does not artificially inflate the expenditure estimates. Further, before funds are transferred, the national transferring officer and National Treasury must agree on the payment schedule.

Therefore, if any expenditure incurred which emanates from such an arrangement while there was non-compliance with section 17, grant conditions and framework, such expenditure will not be recognised by both National Treasury and relevant transferring officer and will be classified as unauthorised expenditure.

8. The Municipal Budget and Reporting Regulations

8.1 Service Level Standards

Municipalities are reminded to update the service level standards which must form part of their 2021/22 MTREF tabled budget documentation. A broad framework on the minimum service standards was issued with MFMA Circular No. 75. Therefore, the outline must be used as a guideline and be amended accordingly to align to the municipality's specific circumstances.

8.2 Assistance with the compilation of budgets

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

Province	Responsible NT officials	Tel. No.	Email
Eastern Cape	Matjatji Mashoeshoe	012-315 5553	Matjatji.Mashoeshoe@treasury.gov.za
Buffalo City	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
Free State	Cethekile Moshane	012-315 5079	Cethekile.moshane@treasury.gov.za

Gauteng Johannesburg and Tshwane	Kgomotso Baloyi Kevin Bell Willem Voigt	012-315 5866 012-315 5725 012-315 5830	Kgomotso.Baloyi@treasury.gov.za Kevin.Bell@treasury.gov.za WillemCordes.Voigt@treasury.gov.za Sifiso.Mabaso@treasury.gov.za
KwaZulu-Natal eThekwini	Kgomotso Baloyi Mpati Rakgwale Una Rautenbach Abigail Maila	012-315 5866 012-315 5700	Kgomotso.Baloyi@treasury.gov.za Mpati.Rakgwale@treasury.gov.za Una.Rautenbach@treasury.gov.za Abigail.Maila@treasury.gov.za
Limpopo	Willem Voigt Sifiso Mabaso	012-315 5830 012-315 5952	WillemCordes.Voigt@treasury.gov.za Sifiso.Mabaso@treasury.gov.za
Mpumalanga	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
Northern Cape	Mandla Gilimani Phumelele Gulukunqu	012-315 5807 012 315 5539	Mandla.Gilimani@treasury.gov.za Phumelele.Gulukunqu@treasury.gov.za
North West	Willem Voigt Makgabo Mabotja	012-315 5830 012-315 5156	WillemCordes.Voigt@treasury.gov.za Makgabo.Mabotja@treasury.gov.za
Cape Town George	Kgomotso Baloyi Willem Voigt and Mandla Gilimani	012-315 5866 012-315 5830 012-315 5807	Kgomotso.Baloyi@treasury.gov.za WillemCordes.Voigt@treasury.gov.za Mandla.Gilimani@treasury.gov.za
Technical issues with Excel formats	Kgomotoso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za

9. Budget process and submissions for the 2021/22 MTREF

9.1 Submitting budget documentation and A1 schedules for 2021/22 MTREF

To facilitate oversight of compliance with the MBRR, accounting officers are reminded that:

- Section 22(b)(i) of the MFMA requires that ***immediately*** after an annual budget is tabled in a municipal council, it must be submitted to the National Treasury and the relevant provincial treasury in electronic formats. If the annual budget is tabled to council on **31 March 2021**, the final date of submission of the electronic budget documents and corresponding *m*SCOA data strings is **Thursday, 01 April 2021**.

Section 24(3) of the MFMA, read together with regulation 20(1) of the MBRR, requires that municipalities must submit the approved annual budget to both National Treasury and the relevant provincial treasury ***within ten working days*** after the council has approved the annual budget. E.g. if the council approves the annual budget on **31 May 2021**, given the new timeframe for the evaluation of the municipal budgets, the adopted budget data strings and documentation must be submitted by the latest **Monday, 14 June 2020**.

Municipalities are no longer expected to submit hard copies of all required documents including budget-related, Integrated Development Plan, Service Delivery Budget and Implementation Plan, Annual Financial Statements and Annual Reports to National Treasury via post or courier services. Electronic copies must be submitted in pdf format to the LG Upload portal or lgdocuments@treasury.gov.za.

9.2 Consolidated budgets and reports

Municipalities with entities are reminded that they must prepare and submit MTREF budgets, section 71 reports, annual financial statements and annual reports for both the parent municipalities and consolidated documents that incorporates the entity information in terms of the MBRR.

9.3 Submission using LG Upload Portal

In MFMA Budget Circular No 107, it was indicated that budget-related documents and schedules must be uploaded by approved registered users using the LG Upload Portal at: https://lguploadportal.treasury.gov.za/ and that National Treasury was planning to retire lgdocuments@treasury.gov.za from 01 July 2021 to ensure that there is a single collection point of municipal financial data. However, based on workflow licensing challenges on the LG Upload Portal, data string submissions will shortly be shifted to the Open Portal GoMuni while documents must still be submitted using lgdocuments@treasury.gov.za. The document submissions will also be shifted to GoMuni as soon as possible.

All municipalities and their entities had to prepare their MTREF budget directly on the *m*SCOA financial systems from 01 July 2017. Therefore, all MBRR schedule submissions must be submitted in ***PDF format only***.

9.4 Publication of budgets on municipal websites

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

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

Contact

national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

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

JH Hattingh
Chief Director: Local Government Budget Analysis
08 March 2021

Annexure A: Treatment of Rollovers and repayment of unspent grants in *m*SCOA

Cash receipting of a conditional grant
The receiving of grants must be accounted for against (Dt) Bank and (Cr) Item Liabilities: Unspent grants: Capital: Monetary: Municipal Infrastructure Grant: Receipts as shown below:

- Municipal Infrastructure Grant(IL-001-007-002-001-002-005-002)
  - Opening Balance(IL-001-007-002-001-002-005-002-001)
  - **Receipts(IL-001-007-002-001-002-005-002-002)**

Recognising the revenue when the grant is spent

When the grant is spent in accordance with the conditions of the grant, a transaction must be passed against the (Dt) Item Liabilities: Transferred to Revenue/ Capital Expenditure and (Cr) Item Revenue: Non-Exchange Transactions: Transfers and subsidies: Capital: Monetary allocations: National Government: Municipal Infrastructure Grant as shown below:

Debit Item Liability: posting level

- Municipal Infrastructure Grant(IL-001-007-002-001-002-005-002)
  - Opening Balance(IL-001-007-002-001-002-005-002-001)
  - Receipts(IL-001-007-002-001-002-005-002-002)
  - **Transferred to Revenue/Capital Expenditure(IL-001-007-002-001-002-005-002-003)**

Credit revenue recognised: posting level

- Transfers and Subsidies(IR-003-005)
  - Capital(IR-003-005-001)
    - Allocations In-kind(IR-003-005-001-001)
    - Monetary Allocations(IR-003-005-001-002)
      - Departmental Agencies and Accounts(IR-003-005-001-002-001)
      - District Municipalities(IR-003-005-001-002-002)
      - Foreign Government and International Organisations(IR-003-005-001-002-003)
      - Households(IR-003-005-001-002-004)
      - National Government(IR-003-005-001-002-005)
        - Integrated National Electrification Programme Grant(IR-003-005-001-002-005-001)
        - **Municipal Infrastructure Grant(IR-003-005-001-002-005-002)**

Rollovers

In the event that the full grant was not spent at the end of the financial year, the municipality must apply for a rollover as per the process stipulated in the Division of Revenue Act (DoRA). Until such approval has been granted by the National Treasury, a municipality may not continue to incur expenditure against the unspent conditional grant allocation. This does not mean that the municipality should stop or cancel ongoing projects, but Council approval must be obtained to fund the spending from own funding sources until rollover approval is granted by the National Treasury. Once the rollover has been approved by the National Treasury, the amount of the rollover must be ratified through an adjustments budget. The *m*SCOA chart makes provision for all the required transactions in this regard.

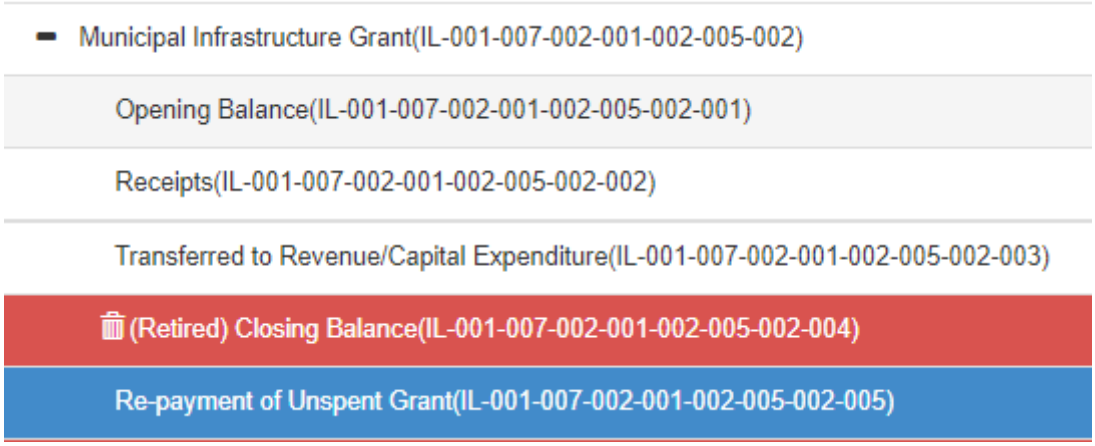
Roll over not approved/ Offset against Equitable share

In the event that the rollover is not approved by the National Treasury, the unspent grant funding must be paid back to the National Revenue Fund or alternatively be offset against the Equitable Share and the Liability must be reduced by:

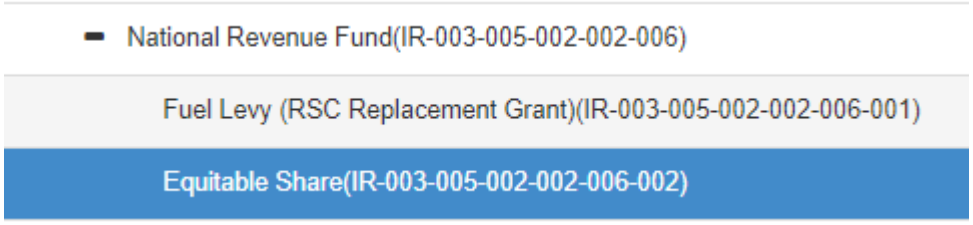
1) Debiting Unspent Grant (Repayment) to reduce the liability that was still outstanding; and
2) Crediting Item Revenue Equitable Share to adjust the revenue in line with DoRA.

This is further illustrated below:

1) Debit Liability: posting level



2) Credit Revenue: posting level



Unauthorised, Irregular, Fruitless and Wasteful (UIFW) expenditure

If the municipality continues to spend against the conditional grant allocation, but rollover approval has not been granted by the National Treasury, this expenditure will be viewed as unauthorised expenditure.

Mr M Booysen
Local Government Budget Office
E-mail: Malcolm.Booysen@westerncape.gov.za
Tel: +27 21 483 3386 Fax: +27 21 483 4680

Reference number: RCS/C.5

Private Bag X9165
CAPE TOWN
8000

TREASURY MUNICIPAL CIRCULAR MUN NO. 20/2020

THE MAYOR, CITY OF CAPE TOWN: MR D PLATO
THE MAYOR, WEST COAST DISTRICT MUNICIPALITY: MR JH CLEOPHAS
THE MAYOR, MATZIKAMA MUNICIPALITY: MS M BAINS
THE MAYOR, CEDERBERG MUNICIPALITY: MS S QUANTA
THE MAYOR, BERGRIVIER MUNICIPALITY: MR R VAN ROOY
THE MAYOR, SALDANHA BAY MUNICIPALITY: MR M KOEN
THE MAYOR, SWARTLAND MUNICIPALITY: MR T VAN ESSEN
THE MAYOR, CAPE WINELANDS DISTRICT MUNICIPALITY: DR H VON SCHLICHT
THE MAYOR, WITZENBERG MUNICIPALITY: MR BC KLAASEN
THE MAYOR, DRAKENSTEIN MUNICIPALITY: MR CJ POOLE
THE MAYOR, STELLENBOSCH MUNICIPALITY: ADV. G VAN DEVENTER
THE MAYOR, BREEDE VALLEY MUNICIPALITY: MS A STEYN
THE MAYOR, LANGEBERG MUNICIPALITY: MR S VAN EEDEN
THE MAYOR, OVERBERG DISTRICT MUNICIPALITY: MR A FRANKEN
THE MAYOR, THEEWATERSKLOOF MUNICIPALITY: MS CJM VOSLOO
THE MAYOR, OVERSTRAND MUNICIPALITY: MR D COETZEE
THE MAYOR, CAPE AGULHAS MUNICIPALITY: MR PJ SWART
THE MAYOR, SWELLENDAM MUNICIPALITY: MR NG MYBURGH
THE MAYOR, GARDEN ROUTE DISTRICT MUNICIPALITY: MR M BOOYSEN
THE DEPUTY MAYOR, KANNALAND MUNICIPALITY: MR P ANTONIE (ACTING)
THE MAYOR, HESSEQUA MUNICIPALITY: MR G RIDDLES
THE DEPUTY MAYOR, MOSSEL BAY MUNICIPALITY: MR D KOTZE (ACTING)
THE MAYOR, GEORGE MUNICIPALITY: MR L VAN WYK
THE MAYOR, OUDTSHOORN MUNICIPALITY: MR C MACPHERSON
THE MAYOR, BITOU MUNICIPALITY: MR MP LOBESE
THE MAYOR, KNYSNA MUNICIPALITY: MR E VAN ASWEGEN
THE MAYOR, CENTRAL KAROO DISTRICT MUNICIPALITY: MR I WINDVOGEL
THE MAYOR, LAINGSBURG MUNICIPALITY: MR M GOUWS
THE MAYOR, PRINCE ALBERT MUNICIPALITY: MR G LOTTERING
THE MAYOR, BEAUFORT WEST MUNICIPALITY: MR N CONSTABLE

THE MUNICIPAL MANAGER, CITY OF CAPE TOWN: MR L MBANDAZAYO
THE MUNICIPAL MANAGER, WEST COAST DISTRICT MUNICIPALITY: MR D JOUBERT
THE MUNICIPAL MANAGER, MATZIKAMA MUNICIPALITY: MR A HENDRICKS
THE MUNICIPAL MANAGER, CEDERBERG MUNICIPALITY: MR H SLIMMERT
THE MUNICIPAL MANAGER, BERGRIVIER MUNICIPALITY: ADV H LINDE
THE MUNICIPAL MANAGER, SALDANHA BAY MUNICIPALITY: MR H METTLER
THE MUNICIPAL MANAGER, SWARTLAND MUNICIPALITY: MR J SCHOLTZ
THE MUNICIPAL MANAGER, CAPE WINELANDS DISTRICT MUNICIPALITY: MR H PRINS
THE MUNICIPAL MANAGER, WITZENBERG MUNICIPALITY: MR D NASSON
THE MUNICIPAL MANAGER, DRAKENSTEIN MUNICIPALITY: DR J LEIBBRANDT
THE MUNICIPAL MANAGER, STELLENBOSCH MUNICIPALITY: MS G METTLER
THE MUNICIPAL MANAGER, BREEDE VALLEY MUNICIPALITY: MR D McTHOMAS
THE MUNICIPAL MANAGER, LANGEBERG MUNICIPALITY: MR A EVERSON (ACTING)
THE MUNICIPAL MANAGER, OVERBERG DISTRICT MUNICIPALITY: MR D BERETTI
THE MUNICIPAL MANAGER, THEEWATERSKLOOF MUNICIPALITY: MR D LOUW (ACTING)
THE MUNICIPAL MANAGER, OVERSTRAND MUNICIPALITY: MR D O'NEILL
THE MUNICIPAL MANAGER, CAPE AGULHAS MUNICIPALITY: MR E PHILLIPS
THE MUNICIPAL MANAGER, SWELLENDAM MUNICIPALITY: MR A GROENEWALD
THE MUNICIPAL MANAGER, GARDEN ROUTE DISTRICT MUNICIPALITY: MR M STRATU
THE MUNICIPAL MANAGER, KANNALAND MUNICIPALITY: MR R STEVENS
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THE MUNICIPAL MANAGER, OUDTSHOORN MUNICIPALITY: MR G DE JAGER (ACTING)
THE MUNICIPAL MANAGER, BITOU MUNICIPALITY: ADV. L NGOQO
THE MUNICIPAL MANAGER, KNYSNA MUNICIPALITY: DR L SCHEEPERS (ACTING)
THE MUNICIPAL MANAGER, CENTRAL KAROO DISTRICT MUNICIPALITY: MR G MATTHYSE (ACTING)
THE MUNICIPAL MANAGER, LAINGSBURG MUNICIPALITY: MR J BOOYSEN

THE MUNICIPAL MANAGER, PRINCE ALBERT MUNICIPALITY: MS A VORSTER
THE MUNICIPAL MANAGER, BEAUFORT WEST MUNICIPALITY: DR K HAARHOFF

THE CHIEF FINANCIAL OFFICER, CITY OF CAPE TOWN: MR K JACOBY
THE CHIEF FINANCIAL OFFICER, WEST COAST DISTRICT MUNICIPALITY: DR JCP TESSELAAR
THE CHIEF FINANCIAL OFFICER, MATZIKAMA MUNICIPALITY: MR E ALFRED
THE CHIEF FINANCIAL OFFICER, CEDERBERG MUNICIPALITY: MR M MEMANI (ACTING)
THE CHIEF FINANCIAL OFFICER, BERGRIVIER MUNICIPALITY: MR F LÖTTER
THE CHIEF FINANCIAL OFFICER, SALDANHA BAY MUNICIPALITY: MR S VORSTER
THE CHIEF FINANCIAL OFFICER, SWARTLAND MUNICIPALITY: MR M BOLTON
THE CHIEF FINANCIAL OFFICER, CAPE WINELANDS DISTRICT MUNICIPALITY: MS FA DU RAAN-GROENEWALD
THE CHIEF FINANCIAL OFFICER, WITZENBERG MUNICIPALITY: MR A RAUBENHEIMER
THE CHIEF FINANCIAL OFFICER, DRAKENSTEIN MUNICIPALITY: MR B BROWN
THE CHIEF FINANCIAL OFFICER, STELLENBOSCH MUNICIPALITY: MR K CAROLUS
THE CHIEF FINANCIAL OFFICER, BREEDE VALLEY MUNICIPALITY: MR R ONTONG
THE CHIEF FINANCIAL OFFICER, LANGEBERG MUNICIPALITY: MR M SHUDE (ACTING)
THE CHIEF FINANCIAL OFFICER, OVERBERG DISTRICT MUNICIPALITY: MR C HOFFMAN
THE CHIEF FINANCIAL OFFICER, THEEWATERSKLOOF MUNICIPALITY: MR A RIDDLES (ACTING)
THE CHIEF FINANCIAL OFFICER, OVERSTRAND MUNICIPALITY: MS S REYNEKE-NAUDÉ
THE CHIEF FINANCIAL OFFICER, CAPE AGULHAS MUNICIPALITY: MR H VAN BILJON
THE CHIEF FINANCIAL OFFICER, SWELLENDAM MUNICIPALITY: MR H SCHLEBUSCH
THE CHIEF FINANCIAL OFFICER, GARDEN ROUTE DISTRICT MUNICIPALITY: MR JW DE JAGER
THE CHIEF FINANCIAL OFFICER, KANNALAND MUNICIPALITY: MR R BUTLER
THE CHIEF FINANCIAL OFFICER, HESSEQUA MUNICIPALITY: MS HJ VILJOEN
THE CHIEF FINANCIAL OFFICER, MOSSEL BAY MUNICIPALITY: MR I HAARHOFF (ACTING)
THE CHIEF FINANCIAL OFFICER, GEORGE MUNICIPALITY: MR L WALLACE (ACTING)
THE CHIEF FINANCIAL OFFICER, OUDTSHOORN MUNICIPALITY: MR L FOURIE (ACTING)
THE CHIEF FINANCIAL OFFICER, BITOU MUNICIPALITY: MR V MKHEFA
THE CHIEF FINANCIAL OFFICER, KNYSNA MUNICIPALITY: MR M MICHAELS (ACTING)
THE CHIEF FINANCIAL OFFICER, CENTRAL KAROO DISTRICT MUNICIPALITY: MS U BAARTMAN
THE CHIEF FINANCIAL OFFICER, LAINGSBURG MUNICIPALITY: MS A GROENEWALD
THE CHIEF FINANCIAL OFFICER, PRINCE ALBERT MUNICIPALITY: MR J NEETHLING
THE CHIEF FINANCIAL OFFICER, BEAUFORT WEST MUNICIPALITY: MR B VINK (ACTING)

THE HEAD OFFICIAL: PROVINCIAL TREASURY (MR D SAVAGE)
THE DEPUTY DIRECTOR-GENERAL: FISCAL AND ECONOMIC SERVICES (DR R HAVEMANN)
THE DEPUTY DIRECTOR-GENERAL: GOVERNANCE AND ASSET MANAGEMENT (MS J GANTANA)
THE CHIEF DIRECTOR: PUBLIC POLICY SERVICES (MR A PHILLIPS)
THE CHIEF DIRECTOR: PROVINCIAL GOVERNMENT PUBLIC FINANCE (MS A PICK) (ACTING)
THE CHIEF DIRECTOR: LOCAL GOVERNMENT PUBLIC FINANCE (MR S KENYON)
THE CHIEF DIRECTOR: ASSET MANAGEMENT (MR I SMITH)
THE CHIEF DIRECTOR: FINANCIAL GOVERNANCE AND ACCOUNTING (MR A HARDIEN)
THE CHIEF FINANCIAL OFFICER (MS A SMIT)
THE HEAD: OFFICE OF THE FINANCE MINISTRY (MS C GREEN)
THE DIRECTOR: BUSINESS INFORMATION AND DATA MANAGEMENT (MR P PIENAAR)
THE DIRECTOR: FINANCIAL GOVERNANCE (MS M VAN NIEKERK)
THE DIRECTOR: FISCAL POLICY (DR N NLEYA)
THE DIRECTOR: INFRASTRUCTURE (MR K LANGENHOVEN)
THE DIRECTOR: LOCAL GOVERNMENT ACCOUNTING (MR F SALIE)
THE DIRECTOR: LOCAL GOVERNMENT BUDGET OFFICE (MR M BOOYSEN)
THE DIRECTOR: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP ONE) (MR C MAPEYI)
THE DIRECTOR: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP TWO) (MS E WENN) (ACTING)
THE DIRECTOR: LOCAL GOVERNMENT MFMA COORDINATION (MR EJ JOHANNES) (ACTING)
THE DIRECTOR: LOCAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MR R MOOLMAN)
THE DIRECTOR: PROVINCIAL GOVERNMENT ACCOUNTING (MS A ABOO)
THE DIRECTOR: PROVINCIAL GOVERNMENT BUDGET OFFICE (MS T VAN DE RHEEDE) (ACTING)
THE DIRECTOR: PROVINCIAL GOVERNMENT FINANCE (EXPENDITURE MANAGEMENT) (MS A PICK) (PRO TEM)
THE DIRECTOR: PROVINCIAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MS N EBRAHIM)
THE DIRECTOR: STRATEGIC AND OPERATIONAL MANAGEMENT SUPPORT (MS N ISMAIL)
THE DIRECTOR: SUPPORTING AND INTERLINKED FINANCIAL SYSTEMS (MR A MAZOMBA)

THE PROVINCIAL AUDITOR

MASTER RECORDS OFFICIAL: BUSINESS INFORMATION AND DATA MANAGEMENT

THE HEAD OF DEPARTMENT: LOCAL GOVERNMENT

THE CHIEF DIRECTOR: LOCAL GOVERNMENT BUDGET ANALYSIS – NATIONAL TREASURY (MR J HATTINGH)

THE CHIEF DIRECTOR: MFMA IMPLEMENTATION – NATIONAL TREASURY (MR TV PILLAY)

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MUNICIPAL BUDGET CIRCULAR FOR THE 2021/22 MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK

1. PURPOSE

The purpose of this circular is to:

- provide the economic and fiscal context that should be considered by municipalities in compiling the 2021/22 Medium Term Revenue and Expenditure Framework (MTREF); and
- provide guidance to municipalities with the finalisation of the 2021/22 MTREF Budgets and accompanied budget documentation.

2. LEGISLATIVE CONTEXT

The Western Cape Provincial Government has institutionalised the Strategic Integrated Municipal Engagements (SIME; previously referred to as LGMTEC) process in fulfilment of its obligations under:

- Sections 5, 22 and 23 of the Local Government: Municipal Finance Management Act (MFMA), Act No. 56 of 2003;
- Chapter 5 of the Local Government: Municipal Systems Act (Act No. 32 of 2000) [MSA];
- Chapter 3 of the National Environmental Management Act (Act No. 107 of 1998) (NEMA); and
- Chapter 4 of the Spatial Planning and Land Use Management Act (Act No. 16 of 2013) (SPLUMA).

The 2021 SIME process will give effect to the "Integrated Work Plan" agreed to in 2017. It builds on the 2020 integrated municipal and provincial processes in order to strengthen alignment between municipal and provincial planning and budgeting and driving the theme of "**Integrated service delivery**", specifically as municipalities are preparing for the final year of the current Integrated Development Planning Cycle.

3. STRATEGIC CONTEXT

3.1 Economic and Fiscal Environment

The 2021 SIME process will take place amid difficult domestic conditions. The National Treasury projects a real economic growth rate of 3.3 per cent in the country for 2021, subsequent to an estimated 7.8 per cent contraction in 2020. Strict lock down measures in the second quarter of 2020 resulted in a 17.1 per cent decline from the first quarter. All major sectors showed declines in output, except for agriculture. Growth is however expected to be positive, albeit sluggish over the medium term with 1.7 per cent growth estimated in 2022 and 1.5 per cent in 2023. With growth averaging 2.1 per cent from 2021 to 2023, GDP can only be expected to reach pre-pandemic levels by 2024.

The Western Cape economy mirrors the national trends. The Western Cape economy is expected to contract by a significant 6.9 per cent in 2020, and rebound by 3.8 per cent in 2021 based on a resurgence in the global and national economy after COVID-19. The main sectors driving growth in the Western Cape include agriculture, forestry and fishing, finance, insurance, real estate and business services and general government. The outlook for the tourism sector remains a concern as bans on travel, especially international travel existed for most of 2020.

The main risks to the economic-outlook include deterioration in the public finances and a failure to implement structural reforms, a resurgence in COVID-19 requiring economic restrictions, electricity and infrastructure constraints, as well as low business and consumer confidence.

Headline inflation is expected to fluctuate within the lower end of the 3 - 6 per cent band with 3.2 per cent estimated for 2020/21, 4.1 per cent for 2021/22, 4.4 per cent for 2022/23 and finally 4.5 per cent for 2023/24. A succession of rate cuts by the South African Reserve Bank (SARB) has brought interest rates to a record low of 7 per cent, which aims to boost spending and credit uptake.

Aside from the bleak macro-economic outlook, the Western Cape also faces challenges of poverty, inequality and unemployment, which have a negative impact on municipal revenue. Furthermore, accelerated Western Cape population growth of 1.8 per cent per annum from 2020 to 2024 (higher in urban areas such as the City of Cape Town due to in-migration) will place additional strain on already limited municipal resources.

National Government will reduce transfers to local government by R17.7 billion, including R14.5 billion from the local government equitable share, R2.7 billion from the general fuel levy and R569 million in direct conditional grants over the 2021 MTEF period. The annual Division of Revenue Bill will be published in February 2021 with the Minister of Finance's budget speech. The Bill will specify grant allocations and municipalities must reconcile their budgets to the numbers published therein. Municipalities therefore have to address existing service delivery backlogs, keep pace with the demand for new basic services and maintain current service delivery standards, all while being faced with reductions in transfers to local government.

Role-players in the 2021 SIME process should make conscious efforts to maximize service delivery given these economic and fiscal challenges. Local government also has a vital role to play in the Province's Recovery Plan. Fiscal prudence in budgetary planning and preparation should be emphasized, improvement of governance and financial management to support service delivery and the implementation of the municipal standard chart of accounts are critical measures to respond to fiscal constraints.

3.2 Budgetary response to the Western Cape Recovery Plan

The current economic climate places greater demand on the Western Cape Government (WCG), with reduced funding to meet such demands. It therefore requires prioritisation of those key activities which will have the greatest impact in terms of the Western Cape's recovery. The Western Cape Government remains committed to the 2019-2024 Provincial Strategic Plan's vision of 'A safe Western Cape where everyone prospers', implemented through its five Vision Inspired Priorities. These will be used as the basis for the Western Cape Recovery Plan which will focus on creating **jobs**, making the province **safe**r and promoting dignity and **wellbeing** for all our residents.

Given the current context of a substantial reduction in available resources, the WCG's budget policy response reflects a strong commitment to a holistic recovery through supporting the resumption of economic activity and social service delivery, maintaining fiscal sustainability and carefully managing persistent public health and service delivery risks. Fiscal sustainability requires a repositioning of public expenditures, through improved, more efficient and streamlined service delivery models.

The Western Cape's Medium Term Budget Policy Statement (WC MTBPS) of 2020, is a budget to bounce back in the Western Cape. The WCG is expected to spend R71.342 billion in 2021/22, R72.583 billion in 2022/23 and R73.051 billion in 2023/24 in the Western Cape. The 2020 MTBPS is available at: https://www.westerncape.gov.za/provincial-treasury/files/atoms/files/Medium%20Term%20Budget%20Policy%20Statement%202020.pdf.

The WCG has mobilised a combined R1.4 billion support package for "Jobs", "Safety" and "Wellbeing" in this financial year. These funds have been broken down as allocations for small business support, fencing of schools, the employ of safety ambassadors, improved data collection

at emergency centres and ECD support, amongst others. Additional National Government funding for the employ of education assistants, the supplementary funding of ECD staff and the provision of food relief will further drive the Western Cape Recovery Plan. Frontline departments such as the Department of Health and Transport and Public Works will also be provided with financial support to respond to the resurgence of the COVID-19 pandemic in the Western Cape.

The Western Cape's 2020/21 Second Adjustment Budget also serves to drive recovery. The objectives of the 2020 Second Adjustment Budget are to:

- Enable reprioritisation and additional funding to support the immediate financing requirements of the Western Cape Recovery Plan;
- Achieve fiscal sustainability in-year, while setting a base for fiscal consolidation over the 2021 MTEF, in the context of significant changes in national allocations; and
- Enable the WCG to continue to respond to COVID-19.

The 2020/21 Second Adjustment Budget makes provision for a net reduction for the 2020/21 financial year amounting to R1.239 billion, which is largely due to a significant reduction in compensation costs.

The Western Cape Government has as part of the 2020/21 Second Adjusted Budget also made changes to the local government grant allocation. These are reflected in the Western Cape Provincial Treasury: Division of Revenue Act (Act 4 of 2020): Additional and Amended Allocations to Municipalities available from: https://www.westerncape.gov.za/provincial-treasury/files/atoms/files/Prov-gaz-extra-2020-ag_8358-ex-ord-consolidated-2nd.pdf.

The Premier signed the Western Cape Second Adjustments Appropriation Act (Act 5 of 2020) on 10 December through which additional revenues were allocated or transferred to municipalities. It was published in the Provincial Gazette (Provincial Notice 137 of 2020: Publication of the Western Cape Second Adjustments Appropriation Act, 2020, in the Provincial Gazette Extraordinary 8368, dated 14 December 2020.) In terms of regulation 23(3) of the Municipal Budget and Reporting Regulations (MBRR), the mayor of a municipality must at the next available council meeting, but within 60 days of the approval of the relevant national or provincial adjustment budget referred to in section 28(2)(b) of the MFMA, appropriate the additional revenues.

4. NATIONAL TREASURY AND PROVINCIAL TREASURY GUIDELINES

4.1 Context

- Municipalities are advised to consult the latest Budget Circular, MFMA Circular 107 released on 4 December 2020.
- Municipalities MUST include the National and Provincial Treasury Budget Circulars as part of the source documents consulted in the preparation of the 2021/22 MTREF Budget documents and to table it as part of the budget documentation in the Municipal Council.
- The Western Cape Provincial Treasury will in due course issue a follow-up circular in which the budget process, submission, assessments and SIME engagements will be outlined.

4.2 Ensuring Municipal Sustainability through a funded budget

In the current economic and fiscal environment, where demand for basic and free basic services rises, household incomes falls impacting on consumer's ability to pay their municipal bills, and transfers from national government rise at a slow pace, it is evident that municipalities are more likely to face financial strain.

As per section 18 of the MFMA, municipalities should nevertheless ensure that their budget is funded from realistically anticipated revenue to be collected, cash backed accumulated funds from the previous year as well as borrowed funds to be utilised for capital projects.

In order to ensure financial sustainability each Municipality must consider the following when compiling their 2021/22 MTREF budgets:

- Improving the effectiveness of revenue management processes and procedures;
- Cost containment measures to, amongst other things, control unnecessary spending on nice-to-have items and non-essential activities as highlighted in the Municipal Cost Containment Regulations read with MFMA Circular No. 82;
- Ensuring value for money through the procurement process;
- The affordability of providing free basic services to all households;
- Not taking on unfunded mandates;
- Curbing the consumption of water and electricity by the indigents to ensure that they do not exceed their allocation;
- Budget adequately to support the servicing of debt obligations; and
- Maintain collection rates of at least 95 per cent and ensure that arrear debt is collected.

The following sections contain additional guidelines regarding revenue and expenditure in an effort to ensure credible and sustainable budgeting.

4.2.1 Revenue

a) Municipalities should comply with Section 74(2) of the MSA by setting cost-reflective tariffs. This ensures that municipalities set tariffs that enable the recovery of the full cost of providing the service. Municipalities are encouraged to utilise the tariff setting tool referenced in MFMA Circular 98, item 4.2. Municipalities should also 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 inflation rates have been provided in section 3.1. Municipalities must justify any increases in excess of the projected inflation rate for 2021/22 and include a detail of their revenue growth assumptions for the different service charges within the 2021/22 budget narrative.

b) In March 2020, the National Energy Regulator of South Africa (NERSA) approved a municipal tariff increase of 6.9 per cent effective 1 July 2020 (1.2 per cent lower than the tariff increase in Multi-Year Price Determination (MYPD) 4 period due to differences in municipal and national financial years). Municipalities are advised to use the tariff increases previously approved by NERSA of 5.2 per cent for 2021/22, 8.9 per cent for 2022/23 and 8.9 per cent for 2023/24.

c) Municipalities should comply with Section 18 of the MFMA by ensuring that the 2021/22 MTREF budget is funded from realistically anticipated revenues. Some municipalities struggle to attain desired collection rates. While this may be due to governance matters or consumer's inability to pay their municipal bills, a fundamental reason for this has been identified as an inability to set realistic and attainable 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. See MFMA Circular 93, 98 and 107 for guidance in this regard. Note that Municipalities are requested to submit the reconciliation of the valuation roll to the financial system to the National Treasury by no later than 05 February 2021 via email to linda.kruger@treasury.gov.za or upload to the LG Upload Portal at: https://lguploadportal.treasury.gov.za/. Municipalities must also account for the impact of COVID-19 and the subsequent economic decline on their collection rates. Each municipality should assess the likely impact of this for the 2021/22 MTREF period based on the impact observed in the first two quarters of the 2020/21 municipal financial year.

d) Municipalities must refrain from budgeting for indirect grant allocations as this results in revenue being overstated. Ensure that the Municipality only budgets for the allocations that are directly allocated and transferred to it.

4.2.2 Expenditure

a) The Municipality's expenditure budget should be adequate to deliver quality services in a sustainable manner at the lowest possible cost.

b) Municipalities are encouraged to budget for bulk services and honour their current account payments (inclusive of Eskom) religiously to avoid stringent application of the bulk suppliers' credit control policy. Note that Eskom's payment terms have been extended to 30 days and the interest on overdue accounts is set at 2.5 per cent plus prime.

c) Municipalities are encouraged to clear the control accounts on a monthly basis and to allocate trade and other receivable payments in these suspense accounts to the relevant debtor accounts regularly before the monthly submissions as required by the MFMA.

d) Given the current economic condition, municipalities are urged to consider projecting increases to wages that would reflect their affordability in 2021/22. The costs of remuneration of councillors as approved within the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits should be considered in the 2021/22 MTREF. Should any negotiated increase in remuneration for employees or councillors be above the level of the Municipality's affordability the Municipality is advised exercise the option for exemption as provided by the South African Local Government Bargaining Council. Given the uncertainty on outcomes of the wage negotiations, municipalities may want to consider budgeting for an affordable level of total compensation of employee spending and noting that if higher salary increases are agreed to, then the number of employees may have to be reduced (through attrition and other measures).

4.2.3 Addressing Unfunded Budgets

a) Municipalities are reminded to develop a credible funding plan in cases where the budget is unfunded. This plan must be tabled and adopted by Council with the 2021/22 MTREF budget and be submitted to National and Provincial Treasury when it is tabled and adopted budget in terms of Section 22(b)(i) and 24 (3) of the MFMA. The Provincial Treasury is available to review and provide guidance on the credibility of draft Budget Funding Plans. Failure to approve a credible plan may result in the invoking of Section 216(2) of the Constitution to withhold equitable share transfers.

b) Where municipalities have adopted an unfunded budget without a credible funding plan, they will be required to correct the budget and go back to the Municipal Council to ensure they adopt and implement a funded budget as required in terms of Section 18 of the MFMA.

4.3 Municipal Standard Chart of Accounts

4.3.1 Release of Version 6.5 of the chart

On an annual basis, the Municipal Standard Chart of Accounts (mSCOA) chart is reviewed to address implementation challenges and correct chart related errors. To this end, Version 6.5 was released with MFMA Circular No. 107. The main budget, adjustments budget and Section 71 monthly reporting schedules that have been regulated in terms of the MBRR have been aligned to the mSCOA chart version 6.5 changes.

Version 6.5 of the chart must be used to compile the 2021/22 MTREF budget. As per the mSCOA regulations, manual population of the A1 schedule version 6.5 is not allowed and should be generated directly from the Municipality's financial system. 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.

4.3.2 Budgeting and Reporting through MSCOA

a) As per the Annexure to MFMA Circular No. 99, mSCOA Circular No. 9, and GRAP 12, municipalities were advised to record and ring-fence all funding and expenditure pertaining to the COVID-19 pandemic for the 2020/21 MTREF when budgeting and transacting; and to budget and account for all bulk water purchases as inventory. This has not been adhered to by all municipalities. It is hereby reiterated that municipalities must budget for water as inventory and appropriately record COVID-19 expenditure in the 2021/22 MTREF as well as the main adjustments budget process in February 2021.

b) Municipalities must implement the new property categorisation framework as revised through the Local Government Municipal Property Rates Amendment Act, 2014 by no later than July 2021. The mSCOA chart Version 6.5 makes provision for the new and the old framework. The Municipalities are advised to use the new framework since the old framework will be retired in the next version of the chart.

c) Section 164(1)(c) of the MFMA stipulates that a municipality may not make loans to councillors or officials of the municipality; directors or officials of the entity; or members of the public. Therefore, municipalities are advised not to use these items in the Item Assets segment of the mSCOA chart when budgeting. National Treasury may retire these items in the next version of the chart.

d) The population of the cash flow reconciliation in tables A7, B7 and C7 of the MBRR formats using mSCOA data strings has been a challenge in previous financial years. It is critical that municipalities undertake balance sheet and cash flow budgeting to provide accurate cash flow information. National Treasury has provided guidance in this regard in MFMA Circular No. 98 and mSCOA Circular No. 10 and 11 and have also corrected the errors in the linkages of the MBRR cash flow tables to the mSCOA data strings.

e) In terms of performance reporting on conditional grants, municipalities and Transferring Officers are urged to pay attention to the contents of money spent against conditional grants. Most municipalities in the country are still not reporting on conditional grants as per the mSCOA requirements. The mSCOA data strings will be the main source of data that will be used to monitor the performance against grants and to inform decisions on the stopping and reallocation of conditional grants funding in the 2021/22 MTREF. The credibility of the mSCOA data strings reporting on grants will therefore be closely monitored going forward.

4.3.3 Municipal Financial Systems

a) National Treasury and the Western Cape Provincial Treasury held extensive engagements with key system providers during which the municipal financial system functionalities were demonstrated. The engagements provided these departments with an understanding of what functionality is available on each system and what the key system related challenges are. Municipalities should address the challenges and include the cost thereof in the 2021/22 MTREF budgets. As part of the key objectives of the mSCOA reform we want to ensure that municipalities are budgeting, transacting and reporting directly via integrated ERP systems to have one version of the truth in terms of the reported financial performance. Hence, the manual correction of data strings by municipal officials or system vendors are not allowed in terms of the mSCOA Regulations.

b) All municipalities and municipal entities had to comply with the mSCOA Regulations by 1 July 2017. The National Treasury will therefore conduct independent audits on all municipal financial systems in 2021 (postponed from 2020 due to travel bans) to determine to what extent the financial systems that are currently being used by municipalities comply with the minimum business processes and system specifications required in terms of mSCOA. The results of the audits will inform the new transversal tender for the procurement of municipal financial and internal control systems in 2022. Until these audits have been concluded, and the results have been released, municipalities should exercise caution when changing their financial system to avoid purchasing a system that does not comply with the necessary mSCOA functionality requirements. However, should a municipality need to procure a new financial system, they must follow the processes set out in the MFMA read together with the Municipal Supply Chain Management Regulations and MFMA Budget Circulars No. 93, 98 and mSCOA Circulars No 5 and 6.

c) It is important to note that once the service level agreement (SLA) for the support and maintenance of the financial system has expired, it cannot be extended, and the municipality will have to embark on a new procurement process. Therefore, it is advised that at least six months prior to the expiry of the SLA, the municipality should either extend the existing SLA or approach the market to procure the service. Also, when the contract for the support and maintenance of the financial system comes to an end, the municipal need not procure a new financial system, but only the support and maintenance services for the financial system.

4.3.4 Non-compliance with MSCOA Requirements

National Treasury and the Western Cape Provincial Treasury will analyse the credibility of the data string submissions. If your municipality has not yet achieved the required level of mSCOA implementation, then it must provide a detailed action plan (road map) to the National and the Western Cape Provincial Treasury to indicate how the municipality will fast track the implementation of mSCOA. The action plan must be drafted by the municipality and not the system vendor and the progress against it should be carefully monitored by the municipality's mSCOA Project Steering Committee (chaired by the Accounting Officer). Municipalities must present progress against the action plan at the 2020/21 Mid-Year Budget and Performance visits and the SIME engagement. The

Municipality should consult MFMA Circular No. 107 for further detail regarding what should be included in the action plan.

5. 2021 LOCAL GOVERNMENT ELECTIONS AND THE BUDGET PROCESS

The Local government elections are scheduled to take place in 2021, although the proposed date is yet to be determined. Municipalities are urged to do the following to ensure that the elections do not hamper the budget process:

a) If elections take place after the start of the financial year, the outgoing council will be responsible for approving tariffs for the 2021/22 MTREF and the newly elected council for the implementation thereof, since section 28(6) of the MFMA does not allow the increase of tariffs during the financial year;

b) If elections take place after the start of the financial year, the outgoing council must ensure that they comply with the timeframes for approval of the budget;

c) Municipalities must ensure that public and stakeholder consultation processes are adhered to as required by the legislative framework provided by section 23 of the MFMA and Chapter 4 of the MSA, and that these are not neglected or used to serve the interest of political parties;

d) Employ sound municipal decision-making so that the long-term sustainability of municipal finances and service delivery is achieved beyond the election period;

e) Consider the regulatory framework set out in the Municipal Cost Containment Regulations insofar as it relates to the use of municipal funds to fund election campaigns and other non-priority issues, which may further impact the financial sustainability of municipalities;

f) Councils are advised to prioritise expenditure appropriations aligned to the policy intent as described in the IDP;

g) The outgoing council is advised to critically consider the financial implications before entering into new long-term contracts that are not of priority to the municipality and avoid if possible, committing the incoming council to any non-priority long-terms contracts;

h) The Mayor and municipal manager of the municipality should ensure the seamless preparation of the IDP and 2021/22 budget as these processes cannot be delayed in anticipation of the announcement of an election date;

i) As is the norm, the newly elected council should implement the last adopted IDP during their first year of office, and adopt a new IDP in its second year of office, after thorough interrogation and extensive consultation with the citizens of the municipality; and

In the absence of detailed information on the 2021 Local Government Elections, National Treasury and the Western Cape Provincial Treasury will provide further guidance in the follow-up MFMA Budget Circular to be issued in March 2021.

6. KEY DATES OF THE 2021/22 INTEGRATED PLANNING AND BUDGETING PROCESS

Municipalities are urged to consult MFMA Circular 107 for information regarding the budget process and submissions. The Western Cape Provincial Treasury will issue a follow-up circular in which the budgeting process and submission, as well as the LGMTEC assessments and SIME engagements will be outlined.

The following key dates should be considered by the Municipality in the 2021/22 Integrated Development Planning and budgeting process.

Dates	Budget Process
January 2021	Mid-year Budget and Performance Assessment
February 2021	Municipal Main Adjustments Budget
February 2021	National Budget Day
March 2021	Provincial Budget Day
Latest 31 March 2020	Municipal Draft Budget Tabling Day
Provisionally 26 April – 12 May 2021	SIME Engagements

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

Directorate	Official	Tel. No.	Email
Public Finance	Chris Mapeyi	021 483 6100	Christpher.Mapeyi@westerncape.gov.za
	Elizabeth de Lange	021 483 4540	Elizabeth.deLange@westerncape.gov.za
Budget Office	Malcolm Booysen	021 483 3386	Malcolm.Booysen@westerncape.gov.za
	Nadia Rinquest	021 483 8692	Nadia.Rinquest@westerncape.gov.za
	Kim Engel	021 483 8459	Kim.Engel@westerncape.gov.za
Fiscal Policy	Dr Ndodana Nleya	021 483 6707	Ndodana.Nleya@westerncape.gov.za

Municipalities may also contact the following officials at National Treasury:

	Responsible official	Tel. No.	Email
Cape Town	Kgomotso Baloyi	(021) 315 5866	Kgomotso.Baloyi@treasury.gov.za
George	Willem Voigt	(012) 315 5830	WillemCordes.Voigt@treasury.gov.za
	Mandla Gilimani	(012) 315 5807	Mandla.Gilimani@treasury.gov.za
Technical issues with Excel formats	Elsabe Rossouw	(012) 315 5534	lgdataqueries@treasury.gov.za

7. CONCLUSION

Municipalities are encouraged to take into account and apply the contents on this budget circular in the 2021/22 planning and budgeting process.

Please direct any queries regarding this circular to: Malcolm Booysen at Malcolm.Booysen@westerncape.gov.za

MALCOLM BOOYSEN
pp HEAD OFFICIAL: PROVINCIAL TREASURY
DATE: 18 December 2020

WITZENBERG MUNICIPALITY

INTEGRATED PLANNING AND BUDGETING ASSESSMENT: ANALYSIS OF MUNICIPAL IDP, SDF AND BUDGET

Western Cape Government

APRIL/MAY 2021

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LIST OF ACRONYMS

AQMP	Air Quality Management Plan
BESP	Built Environment Support Programme
CBD	Central Business District
CBA	Critical Biodiversity Areas
CMP	Coastal Management Programme
CSIR	Council for Scientific and Industrial Research
DCAS	Department of Cultural Affairs and Sport
DEA&DP	Department of Environmental Affairs and Development Planning
DHS/DOHS	Department of Human Settlements
DM	District Municipality
DLG	Department of Local Government
DWA	Department of Water Affairs
EPWP	Expanded Public Works Programme
FBE	Free Basic Electricity
HSP	Human Settlement Plan
IDP	Integrated Development Plan
IGP	Infrastructure Growth Plan
IIAMP	Integrated Infrastructure Asset Management Plan
IIF	Infrastructure Investment Framework
ITP	Integrated Transport Plan
ISDF	Integrated Strategic Development Framework
IYM	In-year Monitoring
IWMP	Integrated Waste Management Plan
JOC	Joint Operations Centre
kl	kilolitre
KPA	Key Performance Area
KPI	Key Performance Indicator
kWh	kilowatt hour (1000 watt hours)
LED	Local Economic Development
LUPA	Land Use Planning Act
MBRR	Municipal Budget and Reporting Regulations
MDG	Millennium Development Goal
MI	Municipal Infrastructure
MIG	Municipal Infrastructure Grant

MIP	Municipal Infrastructure Plan
MMP	Maintenance Management Plan
MVA	Megavolt Amperes (1 Million volt amperes)
MWh	Megawatt hour (1 Million watt hours)
NRW	Non-revenue Water
NDHS	National Department of Human Settlements
O&M	Operations and Maintenance
PMS	Performance Management Systems
RMP	Road Management Plan
SDBIP	Service Delivery Budget Implementation Plan
SDF	Spatial Development Framework
SOP	Standard Operating Procedure
SWMP	Stormwater Management Plan
WDM	Water Demand Management
WSDP	Water Service Development Plan
WTW	Water Treatment Works
WWTW	Wastewater Treatment Works

SECTION 1: INTRODUCTION

The 2021/22 MTREF planning and budgeting documents are drafted at an unprecedented time. An already weakened economy has been exacerbated by the impact of the COVID-19 pandemic and state spending is placed under severe pressure. It is therefore crucial that planning and budgeting are *responsive* to the current reality facing municipalities and their citizens. Municipalities' revenues are under downward pressure as a result of the COVID-19 related restrictions and its impact on the income of citizens, while the demand for municipal services are on the rise. Municipalities therefore have to be *resilient* against these pressures until the economic situation improves. As per the 2020 Western Cape Recovery Plan, municipalities cannot only focus on responding to the pandemic, but there is also a need to look forward and make provision for economic and financial *recovery* over the medium-term. The 2021 municipal integrated development plans and budgets will therefore be assessed by the Provincial Government against the principles of '*Responsiveness, Resilience and Recovery*'.

The importance of the integrated planning and budgeting assessment is stipulated in Chapter 5 of the Local Government Municipal Systems Act 32 of 2000(MSA), the MSA Regulations and the Local Government Municipal Finance Management Act 56 of 2003 (MFMA). These annual provincial assessments afford the provincial sphere of government an opportunity to exercise its monitoring and support role to municipalities as stipulated by the Constitution. In addition, the assessments provide an indication of the ability and readiness of municipalities to deliver on their legislative and constitutional mandates.

This report encapsulates comments by the Western Cape Provincial Government on the draft 2021/22 MTREF Budget, 2021/22 amended Integrated Development Plan (IDP) and Spatial Development Framework (SDF).

The assessment covers the following key areas:

- Conformance with the MFMA, MSA & Municipal Budget and Reporting Regulations (MBRR);
- Responsiveness of draft budget, IDP and SDF; and
- Credibility and sustainability of the Budget.

The MBRR A-Schedules, budget documentation, IDP and SDF submitted by the Municipality are the primary sources for the analysis. The quality of this assessment report therefore depends on the credibility of the information contained in the documents submitted by the Municipality.

The Provincial Government plans to meet the executives of your Municipality on 03 May 2021 where the key findings and recommendations of this report will be presented and deliberated upon. The planned engagement will contextualise the Municipality's challenges and responses as taken up in the draft budget, IDP, LED, SDF and various other strategies and plans.

All the information related to the assessment and analysis of the annual budget, IDP and SDF are found in the report below.

SECTION 2: PUBLIC VALUE CREATION

2.1 INTEGRATED PLANNING

2.1.1 INTRODUCTION

An Integrated Development Plan (IDP) is the principal strategic planning instrument which guides and informs all planning and development, and all decisions regarding planning, management, and development in a municipality. An IDP provides the strategic direction for all the activities of a municipality over five years linked to the council term of office.

Each municipal council must annually review and may amend the IDP of the Municipality. Should the review process determine that an amendment is required, a municipality should follow the process as stipulated in Regulation 3 of the Local Government: Municipal Planning and Performance Management Regulations of 2001.

The 2021/22 review of the IDP of the Witzenberg Municipality (the Municipality) is the fourth and last review of the 2017 - 2022 IDP. The 2021/22 IDP review approach took into consideration an assessment of the performance measurements of the Municipality and the extent that changing circumstances so demand.

Based on the review of the tabled IDP at the end of March 2021, the Municipality intends to adopt an amended IDP in May 2021.

2.2 INTEGRATED PLANNING ANALYSIS

2.2.1 IDP OVERVIEW

The Proposed 2021/22 IDP Amendment maintains council's strategic direction by outlining its vision, mission, strategic objectives, and its alignment to national and provincial priorities. These remained unchanged and embodies the strategic thrust of the Municipality to deliver basic services; create an enabling environment for economic growth and decent employment; and improve the living conditions of all households.

The Municipality consists mainly of rural towns such as Ceres, Tulbagh, Wolseley and in terms of the 2020 Municipal Economic Review and Outlook (MERO) it currently has a population of 147 993 expected to grow to 162 303 by 2024. Although the Witzenberg municipal area is one of the municipal areas in the Cape Winelands District with the smallest population, its average annual growth rate has been higher compared with the other municipal areas at 2.4 per cent. The estimated population growth in the municipal area will increase the demand for housing, municipal and other social services.

The MERO indicates that the Witzenberg municipal area is well known for producing export-quality deciduous fruit, vegetables, and wine. A footprint has also been created highlighting the area as a family and adventure-tourist destination. The Witzenberg municipal area has the second lowest contribution rate to the Gross Domestic Product per Region (GDPR) of the Cape Winelands economy of R9.32 billion. Despite this the Witzenberg area had the highest GDPR growth rate of 3.1 per cent in the Cape Winelands. This strong growth in the Witzenberg area boosted the overall growth in the District in 2019.

The 2020 Socio-Economic Profile for Local Government (SEP-LG) notes that drug-related crime within the Witzenberg area decreased in 2020, from 2096 cases in 2019 to 1142 cases in 2020. The number of cases of driving under the influence of alcohol or drugs increased from 103 in 2019 to 168 in 2020. The incidence of sexual offences (per 100 000 population) is the second lowest in Witzenberg (83) compared to the other local municipalities in the Cape Winelands.

The Proposed 2021/22 IDP Amendment contains a comprehensive situational analysis in Chapter three. The analysis makes use of the latest available data from the MERO and the SEP-LG. The situational analysis

covers aspects such as demographics, education, health, poverty, basic service delivery, safety and security and the economy.

The situational analysis chapter could be improved upon by including a narrative on the interpretation of statistics provided. This will enable communities, possible investors, and other stakeholders to gain a better understanding of the Municipality's current socio-economic status and the challenges it faces and how these have informed the strategic objectives of the Municipality.

The Proposed 2021/22 IDP Amendments reflect on access to basic services in the situational analysis, indicating that 98.5 per cent of households in the Municipality have access to water, 91.8 per cent access to sanitation and 85.8 per cent access to electricity. The Municipality also reflects on the provision of basic services per ward and per town within the urban edge. This makes it easier to note the number of households without each basic service per town area. However, basic services to rural communities, including farm dwellers are not provided by the Municipality but by the respective landowners, with Eskom providing bulk electricity provision.

2.2.2 IDP PROCESS

In terms of Sections 28 and 29 of the Municipal Systems Act 32 of 2000 (MSA), a municipality must follow a prescribed process when reviewing and/or amending an IDP. Furthermore, key activities and deadlines for the process must be set out in a Time Schedule adopted in terms of Section 21 of the Municipal Finance Management Act 56 of 2003 (MFMA).

The MSA and Municipal Planning and Performance Management Regulations requires that a district municipality must consult with the local municipalities when reviewing and/or amending its IDP. Similarly, local municipalities are required to consult the district.

In line with section 28 of the MSA, the Municipality developed and adopted a process plan in August 2018, to guide the process to be followed when reviewing its IDP. In preparation for the 2021/22 IDP review, the Municipality adopted a revised process plan in August 2020 (Ref: 02/02/2), which includes a Time Schedule with key deadlines as per the MFMA to guide the budget and IDP process. The Time Schedule does however not reflect on the key activities to be followed when adopting an amended IDP.

Future IDP and Budget time schedules should reflect activities that align to the relevant legislative process that will be followed for the planning, development, and adoption of the IDP.

This includes the memorandum to be submitted to the Municipal Council in terms of Regulation 3(2) of the Regulations. The Municipality provided such a document; however, it does not set out the reasons for the proposal to amend the IDP.

No evidence could be obtained indicating that the process followed by the Municipality in drafting its Proposed 2021/22 IDP Amendments took into account the integrated development processes of, and proposals submitted to it by the district municipality as required by Section 29 (3)(b) of the MSA, or that it consulted with the district municipality on the said Amendments as provided for in the Regulations.

2.2.3 IDP COMPLIANCE

Section 26 of the MSA refers to the core components of an IDP and states that an IDP "must reflect":

- The municipal council's vision for the long-term development of the Municipality,
- An assessment of the existing level of development in the Municipality,
- The council's development priorities and objectives for its elected term,

- The council's development strategies which must be aligned with any national or provincial sectoral plans and planning requirements binding on the Municipality in terms of legislation,
- A Spatial Development Framework,
- The council's operational strategies,
- Applicable disaster management plans,
- A financial plan with a budget projection for at least the next three years; and
- The key performance indicators, and performance targets determined in terms of section 41 of the MSA.

The Municipality tabled Proposed 2021/22 IDP Amendments that meets the legislative requirements in terms of section 26 of the MSA read in conjunction with the Regulations, except for the budget projection for the next three years as per Section 26(h) of the MSA. The Proposed 2021/22 IDP Amendments contains a budget projection for the next three financial years only for capital expenditure.

2.2.4 IDP ALIGNMENT

Section 32 of the MSA states that the MEC may within 30 days of receiving a copy of an IDP, or within such reasonable period as may be approved by the Minister request a municipality to adjust the plan or amendment in accordance with the MEC's proposal, if it is in conflict with or is not aligned with or negates any of the development strategies of other affected municipalities or organs of state. Section 26 of the MSA further requires that IDPs must be aligned with and not negate the national and provincial development plans and planning requirements binding on the Municipality in terms of legislation.

The Proposed 2021/22 IDP Amendments highlight the alignment of the eight strategic objectives contained in it, with the 2019-2024 Medium-Term Strategic Framework, the Vision Inspired Priorities set out in the 2019 - 2024 Provincial Strategic Plan and the strategic objectives of the Cape Winelands District Municipality. The District Development Model is elaborated upon as an approach by which the three spheres of government and state entities work collaboratively in an impact-oriented way, and where there is higher performance and accountability for coherent service delivery and development outcomes.

The Municipality provided a number of its sector/operational plans together with its Proposed 2021/22 IDP Amendments. In addition, a summary is provided in the IDP document of the status of all the municipal sector/operational plans. An analysis of these indicates that most of the plans are currently under review.

To ensure alignment between the Proposed 2021/22 IDP Amendments and national, provincial plans, various sector departments formed part of the assessment and made comments as found below:

Economic Development

The Municipality has a Local Economic Development (LED) Strategy. The LED Strategy is currently being reviewed to align it with changing circumstances including the impact of COVID-19 on the municipal economy. The Municipality also supports LED through various programmes as well as through the construction and upgrading of infrastructure.

Human Settlements and Transport

The Municipality notes in its Proposed 2021/22 IDP Amendment the increase in the vulnerable population that require housing assistance. It intends to address the matter through the implementation of the Social Housing Programmes such as Vredebes and the upgrade of the informal settlement in N'Duli. In addition,

the Proposed 2021/22 IDP Amendments indicates that the Municipality has a Human Settlement Plan and Housing Pipeline plan that are currently under review to ensure alignment with other sector plans.

The Cape Winelands District Municipality developed a District Integrated Transport Plan (ITP) for the 2016 - 2021 financial year's and it includes Witzenberg Local ITP. The Proposed 2021/22 IDP Amendment indicates that integrated transport planning within the Municipality involves transport related aspects such as road planning, traffic engineering and stormwater drainage and the adequacy of traffic signage and road markings and public transport infrastructure.

Health, Social Services and Amenities

The Proposed 2021/22 IDP Amendments reflect that in 2018, there were a total of 14 primary healthcare clinics in Witzenberg, eight fixed facilities and six mobile facilities and one community day centre. In addition, there is also one district hospital as well as eight Anti Retro Viral treatment clinics/sites and 19 Tuberculosis clinics/sites.

Social Development is reflected under Strategic Objective 4.1: Support to the poor and vulnerable through appropriate programmes and policies. The Proposed 2021/22 IDP Amendments indicates the following programs under this strategic objective:

- Skills development, including personal assessment, development plans and career pathing;
- Substance abuse programme that focuses on prevention, intervention, suppression and coordination services with other spheres of government;
- HIV programme that focuses on awareness, early intervention and prevention;
- Poverty alleviation programme; and
- People living with disabilities programme that focuses on awareness-raising initiatives concerning disability to break down the barriers and promote and foster social integration and opportunities for persons with disabilities.

The Thusong centre is identified in the Proposed 2021/22 IDP Amendments as part of social amenities that serve as decentralized government access hub available to the public thereby allowing easier access to government services such as Social Development and Home Affairs.

Safe and Cohesive Communities

The Proposed 2021/22 IDP Amendment indicates that the Joint District Approach Implementation Plan for the Cape Winelands District includes a Community Safety Plan. The Plan covers all local municipalities within the District. During the public participation process, wards 7 and 11 Identified safety of women as a concern as well as the need for a house of safe keeping for victims.

2.2.5 IDP IMPLEMENTATION

The 2021/22 IDP Review constitutes the fourth and last annual review cycle of the 2017 – 2022 IDP and therefore an important milestone to assess whether the Municipality might be at risk of not achieving its strategic objectives.

The Municipality developed a five-year scorecard/Top-Layer Service Delivery and Budget Implementation Plan (SDBIP) that is linked to the council's eight strategic objectives and the community needs identified during the development of the 2017-22 IDP. The SDBIP reflects on the Municipality's implementation plan for the five-year IDP cycle and is reviewed annually. The measures in the Top-Layer SDBIP for the

Municipality remained the same throughout the lifecycle of the 2017-2022 IDP, with the Municipality implementing and reporting on the achievement of its annual targets.

The 2018/19 and 2019/20 Annual Reports were assessed together with the 2020/21 Technical Integrated Municipal Engagement (TIME) Report to get a sense of the overall performance of the Municipality in achieving the objectives for its eight strategic objectives against these KPIs and targets.

The 2018/19 Annual Report reports on the performance of the Municipality per strategic objective. The Municipality achieved 100 per cent of its targets for the following five strategic objectives:

- Provide for the needs of informal settlements through improved services
- Support Institutional Transformation and Development.
- Ensure financial viability
- Maintain and strengthen relations with international and inter-governmental partners as well as the local community through the creation
- Support the poor and vulnerable through programmes and policy

An average of 90 per cent was achieved for the remaining three strategic objectives:

- Sustainable provision and maintenance of basic infrastructure
- Provide and maintain facilities that make citizens feel at home.
- Create an enabling environment to attract investment & support local economy.

The 2018/19 Annual Report reflects on the reasons for not achieving certain of the targets. One of these relates to billing all residents for electricity services. Theft of electricity in the informal areas of Witzenberg is an issue and to correct this, the Municipality developed and implemented a strategy to address Illegal connections to the grid.

The 2019/20 Annual Report similarly reflects on the performance of the Municipality against it eight strategic objectives. The Municipality achieved 100 per cent for only one of its strategic objectives which is to provide for the needs of informal settlements through improved services. However, there was a significant improvement in achieving targets for the strategic objective aimed at the sustainable provision and the maintenance of basic infrastructure. The Technical Directorate spent less than 50 per cent of the available expenditure on capital budget, and the Municipality indicated that the national lockdown impacted on the number of KPIs not achieved during 2019/20 financial year. Corrective measures to ensure improvement have been identified.

The TIME Report reflects on performance at mid-year and therefore not over the lifespan of the IDP. The TIME Report indicates that the Municipality achieved 26 of its 34 planned targets applicable at mid-year. This equates to a 76.5 per cent achievement rate and a variance of 23.5 per cent between planned and actual performance. Of the eight targets not achieved, several have been due to delays caused by the COVID-19 pandemic. The Municipality provided reasons and corrective measures in all instances where targets have not been achieved.

The Municipality has done well to ensure alignment of community needs with the strategic objectives. The KPIs remained consistent throughout the IDP period and corrective measures were identified where targets were not achieved in a particular financial year.

2.2.6 OUTSTANDING AREAS FOR IMPROVEMENT

The Municipality addressed all IDP findings from the previous assessments of the 2017 - 2022 IDP.

2.3 ENVIRONMENTAL AND PLANNING ANALYSIS

2.3.1 Compliance, Performance, Implementation and Changing Circumstances

The Municipal Spatial Development Framework (MSDF) is clear on where new development areas can be accommodated but does not adequately make the connection between the required investment in infrastructure to enable MSDF proposals to be realised. The existing infrastructure capacity and network of the Municipality is not spatially reflected in the MSDF. Despite this, there is some correlation between the Capital Expenditure Projects (Some of which pertain to PDA's) and the budget as contained in the IDP. Predominantly this related to engineering and road infrastructure for Vredebes and Nduli.

There has been no annual performance review undertaken for the MSDF as part of the IDP review process, showing the extent to which the MSDF has been systematically implemented over time. It is unclear whether there are outstanding projects or tasks to be implemented as set out in the MSDF town development proposals, and this is rooted in the fact that there is no adequate MSDF M&E Framework which can be used to measure progress in implementation.

The largest impact on changing circumstances for the Municipality in the next financial year has to do with significant budget cuts and reduced revenues as a result of the COVID-19 pandemic and its severe impact on the economy. This will have downstream impacts on equitable share, MIG allocations, rates income and the ability to manage aging infrastructure networks sustainably.

Another major risk to Witzenberg Municipality and its agricultural economy is that 132 kV line supplied by Eskom to Ceres reached its capacity in 2014. A moratorium on all new demand is currently in place. The MSDF states that the earliest that Eskom will be able to complete the upgrade of their bulk electricity is 2021 but the IDP states that this date is 2030. Whichever statement is incorrect must be corrected. Regardless, failure to address this crisis will have a major effect on the economy of the Municipality and the Province.

Since 2022 will be the start of a new IDP cycle, the Municipality will be required to draft a new IDP. This would be an opportune time for the Municipality to amend its current SDF to address areas of further work that was identified through the commenting process. This does not however mean that a new SDF needs to be drafted simultaneously, if it is felt that a significant part of the current SDF remains valid. The decision as to whether to redraft, amend or continuing using the current SDF should be made based on a performance review of the current SDF. Following this performance review, if it is found that there are numerous gaps in the current SDF, or circumstances have changed significantly since the SDF was drafted this would indicate the need for an SDF redraft or at the very least an amendment.

The performance review should consider the number and type of municipal applications that the Municipality receives and how many times the MPT had to depart from the provisions of the MSDF and should evaluate the strengths and weaknesses of the existing MSDF. Hence, gaps needing to be addressed will be identified. Whether the MSDF is redrafted, amended or simply reviewed in terms of performance, it will need to be adopted together with the IDP at the start of the new IDP terms of office.

The MSDF drafting process has assisted to ensure that inputs from different spheres of government and parastatals with various sector specialisations that were readily available at the time are reflected and integrated. However, the MSDF does not talk to the future planning of various sectors and spheres of government or guide the coordination, prioritisation and phasing of proposed developments and how to link these with infrastructure planning.

While the MSDF includes a Capital Expenditure Framework (CEF), the contents thereof do not meet the purpose of a CEF as intended by the legislation. Amongst other things, the CEF should attempt to determine the affordability of various development proposals for the Municipality and the CEF does not achieve this presently. Ideally, the CEF should identify what investments are required in order to activate each of the PFAs for development and within what time period. In the section 'Breakdown of Infrastructure per PFA' in the MSDF, requirements to activate each of the PFA's is disaggregated to a degree. However, it was noted that certain infrastructure projects have already been budgeted over the MTEF period. In addition, further detail on PDAs will require precinct planning to understand detailed infrastructure needs/ upgrades and this is a valid observation.

The MSDF has a Chapter titled Monitoring and Review. In this chapter the Municipal Performance Management System (linked to the IDP) is highlighted as important to measure progress on delivering on the Municipal spatial agenda. It proposes that MSDF- specific monitoring indicators be developed for inclusion in the Municipal Performance Management System. Ideally, initial performance indicators should be limited to what is manageable by the administration while meaningfully tracking the achievement of stated spatial development objectives. However, the Municipality has not developed such indicators to date and no M&E Framework and Implementation Table was included in the MSDF. Further work is required to augment the CEF and Monitoring & Evaluation Chapters of the MSDF. Once an adequate programme of projects or set of performance indicators are developed, progress and performance can be measured.

In the next iteration of the MSDF, Witzenberg Municipality should:

- As a priority, the MSDF must adequately address the comments and concerns raised by DEA&DP related to the CEF and Monitoring and Review Chapters.
- Include the designation of areas for the application of an inclusionary housing policy, include areas within the Municipality where incremental upgrading approaches to development and regulation will be applicable.
- Identify areas where shortened land use development procedures may be applicable. lastly the MSDF should clearly articulate the land required for any additional social facilities needed to accommodate the development proposals, particularly the ones originating from the housing plan and pipeline. Quantifying the need, and identifying the preferred locations, will assist the planning of the WCG.

The Draft SDF should be commended for responding in detail and taking up recommendations made by CapeNature and other parties. The Municipality has assigned the correct spatial planning categories (Core 1 and/or the highest conservation priority) to Protected Areas and Critical Biodiversity Areas. This has been done in the form of a table (table 4 on page 53) which also provides an indication of activities which are supported and not supported.

The IDP makes reference to CBA maps and has a dedicated Environmental Management Programme (Programme 3.1(B)) which aims to protect biodiversity corridors including Critical Biodiversity Areas.

The IDP acknowledges that municipal land is vastly infested by alien vegetation and has an alien clearing plan: "Witzenberg Municipality Invasive Alien Species Monitoring and Control Plan".

In terms of uptake of biodiversity considerations, Witzenberg Municipality's SDF and IDP are amongst the best examples. The IDP in particular when compared to other IDPs as quite a strong focus on alien clearing and environmental management. Witzenberg does have a disaster management plan which is described in the IDP.

The IDP and SDF recognise the need to manage aliens, particularly in watercourses and the catchment areas for the purpose of increasing water production.

The SDF contains a development checklist which includes the consideration of CBAs and ESAs when determining if a development proposal is acceptable. Table 6 also provides detailed guidelines for specific activities (these guidelines appear to have been influenced by the Western Cape Rural Land Use Planning Guidelines).

The Municipality has a 2021 Disaster Management Plan and takes into consideration the need to clear aliens to prevent environmental degradation and decrease the risk of large fires. Unfortunately, the risk reduction strategy annexures were not included in the documents tabled. The Disaster Management Plan lists a number of other risks and hazards that need to be planned for and acknowledges that some of these can be reduced by managing important biodiversity areas.

In terms of Climate Change management, It should firstly be noted that this IDP review has taken on a new set of questions to determine the performance of municipalities in terms of climate change responsiveness. Given the increasing emergency in relation to the climate change threats to our society and economy, the level of preparedness and systems change needs to upscale rapidly. The questions in this IDP review reflect this maturation of the province to prepare for climate change.

Although Witzenberg does not have a climate change response strategy/framework yet, there is evidence of prioritising climate change responses in the IDP. The current focus is on renewable energy and waste management sectors with the relevant projects included in the budget under high impact development projects. It is also worth noting that the Municipality approved and adopted that the DRMP and will be considered as a core component of the Integrated Development Plan. It is recommended that the Municipality referrers to the DRMP as it contuse efforts to identify and understand specific risks and opportunities that climate change will present for other sectors such as water and human settlements.

The Municipality has a designated Waste Management Officer (WMO) and the DEA&DP provided comments on the draft Status Quo report for the 3rd generation IWMP. Comments will be addressed in the 3rd generation IWMP and waste issues have been integrated in the recent IDP review document.

The Witzenberg Municipality has 3 waste management facilities registered on the IPWIS (Integrated Pollutant and Waste Information System), namely Prince Alfred Hamlet Waste Disposal Facility, Tulbagh Landfill, Witzenberg Municipality Recovery. The Municipality submitted 0/6 waste management reports from January and February 2021. Through the IPWIS report submissions; the Municipality achieved a compliancy score of 0 per cent within this period. 0 tonnes of waste were disposed to landfill, and 0 tonnes of waste was diverted from landfill. Thus, achieving a diversion rate of 0.0 per cent for this period.

The Municipality only has a by-law relating to refuse removal which was published in 2005. They are currently updating the by-law.

Separation-at-source of recyclables happens throughout most the area. They also have a Zero Waste to Landfill pilot project with 100 households using a 4-bag system, which is still on-going, and they are hoping to expand it to the rest of the municipal area. A new MRF and drop-off are in the plans, and the tender for an MRF in Ceres was approved in October 2020.

Diversion of organic waste is currently only happening as part of the pilot project. In other areas, garden waste is collected separately in green bags, but disposed of at Prince Alfred Hamlet landfill. There is no diversion of C & D waste.

According to their 2020 report, for environmental education and waste awareness campaigns they have appointed 25 waste ambassadors. These waste ambassadors are employed for door-to-door waste campaigns, clean-up projects and conduct visits to schools, clinics and residents to raise awareness.

The Municipality must ensure that they strive towards complying with the conditions of the waste management licenses and permits. The details about the level of compliance of the Waste Management

Facilities have been communicated to the Municipality through the Department's compliance audits. Some of the Waste Disposal Facilities are being operated with exceptionally low compliance ratings.

Inadequate controls and unsustainable planning in urban settings can lead to increased environmental pollution, particularly as it relates to ambient air quality, when air pollution from increased human activity negatively impacts the environment and the health of a community. Recent global events have highlighted the need for greater emphasis on urban planning to reduce traffic congestion, to prevent or reduce emissions, as well as to improve air circulation in industrial, commercial and residential areas.

In terms of Section 14(3) and Section 15(2) of the National Environmental Management: Air Quality Act (NEM: AQA), a Municipality must designate an Air Quality Officer and adopt an Air Quality Management Plan (AQMP) within its jurisdiction. To ensure that a budget is allocated for air quality management, each municipality must include in its Integrated Development Plan (IDP), an AQMP.

The Witzenberg Municipality has designated an Air Quality Officer and has adopted an AQMP, as per the NEM: AQA. However, the Municipality must allocate funding to implement the AQMP, particularly in terms of monitoring ambient air quality to manage potential air pollution that may result from increased urbanisation.

SECTION 3: ECONOMIC SUSTAINABILITY

3.1 INTRODUCTION

This section examines to what extent the tabled 2021/22 MTREF Budget is responsive from a socio-economic perspective as well as the Municipality's ability to meet the community expectations for services from its limited resources to contribute towards achieving economic recovery and maximising benefits for its residents.

Firstly, the socio-economic reality and needs within the community is examined to gain an understanding of the implications thereof. This is followed by an analysis of the budgetary allocations to the strategic objectives and the municipal and provincial expenditure to determine their respective responsiveness to the socio-economic reality of the municipal area.

3.2 SOCIO-ECONOMIC CONTEXT

3.2.1 Socio-economic Overview

Table 1 Socio-Economic indicator analysis

Socio-economic Indicator		NDP Goal	Local context	District Average	WC Average
Population	**Population Growth**	0.5 -1% p.a.	2.5%	1.7%	1.8%
Access to basic services	**Formal housing**	-	85.3%	81.2%	79.1%
	Water	100%	98.5%	97.1%	96.6%
	Electricity	95%	93.3%	92.4%	93.7%
	Sanitation	-	91.8%	91.1%	90.0%
	Refuse	-	69.8%	79.5%	94.0%
Crime	**Murder (per 100 000)**	-	45	39	57
	Residential Burglaries	-	536	587	51.5
Economy	**Unemployment Rate**	14% by 2020	6.7%	10.7%	19.4%
	GDP growth	4.5% per annum	0.4% (2019e)	0.1%	1.4%
Human Development	**Human Development Index**	-	0.76	0.77	0.757

Comments:

- The information in the table above was sourced from Witzenberg's 2020 Socio-economic Profile (SEP-LG) developed by Provincial Treasury.
- The data indicates that most of the socio-economic trends are on an improving trajectory which is positive to note. However, of particular concern are certain indicators related to crime.
- The high murder rate in Witzenberg is concerning as high levels of crime hamper growth, discourage investment, negate local capital accumulation and have a negative impact on the economy as a whole. Safety is also one of the key focus areas in the WCG Recovery Plan.
- Witzenberg's unemployment rate is below the district's and well below the province's, however it is increasing every year. Unemployment has a direct impact on household income and their ability to afford basic services. It also forces more households to register as indigents households in order to qualify for the provision of free basic services which further strains municipal resources.

3.2.2 Community Needs Analysis

The Municipality and community have highlighted needs and risks facing the municipal area. These are reflected in the table below:

Table 2 Municipal needs

Themes	Challenges
Economic	● Replacement and maintenance of roads ● Job creation programmes for the unemployed ● Tourism promotion and development
Social	● Education and skills development programmes for rural areas ● Housing supply – backyard dwellers are increasing ● Upgrading of parks and playgrounds
Trading services	● Upgrading of sewer network ● Electricity supply ● Illegal electricity connections ● Provision and upgrading of streetlighting to improve safety ● Implementation of waste recycling projects

3.3 MUNICIPAL AND PROVINCIAL BUDGET ANALYSIS

This section analyses the responsiveness of the budget and strategic objectives to the socio-economic reality of the Municipality.

3.3.1 Key budget priorities in terms of IDP Strategic Objectives

The 2021/22 MTREF budget breakdown in terms of the strategic objectives is indicated in the table below. Witzenberg Municipality budgeted for total operating expenditure of R745.94 million and a total capital budget of R109.04 million in the 2021/22 financial year.

Table 3 Strategic Objectives for the 2021/22 Medium Term Revenue & Expenditure Framework

Witzenberg Supporting Table SA5 & SA6 Reconciliation of IDP Strategic Objectives and Budget (Operating and Capital Expenditure)								
Strategic Objective	2021/22 Medium Term Revenue & Expenditure Framework OPEX				2021/22 Medium Term Revenue & Expenditure Framework CAPEX			
R thousand	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24	Average Annual Growth	Budget Year 2021/22	Budget Year 2023/24	Budget Year 2024/25	Average Annual Growth
Essential Services	480 294	530 513	591 025	10.9%	106 147	56 581	18 716	-58.0%
Governance	151 633	164 397	176 144	7.8%	900	600	20	-85.1%
Communal Services	106 215	110 302	117 891	5.4%	1 304	11 773	7 624	141.8%
Socio-Economic Support Services	7 796	20 009	9 174	8.5%	696	0	0	0.0%
Total Expenditure	**745 938**	**825 221**	**894 234**	**9.5%**	**109 047**	**68 954**	**26 360**	**-50.8%**

Source: Witzenberg Municipality, Budget Schedules

Comments:

- Witzenberg Municipality's strategic goals noted in budget Tables SA5 and SA6 for the 2021/22 MTREF are aligned to the strategic goals in the IDP and reflect financial commitments for all four strategic goals.
- Of the Municipality's R745.94 million total 2021/22 operating expenditure budget, R480.29 million (64 per cent) is directed towards strategic objective 'Essential Services'. Similarly, the bulk of the capital expenditure budget, R106.14 million (97.3 per cent) is allocated to the 'Essential Services' strategic objective.
- The Essential Services strategic objective mainly addresses the basic trading services functions as well as transport management. It is evident that the Municipality's 2021/22 budget is prioritised towards delivering on its service delivery mandate.
- The balance of the operating expenditure budget (36 per cent) is allocated across the remaining 3 strategic objectives, with 'Governance' allocated 20.3 per cent of the operating budget, 'Communal Services' receiving 14.2 per cent and 'Socio-Economic' support services only allocated 1.0 per cent. In respect of the capital expenditure budget, the remaining capital budget allocations are marginal.
- Within the current constrained fiscal resource environment, the Municipality has presented a 'pro-poor' 2021/22 budget that takes into account the plight of indigent households and provides rebates and exemptions on property rates in qualifying cases. The Municipality is expecting an increase of 6 000 indigent households due to the impact of the pandemic on employment and household income and has needed to increase tariffs accordingly for non-poor customers to help fund this.

3.3.2 Municipal and Provincial Expenditure

Witzenberg Municipality and the Western Cape Government (WCG) will spend R246.68 million collectively on infrastructure projects in Witzenberg in 2021/22.

Table 4 Comparison of Provincial and Estimated Municipal Expenditure: 2021/22 (R'000)

Type	Provincial Infrastructure Spend	Municipal Infrastructure Spend
Economic Expenditure	**80 580**	**32 788**
Road Transport and Public Works	*80 580*	*32 092*
Planning and Development	-	*696*
Environmental Protection	-	-
Social Expenditure	**57 057**	**1 304**
Education	*25 000*	-
Health	*5 169*	-
Social Development		
Housing	*26 888*	*1 304*
Sports and Recreation		
Public Safety		
Trading Services		**74 055**
Electricity		*13 163*
Water		*28 585*
Waste-Water Management		*14 082*
Waste Management		*18 224*
Other		900
Total Expenditure	**137 637**	**109 047**

Source: 2021 Western Cape EPRE (Provincial spend), National Treasury Database (Municipal spend)

3.3.2.1 Economic Expenditure Analysis

Allocations in this category refer to expenditure on economic infrastructure i.e. assets and facilities that support the development of other sectors within the economy.

- **Road transport and Public Works**

Overall, the WCG will spend R80.58 million on road transport and public works infrastructure within Witzenberg in 2021/22. This investment in road infrastructure is predominantly to conduct routine/preventative maintenance (R65.58 million) and the Aston-Swellendam project (R15.0 million).

Witzenberg Municipality has allocated R32.09 million towards road infrastructure projects for the 2021/22 financial year. This allocation is mainly for three projects within the Municipality, namely, the upgrading of the Van Breda bridge (R20.55 million), internal roads for the Vredebes housing project (R6.14 million) and the Tulbagh walkways (R500 000).

The largest road transport related projects by the WCG relate to maintenance work. Regular road maintenance and upkeep will have several positive economic and social spin-offs i.e. enhancing the longevity of current assets will ensure sustainable access to economic opportunities which will significantly improve the economic and social standing of businesses and private citizens. This WCG's allocation towards this function therefore responds well to the notion that government should create an enabling environment conducive of growth and development.

3.3.2.2 Social Expenditure Analysis

Complementary to economic infrastructure, allocations towards social infrastructure are applied to construct and maintain facilities that support social services.

- **Education**

The WCG allocation to education infrastructure spending in Witzenberg for the 2021/22 financial year is R25 million. The majority of this budget (R15 million) is for the second year of construction of the new Waveren Senior Secondary School and the additional R10 million rand of the allocation is towards upgrades and additions to the Tulbagh High School.

Access to education is important in the growth of the economy and society as whole and the WCG is delivering on its mandate to provide educational facilities in Witzenberg. With 6 new schools in the pipeline for Witzenberg over the next 8 years, the socio-economic trend of declining learner retention is of particular concern. The persisting social conditions that are contributing factors to learners dropping out of school needs to be addressed so that all children and youth are able to receive the education that they require and aspire to complete their schooling.

This relatively low retention rate should also draw attention to concerns around the social implications of leaving school early, including teenage pregnancies as well as alcohol and drug abuse and associated crimes. Low learner retention also means that more unqualified/low skilled youth enter the labour market.

- **Health**

The Western Cape Department of Health has budgeted to spend R21.62 million on health infrastructure in Witzenberg over the 2021/22 MTREF with R5.17 million allocated in the 2021/22 financial year. The bulk of the allocation is for the Ceres hospital's new acute psychiatric ward and the balance for upgrades and general maintenance projects.

Several health projects have been completed in Witzenberg over the previous MTREF. The health crisis experienced with the current COVID-19 pandemic is a timely reminder that investment in health infrastructure and systems preserves human life along with minimising the effects of health crises and subsequent consequences such as lower productivity and shocks to the economy.

- **Human Settlements**

The most recent data indicates that 12.4 per cent of the total households in Witzenberg are living in informal dwellings. The Witzenberg area is also faced with a high demand for new housing. It needs to provide housing to it's a growing population as well as to diminish the backlog that already exists. The WCG allocation towards housing in Witzenberg totals R38.89 million over the 2021/22 MTREF.

The 2021/22 budget allocation of R26.89 million is directed towards the Ceres Vredebes development (R24.54 million) and the balance to the Nduli project and the Chris Hani sites development.

Demand for housing continues to outweigh the level of supply within the municipal area. The most recent housing waiting list figure of 10 774 shows an increase of 13 per cent from the previous years' figure of 9 546. Over the past few years, these numbers have fluctuated, but they currently appear to be on an upward trend.

The backlogs in housing infrastructure continues to place pressure on municipal resources. The growing demand for basic services within growing informal settlements is difficult to sustain within the current fiscal environment. The Municipality has a streamlined capital budget and is operating on limited financial resources to address its backlog.

3.3.2.3 Trading Services Infrastructure Analysis

Witzenberg's capital budget for trading services increases by 14.9 per cent from the previous year. This is mainly attributed to the increases in the infrastructure budget for electricity and waste management.

- **Electricity**

The Municipality's allocation to energy infrastructure amounts to R13.16 million for the 2021/21 financial year. This is mainly to roll-out new bulk electricity infrastructure to the housing development. Of the allocation, R11.09 million is for the Vredebes electricity network and the balance for substation equipment.

Expansion of the electrical network remains a challenge as Eskom has indicated that expansions in electrical infrastructure cannot be accommodated until 2030 which is huge risk to the Municipality.

- **Water**

Water infrastructure allocations in the Municipality amount to R28.56 million for 2021/22. The construction of the Tulbagh Dam continues with an allocation of R17.39 million in 2021/22. Other significant allocations include R6.14 million for bulk water infrastructure for the Nduli housing development and R5.06 million of the Op-Die-Berg Reservoir.

Water infrastructure investment as well the maintenance of existing water provision infrastructure needs to remain a priority to prepare sufficiently for any potential water shortages in the future which could have a negative effect on consumers, municipal revenue as well as the agricultural sector.

- **Waste-Water**

The total allocation to waste-water management amounts to R14.08 million for 2021/22. This is mainly for the stormwater and sewerage systems for the Vredebes development with each system allocated R6.14 million.

- **Waste Management**

Waste management infrastructure receives the second biggest share of the trading services infrastructure budget for 2021/22. The total waste management allocation in the Municipality amounts to R18.22 million in 2021/22. The total allocation is for the construction of a new material recovery facility and related infrastructure. The new facility is essential to address the waste management and landfill challenges faced by the Municipality.

It is encouraging to note that the Municipality is in the process of drafting a long-term strategy for waste management, including issues such as waste avoidance, collection, diversion and disposal. However, funding is still a huge challenge to address the rehabilitation of current landfill sites.

Ageing infrastructure needs constant and immediate remedial attention in order to prolong its lifespan. National Treasury guidelines indicate that allocations for repairs and maintenance should be 8 per cent of Property, Plant and Equipment (PPE) budgets. The Municipality has indicated that the repairs and maintenance spending as a percentage of PPE is 27.9 per cent for the 2021/22 financial year.

3.4 UTILISING PROCUREMENT AS A LEVER TO ENHANCE LOCAL ECONOMIC DEVELOPMENT

The impact that the pandemic has had on the economy and the fiscus requires that a post-disaster recovery strategy is enabled to utilise procurement as a lever for recovery that supports not only the creation of jobs but enables provincial priorities such as safety and well-being through purchasing.

Key lessons and learnings will be customised for municipal requirements considering capabilities, capacity and maturity of the municipal sphere through the following key focus areas which have been identified as priorities for the implementation of the SCM strategy through the following Local Government initiatives in the future

- e-Procurement and Supplier Evidence Bank;
- Procurement Planning Toolkits;
- District Transversal Contracts (Upfront Participation and collaboration keeping in mind Regulation 32 and 36 challenges); and
- Asset Management Capacitation and Development Programmes
- These initiatives will be driven through the four-pronged SCM approach
- SCM Governance
- SCM Capacitation and Training
- Strategic Procurement
- SCM Technology

3.4.1 SCM Technology

Key outcomes of Municipal System Insight Reports Analysed

The intent of this report is to provide performance information in terms of Supply Chain Management (SCM) to accounting officers in order to improve planning and decision-making processes as well as to measure results or outcomes that has been achieved by municipalities in terms of suppliers registered on CSD, conflict of interest, monitoring the implementation of the Preferential Procurement Policy Framework

Regulations, 2017 (PPPFR) by analysing awards to designated BEEE groupings and COVID-19 Emergency expenditure

The ultimate purpose is to drive good governance through compliance that builds business confidence and trust which can be used as an enabler to attract capital investment into the **municipal region.**

Analytical Trends

The analysis identified the following challenge with municipal data in that there is no standardised allocation methodology for transactions that categorise goods and/or services-:

- Certain transaction could not be matched to a specific commodity, due to incorrect allocation;
- Items that have been procured could not be matched to certain projects or determined whether certain expense forms part of operational cost;
- Data integrity issues that relate to incorrect linkages, inconsistent capturing, in a format that is difficult to analyse and
- The system that does not make provision for demographic reporting.

Improvement Initiatives

- A workgroup to be established to assist Municipalities on how to use data as an enabler in making strategic decisions for future procurement.
- Municipalities to prioritise correct system usage as this is the main enabler for meaningful and reliable reporting.
- Provincial Treasury is committed to continuously assist and guide the Municipality in this regard.

3.4.2 Strategic Procurement

Key outcomes of Municipal Procurement Plans Assessed

The assessment of municipal procurement plans is to provide a diagnostic analysis of planned expenditure in order to provide technical support to municipalities in keeping with the resolutions taken at the LED-SCM Indaba 2019. The procurement analysis focus on municipal infrastructure spend as a theme to Public Value Creation and Economic Sustainability as investments in infrastructure are vital to the municipal region's economic development and prosperity. Infrastructure connect various supply chains and is the catalyst for the efficient movement of goods and services across borders and regional boundaries. Infrastructure also connects households across metropolitan areas to higher quality opportunities for employment, healthcare and education:

Analytical Trends

Data integrity issues that relate to incorrect linkages, inconsistent capturing, dual language capturing and in a format that is difficult to analyse

Improvement Initiatives

a) Local Economic Development: Empowerment focused initiatives; relooking at and reconsidering the economic focus on post disaster recovery initiates to stimulate the market differently; and supplier development and linkages to Strategic Sourcing

b) Framework Agreements and Transversal Contracting: Use opportunities for alternative strategic sourcing initiatives that leverages on economies of scale, SMME and job creation focus as opportunities

c) Consideration could be given towards an alternative "*Sourcing Business Model*" to strengthen strategic supplier relationships where the aim is to leverage against productivity driven improvements that requires a more flexible contractual relationship e.g. Preferred Provider, Performance Based Managed Services, Vested Relationship etc.

3.4.3 Strategic Procurement & SCM Technology

Key outcomes of the Municipal Districts assisted with SCM & Asset Management Business Practices to Continuously improve Maturity Levels Analysis

Asset Management is an integrated discipline between accounting, engineering, project management, supply chain management, governance & risk management and financial management which impacts on Municipal Sustainability, Economical Cost Saving, Reliable Service Delivery and the Performance of a Municipality as Whole.

Modern society is heavily reliant on physical assets in order to function effectively:

- The managing of assets provides services now, and into the future
- Is a core part of the local economy, providing the platform for local investment and job creation.
- Asset Management is about extracting value more than what you invest into assets
- It's about using assets to deliver public value and achieve the Municipality`s business objectives

Generic Trends in Expenditure on Repairs & Maintenance post COVID-19

The aftermath of COVID-19 and the downturn in the economy caused some municipalities to postpone maintenance activities, a practice commonly known as Deferred Maintenance in order to save costs, meet budget funding levels, or to realign available budget monies when revenue collection is low. Others have shifted to a reliance on Corrective Maintenance as an alternative strategy

Improvement Initiatives

a) Deferred Maintenance

Deferred Maintenance should only be used in the short-term as long-term exposure of limited to no maintenance could result in costly entire system failure that would put a strain on the Municipality`s financial resources, completely wiping out the savings the Municipality hoped to achieve through the deferred strategy. Long-term exposure to this strategy has the following risk attached to it:

- Safety and Health Risks to occupants within the region if waste system shuts down (e.g. pollution)
- Possible fines from a regulatory agency
- Possible protest action for non-delivery of essential services
- The escalation of crime within the area (Vandalism of Municipal Property)

b) Corrective Maintenance

Municipalities to explore an autonomous Strategy instead of a one-dimensional corrective maintenance strategy as this increases the maintenance backlogs that is currently experienced at many Municipalities. The risks associated with this:

- Increased long-term costs due to unplanned equipment downtime will put an additional burden on the already constraint finances of a Municipality
- Possible secondary equipment or process damage also known as "Collateral Damage" / Entire system failure
- Decreased reliability due to neglect of assets that in long run could lead to decreased reliability due to equipment downtime
- Increased Unpredictability – Can lead to a backlog of maintenance work orders
- Increased cost of Maintenance – deteriorating parts may not be detected and found as quickly as under condition assessment

3.5 REVENUE ENVELOPE, OWN REVENUE AND INTERGOVERNMENTAL REVENUE TRENDS

3.5.1 Own Revenue Assessment: Tariff Analysis and Overview for the Four Trading Services

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. As reflected in MFMA Circular No. 108 (March 2021), National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the Municipality's financial sustainability. A principle advocated by National Treasury, is that the tariffs regarding trading services should at least be cost reflective. However, it is recognised that the tariff increases by Eskom are above inflation and should be considered as such within the context of tariff determination.

Municipalities must 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. Section 75A of MSA empowers municipalities to "levy and recover fees, charges or tariffs in respect of any function or service of the Municipality". Brief commentary provided in terms of the Municipality's Tariff Policy and Tariff Schedule is provided below.

Table 5 Summary of the trading services tariffs

Service	Tariff Structure	% increase 2020/21
Electricity	Two-part tariff for conventional meter domestic user, three-part tariff for prepaid domestic users (> 20 A). The same applies to commercial consumers.	17.8%
Water	Block tariffs for all domestic, commercial users and a flat rate for municipal Basic fee applied.	6%
Sanitation	Flat tariff for residential consumers	6%
Refuse	Flat rate per unit based on the size of the bin and the number of collections per week	6%

Tariff analysis:

The following Macro-economic forecasts were published in the MFMA Circular No. 108 for consideration when prepping the 2021/22 MTREF.

% change	2020	2021	2022	2023
	Estimate	Forecast		
CPI inflation	3.3	3.9%	4.2%	4.4%

Source: MFMA Budget Circular No. 108

Given the adverse impact of the current economic climate, the sovereign downgrade by Moody's to junk status and the unprecedented lockdown due to COVID-19, many of the macro-economic forecasts will be restated.

Electricity

Tariff structure and Consumer Categories

The Municipality applies a two-part tariff for electricity applicable to HH consumers, i.e. a fixed charge and volumetric energy charge. For electricity services as stated in the municipal tariff policy, there are 5 consumer categories namely; residential, commercial, rural, industrial and large-scale users.

The basic charge applied is based on the amp connection, the larger the connection of the consumer the higher the basic charge. An Inclining block tariff is applied with regards to the consumption charge. This tariff structure is beneficial for two purposes, (i) for demand management in time of supply constraints and (ii) allows for a level of cross subsidisation within a service.

In addition, the Municipality applies an availability charge for this service levied on vacant plots. In addition, for industrial and large-scale consumers the Municipality applies a 3-part tariff structure. The third part being a demand charge.

The Municipality has in place a Time of Use (ToU) tariff which consumers must apply for in order to access this tariff. In the current budget policies tables, the Municipality has no Small-Scale Embedded Generation (SSEG), Feed in Tariffs (FiT) or wheeling tariffs. However, the Municipality in its budget documentation has indicated the desire to include SSEG tariffs.

Tariff increase

Tariff adjustments comes into effect 1 July each year, NERSA has announced the final guideline electricity price increase applicable to municipalities resulting in a 14.59 per cent average increase to all categories of consumers. The final electricity tariffs determined by Council will be submitted to NERSA for approval. The 17.8 per cent increase in the Eskom bulk electricity tariff to municipalities will be effective from 1 July 2020.

In the draft budget documents submitted by the Municipality, it is indicated that the Municipality would apply the NERSA approved rate of 14.59 per cent for residential consumers and this rate would account for the bulk purchase increase of 17.8 per cent. However, upon review of the municipal tariff list, the proposed tariffs are increased by the bulk purchase increase of 17.8 per cent and not the NERSA approved benchmark. It should also be noted that the approved average increase is 14.59 per cent and if the Municipality opts to increase a specific category by the bulk purchase percentage the Municipality may have to lower another category's increase to achieve the approved tariff increase on average. If the Municipality wishes to impose a higher tariff increase, this would have to be approved by NERSA.

According to the NT estimates approximately 51 per cent of the Municipality's HH are indigent, which theoretically should negatively impact on the revenue base of the Municipality. However, we are unable to assess this as the budget info in Schedule A10 and SA1 is incomplete. The information provided in the

budget document relating to the cost of free basic services is lower than that provided by National Treasury through the LGES. This could indicate that the information provided, is unlikely to be a true reflection of the Municipality's financial situation. If the Municipality is to continue this trajectory, the revenue generated for this service will be insufficient to cover the primary cost of this service. As illustrated in the table below, the cost outstrips the revenue of this service (if LGES allocations for electricity are not taken into account).

Water and Sanitation

The Municipality faces several challenges when it comes to water services. Given the recent drought, there are large risks associated with changes in rainfall patterns as a result of climate change. This has had an adverse effect on the Municipality which may hamper water security in the area. From the budget documentation, the Municipality has tried to keep the increase for water and sanitation in line with the upper bracket of the inflation target, their ultimate aim being to set tariff increases within the inflation limits. For 2021/22 tariff increases are significantly above the projected inflation level. The Municipality has not made any substantial changes to the tariff structure of any of the services for the 2020/21 financial year.

Tariff structure

The Municipality follows a two-part tariff structure for water with a minimum basic charge which is dependent on the consumers connection size and a volumetric charge. The volumetric charge is based on an IBT tariff structure, for water there are 5 blocks within the residential consumer category. With step 2 - 4 of the IBT structure having the same unit cost.

According to the municipal tariff policy the consumer has a choice between Block A and Block B, where block A is residential tariffs and Block B is commercial tariffs. Block C is for municipal use.

Block B also follows an IBT structure, which has a 4-step tariff structure. The increase for this category is 6 per cent for the first two steps and 9.59 per cent for the remaining steps. It is interesting to note that all 4 steps of the commercial IBT structure has the same unit cost.

The Municipality has robust water restriction tariffs with tariffs for 5 different levels of restriction. The increases of these tariffs follow a similar pattern to that of the normal water tariffs except for block C. this consumer category applies a flat tariff structure for the consumption rate and the increase for each level varies between 7.06 per cent and 13.27 per cent.

The aim for inflationary increase is insufficient for the provision of the sanitation service. The expected growth in revenue for sanitation from the tariff increase is not enough to address the significant increase in the cost associated with this service

The Municipality in its tariff policy states that their aim is equitable distribution of cost and applies the benefits principle. The cost of the service for sewerage is also based on the pipe connection of the consumer.

Refuse

Municipalities in general face the immense challenge in finding the balance between affordability and the sustainability of services. A big concern when setting tariffs is that they should at least be cost reflective. Households, especially low-income households spend a large share of their disposable income on municipal services such as water and electricity. The Municipality may face opposition, the argument may be that these households are socially vulnerable and that they would be unlikely to afford further tariff increases and the Municipality may decide to put off the tariff reform that is required.

An increase of 6.0 per cent is proposed for refuse removal for both households and businesses.

3.5.2 Cost Reflective Tariffs

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, bearing in mind the aforementioned Consumer Price Index (CPI) inflation. Municipalities are required to justify all increases in excess of the projected inflation target for 2021/22 in their budget narratives and pay careful attention to tariff increases across all consumer groups. Municipalities should include detail of their revenue growth assumptions for the different service charges in the budget narrative (Municipal Budget Circular 107).

This section will assess the cost reflectiveness of the trading services, i.e. electricity, water, sanitation and refuse. According National Treasury, these services should at least be cost reflective. In theory, trading services are services which can, in principle, run as separate businesses, because tariffs can in theory be set in such a way as to yield a trading surplus. Consumers receive a direct quid pro quo for the tariffs paid.

For this section the revenue of budget table A4 will be used as this is the revenue generated from the service less all subsidies provided by the municipality. In addition to this, budget table A2 provides the expenditure information less the National Treasury allocation for each of the trading services as it is already exempted on the revenue side. The reasoning behind this is that theoretically for cost reflectiveness the revenue generated from the service should be able to cover the full cost of the service before transfers. This may become crucial going forward given low economic growth, under-collection of tax revenue and shifts in governments priorities.

The methodology does not provide the full view on the cost reflectiveness of the set tariff. This is largely due to the absence of the secondary costs associated with the provision of these services.

Decisions about accepting profits or losses on services can only be made by looking at all services together and ensuring that in balance a municipality will fully recover costs. Tariff revenue losses will be made on some services. These must be balanced against tariff revenue profits on other services, as well as other income sources such as assessment rates and subsidies. Getting the balance right is one of the most difficult parts of tariff setting.

The tables below present two scenarios using the methodology of cost reflectiveness discussed above.

Scenario 1

In the first scenario, data from the LGES formula, as calculated by National Treasury is used to account for the transfer revenue that subsidises tariffs. As municipalities tend to not use the full allocations for free basic services from the LGES for the subsidy of services, this is likely to over-estimate the cost reflectiveness of tariffs. It is apparent from the information illustrated that aside from water services the municipality barely covers the primary costs associated with the provision of these services in the municipal area. In the upcoming financial year, the municipality is projected have a huge surplus on the cost of water provision however, the revenue raised from refuse is insufficient to cover the cost associated with the service

The 2018/19 and 2019/2020 audit figures from the A2 schedules seems questionable as there is a significant drop in the expenditure of energy and sanitation service and refuse has a negative value captured for the 2019/20 financial year (shown in blue in the table below). The 2021/22 financial year, estimates seems more in line with the 2020/21 full year estimates.

Through the LGES the municipality is funded for 19 318 HH, this amounts to the municipality receiving R36.102 million for water services. The total cost for water services as captured in schedule A2 is R36.559 million. This indicates that the equitable share allocation for free basic water is nearly sufficient to cover the full primary cost of this service. As a result, this analysis reflects a very large surplus for the water services. All services except water services reflect a surplus in 2021/22.

Table 6 Trading Services Revenue and Expenditure (scenario 1)

	2017/18	2018/19	2019/20	Current Year	Budget Year
	Audited Outcome	Audited Outcome	Audited Outcome	2020/21	2021/22
Schedule A4 Revenue	**306,170**	**305,199**	**346,176**	**354,732**	**413,760**
Service charges - electricity revenue	210,359	221,840	255,095	271,973	323,478
Service charges - water revenue	45,429	35,547	39,419	35,137	39,677
Service charges - sanitation revenue	26,997	24,904	25,949	25,352	25,031
Service charges - refuse revenue	23,384	22,909	25,713	22,271	25,574
Schedule A2 Expenditure:	**217,896**	**91,626**	**(60,459)**	**395,624**	**454,620**
Energy sources	125,208	9,493	18,380	279,926	322,833
Water management	33,776	36,568	15,210	36,983	36,559
Waste water management	22,003	7,256	16,184	33,428	43,400
Waste management	36,909	38,308	(110,234)	45,287	51,829
NT LGES basic component allocation:	**66,550**	**84,153**	**92,850**	**101,915**	**106,666**
Energy sources	14,112	17,928	19,877	21,943	23,142
Water management	21,623	27,555	30,648	33,937	36,102
Waste water management	16,763	21,036	23,024	25,043	25,797
Waste management	14,052	17,634	19,301	20,993	21,625
Surplus/Deficit	**154,824**	**297,726**	**499,485**	**61,024**	**65,806**
Energy sources	99,264	230,274	256,591	13,990	23,787
Water management	33,276	26,533	54,856	32,091	39,220
Waste water management	21,757	38,684	32,790	16,966	7,429
Waste management	527	2,235	155,248	(2,024)	(4,630)
Surplus/deficit as % of spending	**71%**	**325%**	**-826%**	**15%**	**14%**
Energy sources	79%	2426%	1396%	5%	7.4%
Water management	99%	73%	361%	87%	107%
Waste water management	99%	533%	203%	51%	17%
Waste management	1%	6%	-141%	-4%	-9%

Source: Municipal A Schedules and NT LGES breakdown

Scenario 2

Scenario 2 uses the municipality's own statement of how funds from the LGES are used to subsidise trading services. The same data problems as above are noted. However, the analysis is able to be extended over the MTEF as the municipality's budget reflects detail for this over the MTREF whereas the LGES formula breakdown per service is only provided for the first year of the 2021 MTREF period. On this analysis, trading services reflect a deficit for the MTREF mainly due to service charges for refuse which reports a huge deficit throughout the MTREF, and this has been the case for the past three audited years. These deficits will be offset by other trading services and revenue sources, reducing the overall profitability of service charges. It is also concerning that sanitation services slip into a deficit for 2021/22 as a result of a lack of growth in revenue for the service at the same time that planned expenditure spikes by R10 million.

Table 7 Trading Services Revenue and Expenditure (Scenario 2)

Description R thousand	2017/18 Audited Outcome	2018/29 Audited Outcome	2019/20 Audited Outcome	Current Year 2020/21	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2022/24
Revenue:A4	**306,170**	**305,199**	**346,176**	**354,732**	**413,760**	**461,500**	**509,674**
Service charges - electricity revenue	210,359	221,840	255,095	271,973	323,478	365,530	413,049
Service charges - water revenue	45,429	35,547	39,419	35,137	39,677	42,328	39,623
Service charges - sanitation revenue	26,997	24,904	25,949	25,352	25,031	26,533	28,267
Service charges - refuse revenue	23,384	22,909	25,713	22,271	25,574	27,108	28,735
Expenditure: A2	**217,896**	**91,626**	**(60,459)**	**395,624**	**454,620**	**501,821**	**560,848**
Energy sources	125,208	9,493	18,380	279,926	322,833	367,604	419,704
Water management	33,776	36,568	15,210	36,983	36,559	41,726	43,976
Waste water management	22,003	7,256	16,184	33,428	43,400	39,322	41,454
Waste management	36,909	38,308	(110,234)	45,287	51,829	53,168	55,715
LGES Allocation: SA1	**19,184**	**14,268**	**20,902**	**34,732**	**34,285**	**36,411**	**38,566**
Electricity	366	838	3,288	4,080	4,851	5,482	6,195
Water	1,057	3,451	3,427	6,451	5,406	5,460	5,516
Sanitation	9,356	4,912	7,664	13,161	13,392	14,196	14,906
Refuse	8,405	5,067	6,523	11,040	10,635	11,273	11,950
Surplus/Deficit	**107,458**	**227,841**	**427,537**	**(6,159)**	**(6,575)**	**(3,910)**	**(12,608)**
Electricity	85,518	213,184	240,002	(3,873)	5,497	3,408	(460)
Water	12,710	2,429	27,636	4,605	8,524	6,062	1,163
Sanitation	14,350	22,560	17,429	5,085	(4,976)	1,407	1,719
Refuse	(5,120)	(10,332)	142,470	(11,977)	(15,620)	(14,787)	(15,030)
Surplus/Deficit	**49%**	**249%**	**-707%**	**-2%**	**-1%**	**-1%**	**-2%**
Electricity	68%	2246%	1306%	-1%	2%	1%	0%
Water	38%	7%	182%	12%	23%	15%	3%
Sanitation	65%	311%	108%	15%	-11%	4%	4%
Refuse	-14%	-27%	-129%	-26%	-30%	-28%	-27%

Source: Witzenberg Municipality 2021/22 MTREF Budget, Main Schedules A4: Trading revenue (excl. capital grants) and A2: Trading

Unfortunately, the mSCOA data was not credible enough to perform an alternative analysis that accounts for the full costs of each service.

The apparent surpluses on trading services discussed here cannot be viewed in isolation; they must be coupled with distribution and unaccounted losses to realise the true profit or loss. These losses could further increase the deficits budgeted for the MTREF. It is therefore recommended that the Municipality put in place strategies to reduce losses even further, by attempting to reduce its technical and non-technical losses as these will reduce the cost of supplying services. In addition, losses in terms to debt impairments and write-offs also needs to be accounted for especially during these trying times for consumers. As such the National Treasury has developed a tool to set proper tariffs for water, sanitation, electricity and solid waste. Municipalities are encouraged to explore use of the tool to improve tariff setting and financial sustainability.

With respect to relief strategies to indigent households' municipalities should consider, reviewing their respective indigent policies to factor in the economic impact of COVID-19 on poor households.

3.5.3 Intergovernmental Revenue Overview

Given the minimum service level set out by national government, the Municipality conforms to the set standards. Free basic services are allocated based on the municipal indigent register. NT annually updates the minimum threshold for FBS which is double the amount of a state pension, in addition the factor cost per service and the number of Households are also updated annually.

As indicated in MFMA Circular No. 108, there were changes made to the LGES and this is detailed in the annexure in the Division of Revenue Bill. As of the 2021/22 Financial year, the LGES will no longer fully cover the number of poor households estimated in the LGES formula.

From the table below it is apparent that there are significant differences, both in terms of Household and allocation of FBS between what is funded by NT and that of the Municipality.

Table 8 Free Basic Services Analysis

Service	National Guidelines	Municipal	FBS factor cost per service	NT allocation per service	Municipal allocation for Basic Service Component R'000	NT estimate of Indigent HH	Indigents (extrapolated as per 2019/20 AR)
Energy	50 kWh	50KwH	99.83	23 142	4 851	19 318	5 790
Water	6 kl	6Kl	155.73	36 102	5 406		
Sanitation	15 l/day	Free	111.28	25 797	13 392		
Refuse	1 collection per week	free	93.28	21 625	10 635		

3.6 RESPONSIVENESS: MAIN POINTS AND RISKS/FINDINGS

- The review of the electricity tariff increases in the budget document differs from the increase applied in the tariff list.
- For the NERSA application, the Municipality must note that table 1 in the municipal guideline which relates to the revenue forecast per consumer category has to be completed when applying for their tariff increase.
- If the Municipality is planning on making use of a cost of supply study for their electricity tariff increases, then they will have to submit to NERSA by no later than 15 March 2022 for the 2022/23 financial year.
- The credibility of information provided in the A-Schedules/budget document is questionable as there are very significant differences in the audit full year figures of expenditure of the trading services. These figures should be reviewed and corrected.
- The Municipality is requested to provide insights as to how they calculate the cost coverage of trading services and how the Municipality envisages moving closer to cost reflective tariffs.

SECTION 4: FINANCIAL SUSTAINABILITY

4.1 REVIEW OF THE HISTORICAL INFORMATION (INPUT FROM LGA)

The Financial Performance as per the Latest Annual Financial Statements on hand to the Provincial Treasury as at 31 March 2021.

Table 9 Financial ratios and norms (Ratio calculations for 2020 after point 4.1.5)

	Financial ratios and norms	2016 Audited	2017 Audited	2018 Audited	2019 Audited	2020 Audited	CAGR*	Projection based on historical trends	Comments	Overall assessment
Asset Management										
1	Capital Expenditure to Total Expenditure: 10% - 20%	14%	10.3%	10.8%	13.5%	5.2%	-18.1%	4.2%	The ratio results initially increased year on year from 10.3 per cent in 2017 to 13.5% in 2019 and then significantly deteriorated during 2020 to 5.2%, as a result of the lockdown regulations implemented, due to the COVID-19 pandemic. The 2020 ratio outcome is not within NT desired norm of 10 - 20%. This indicates that the COVID-19 pandemic had a severe influence on expenditure of the Municipality.	
2	Capital Expenditure Budget Implementation Indicator: 95 – 100%	97.9%	97.4%	96.2%	96.2%	46.0%	-14.0%	39.5%	The ratio has declined over the five-year period under review, from 97.9% in 2016 to 46.0% in 2020; the ratio is not within the NT norm of 95 - 100%. The 2020 outcome indicates that the Municipality has been negatively affected by the COVID-19 pandemic which had a severe influence on expenditure with regards to capital projects.	

Financial ratios and norms		2016 Audited	2017 Audited	2018 Audited	2019 Audited	2020 Audited	CAGR*	Projection based on historical trends	Comments	Overall assessment
3	Impairment of Property, Plant and Equipment, Investment Property and Intangible Assets (Carrying Value): 0%	0.0%	0.0%	0.0%	0.1%	0.0%	N/A	N/A	The ratio has remained constant and the results indicate that the Municipality is within the NT desired norm of 0.00%.	
4	Repairs and Maintenance as a % of Property, Plant and Equipment, Investment Property (Carrying Value): 8%	2.6%	6.0%	5.7%	1.9%	1.5%	-10.3%	1.4%	The ratio results have fluctuated over the five years measured. The ratio result is below the NT norm of 8%. Management decisions, service delivery and Asset Management Strategies also contribute to the levels of repairs and maintenance.	
5	Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure :(None)	30.5%	38.4%	40.4%	37.3%	61.8%	15.2%	71.2%	The ratio has fluctuated over the five-year period under review. There is no norm from National Treasury for this ratio as the funding mix for Capital Expenditure is dependent on the municipal policy and ability to raise revenue from different sources.	
6	Own funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure: (None)	30.5%	38.4%	40.4%	37.3%	61.8%	15.2%	71.2%	The ratio has fluctuated over the five-year period under review. There is no norm from National Treasury for this ratio. It is critical that the determination of the funding mix of capital expenditure is undertaken in such a manner that affordable borrowings is directed towards addressing service delivery needs. There is also opportunity for increasing capacity on borrowings to attain an improved balance of funding from different sources	

Financial ratios and norms		2016 Audited	2017 Audited	2018 Audited	2019 Audited	2020 Audited	CAGR*	Projection based on historical trends	Comments	Overall assessment
Revenue, Debtors and Liquidity Management (cash availability)										
7	Net debtor's days: ≤ 30 days	31 days	56 days	56 days	57 days	57 days	13.0%	64 Days	The ratio results have remained constant over the last four-year period. It appears that consumers take between 56 and 57 days to pay their outstanding accounts, which could strain cash flows of the Municipality, thus impact working capital availability.	
8	Bad Debts Written-off as % of Provision for Bad Debt: 100%	29.3%	0.0%	185.7%	44.0%	26.7%	-1.9%	26.2%	The ratio results have fluctuated over the five-year period under review and are below the desired norm 100% over the period. The Municipality should revise their write off policies and procedures to align provisions raised with write offs.	
9	Operating Revenue Budget Implementation Indicator: 95% - 100%	103.7%	110.9%	101.0%	95.1%	93.9%	-2.0%	92.1%	The ratio shows a downward trajectory and in the last year, falling below the National Treasury norm. Results outside the norm indicates either challenges in capacity to implement the budget, inefficiencies in billing and credit control, weaknesses in budget compilation or issues of financial controls and management. The Municipality is advised to keep a close eye on results and implement remedial actions to ensure improvement.	
10	Service Charges and Property Rates Revenue Budget: 95% - 100%	102.3%	92.2%	99.1%	97.0%	101.2%	-0.2%	101.0%	The ratio result have fluctuated over the 5-year period under review and is within the acceptable NT norm of 95 – 100%. It is advised that the Municipality continue to improve on efficiencies of the past and attempt to replicate this in other revenue streams.	

Financial ratios and norms		2016 Audited	2017 Audited	2018 Audited	2019 Audited	2020 Audited	CAGR*	Projection based on historical trends	Comments	Overall assessment
11	Revenue Growth (%) - Excluding capital grants: = CPI	7.8% 6.4%	10.2% **5.3%**	-4.7% 4.7%	0.6% 4.5%	13.4% 2.2%	11.6%	15.0%	The ratio results have fluctuated year on year over the 5-year period under review, from 7.8% in 2016 to 13.4% in 2020. The 2020 ratio result is above the CPI rate and appears favourable. The Municipality is further encouraged to consider all alternative mechanisms of growing its revenue base.	
12	Cash/Cost Coverage Ratio (Excluding Unspent Conditional Grants): 1 - 3 months	2 Months	2 Months	2 Months	2 Months	2 Months		2 Months	The ratio results have remained constant over the 5 year period under review and is within NT norms, the favourable ratio outcomes indicates that the Municipality is able to meet its operating commitments from cash and short-term investments and reflects positively on the Municipality's management of cash.	
13	Current Ratio: 1.5 – 2:1	1.72	2.03	2.22	1.97	1.53	-2.2%	1.50	The ratio results have fluctuated year on year over the five the period under review, significantly declining during 2020. The ratio however remains is within the NT norm of between 1.5 – 2:1. Projections indicates that that the recent decline is likely to continue which exposes the Municipality to increased risk of not being able to pay short-term obligations as they become due.	

Financial ratios and norms		2016 Audited	2017 Audited	2018 Audited	2019 Audited	2020 Audited	CAGR*	Projection based on historical trends	Comments	Overall assessment
Liability Management										
14	Debt (Total Borrowings)/Revenue : 45%	4.5%	2.0%	1.6%	1.3%	0.9%	-26.9%	0.7%	The ratio results have gone from 4.5% in 2016 to 0.9% in 2020, this ratio indicates that the Municipality's gearing is low. The Municipality has capacity to take up further borrowings which should be considered taking cognisance of cash flow realities.	
15	Capital Cost (Interest Paid and Redemption) as a % of Total Operating Expenditure: 6% - 8%	2.6%	2.3%	0.9%	3.2%	2.4%	-1.5%	2.4%	The ratio results have fluctuated over the five years but remain well under the National Treasury norm. This indicates that the Municipality has the potential capacity to take up borrowings to invest in infrastructure projects. It could also indicate that the Municipality has been unable to access significant borrowings	
16	Creditors Payment Period (Trade Creditors):30 days	63 days	55 days	46 days	41 days	43 Days	-7.4%	40 days	The ratio results have improved year on year from 63 days in 2016 to 43 days in 2020, the ratio however remains above the NT norm of 30 days. A period longer than 30 days could indicate that the Municipality may be experiencing cash flow problems, but could also be because of disputes being unresolved, retentions, processing of payments, or other factors. In addition, this may also indicate that effective controls are not in place to ensure prompt payment. S65(2)(e) of the MFMA requires payment within 30 days.	

Financial ratios and norms		2016 Audited	2017 Audited	2018 Audited	2019 Audited	2020 Audited	CAGR*	Projection based on historical trends	Comments	Overall assessment
Expenditure Management										
17	Operating Expenditure Budget Implementation Indicator: 95% - 100%	97.4%	97.7%	70.4%	91.5%	91.2%	-1.3%	90.0%	The ratio results have fluctuated year on year over the five-year period under review, the ratio is outside the NT norm of 95 – 100%. The Municipality should budget adequately for its Operating Expenditure and should continue with its strategy going forward. Ideally, underspending should be the result of increased efficiency and not non-implementation of spending programmes.	
18	Remuneration as a % of Total Operating Expenditure: 25% - 40%	28.8%	29.1%	30.9%	29.9%	30.3%	1.0%	30.6%	The ratio results have remained constant, averaging at 29.8% over the five-year period under review, the outcomes have remained within the NT norm of 25 – 40%.	
19	Contracted Services as a % of Total Operating Expenditure: 2% - 5%	3.5%	6.0%	6.9%	7.9%	6.8%	14.1%	7.8%	The ratio results have declined from 7.9% in 2019 to 6.8% in 2020, but still falls outside the NT norm, this indicates that a significant share of functions are being performed and outsourced to consultants. It is imperative for the Municipality to analyse its contracted service to find ways to reduce this expenditure where appropriate.	

Financial ratios and norms		2016 Audited	2017 Audited	2018 Audited	2019 Audited	2020 Audited	CAGR*	Projection based on historical trends	Comments	Overall assessment
20	Irregular, Fruitless and Wasteful and Unauthorised Expenditure/Total Operating Expenditure: 0%	0.0%	0.0%	0.0%	4.7%	4.3%	N/A	N/A	The ratio remained constant over the initial three-year period at 0.0% and deteriorated to 4.7% in the 2019/20 financial year. The 2020 financial year result is still above the norm and must be investigated, controls revisited and strengthened and action taken following investigation, including against those who caused Irregular, Fruitless and Wasteful and Unauthorised expenditure, where appropriate.	
Grant Dependency										
21	Own Source Revenue to Total Operating Revenue (Including Agency Revenue): None	74.8%	67.1%	77.2%	80.2%	78.3%	0.9%	79.0%	The ratios results have fluctuated year on year over the period under review and is at 78.3% in the 2020 financial year. The ratio outcomes indicate that the Municipality continues to generate significantly high levels of its own revenue streams for its operations. The Municipality is commended for its revenue generation strategies that appear to have been successfully implemented.	
Net Asset Position (Going Concern)										
22	Total Liabilities to Total Assets: <50%	26.6%	22.2%	22.1%	22.1%	21.9%	-3.8%	21.1%	The ratio results have improved over the period under review from 26.6% in 2016 to 21.9% in 2020. The ratio results are within the NT norm of <50%.	

**CAGR = Compound annual growth rate is a business and investing specific term for the geometric progression ratio that provides a constant rate of return over the time period. CAGR = [(End Value/Beginning Value) ^1/number of years of growth] - 1*

Key observations and recommendations:

- The Municipality is commended for its good cash flow position but is cautioned against the weakening of the liquidity position over the 3-year period under review.
- It appears that the Municipality is not investing sufficiently to ensure assets are repaired and maintained, which could mean that service delivery imperatives will be adversely affected.
- The Municipality's Debtors Management strategy may be improved as its write offs do not support the provisions made. Furthermore, the Municipality takes significantly longer to collect cash from debtors which may require funding facilities. The Municipality's silver lining is that it does collect almost all its cash from debtors as evidenced by its collectability.
- The Municipality's Liability Management Strategy seems to show an aversion to taking on borrowings according to its ratio results. Its Capital Cost and Debt ratios are low, and the Municipality can take on additional borrowings should this be required.
- The Municipality's Expenditure Management strategy may be improved, with reference to the creditors payment period which indicates that the Municipality might be taking longer to pay its creditors, however, some other factors known by the Municipality might be at play given the fact that the Municipality has no cash challenges.
- The Municipality seems to be managing its Budget Implementation strategy adequately and is commended for compiling accurate budgets. As most of the Municipality's budget implementation ratios are within the norm. The Municipality is encouraged to continue with their applied strategies and improve where necessary going forward.

4.1.1 Asset Management

- Capital Assets are the source through which the municipal mandate is realised. It is therefore imperative that planning & budgeting for the replacement, renovations and preservation of these assets are highly prioritised. The 2020 outcome indicates that the lockdown regulations implemented as a result of the COVID-19 pandemic had a severe influence on expenditure, especially with regards to capital projects. A continuation in underperformance in implementation of the capital budget brings into question the planning that went into producing the budget, and/or the ability to realise the plans with the resources at our disposal.
- The repairs and maintenance ratio results for the period under review are below the desired NT norm of 8 per cent, possibly indicating that insufficient expenditure is being incurred on repairs and maintenance to the extent that it could impact on the use of the assets and result in an increase of impairment of useful assets. The consequence of not repairing assets will result in more capital expenditure being needed and affect service delivery imperatives. The potential risk of impairment could be mitigated by the fact that property, plant and equipment acquisitions have improved the asset base.
- The Impairment of property, plant and equipment, investment property and intangible assets (carrying value) ratio outcome of 0 per cent however indicates that the Municipality manages and maintains its assets well. The outcome further highlights that though repairs and maintenance is low compared to the benchmark (NT norm), that sufficient repairs and maintenance expenditure has occurred and expenditure is aligned to the Municipality's asset management and maintenance plan when it comes to the repairing and maintaining of capital assets at their disposal.

4.1.2 Revenue, Debtors and Liquidity Management (cash availability)

- The Net debtors' days of the Municipality indicates that debtors take on average 57 days to settle their accounts. The deterioration is caused by an increase in gross debtors from R209.92 million in 2019 to R261.04 million in the 2020 financial year. This indicates that the Municipality could be exposed to cash flow risk due to the Municipality experiencing challenges in the collection of outstanding monies from debtors. This is further supported in 2019 financial year when the Municipality had R194.42 million (receivables from exchange transactions + property rates) or 74.48 per cent debtors outstanding for more than 90 days. The Municipality should also implement strict credit control measures to avoid debt to go beyond 90 days as failure to collect what is due to the Municipality might cripple the revenue base; consequently, affecting the cash flows of the Municipality.

- Bad Debts Written-off as a percentage of Provision for Bad Debt ratio is not within the National Treasury norm due to a significant portion of consumer debtors not being written off compared to the provisions raised in the 2020 financial year. The debtors' collection strategy appears to have impacted on this given that the debtors' collection period has deteriorated from over the period under review. The Municipality is further encouraged to regularly review its debtors' books to write off long overdue debtor and improve fair presentation in the financials.

- The Municipality needs to take further cognizance of the declining trend highlighted by the current ratio results over the period under review, as it highlights potential financial challenges and liquidity problems the Municipality may experience if it does not have sufficient resources to cover short-term financial obligations.

4.1.3 Liability Management

- The Creditors Payment Period ratio results have improved over the period under review, the results remain above the NT norm of 30 days. A period of longer than 30 days to settle creditors is normally an indication that the Municipality may be experiencing cash flow problems. This ratio further indicates the Municipality may not be adequately managing its Working Capital or that effective controls are not in place to ensure prompt payments. The Municipality will be required to provide further explanations in this regard. Non-compliance with MFMA regulation guiding on the payment of creditors should be considered.

4.1.4 Expenditure Management

- Operating Expenditure Budget ratio result remained constant in the 2020 financial year in comparison to that of the 2019 financial year, the ratio continues to be outside the NT norm of 95 - 100 per cent. Deviations from the norm indicates either capacity challenges, issues of financial controls and management and/or poor budgeting. The Municipality is recommended to prepare budgets more accurately and effectively for its operating expenditure and should continue with this strategy going forward.

- Contracted services ratio has marginally decreased during the 2020 financial year under review, this can further be analysed with expenditure related to employee remuneration ratio which marginally increased during the same period, confirming their inverse relationship. The Municipality is however still encouraged to be mindful in using contracted services as a substitute for using own staff.

- The Irregular, Fruitless & Wasteful and Unauthorised Expenditure ratio results have improved from to 4.7 per cent in 2019 to 4.3 per cent during the 2020 financial year. The occurrence of Irregular, Unauthorised, Fruitless and Wasteful expenditure may indicate inadequate control. Management must therefore investigate the controls in place, and re-engineer the process where appropriate to enable the non-occurrence of these forms of expenditure.

4.1.5 Grant Dependency

- The grant dependency ratio measures the Municipality's ability to optimise its own revenue and become self-sufficient. The ratio outcomes indicate that Witzenberg Municipality continues to generate high levels of its own revenue streams for its operations. The Municipality is commended for its revenue generation strategies that have been successfully implemented. The ratio further indicates that the Municipality is not dependent on grants for its operations as less than 24 per cent of their revenue is from grant funding.

- The Municipality should however remain cognizant, as the economy struggles to grow, with the pandemic requiring resources and less money flowing from the national fiscus to the municipalities, it is critical that their strategies be reviewed and implemented to increase own revenue, implementing programs of revenue enhancement, creating the nurturing environment to grow more self-reliant.

4.1.6 Net Asset Position (Going Concern)

- The ratio attempts to corroborate the going concern assumption. The ratio continuously improved over the period under review. The ratio results are within the NT norm of <50 per cent. This can be further interpreted as 21.9 per cent of the Municipality's assets are funded by non-equity sources. This further indicates that the Municipality has adequate resources required to continue with operations indefinitely.

4.2 CREDIBILITY OF FUNDED BUDGET

4.2.1 Observations on the Current Financial Year

In assessing the 2021/22 MTREF budget, consideration is given to the Municipality's current year budget implementation, past revenue streams and spending trends as a baseline measure to determine the impact on future budget implications.

Table 10 Budgeted Performance against Audited Performance and current year

WC022 - Witzenberg	2017/18				2018/19				2019/20				Current Year 2020/21		
R thousands	Adjusted Budget	Audited Outcome	YTD%	Diff	Adjusted Budget	Audited Outcome	YTD%	Diff	Adjusted Budget	Audited Outcome	YTD%	Diff	Original Budget	Adjusted Budget	Diff
Financial Performance															
Property rates	64 827	63 712	98.3%	98.3%	68 191	69 777	102.3%	102.3%	72 282	73 497	101.7%	101.7%	76 388	76 388	100.0%
Service charges	302 714	306 170	101.1%	-1.1%	318 218	305 199	95.9%	4.1%	342 173	346 176	101.2%	-1.2%	341 732	354 732	3.8%
Investment revenue	4 569	8 122	177.8%	-77.8%	8 202	8 551	104.2%	-4.2%	8 695	7 446	85.6%	14.4%	9 129	3 358	-63.2%
Transfers recognised - operational	99 019	94 503	95.4%	4.6%	115 971	105 776	91.2%	8.8%	142 594	131 561	92.3%	7.7%	116 989	140 245	19.9%
Other own revenue	48 802	48 332	99.0%	1.0%	55 537	47 337	85.2%	14.8%	48 183	47 345	98.3%	1.7%	46 427	41 624	-10.3%
Total Revenue (excluding capital transfers and contributions)	**519 931**	**520 839**	100.2%	-0.2%	**566 118**	**536 641**	94.8%	5.2%	**613 926**	**606 024**	98.7%	1.3%	**590 666**	**616 347**	4.3%
Employee costs	162 126	156 257	96.4%	3.6%	173 703	149 718	86.2%	13.8%	218 385	180 046	82.4%	17.6%	226 182	225 307	-0.4%
Remuneration of councillors	10 083	9 170	90.9%	9.1%	10 709	9 458	88.3%	11.7%	11 459	10 604	92.5%	7.5%	12 032	12 032	0.0%
Depreciation & asset impairment	46 045	4 908	10.7%	89.3%	44 165	31 239	70.7%	29.3%	45 590	32 732	71.8%	28.2%	40 688	40 688	0.0%
Finance charges	3 666	8 675	236.6%	-136.6%	8 005	8 409	105.0%	-5.0%	8 724	9 408	107.8%	-7.8%	9 181	9 181	0.0%
Materials and bulk purchases	202 235	194 879	96.4%	3.6%	213 898	204 338	95.5%	4.5%	243 983	236 016	96.7%	3.3%	252 288	262 411	4.0%
Transfers and grants	17 064	14 160	83.0%	17.0%	14 543	10 019	68.9%	31.1%	31 229	25 477	81.6%	18.4%	2 179	8 122	272.8%
Other expenditure	91 418	108 634	118.8%	-18.8%	142 641	119 484	83.8%	16.2%	149 429	106 075	71.0%	29.0%	139 944	148 500	6.1%
Total Expenditure	**532 637**	**496 683**	**93.2%**	**6.8%**	**607 665**	**532 664**	**87.7%**	**12.3%**	**708 799**	**600 358**	**84.7%**	**15.3%**	**682 493**	**706 240**	**3.5%**
Surplus/(Deficit)	**(12 707)**	**24 156**	**-190.1%**	**290.1%**	**(41 547)**	**3 977**	**-9.6%**	**109.6%**	**(94 873)**	**5 667**	**-6.0%**	**106.0%**	**(91 827)**	**(89 893)**	**-2.1%**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	34 670	34 481	99.5%	99.5%	52 830	52 335	99.1%	0.9%	45 826	13 442	29.3%	70.7%	78 716	69 829	-11.3%
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	4	279	7506.1%	7506.1%	8	217	2704.9%	2704.9%	510	237	46.5%	46.5%	59	560	850.8%
Surplus/(Deficit) after capital transfers & contributions	**21 966**	**58 916**	**268.2%**	**-168.2%**	**11 291**	**56 529**	**500.7%**	**-400.7%**	**(48 537)**	**19 346**	**-39.9%**	**139.9%**	**(13 052)**	**(19 504)**	**49.4%**
Share of surplus/ (deficit) of associate	–	–	0.0%	0.0%	–	–	0.0%	0.0%	–	–	0.0%	0.0%	–	–	-100.0%
Surplus/(Deficit) for the year	**21 966**	**58 916**	**268.2%**	**-168.2%**	**11 291**	**56 529**	**500.7%**	**-400.7%**	**(48 537)**	**19 346**	**-39.9%**	**139.9%**	**(13 052)**	**(19 504)**	**49.4%**
			0.0%	0.0%			0.0%	0.0%			0.0%	0.0%			-100.0%
Capital expenditure & funds sources			0.0%	0.0%			0.0%	0.0%			0.0%	0.0%			-100.0%
Capital expenditure	**64 067**	**33 121**	**51.7%**	**48.3%**	**91 554**	**87 076**	**95.1%**	**4.9%**	**76 434**	**34 298**	**44.9%**	**55.1%**	**88 764**	**87 200**	**-1.8%**
Transfers recognised - capital	34 207	20 588	60.2%	60.2%	55 172	54 597	99.0%	1.0%	46 497	13 123	28.2%	71.8%	78 716	70 330	-10.7%
Borrowing	3 526	3 930	111.4%	111.4%	1 550	–	0.0%	0.0%	3 043	–	0.0%	0.0%	–	–	-100.0%
Internally generated funds	26 333	8 603	32.7%	67.3%	34 832	32 479	93.2%	6.8%	26 893	21 175	78.7%	21.3%	10 048	16 870	67.9%
Total sources of capital funds	**64 067**	**33 121**	**51.7%**	**48.3%**	**91 554**	**87 076**	**95.1%**	**4.9%**	**76 434**	**34 298**	**44.9%**	**55.1%**	**88 764**	**87 200**	**-1.8%**

Source: 2021/22 MTREF Budget, Annual financial Statements and LG Database

Findings and recommendations

The table is aligned to the A1 Schedules (TABB data strings) as completed by the Municipality. It should be budge document figures were used for 2017/18 due to major discrepancies between the 2017/18 audited AFS and data strings for that financial year.

The Municipality recorded material differences on some of the line items between the adjusted budget and the audited annual financial statements on operating budget items for the three years under review. However, it should be noted that the differences are immaterial when comparing the totals for audited years. Over the past three audit years the Municipality has consistently collected above 95 per cent of its

adjustments budgeted revenues. For the 2019/20 financial year the Municipality collected 99 per cent of its adjusted budget mainly due to the downwards adjustments in revenue during the 2019/20 financial year to account for the COVID-19 pandemic and the impact it had on revenue collection. The historical trends over the past three audited financial years indicates an acceptable level on the operating budget implementation performance.

The Municipality's capital expenditure as at 28 February 2020 stood at R26.96 million or 30.9 per cent of the adjusted budget of R87.20 million, which was below the YTD budget indicating an underperformance. The trend indicates that there is a high probability that the current year's capital budget will not be fully spent as was the case in the previous financial years. The Municipality is urged to place more focus on capital project implementation plans to utilise its budgeted capital funding and get an accurate and true reflection of the planned capital expenditure which will also assists in capital performance management and ensuring capital budget is spent within National Treasury Norms of at least 95 per cent of the Capital Budget as per MFMA Circular No. 71.

The Municipality has been budgeting for deficits before capital transfers. However, it is noted that the audited results for the three financial years indicate that the Municipality reported operating surpluses before capital transfers which were above the projected deficits mainly due to savings on some of the operating expenditure budget such as employee related costs, depreciation and asset impairment and other expenditure.

The Municipality is advised to consider the current and past trends to set the baseline when budgeting for the MTREF. Sound financial management principles applied in the past should be built on in order to achieve improved revenue generation, greater savings, more efficient and effective spending and increased contributions to capital investment which will ensure sustainable service delivery.

4.3 REVIEW OF THE NEW (2020/21) MTREF

4.3.1 Review of the Budget Assumptions

The Municipality provided an overview of budget assumptions in the tabled budget document as prescribed by the Municipal Budget and Reporting Regulations (MBRR). The assumptions and principles applied in the development of this budget are mainly based upon guidelines from National Treasury (expenditure growth) and other external bodies such as the National Electricity Regulator of South Africa (NERSA). These include amongst others policy decisions of different spheres of government affecting municipal operations, external factors influencing municipal revenue and expenditure patterns and the management of internal factors to minimise the impact on both the Municipality and its clients that they serve.

The overall budget assumptions are credible and aligned to the prescribed regulatory framework as contemplated by the Municipal Budget and Reporting Regulations (MBRR), read together with the Municipal Financial Management Act (MFMA) and is also guided by the MFMA Circular No. 98 and 99.

It should also be noted that the revenue base of the Municipality is made up of several industries, business and households and careful consideration must be given to expenditure pressures facing the Municipality's finances, especially in the context challenges such as reduced values of investments, job security, business failures and the ability by customer groups to meet their monthly commitments especially those affected by the COVID-19 pandemic and consideration for a possible third wave. The main fiscal challenge remains to elicit enough economic growth to be able to finance the increasing expenditures while simultaneously have a cost-efficient governance model of service delivery in place.

Any other factors that became known after the tabling of the budget and pre-empts to have an impact to the MTREF budget, should be considered in the adoption of the final budget after the tabling. It may

have a significant impact on municipal revenue including debt collection, expenditure over the short to medium term and affordability of tariff increases on businesses and households. The municipal budgetary planning should provide for an adequate response on financial sustainability given the impact of COVID-19 pandemic.

4.3.2 Budget Overview

Table 11 Budget Overview

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2020/21 Medium Term Revenue & Expenditure Framework					
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Treasury Calculation	Budget Year +1 2022/23	Treasury Calculation	Budget Year +2 2023/24	Treasury Calculation
Total Revenue (excl. capital transfers and contributions)	27 101	536 641	606 024	590 666	616 347	616 347	671 696	671 696	743 526	790 789	790 789	790 789
Total Operating Expenditure	39 315	532 664	600 358	682 493	706 240	345 578	745 938	736 276	825 221	820 932	894 234	888 335
Surplus/(Deficit)	**(12 214)**	**3 977**	**5 667**	**(91 827)**	**(89 893)**	**270 770**	**(74 241)**	**(64 580)**	**(81 695)**	**(30 143)**	**(103 445)**	**(97 546)**
Non Cash Items												
Debt impairment	–	17 723	14 187	44 688	44 688	44 688	63 750	54 089	61 967	57 678	66 038	60 138
Depreciation & asset impairment	28 680	31 239	32 732	27 548	40 688	40 688	39 729	39 589	39 589	39 589	39 589	39 589
Total Restated Result	**16 466**	**52 939**	**52 586**	**(19 591)**	**(4 517)**	**356 146**	**29 238**	**29 098**	**19 861**	**29 238**	**2 181**	**29 238**
Total Capital Expenditure	**151**	**87 076**	**34 298**	**88 764**	**87 200**	**87 200**	**109 047**	**109 047**	**68 953**	**68 953**	**26 360**	**26 360**
Funded by:												
Transfers recognised - capital	–	54 597	13 123	78 716	70 330	70 330	95 920	95 920	58 003	58 003	26 360	26 360
Public contributions & donations	–	–	–	–	–	–	–		–		–	–
Borrowing	11	–	–	–	–	–	–		–		–	–
Internally generated funds	140	32 479	21 175	10 048	16 870	16 870	13 027	13 027	10 950	10 950	–	–
Total Capital Funding	**151**	**87 076**	**34 298**	**88 764**	**87 200**	**87 200**	**108 947**	**108 947**	**68 953**	**68 953**	**26 360**	**26 360**
Cash/cash equivalents at the year end:	**5**	**3 066**	**4 633**	**661 671**	**664 083**	**664 083**	**531 888**	**61 616**	**617 467**	**46 555**	**697 633**	**25 117**
Cash/cash equivalents at the year end:	**3 313**	**2 500**	**441**	**581 923**	**596 760**	**596 760**	**517 343**	**2 219**	**609 258**	**(17 900)**	**688**	**(44 429)**

Findings and recommendations:

The Municipality tabled operational deficit budgets over the entire 2020/21 MTREF which indicates that no resources might be available to build reserves. These deficits increase over the MTREF period. When the non-cash items such as debt impairments and depreciation and asset impairment are reversed, the Municipality has restated operating surpluses over the MTREF.

Budgeting for operating deficits adversely affects the Municipality's ability to reserve funds for the capital expenditure and the acquisition/replacement of asset or maintenance and upgrade of assets used for service delivery. Operating deficits will make less funds available for investment in assets and capital projects to enhance service delivery as a result assets and infrastructures may deteriorate due to lack of maintenance and development impacting service delivery objectives. The Municipality is encouraged to implement strategies that will sustain the financial health of the institution and enable it to sustain the delivery of quality of services to the community.

The tabled draft 2021/22 MTREF budget is unfunded and supporting table SA10 projected that the MTREF will be unfunded as the Municipality has budgeted for cash flow deficits throughout the MTREF and a shortfall after application of cash and investments. As per National Treasury funding tool the analysis of tables A7 indicates that the Municipality has tabled a surplus on the cash flow while A8 indicates a small surplus for 2021/22 and a shortfall for the outer years which then render the budget to be unfunded. It is noted that there are variances between the data strings and the budget document approved by council. It is also noted that within the council document itself there is no correlation between figures pulling through from table A7 to tableA8. These differences have an impact on the cash flow of the Municipality and its

funding outcomes and suggest that the reported information was not fully extracted from the system of the Municipality.

- The Municipality must revise its budget to achieve a funded position before the final budget is tabled.

4.3.3 Operating Revenue Budget

The following table depicts budgeted operating revenue and growth trends over the 2020/21 MTREF.

Table 12 Operating revenue budget

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2020/21 Medium Term Revenue & Expenditure Framework			% Growth rates: MTREF Budget			
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	2020/21-2021/22 (YOY)	2021/22-2022/23 (YOY)	2022/23-2023/24 (YOY)	2020/21 - 2023/24 (AVE)
Revenue By Source													
Property rates	–	69 777	73 497	76 388	76 388	76 388	83 290	88 190	93 481	9.0%	5.9%	6.0%	0.0%
Property rates - penalties & collection charges	–	–	–	–	–	–	–	–	–	–	–	–	0.0%
Service charges - electricity revenue	(2 706)	221 840	255 095	266 973	271 973	271 973	323 478	365 530	413 049	18.9%	13.0%	13.0%	15.0%
Service charges - water revenue	(10)	35 547	39 419	35 137	35 137	35 137	39 677	42 328	39 623	12.9%	6.7%	-6.4%	4.4%
Service charges - sanitation revenue	–	24 904	25 949	18 352	25 352	25 352	25 031	26 533	28 267	-1.3%	6.0%	6.5%	3.8%
Service charges - refuse revenue	0	22 909	25 713	21 271	22 271	22 271	25 574	27 108	28 735	14.8%	6.0%	6.0%	8.9%
Service charges - other										–	–	–	0.0%
Rental of facilities and equipment	15	5 441	3 905	2 663	1 163	1 163	1 470	1 483	1 496	26.4%	0.9%	0.9%	9.4%
Interest earned - external investments	(1)	8 551	7 446	9 129	3 358	3 358	6 990	7 089	7 193	108.1%	1.4%	1.5%	37.0%
Interest earned - outstanding debtors	(1)	10 545	10 515	8 264	5 035	5 035	8 677	9 111	9 566	72.3%	5.0%	5.0%	27.4%
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	0.0%
Fines	18 132	13 452	19 654	20 456	20 456	20 456	21 479	22 553	23 681	5.0%	5.0%	5.0%	5.0%
Licences and permits	(10)	4 913	1 042	2 010	2 010	2 010	2 111	2 216	2 327	5.0%	5.0%	5.0%	5.0%
Agency services	–	1 842	3 477	3 854	3 854	3 854	4 046	4 249	4 461	5.0%	5.0%	5.0%	5.0%
Transfers recognised - operational	9 259	105 776	131 561	116 989	140 245	140 245	122 562	139 704	130 677	-12.6%	14.0%	-6.5%	-1.7%
Other revenue	1 369	10 002	9 225	9 181	9 106	9 106	7 311	7 432	8 231	-19.7%	1.7%	10.8%	-2.4%
Gains on disposal of PPE	1 054	1 143	(474)	(0)	(0)	(0)	–	–	–	-100.0%	–	–	0.0%
Total Revenue (excluding capital transfers and contributions)	**27 101**	**536 641**	**606 024**	**590 666**	**616 347**	**616 347**	**671 696**	**743 526**	**790 789**	**9.0%**	**10.7%**	**6.4%**	**8.7%**

The Municipality anticipates to realise an average increase in total operating revenue of 8.7 per cent over the 2021/22 MTREF which indicates significant growth when discounted for inflation. Service charges and property rates account for 74 per cent of the Municipality's total operating revenue generation. The Municipality has collected revenues due at a consistent rate of above 95 per cent during the past three years and it can be deduced that the Municipality's income from service charges are a stable revenue base for the Municipality. However, Provincial Treasury takes note that during the current financial year there has been a decline in collection rates to 88 per cent, mainly due to credit control procedures not being implemented as a form of COVID-19 relief to the community. Service charges indicate growth from the previous financial years as result of bulk price increases and a decline in consumption by consumers profit margins will be under strain.

The proposed tariff increases of 6 per cent on rates, water, sanitation and refuse for the 2020/21 MTREF budget are more than the CPI guidance provided by National Treasury which is estimated at 3.9 per cent. It is noted that the increases were required to ensure medium to long term financial sustainability and to supplement the increases in operational expenditures as it is projected that employee costs will also increase with 4 per cent and bulk purchases with 17.8 per cent. Revenue from electricity will increase by more than the CPI projections as a result of the Eskom tariff with 14.6 per cent for residential consumers and 17.8 per cent for businesses, industrial and agricultural consumers.

Property Rates are the third largest component of the operating revenue budget and account for a 12 per cent average of the total operating revenue budget over the 2021/22 MTREF. Property rates

revenue has increased by 5.9 per cent over the 2021/22 budget year which is in line with the tariff increase of +- 6 per cent as per the budget report.

It is noted that as at February 2021 property rates debtors amounted to R27.50 million or 10.4 per cent of the total debtors with 80.4 per cent or R22.12 million relating to property rates outstanding over 90 days. The Municipality should explore other measures such as assessing its debtor book and ensure that the necessary reconciliations between the deeds register, valuation roll and financial system to ensure all revenues due to the Municipality are generated.

The Municipality is commended for making adequate use of available options when budgeting for property rates on the financial performance and financial position. When the property rates levied in the A4 (financial performance) is compared to the billing in the A6 (financial position) it is noted that the budgeting for property rates billed in A4 and A6 do reconcile. In addition, it is noted that the Municipality has projected collections amounting to R78.476 million on A6 as well as on the A7 indicating the Municipality has correctly utilised the balance sheet and cash flow budgeting approaches for property rates.

Electricity revenue is expected to increase 18.9 per cent in 2021/22 financial year, which is in line with the 14.6 per cent and 17.8 per cent increase proposed for residential consumers and businesses, industrial and agricultural consumers respectively. These tariffs must however still be approved by NERSA. Electricity sales are the Municipality's primary source of revenue, accounting for 48.2 per cent of the Municipality's total operating revenue budget. Given the continuous load shedding the Municipality should be mindful of residents that will seek green initiatives and other alternative sources of supply. However, national government has promised to implement measures to rapidly and significantly increase generation capacity, and municipalities will be allowed to purchase electricity from independent power producers, to help fix the energy crisis in South Africa.

Electricity debtors as at end February 2021 were only 3.4 per cent of total outstanding debtors over 90 days' category (R208.38 million) which is an indication that the Municipality is able to collect revenues due from this service and the budgeted collection rate of 98 per cent could be realistic. However, the Municipality must be cautious of the risk that increasing tariffs for businesses, industrial and agricultural consumers could discourage new entrants or business activities within the municipal jurisdiction.

Water revenue is expected to rise by 12.9 per cent for 2021/22 budget, although the budget narrative suggested a 6.0 per cent increase. It should be noted that this service is the biggest contributor to over 90-days debtors with R66.45 million or 31.9 per cent. Also, water distribution losses for 2018/19 and 2019/20 financial years amounted to 17.7 per cent and 15.8 per cent respectively which were above the range of 14 - 16 per cent in 2018/19 and within the threshold in 2018/19 but still urging towards the upper limits and must be reduced further to the acceptable norm. It should be noted that water losses are due to inadequate maintenance, incorrect or incomplete billing, and water theft must be considered by the Municipality, as losses reflect a loss of revenue that should have been obtained from customers. Municipalities are required to establish a comprehensive water maintenance and demand management policy that outlines a plan for reducing non-revenue water. Programs for leak detection and repair, passive leakage monitoring, consumer meter audit and management, water usage efficiency education and awareness, water and sewer network information management, water audits, and determination of water balance for each of the water networks in the supply area should all be included in the plan.

It can be noted that even though the Municipality has budgeted for growth in billed revenue for this service the collection thereof is not expected materialise due to difficulties in collecting. The Municipality is budgeting to collect only 73 per cent of billed revenue from this service which could be realistic based on the reported debtors.

Sanitation revenue is expected to decrease by 1.3 per cent while **refuse** is budgeted to increase by 14.8 per cent when compared to 2020/21 adjusted budget. These increases are not line with the 6 per cent tariff increases proposed for both services. The Municipality indicated that the increases do not reflect the increases as requested in the tariffs since the Municipality is expecting a significant increase in indigents due to the Covid-19 pandemic. Also, it is noted that the Municipality struggles to collect from these services they are the second and third largest contributors to debtors over 90 days with 17.1 per cent and 17.8 per cent respectively. Municipality is also budgeting collect 61 per cent and 70 per cent from these services which further proves municipality's struggles in collecting from these revenue sources.

When the budgeted services charges in the A4 are compared to the billing in the A6, the amounts do not reconcile. The service charges in the A4 amount to R413.76 million whilst the billing for service charges in the A6 amounts to R413.97 indicating that the A6 is overstated by R170 thousand. The receipts from the service charges are correctly recorded though the funding segment as "Fund: Operational: Revenue: General Revenue: Service Charges" for the cash deposits on the cash flow statement. However, the collections as per the A6 do not reconcile with the deposits as per the A7. The collections total an amount of R379.31 million whilst the deposits amount to R379.33 million for service charges.

The Municipality should note the increase in total outstanding debtors over 90 days' category, which will increase further as the Municipality anticipates an average collection rate for rates and service charges of around 79.4 per cent (property rates 95 per cent, electricity 98 per cent, water 73 per cent, sanitation 61 per cent and refuse 70 per cent). The negative impact of COVID-19 will further apply pressure on the Municipality's ability to collect its revenue from its consumers as the virus is likely to hit third wave and cause further damage to the economy. The Municipality is urged to employ effective efforts in order to enhance revenue collection as at present the Municipality's outstanding debtors are escalating rapidly on the monthly and annual basis. The Municipality has also provided consumers with relief by not charging interest to assist with COVID-19impacts and thus the increases in outstanding debtors accounts are not due to additional interest charges but purely due to inability of customers to pay.

Fines

Municipality indicated in the budget document that fines are budgeted for in accordance with the anticipated issues for the 2021/22 as such the revenue growth on this item amounts to 5 per cent making this item the seventh largest contributor to operating revenue. However, it should be noted that as at February 2021 the Municipality collected only 0.2 per cent against the adjusted amount of R20.46 million and this makes the budgeted amount on this item not to be credible. The reason for the low collection as at 28 February 2021, is that the Municipality recognises fines on an annual basis, therefore fines has not been recognised to date. When relooking at the past 3 audited years, the Municipality has collected an average amount of R17.08 million for fines. Comparing the average of R17.079 million to the average over the 2021 MTREF of R22.57 million, that is an average increase of 32.2 per cent over the 2021/22 MTREF. Also, due to the impact of COVID-19 adversely affecting the community's disposable income, it is probable that the Municipality will not be able to recognise its average collection of R17.08 million at year end as the amount recognised as at 28 February 2021 amounts to R50 thousand.

When the budgeted fines issued in the A4 is compared to the A6 the A6 does not make provision for fines issued in terms of building fines, illegal connections and overdue books fines, pound fees, court fees, service providers, councillors, disconnecting fees, motor vehicle licence, tender withdrawal and bus operator penalties. In addition, the fines issued as per the A6 amounts to R20.15 million and the amount recognised in the cash flow (A7) amounts to R1.33 million meaning the Municipality is projecting to only collect 6.6 per cent of its fines issued for 2021/22. The funding segment was used correctly as *Fund: Operational: Revenue: General Revenue :Fines, Penalties and Forfeits* for the cash deposits on the cash flow statement and the Municipality did not make provision for the item Current *Assets: Receivables*

from Non-exchange Transactions: Fines: Receipts/Payments to reconcile to the A7 amount of R1.33 million. It is also noted that the Municipality did not record the impairment amount for fines.

Interest charges on arrear accounts

The revenue in this item is budgeted to increase by 72.3 per cent when compared to the 2020/21 adjusted amount. The budgeted increase is in line with budgeted collection rates on service of 75.5 per cent, low collection on fines and the current increasing debtors over 90 days amounting to 78.4 per cent as at February 2021. The fact that the Municipality is in the process of resuming with charging interest on arrear accounts means this will become a more significant source of revenue in 2021/22 (accounting for the high growth rate) and should also act as an incentive to consumers to pay their bills, contributing to improved collection of interest on outstanding debtors.

The Municipality is commended for the thorough reflection on the expected debt collection rates, given the current socio-economic conditions prevailing in the area. however, the Municipality should consider increasing its debt collection efforts, given the introspection already performed, targeting these areas which are identified to be performing poorly.

There are notable discrepancies between the amount recorded on A4 for interest on outstanding debtor's vs billed amount in the A6. Interest on outstanding debtors amounts to R7.24 million as per the A4 and reported as R6.99 million in the A6.

Transfers recognised – Operational

Operational grants are the Municipality's second largest source of income. Operational transfers recognised represent 18.3 per cent of the Municipality's 2021/22 budget. It should be noted that during the 2020/21 financial year, the Municipality had a deduction in their equitable share allocation as a result of the roll-over of the MIG and RBIG grants being denied. Furthermore, the Municipality should continue to monitor action plans to ensure that grants and subsidies are being spent efficiently and key objectives of government are achieved through the prioritisation of public resources.

Recommendations

- Municipality needs to investigate the discrepancies noted on the data strings on movements between balance sheet and cash flow as these have understated the cash flows from operating activities.
- The Municipality must put in place appropriate strategies to limit water distribution losses to acceptable levels.
- Municipality is recommended to heighten its processes to collect outstanding debts.

4.3.4 Operating Expenditure Budget

Table 13 Operating expenditure budget

Description	2017/18	2018/19	2019/20	Current Year 2020/21				2020/21 Medium Term Revenue & Expenditure Framework			% Growth rates: MTREF Budget			
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Corrected Ori budget Budget figures	Adjusted Budget	Corrected Adj Budget figures	YTD Actual (Feb 2021)	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	2020/21-2021/22 (YOY)	2021/22-2022/23 (YOY)	2022/23-2023/24 (YOY)	2020/21 - 2023/24 (AVE)
Expenditure By Type														
Employee related costs	3 463	149 718	180 046	226 182	225 307	225 307	129 733	236 982	253 845	274 469	5.2%	7%	8%	6%
Remuneration of councillors	–	9 458	10 604	12 032	12 032	12 032	6 598	12 007	12 607	13 238	-0.2%	5%	5%	2%
Debt impairment	(53 114)	6	14 187	44 688	44 688	44 688	23 917	63 750	61 967	66 038	42.7%	-3%	7%	22%
Depreciation & asset impairment	28 680	31 239	32 732	40 688	40 688	40 688	2	39 729	39 589	39 589	-2.4%	0%	0%	-1%
Finance charges	7 614	8 409	9 408	9 181	9 181	9 181	152	8 696	9 116	9 558	-5.3%	5%	5%	0%
Bulk purchases	20 521	188 783	221 822	232 760	242 360	242 360	127 231	285 789	328 657	377 955	17.9%	15%	15%	16%
Other materials	19	15 554	14 194	19 528	20 051	20 051	6 635	14 977	15 448	16 198	-25.3%	3%	5%	-11%
Contracted services	(715)	41 971	44 029	48 486	58 138	58 138	28 172	43 030	50 539	52 838	-26.0%	17%	5%	-7%
Transfers and grants	–	10 019	25 477	2 179	8 122	8 122	1 037	2 123	13 434	2 495	-73.9%	533%	-81%	76%
Other expenditure	30 704	77 518	47 859	46 770	45 674	45 674	22 101	38 855	40 018	41 856	-14.9%	3%	5%	-6%
Loss on disposal of PPE	2 143	(12)	-	0	0	0		–	0	0	-100.0%	–	9%	0%
Total Expenditure	39 315	532 664	600 358	682 493	706 240	706 240	345 578	745 938	825 221	894 234	5.6%	11%	8%	8%

The largest expenditure drivers for the 2021/22 financial year are bulk purchases (38.3 per cent), employee costs (31.8 per cent) debt impairment (8.9 per cent) and contracted services (5.8 per cent). The apportionment against the outer years of the 2020/21 MTREF remains comparable.

Employee costs and Councilors' remuneration:

Employee related costs constitute 31.8 percent of the total operating expenditure and is within the norm of 25 - 40 percent. The year-on-year growth of 5.2 per cent is significantly above inflation related 3.9 per cent guideline provided by MFMA Circular No. 108 for salary increase for the 2021/22 financial year. The Municipality indicated that the reason for the increase in expenditure for this item is mainly due to a 4 per cent increase in salaries and the notch increases for qualifying employees. In exercising more stringent efforts in trying to curb the spending on this item, the Municipality will not be funding additional positions, no temporary contracts or new position as noted on table SA24. The Municipality is commended for applying such measures during these times and may have to consider further measures to reduce the growth in the cost of employment.

When comparing the data strings for employee rated costs and councilors remuneration to the municipal A schedule supporting table SA23, it is found that the data strings in the council's A-Schedules are in agreement with R8.276 million for Senior managers salaries, contributions and allowances, councilors' remuneration of R12.01 million and for municipal staff R228.71 million.

It is also noted that the Municipality has budgeted for bonuses amounting to R10.36 million for senior management and municipal staff and these are noted to be performance bonuses when looking at the item Account number. Municipality is advised to have look as to whether the allocation was made to the correct item account and distinguish between bonuses awarded in the form of performance bonuses and bonuses awarded under the terms of the 13th cheque.

Debt impairment

Debt impairment contributes 8.9 per cent to total operating expenditure budget and indicates a growth in expenditure of 42.7 per cent when compared to 2020/21 adjusted budget. It should be noted that the outstanding debtors' category in respect of consumer debtors as reflected in February outstanding debtors showed an increasing trend in debtors over 90 days, and a collection rate of 79 per cent as at the end of February 2021. The current economic outlook could justify the increase of 42.7 per cent in

expenditure for this item. Also, the Municipality must take note of MFMA circular 98 with regards to mSCOA budgeting for this line item.

Municipality is further advised to ensure that the Debt impairment is realistic as possible considering that this non-cash amount contributes to the operating surplus/(deficit). Furthermore, the Municipality should put in place stringent credit control, in order to curb the potential losses which may result from the growing indigent profile. It is noted on both the 2017/18 and 2018/19 audited AFS the Municipality recorded material losses of R41.40 million and R40.32 million on provision for impairments.

Depreciation and asset impairment

The Municipality budgeted for a decrease in depreciation and asset impairment of 2.4 per cent, given the additional proposed new capital assets amounting to R81.19 million and upgrading of assets of R600 thousand, which will have an impact on the useful life of the assets and additional depreciation charge. Over the past three audit years the Municipality incurred an average amount of R30.88 million on depreciation and asset impairment, therefore the budgeted amount of R39.729 million may be justifiable.

Bulk purchases

The price of bulk purchases is set by external sources and the Municipality has provided estimated electricity distribution losses of 11.6 per cent for 202021/22 budgeted year. The distribution losses of 10.5 per cent in 2018/19, and 10.7 per cent in 2019/20 were recorded in the Annual Financial Statements which were slightly above the norm of 7 – 10 per cent. it is therefore recommended that the Municipality be aware of both electricity distribution losses and the effect they have on bulk purchases by ensuring adequate distribution infrastructure improvements as well as putting control measures in place in terms of illegal connections and own municipal consumption of electricity.

Billed water consumption/water inventory consumed has not been budget under the inventory account and it is not clear how the Municipality will account for the billed water consumption as no movements can be noted under the statement of financial performance. It is also noted that the Municipality has not did not budget for consumed water under **other materials** as **inventory: consumed water on table A4.** The Municipality is required to budget for water under the inventory in accordance with Circulars No. 93 and 98, as water is recognised as an inventory and must be taken into consideration when finalising the budget.

Repairs and maintenance

The National Treasury norm for this ratio is that repairs and maintenance should not be less than 8 per cent of the total Property, Plant and Equipment (PPE) budget. Table A9 indicates an expenditure of 27.9 per cent, as a percentage of PPE, in the 2021/22 budget year which is well above the norm. This could be due to unsubstantiated decrease in PPE on table A6 of R937 thousand which may render the budgeted percentage unrealistic.

The Municipality is encouraged to continue increasing the expenditure on this item, factoring in the budget the cost of prioritising current repairs versus the future replacement costs and move towards an integrated asset management system that will facilitate pro-active maintenance versus reactive maintenance which will have an impact on future service delivery.

COVID-19 Expenditure

The Municipality correctly created their data strings in accordance with mSCOA Circular No. 9 by using the correct Operational for the budgeting of emergency disaster relief expenditure (Operational: Typical Work Streams: Emergency and Disaster Management: Disaster relief). However, the Municipality failed to break it down into individual projects indicating the expenditure pertaining to COVID-19.

Implementation of the Cost containment measures

The Municipality has adopted MFMA Circular No. 82 guidelines on cost containment measures and has developed a cost containment measures policy as required by MFMA Circular No. 97 and the cost containment regulations. Municipality is commended for its efforts in implementing the policy during the current financial year and emphasising on continuing with the implementation throughout the 2021/22 MTREF. However, the Municipality has incurred irregular expenditure of R27.67 million during the 2018/19 financial year as per AGSA findings which is still being challenged by the Municipality. The Municipality is urged to keep implementing its cost containment measures to curb irregular expenditure and abide by legislation pertaining to procurement processes.

Given the current economic challenges, the Municipality needs to find alternative ways to mobilise resources and various role players within the Witzenberg municipal areas to improve expenditure efficiencies with the ultimate outcome of value for money and citizen priority needs.

4.3.5 Capital Budget

The following table depicts budgeted capital expenditure budget over the 2020/21 MTREF.

Table 14 Capital Expenditure

Vote Description	2017/18	2018/19	2019/20	Current Year 2020/21			2020/21 Medium Term Revenue & Expenditure Framework			% Growth rates: MTREF Budget			
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	2020/21-2021/22 (YOY)	2021/22-2022/23 (YOY)	2022/23-2023/24 (YOY)	2020/21 - 2023/24 (AVE)
Capital Expenditure - Standard	–	–	–	–	–								
Governance and administration	108	11 013	(3 867)	1 400	4 034	4 034	900	600	20	-78%	-33%	-97%	-69%
Executive and council	2	388	166	600	1 450	1 450	600		20	-59%	-100%	–	-79%
Budget and treasury office	107	10 625	(4 033)	800	2 584	2 584	300	600		-88%	100%	-100%	-29%
Corporate services										–	–	–	0%
Community and public safety	(28)	3 455	5 091	1 520	6 585	6 585	1 304	11 773	7 624	-80%	803%	-35%	229%
Community and social services		129	313	580	960	960		4 859	6 768	-100%	–	39%	-30%
Sport and recreation	(28)	3 326	4 651	940	4 689	4 689	1 304	6 913		-72%	430%	-100%	86%
Public safety			126		936	936			857	-100%	–	–	0%
Housing										–	–	–	0%
Health										–	–	–	0%
Economic and environmental servi	–	33 877	7 871	20 245	21 609	21 609	32 788	13 650	8 237	52%	-58%	-40%	-15%
Planning and development		549	76		1 946	1 946	696			-64%	-100%	–	-82%
Road transport		33 328	7 795	20 245	19 662	19 662	32 092	13 650	8 237	63%	-57%	-40%	0%
Environmental protection										–	–	–	0%
Trading services	70	47 963	18 849	65 600	54 972	54 972	74 055	42 931	10 478	35%	-42%	-76%	-28%
Electricity		11 378	7 740	2 500	4 085	4 085	13 163	6 715	3 478	222%	-49%	-48%	42%
Water	60	12 522	2 297	27 396	24 655	24 655	28 585	29 076	7 000	16%	2%	-76%	-19%
Waste water management		22 950	7 096	26 347	18 616	18 616	14 082	7 140		-24%	-49%	-100%	-58%
Waste management	11	1 112	1 716	9 356	7 617	7 617	18 224			139%	-100%	–	20%
Other										–	–	–	0%
Total Capital Expenditure - Standard	151	96 307	27 944	88 764	87 200	87 200	109 047	68 953	26 360	25%	-37%	-62%	-24%

Source: Witzenberg Municipality 2021/22 MTREF Draft Budget A1-Schedule – Table A5

The Municipality approved an original capital budget of R88.76 million for the 2020/21 financial year which was then adjusted to R87.20 million during the main adjustments budget in February 2021. For the MTREF the capital budget is expected to accelerate with an increase of 25.1 per cent for the 2021/22 financial year. The increase is mainly due Provincial Housing Grant, Public Transport Infrastructure Grant, Municipal Infrastructure Grant and the Regional Bulk Infrastructure Grant.

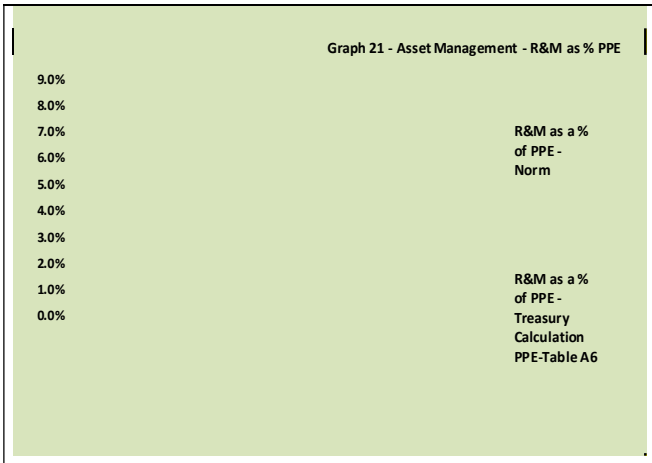
Currently the Municipality is underspending on its capital budget. The Municipality has explained that capital projects for the current financial year are already in process and that expenditure will accelerate towards year-end. The Municipality should fully implement its capital budget or use its capital grants for its intended purpose in order to avoid applying for roll-overs that may be denied.

Trading services and Economic and Environmental Services are the two biggest contributors with 67.9 per cent and 30.1 per cent respectively which directly contribute to the Municipal Strategic Objectives 1 and 4. The allocation 67.9 per cent of the capital budget towards trading services or

potentially revenue generating assets, can be indication that the Municipality is planning to invest more on revenue generating assets, which promotes well in terms of increasing the revenue base of the Municipality and building of cash reserves to fund future projects.

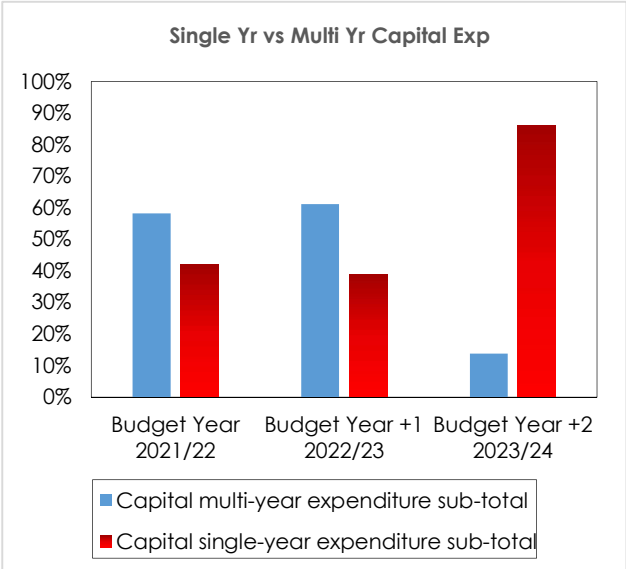
As per supporting tables SA34(a) and (b) the Municipality intends to invest R81.19 million or 74.5 per cent on new capital assets and R600 thousand or 0.06 per cent for renewal of existing assets of the total capital budget, municipalities were advised in MFMA Budget Circular No. 55 to allocate at least 40 percent of the capital budget to the renewal of existing infrastructure to secure the ongoing health of municipal infrastructure, Witzenberg is materially below the norm which could be a result of the large planned expenditure on new capital assets. It should however be noted that 18 per cent of the budget is for upgrading of existing assets which will improve the safeguarding of asset base and the sustainable service delivery.

Capital spending on future operating expenses such as maintenance and the creation of new infrastructure remains a critical determining factor in the sustainability of service delivery and preference should be given to income generating assets that can contribute to the growth in the revenue base, thus the Municipality should ensure adequate reserves for the replacement and refurbishment of assets.



The Municipality's repairs and maintenance are 27.9 per cent of its PPE value which is above the accepted norm of 8 per cent. Municipality is commended for adequately budgeting for all available option on project maintenance from preventative to corrective maintenance.

Spending on maintenance commendable considering the deterioration and ageing of infrastructure which coupled with the low levels of repairs and maintenance over the MTREF raises the possible risk in terms of the safeguarding of the infrastructure used in the delivery of basic services. Deteriorating infrastructure will hinder service delivery and impact revenue and cash flows adversely.



Source Witzenberg Municipality 2021/22 MTREF Draft Budget (A1-Schedule – Tables A5

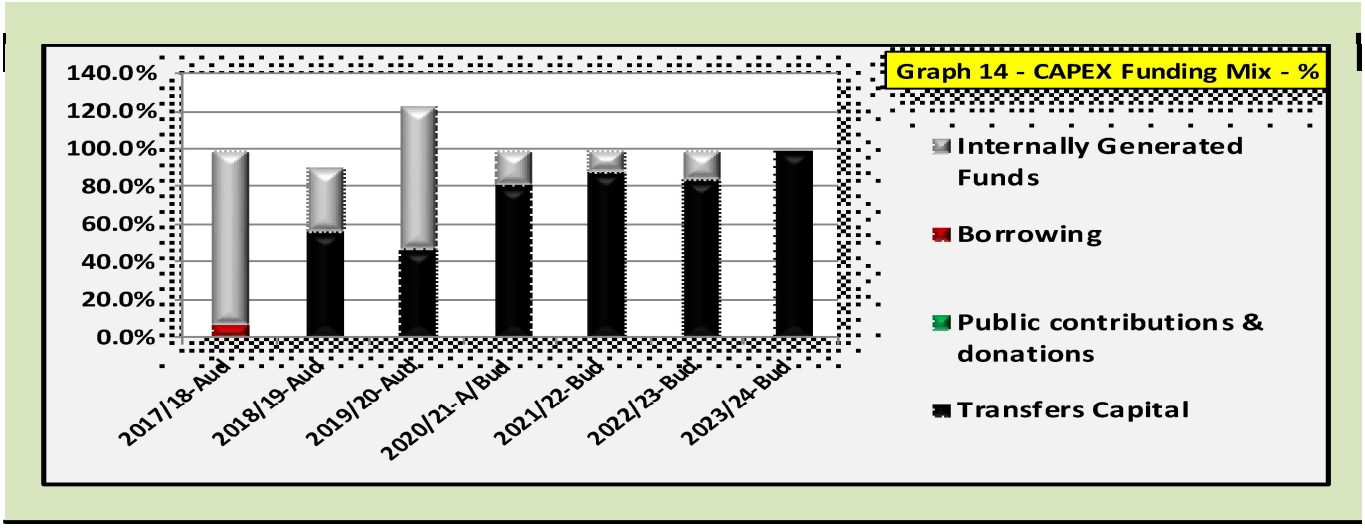
The review of the capital budget indicates that 58 per cent of the capital budget consists of multi-year projects and 42 per cent will be single year projects. This will require the Municipality to improve planning and initiate procurement processes earlier.

The Municipality is reminded that multi-year appropriation will benefit the community by improving on service delivery related projects and by enhancing opportunities for lower-cost financing and access to governmental programs.

Supporting tables SA29 of the capital expenditure shows that the Municipality is planning to spend 50 per cent of the capital budget in the first six months of the financial year. Supporting Tables SA28 and SA29 needs to be informed by project implementation plans from the project managers to get an accurate and true reflection of the planned capital expenditure. It is also noted that the capital funding as per SA29 do not agree to the capital expenditure.

Capital budget Funding mix:

Graph 1: Capex Funding Mix



Source: Witzenberg Municipality TABB data strings 2021/22

Capital grants constitute an average of 88 per cent of total capital funding over the MTREF period and reflects that the Municipality is heavily reliant on government grants for a major portion of funding for its capital expenditure which is a concern since it has been a trend for the past audited years and continues over the medium-term. The budget performance in terms of capital grants for the period ending February 2021 reflects spending significantly below in-year budget targets. The spending trend is concerning as such the Municipality is cautioned against a slow spending rate as it will result in either roll-over grants or the repayment of grants should they not be fully spent by 30 June 2021 as was the case with NT grants amounting to R29.1 million which had to be deducted in the December 2021 Equitable Share transfer to the Municipality.

Capital spending funded from **internally generated funds** decreased with 22.8 per cent, when compared to 2020/21 adjusted budget and constitute 12 per cent of the 2021/22 capital budget. The Municipality should work to optimize its income base in order to increase the percentage of capital investments funded from own funds. The Municipality is not projecting any CRR over the 2021/22 MTREF. It is also noted that the Municipality did not include the Capital Replacement Reserves on table A8 or any planned contribution hence it is unclear how the Municipality intends to sustain the level of capital investment from internal funding. Also taking note of the fact that the Municipality has indicated that all the reserves of the Municipality are not cash funded. The process to accumulate enough funds is a long-term process as tariff increases must be kept to a minimum, and service delivery must be continued.

The capital funding mix is over reliant on government grants which could be reduced as a result of National Government cubing costs. Municipality is encouraged to enhance the quality of capital infrastructure to unlock future economic investment by maintaining operating surpluses to contribute to reserves.

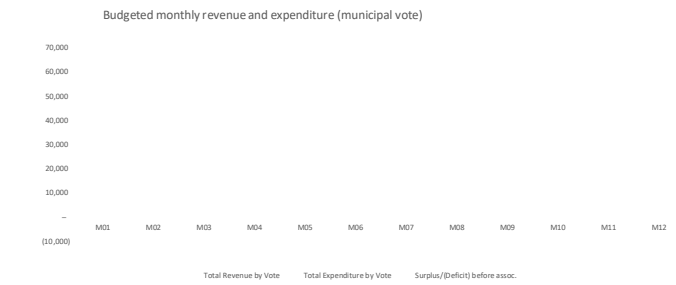
Recommendations

- The Municipality is encouraged to start early with the planning phases of its capital budget in order to speed up the municipal spending in the next financial year.
- Processes need to be implemented to ensure that projects funded from capital transfer are implemented as planned.
- There must be contributions towards CRR to ensure that financing of infrastructure projects from own funding is ring-fenced.

4.3.6 Forecasting and Multi-Year Budgeting

The purpose is to assess the credibility of forecasting and the level of multi-year budgeting.

Graph 2: Budgeted Monthly Projections – Revenue and Expenditure

 *Source: Witzenberg Municipality 2021/22 MTREF Draft Budget*	The quality of forecasting for billing of revenue, payment of expenditure (SA25 - SA29), is poor as linear projections are used, which does not take into consideration seasonal fluctuation, periodical payment of grants and subsidies (e.g. tranche payment of equitable share) and policy influences. The Municipality is advised to forecast correctly to take seasonal factors into account, as these will also help to ensure the Municipality's cash budgeting is credible and proper variance tracking during budget implementation.

Graph 3: Monthly Capital Budgeting

 Source: Witzenberg Municipality 2021/22 MTREF Draft Budget A1 Schedule - Supporting Tables SA29	The capital expenditure of supporting Tables SA28 to SA29 starts up lower and progressively increasing over the months and shows a slower expenditure towards the mid-year before expenditure excels at year end, which is a sign of adequate planning. Actual trends from previous years however do not align to this and the Municipality is encouraged to implement plans. As at present the Municipality's capital expenditure is moving slowly towards year-end as a result of delays in tender process to appoint contractors due to COVID-19 pandemic.

Source: LG Database and 2020/21 MTREF Budget

4.3.7 Table A6 Financial Position

The Municipality's budget raises serious concerns regarding the projected liquidity of the Municipality oer the MTREF.

The analysis of the A6 (Budgeted Financial Position) data strings reported negative working capital after taking the short-term obligations of the Municipality into account which demonstrates that the Municipality may not have enough funds to meet its short-term liabilities over the MTREF period.

Also, table A8 of the funding tool indicates that the Municipality forecasts negative working capital over the MTREF period that demonstrates that the Municipality does not have enough funds to meet its short-term liabilities.

The credibility of the data strings submission remains a concern and distorts the quality of the reporting.

- **Current Ratio**

The trend analysis shows the Municipality's current ratio is fluctuating over the MTREF period from 1.47:1(2021/22), -0.59:1 (2022/23) to 0.31:1(2023/24). These current ratios are unfavorable and below the National Treasury recommended norm of 1.5-2:1. This indicates that the Municipality does not have adequate financial resources to settle its short-term debts.

- **Liquidity Ratio**

The anticipated liquidity ratio is reported to be 1.40:1(2021/22), -0.86:1(2022/23) and 0.21:1(2023/24). This indicates that the Municipality is anticipating not having adequate financial resources to settle its short-term debts. The Municipality is exposed to liquidity risk as the ratio is below the National Treasury recommended norm of 1:1, except for the 2021/22 MTREF year.

Further analysis was done using the Municipality's submitted A-Schedules, with a ratio outcome over the MTREF period of 1.39:1(2021/22), -0.59:1 (2022/23) and 0.31:1(2023/24), all still below the recommended norm, except for the 2021/22 MTREF year.

- **Cost Coverage Ratio**

The Municipality reflects a cost coverage ratio of less than 1 month over the MTREF period when using the data string information, demonstrating that the Municipality does not have adequate cash resources in the immediate financial year to meet its monthly fixed operating commitments from cash. It is also noted that the Municipality is not budgeting for short-term investments over the entire MTREF period.

The forecasted cost coverage ratio based on the Municipality's submitted budget document are also below the National Treasury recommended norm of 1-3 months.

- **Debt (total borrowings) to total Operating Revenue**

The debt ratio is decreasing over the MTREF period from 0.72 per cent (2021/22) to 0.15 per cent (2022/23 and 2023/24). The anticipated debt ratio is within the National Treasury recommended norm of below 45 per cent which indicates that the Municipality has the potential to take on increased funding from borrowings. However, the anticipated current and liquidity ratios and the ability of the Municipality to convert its outstanding debtors to cash will determine whether the Municipality can afford any additional borrowings.

The debt ratio based on the Municipality's submitted budget document is also within the National Treasury recommended norm of below 45 per cent.

- **Capital Cost (Interest Paid and Redemption/Total Operating Expenditure)**

The capital cost ratio is decreasing over the MTREF period from 1.2 per cent (2021/22), to 1.1 per cent (2022/23) and to 1.07 per cent (2023/24). The ratio is below the National Treasury recommended norm of 6-8 per cent indicating that the ratio is favorable, and the Municipality can potentially take on increased funding through borrowing (subject to cash flow and affordability constraints).

4.3.8 Table A7 - Cash

Based on the data strings submission (new cash flow mapping), the Municipality budgeted for positive cash and cash equivalents over the MTREF period of R531.88 million, R617.47 million and R697.63 million for the 2021/22, 2022/23 and 2023/24 MTREF years, respectively. It is noted that the closing balances of the cash and cash equivalents at year end for the 2021/22 and 2022/23 years are not carried forward as opening balances in the 2022/23 and 2023/24 years, respectively. It is also noted that due to the Municipality using old mapping for populating the cash flow figures for suppliers and employees, finance charges, transfers and grants and repayment of borrowings did not pull through on the new mapping which overstated the surpluses highlighted above.

The outcome of the Treasury calculation based on the funding tool reflected positive cash and cash equivalents throughout the MTREF period of R61.62 million, R46.56 million and R25.12 million for the 2021/22, 2022/23 and 2023/24 MTREF years, respectively.

Differences are noted on the reported tables A6 and A7 when comparing the data strings submission to the budget submitted by the Municipality. Hence, little reliance can be placed on the data strings as core line items are not aligned. This raises a concern in respect of the credibility of the data strings submitted, even though the Municipality reported a positive cash and cash equivalents balance over the MTREF period.

4.3.9 Table A8 - Application of Cash and Investments (Cash Management)

The Municipality has taken into consideration the required applications to the reported cash and cash equivalents. Table A8 of the funding tool indicates that the Municipality will achieve an overall outcome of R2.22 million for the 2021/22 MTREF year. However, the Municipality will achieve a deficit in the outer MTREF years of R.17.90 million and R44.43 million in 2022/23 and 2023/24, respectively. The outcome of table A8 of the funding tool reflects that the Municipality's budget is unfunded and unsustainable over the MTREF period.

4.3.10 mSCOA Implementation

The Municipality is commended for submitting their data strings timeously. The data strings submission status as at 7 April 2021 was as follows:

Table 15 mSCOA data strings submission status

			Financial,Year	
			2022	
			SUBMISSIONCODE	
			TABB	PRTA
Demarcation Description	Demarc Code	CAP		
Province : WESTERN CAPE (WC)				
Witzenberg	WC022	L		

It should be noted that there are segment errors in the submitted data as noted on the analysis above as well as segment analysis attached below. The Municipality must ensure that the segment errors are corrected to reflect accurate information from the data strings.

Utilisation of financial systems

MFMA Budget Circular No. 98 requires municipalities to budget, transact and report directly from the core financial system and on all six (6) legislated mSCoA segments, thereafter submit the required data strings to the Local Government Portal, however, the municipal budget document was silent in this regard.

Seamless Integration of Financial Systems

Due to the variances noted when comparing the data strings submitted to LG Portal with Municipality's budget document, it is evident that the financial system is not fully integrating with the supporting system.

It is imperative that municipalities prepare their 2021/22 MTREF budget in their financial systems and that the A1-Schedule be produced directly from their financial system, as this will eliminate alignment problems. The Municipality is urged to make the necessary correction and resubmit the data strings and ensure that the adopted 2021/22 MTREF budget data strings aligns with A1-Schedule approved by the council.

The Municipality is commended for ensuring population of the balance sheet and cash flow and reconciliation in tables A6 and A7. However, it is noted that the Municipality has used the old cash flow mapping for A7 and there are still variances on both the cash flow and balance sheet as noted above. It is critical that municipalities undertake balance sheet and cash flow budgeting to provide accurate cash flow information. National Treasury has provided guidance in this regard in MFMA Circular No. 98 and

mSCoA Circular No. 10 and 11 and have also corrected the errors in the linkages of the MBRR cash flow tables to the mSCoA data strings.

To ensure that the relevant budget data strings are accurate, a segment use analysis on 2021/22 draft budget data strings (TABB) was conducted the following was identified:

Table 16 mSCOA Segment Analysis

mSCOA Western Cape TABB Segment Analysis		
	Vendor	Bytes
No	Segment	Witzenberg
1	Project Segment	
1.1	Maintenance	Sufficiently used the Project Operational Maintenance available options
1.1.1	Corrective Maintenance	
1.1.1.1	Planned	Budget Allocated
1.1.1.2	Emergency	Budget Allocated
1.1.2	Preventative Maintenance	
1.1.2.1	Condition Based	Budget Allocated
1.1.2.2	Interval Based	Budget Allocated
1.2	Typical Work Streams	Utilization of available options is limited. Consider allocating more from Municipal Running Costs.
1.3	Municipal Running Costs	Excessive use Municipal Running Costs project. Consider transferring some of that to Typical Work Stream.
1.4	Default	Sufficiently used the project default for revenue items.
2	Fund Segment	
2.1	Use of Fund Segment	Adequate use of the Fund segment
3	Function Segment	
3.1	Use of Function Segment	Substantial use of available options
4	Costing Segment	
4.1	Use of Costing Segment	Not used correctly everything has lumped under the primary transactions and no indirect cost / secondary costs which have been disclosed (Charges and Recoveries), This is a concern as by now Municipalities were supposed to have been using this segment.
5	Region Segment	
5.1	Use of Region Segment	Adequate use of the Region Segment
6	Item Segment :	
6.1	Property Rates	Property rate revenue non- exchange forecasts does not align to the monthly projected billings under trade and other receivables on the statement of Financial Position.
6.2	Service Charges	Adequate use of the available options. However the movements to the SFP are not reconciling.
6.3	Fines	Adequate use of the available options. However, fines issued are not reconciling with the fines issued.
6.4	Employee Related Costs	
6.4.1	Senior Management	Adequate use of the available options.
6.4.2	Municipal Staff	Adequate use of the available options.
6.5	Councillors Remuneration	Adequate use of the available options.
6.6	Bulk Purchases	Appropriately used the available options
6.8	Debt Impairment	Appropriately used the available options
7.1	Contracted Services	
7.1.1	Outsourced	Appropriately used the available options
7.1.2	Consultants and Professional Services	Appropriately used the available options
7.1.3	Contractors	Appropriately used the available options
8.	Other Materials	
7.1.2	Inventory Consumed	Inventory consumed is reconciling with the inventory account issues.
7.1.3	Water Inventory	Partially used the available options.
8.	COVID - 19 Budget	Not compliant with MSCOA circular No.9. Consider creating the sub-projects in the IDP (PTRA data strings) for COVID-19

Source: Witzenberg Municipality 2021/22 MTREF Draft Budget A1-Schedule – mSCoA data strings

The Municipality has used all seven segments in allocating the budget. However, areas of improvements are noted in the above table and the Municipality is encouraged to correct the use of segments for the line items highlighted in red above when the final budget is adopted by Council.

SECTION 5: KEY FINDINGS, RISKS AND RECOMMENDATIONS

This section outlines the main points and risks/recommendations based on the SIME assessment. In adopting the 2021/22 MTREF budget, the following potential risks and recommendations need to be carefully considered: This section outlines the main points and risks/recommendations based on the SIME Assessment.

5.1 PUBLIC VALUE CREATION

5.1.1 Integrated Planning

The key findings as per this report on the Proposed 2021/22 IDP Amendments of the Municipality relate to the process followed in developing, tabling and the planned eventual adoption of the document and one aspect related to compliance to the core components of an IDP.

To address these, it is recommended that the Municipality consider the following before adopting the 2021/22 IDP Amendments:

- Including a three-year budget projection as part of its financial plan that also covers operating expenditure.
- Drafting and submitting to the Municipal Council a memorandum on the reasons for the proposal to amend its IDP as per Regulation 3(2) of the Local Government: Municipal Planning and Performance Management Regulations.
- Consulting the Cape Winelands District Municipality on the proposed amendments as required in Section 29(3)(b) of the MSA, and as provided for in the Regulation 3(4) of the Local Government: Municipal Planning and Performance Management Regulations.
- Providing all the relevant information indicating compliance to Regulation 3 of the Local Government: Municipal Planning and Performance Regulations when submitting the adopted IDP in May/ June 2021 to the MEC for Local Government.

In addition, it is recommended that the Municipality consider the following in enhancing the Adopted 2021/22 IDP Amendments:

- Improving the situational analysis chapter by including a narrative on the interpretation of statistics provided, thereby facilitating a better understanding of the Municipality's current socio-economic status and the challenges it faces and how these have informed the eight strategic objectives of the Municipality.
- Ensuring that all its sector/operational plans are reviewed in time for the compilation and adoption of the 5th Generation of its 5-Year IDP 2022-2027.

5.1.2 Environmental and Planning

It is recommended that the Municipality prepares itself for the start of the new IDP cycle in 2022 and use this opportunity to amend its current SDF to address areas of further work that were identified through the various commenting processes.

The determination of what areas of the amendment should focus on should be based on a performance review of the current MSDF to evaluate the strengths and weaknesses of the existing MSDF. The performance review should consider the number and type of municipal applications that the Municipality receives and how many times the MPT had to depart from the provisions of the MSDF. The Municipality is

welcome to engage DEA&DP to design a collaborative plan of action and support in order to be adequately prepared for the adoption of the amended MSDF with the new IDP in 2022.

Open space corridors and areas which will be managed for conservation must be clearly indicated on the SDF for each town. Alien clearing hectares and future targets should be provided.

The Municipality is commended for noting opportunities presented in the National Development Plan to promote low carbon development that could be adopted at municipal level e.g. researching more and getting a better understanding of opportunities to promote use of renewable energy and reducing waste material that goes to the landfill site. There are recommendations for the Municipality to ensure that renewable energy tariffs as well as waste recycling tariffs are brought into the Municipality's tariff set of policies – all this in order to inform decision-making and contribute towards building the resilience profile of the Municipality.

It is also recommended that the Municipality prioritises investments in projects that can make local service offerings in key economic sectors such as agriculture carbon neutral in order to ensure the Municipality remains competitive on the export market in future.

it is recommended that Witzenberg Municipality makes provision for a system that can steer disinvestment in fossil fuel-linked activities and procurement, as well as risk management that will direct investment away from disaster prone areas.

A budget allocation to implement the Witzenberg Municipality's AQMP is to be secured in its IDP to:

- Monitor ambient air quality (passive or continuous monitoring of air pollutants via either a fully equipped ambient air quality monitoring station or low-cost air quality sensors),
- Train Air Quality Officers in air quality management,
- Develop an Air Quality By-law, and
- Implement air quality management intervention strategies in its jurisdiction.

The implementation of the Witzenberg Municipality's AQMP is also required to be measurable in order to assess and review its performance and achievements after five (5) years, as assigned in the 2017 National Framework for Air Quality Management in the Republic of South Africa (DEFF, 2018).

The Municipality needs to submit their final 3rd generation IWMP for assessment and endorsement and the IWMP must be approved by council and integrated in the IDP. The IWMP implementation needs to be reported in the Annual Report. The Municipality must ensure that current basic and free basic refuse removal information is provided.

IPWIS reporting for the three (3) registered waste activities is outstanding from September 2020 to date and need to be completed. Waste diversion initiatives must be reported to the IPWIS. Continuous and regular waste reporting must be submitted to the IPWIS.

The Municipality has waste by-laws, but these are not aligned to the NEMWA. It is recommended that Witzenberg Municipality adopts the Departments' Model Integrated Waste Management By-Law or adopts clauses thereof to ensure that their by-law is aligned.

Considering the Organic Waste ban implemented by the Department, it is recommended that the Municipality focusses on projects that divert as much organic waste from landfill as possible. In addition to this, the Municipality is requested to draft an organic waste diversion plan for the Department to review. Furthermore, C & D waste holds value, and it is suggested that the Municipality works on diverting this waste stream.

There is a lack of waste disposal facility air space within this municipality, Municipal Infrastructure Grant funds have been made available to construct a Materials Recovery Facility in Ceres, which has been registered in terms of the relevant Norms and Standards. The construction and operation of the regional WDF in Worcester will aid the current waste disposal crisis. The Municipality must implement the organic waste diversion requirements that are made compulsory through their authorisations. Recycling of waste must be considered to a greater extent than is currently implemented to stimulate a waste economy and job creation.

5.2 ECONOMIC SUSTAINABILITY

5.2.1 Responsiveness of the municipal budget

- Socio-economic challenges related to education and related socio-economic harms persist and are having an adverse effect on learner retention and matric outcomes. This challenge requires a multi-pronged approach to deal with the situation holistically, in order to have an effect in the long-term.
- The Municipality is making a concerted effort to mitigate public concerns as highlighted in its IDP through the implementation of relevant policies and strategies to address several of the concerns highlighted. Some of these policies are related to waste management as well as illegal electricity connections. The Municipality should continue this work.
- The backlogs in housing infrastructure continue to place pressure on municipal resources. The growing demand for basic services within growing informal settlements is difficult to sustain within the current fiscal environment. The Municipality has a streamlined capital budget and is operating on limited financial resources to address its backlog.
- The biggest risk identified is with regards to electricity demand and expansion. This continues to pose a significant threat to municipal sustainability given the inability of Eskom to expand the current network until 2023. Continued lobbying and discussions with Eskom needs to be pursued in order to attend to this critical need sooner.

5.3 FINANCIAL SUSTAINABILITY

5.3.1 Credibility and Sustainability of the 2020/21 MTREF budget

- **The budget is only funded for the 2021/22 budget year while the rest of the MTREF is unfunded.** The Municipality must revise its budget to ensure that the final budget is funded for the full MTREF period.
- The credibility and sustainability of the budget is also questionable due to issues highlighted in this report such as data integrity, projected operating deficits, as well as declining collection rates which result in the budget of the Municipality being considered unsustainable over the MTREF. The gaps and risks identified in this assessment should be taken into consideration prior to the final budget adoption in Council.
- The Municipality is advised to consider the impact of the COVID-19 pandemic and manage short-term risks and uncertainties, while also planning for long-term financial resilience and sustainability.
- The liquidity ratios of less than 1 indicates that there is a challenge in terms of converting outstanding debtors to cash. The municipality must put in place measures to improve debt collection.
- Poor performance on capital budget implementation remains a major concern as evidenced by the failure by the Municipality to achieve capital spending of more than the 90 per cent in the last audited years. The Municipality is therefore advised to prepare sound project plans accompanied by

procurement plans that are realistic and will see the Municipality achieving full capital expenditure of its planned budget.

- Although the Municipality has capacity to take on additional borrowing this should be considered within their cash flow requirements and affordability parameters.
- To promote sustainable revenue and implementation of debt and credit control policies, the indigent register needs to be monitored regularly to identify non-indigent households that might be appearing in the list of indigents.
- Emphasis should be placed on guarding against electricity and water losses. In an environment where the national electricity supplier, ESKOM, is already constrained, as well as the importance of water conservation in the face of current global climate changes, unnecessary distribution losses should be kept at a minimum.
- Current fiscal constraints are anticipated to persist over the MTREF; therefore, the Municipality is advised to improve the effort to limit non-priority spending, implement stringent cost-containment measures and strive to continuously improve value for money in expenditure.
- The Municipality must address the findings related to the segment tool analysis. This is to ensure that the final budget considers all the recommendations and correct segment use is achieved and the data strings are correctly populated. Furthermore, the Municipality should ensure that they apply the principles of movement accounting and balance sheet budgeting when populating tables A6, A7 and SA30 links as advised by the National Treasury to ensure that the cash flow of the Municipality is correctly populated. The Municipality should also make use of the new mapping for population of cash flows as it was noted that the Municipality used the old mapping.
- National Treasury use only the mSCOA data strings for submission as prescribed and all publications will use the data collected from the mSCOA data strings. Therefore, it is imperative that the Municipality align the mSCOA original budget data strings to the original budget adopted by Council.

	Key Finding	Response
5.1.1 - Integrated Planning	Consider including a three-year budget projection as part of its financial plan that also covers operating expenditure.	We take cognisance of the note and will consider inclusion if found to contribute to the enhancement of the understanding by the user of the document
5.2.1 Responsiveness of the municipal budget	The backlogs in housing infrastructure continue to place pressure on municipal resources. The growing demand for basic services within growing informal settlements is difficult to sustain within the current fiscal environment. The Municipality has a streamlined capital budget and is operating on limited financial resources to address its backlog	Comment is noted and agreed with. The deteriorating infrastructure in municipal environment must be declare a national pandemic as it will result in further declining revenue and unaffordable tariffs.
5.2.1 Responsiveness of the municipal budget	The biggest risk identified is with regards to electricity demand and expansion. This continues to pose a significant threat to municipal sustainability given the inability of Eskom to expand the current network until 2023. Continued lobbying and discussions with Eskom needs to be pursued in order to attend to this critical need sooner	This needs to be driven on a provincial and national level as well in order to ensure an executable agreement who will benefit all parties. This will provide better clarity to on futuristic expansion plans and transformative constitutional economic development.
5.3.1 Credibility and Sustainability of the 2020/21 MTREF budget	**The budget is only funded for the 2021/22 budget year while the rest of the MTREF is unfunded.** The Municipality must revise its budget to ensure that the final budget is funded for the full MTREF period.	We need to ensure that we interpret data from similar platforms in order for all to achieve a reasonable conclusion on basic principles of budgeting. We are asked to consider the impact of COVID, which has shown that there is declining recovering rates across the country, this affect the viability of municipality hence the increased equitable share in 2020/2021 financial year to address some of these issues. Declining business activity, closure of business, increase in work losses, increase repayment arrangement for arrears, decrease in
	The credibility and sustainability of the budget is also questionable due to issues highlighted in this report such as data integrity, projected operating deficits, as well as declining collection rates which result in the budget of the Municipality being considered	

	unsustainable over the MTREF. The gaps and risks identified in this assessment should be taken into consideration prior to the final budget adoption in Council.	household available cash due to pandemic hygiene requirement, etc. It will be against the principles of accurate, reliable and informative budgeting to suddenly predict profits and recovering not having sustainable data to do such predictions. We cannot budget in believe, but needs to take into account the limited data to our disposal 10 months to our disposal. The qualitative and quantitative data shows, that it will be difficult to suddenly have a turnaround strategy in the next three years. The budgets of the outer years were adjusted to provide for a positive cash flow from operations.
	The Municipality is advised to consider the impact of the COVID-19 pandemic and manage short-term risks and uncertainties, while also planning for long-term financial resilience and sustainability.	
	The liquidity ratios of less than 1 indicates that there is a challenge in terms of converting outstanding debtors to cash. The municipality must put in place measures to improve debt collection	
	Poor performance on capital budget implementation remains a major concern as evidenced by the failure by the Municipality to achieve capital spending of more than the 90 per cent in the last audited years. The Municipality is therefore advised to prepare sound project plans accompanied by procurement plans that are realistic and will see the Municipality achieving full capital expenditure of its planned budget.	The municipality has always achieved an above 90% spending on capital budget. This anomaly only occurred in the 2019/2020 financial year, due to lockdown rules that had to be applied. Therefore, saying that we do not have sound plans, is insulting and unsubstantiated.
	Although the Municipality has capacity to take on additional borrowing this should be considered within their cash flow requirements and affordability parameters.	We do not foresee taking up any loans due to the high volume of uncertainties
	To promote sustainable revenue and implementation of debt and credit control policies, the indigent	We are happy with the integrity of the indigent register and has this risk already encapsulated within our risk register for monitoring purposes.

	register needs to be monitored regularly to identify non-indigent households that might be appearing in the list of indigents.	
	Emphasis should be placed on guarding against electricity and water losses. In an environment where the national electricity supplier, ESKOM, is already constrained, as well as the importance of water conservation in the face of current global climate changes, unnecessary distribution losses should be kept at a minimum	The municipal electricity losses are within the applicable norms and standard. We have implemented plans and a committee to address the water losses.
	Current fiscal constraints are anticipated to persist over the MTREF; therefore, the Municipality is advised to improve the effort to limit non-priority spending, implement stringent cost-containment measures and strive to continuously improve value for money in expenditure	The budget layout and detail to budget will substantiate that we have only focussed on essential expenditure to ensure a smooth continuation of operations. We have strived to keep tariff increases to a minimal, but to ensure operational efficiency.
	The Municipality must address the findings related to the segment tool analysis. This is to ensure that the final budget considers all the recommendations and correct segment use is achieved and the data strings are correctly populated. Furthermore, the Municipality should ensure that they apply the principles of movement accounting and balance sheet budgeting when populating tables A6, A7 and SA30 links as advised by the National Treasury to ensure that the cash flow of the Municipality is correctly populated. The Municipality should also make use of the new mapping for population of cash flows as it was noted that the Municipality used the old mapping.	The data segments were accepted by National Treasury without any errors. So we need more clarity regarding this, as we vehemently disagree with this statement. Furthermore, the budget was done on the systems and the schedule was drawn from the system and submitted. The only additional documents submitted additional was the A6 and A7 as we were not in agreement. Please provide the mapping for cash flow, as this is system base and we are not allowed to amend in terms of National Treasury Guidelines.

	National Treasury use only the mSCOA data strings for submission as prescribed and all publications will use the data collected from the mSCOA data strings. Therefore, it is imperative that the Municipality align the mSCOA original budget data strings to the original budget adopted by Council.	
Key outcomes of Municipal Procurement Plans Assessed	Data integrity issues that relate to incorrect linkages, inconsistent capturing, dual language capturing and in a format that is difficult to analyse.	Before we make data integrity comments we to ask for clarity. If data does not speak to analysis outcomes, then it's clear that the format in which data is being requested is incorrect. Hence the provider of data cannot be blamed for architectural failures of the requester.

WITZENBERG
Municipality • Munisipaliteit • Umasipala Wasa

DRAFT PROCUREMENT PLAN: 2021/22

Function	Project Description	Project Code	2021/22	Request Date	Bid Specification	Advertisement	Technical Report	Evaluation Date	Adjudication Date
Electricity	Capex Electrical Network Housing Project	PC001002001007000000000000000000000000	11 097 391	2021/08/01	2021/08/11	2021/09/10	2021/09/20	2021/09/25	2021/09/30
Storm Water Management	Capex Nduli Housing Storm Water	PC001002007002000000000000000000000000	6 135 000	2021/09/01	2021/09/11	2021/10/11	2021/10/21	2021/10/26	2021/10/31
Roads	Capex Nduli Housing Roads	PC001002006001000000000000000000000000	6 135 000	2021/08/20	2021/08/30	2021/09/29	2021/10/09	2021/10/14	2021/10/19
Water Distribution	Capex Nduli Housing Water	PC001002004007000000000000000000000000	6 135 000	2021/08/31	2021/09/10	2021/10/10	2021/10/20	2021/10/25	2021/10/30
Sewerage	Capex Nduli Housing Sanitation	PC001002005002000000000000000000000000	6 135 000	2021/09/29	2021/10/09	2021/11/08	2021/11/18	2021/11/23	2021/11/28
Sports Grounds and Stadiums	Capex Upgrade of Leyell Str Sport facilities	PC002002002002002002000000000000000000	1 304 348	2021/08/12	Tender process already commenced				
Roads	Capex Upgrade Van Breda Bridge	PC001001002006002000000000000000000000	20 547 826	2021/09/12	Tender process already commenced				
Mayor and Council	CAPEX: Upgrade Council chambers	PC002002001003001001000000000000000000	600 000	2021/08/08	Tender process already commenced				
Roads	Capex Upgrade Van Breda Bridge	PC001001002006002000000000000000000000	4 909 565	2021/07/15	Tender process already commenced				
Public Toilets	Capex Public Toilets Wolseley	PC001002005005000000000000000000000000	1 000 000	2021/10/12	2021/10/22	2021/11/21	2021/12/01	2021/12/06	2021/12/11
Public Toilets	Capex Public Toilets Wolseley	PC001002005005000000000000000000000000	500 000	2021/11/12	2021/11/22	2021/12/22	2022/01/01	2022/01/06	2022/01/11
Water Distribution	Capex Tulbagh Dam	PC001002004001000000000000000000000000	17 391 304	2021/09/29	Tender process already commenced				
Roads	CAPEX Tulbagh Steinthalweg walkways	PC001002006002000000000000000000000000	500 000	2021/07/10	2021/07/20	2021/08/19	2021/08/29	2021/09/03	2021/09/08
Electricity	Capex MV Substation Equipment	PC001001002001005000000000000000000000	500 000	2021/08/10	2021/08/20	2021/09/19	2021/09/29	2021/10/04	2021/10/09
Finance	Capex IT Equipment	PC002003004000000000000000000000000000	100 000	2021/08/25	2021/09/04	2021/10/04	2021/10/14	2021/10/19	2021/10/24
Finance	Capex IT Equipment	PC002003004000000000000000000000000000	200 000	2021/07/15	2021/07/25	2021/08/24	2021/09/03	2021/09/08	2021/09/13
Solid Waste Removal	Capex New Material Recovery Facility/Drop Off	PC001002002005000000000000000000000000	5 317 400	2021/09/10	Tender process already commenced				
Solid Waste Disposal (Landfill Sites)	Capex New Material Recovery Facility/Drop Off	PC001002002005000000000000000000000000	12 906 918	2021/10/01	Tender process already commenced				
Storm Water Management	Capex Vredebes New Storm water Channel & Detentio	PC001002007002000000000000000000000000	312 408	2021/10/15	2021/10/25	2021/11/24	2021/12/04	2021/12/09	2021/12/14
Street Lighting and Signal Systems	Capex Vredebes Streetlights	PC001002001008000000000000000000000000	1 565 217	2021/11/30	2021/12/10	2022/01/09	2022/01/19	2022/01/24	2022/01/29
Water Storage	CAPEX Op-Die-Berg Reservoir	PC001002004003000000000000000000000000	5 058 934	2021/08/15	2021/08/25	2021/09/24	2021/10/04	2021/10/09	2021/10/14
Economic Development/Planning	Capex Hamlet Economic Hub	PC002003002001017000000000000000000000	695 652	2021/10/10	2021/10/20	2021/11/19	2021/11/29	2021/12/04	2021/12/09
			-						
			109 046 964						

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

Province: (WC022) - Schedule of Service Delivery Standards							
Description	2017/2018	2018/2019	2019/2020	2020/2021			2021/2022
Standard	Actual Outcome	Actual Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Service Level Standards
Solid Waste Removal							
Premise based removal (Residential Frequency)	Weekly	Weekly	Weekly	Weekly	Weekly	Weekly	Weekly
Premise based removal (Business Frequency)	Weekly/ Twice per week/Thrice per week (depending the need)	Weekly/ Twice per week/Thrice per week (depending the need)	Weekly/ Twice per week/Thrice per week (depending the need)	Weekly/ Twice per week/Thrice per week (depending the need)	Weekly/ Twice per week/Thrice per week (depending the need)	Weekly/ Twice per week/Thrice per week (depending the need)	Weekly/ Twice per week/Thrice per week (depending the need)
Bulk Removal (Frequency)	Per request	Per request	Per request	Per request	Per request	Per request	Per request
Removal Bags provided(Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Garden refuse removal Included (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Street Cleaning Frequency in CBD	Daily	Daily	Daily	Daily	Daily	Daily	Daily
Street Cleaning Frequency in areas excluding CBD	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly
How soon are public areas cleaned after events (24hours/48hours/longer)	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours
Clearing of illegal dumping (24hours/48hours/longer)	48 hours (once reported)	48 hours (once reported)	48 hours (once reported)	48 hours (once reported)	48 hours (once reported)	48 hours (once reported)	48 hours (once reported)
Recycling or environmentally friendly practices(Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Licenced landfill site(Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Water Service							
Water Quality rating (Blue/Green/Brown/N0 drop)	Blue & Green Drop	Blue & Green Drop	Blue & Green Drop	Blue & Green Drop	Blue & Green Drop	Blue & Green Drop	Blue & Green Drop
Is free water available to all? (All/only to the indigent consumers)	Indigent customers	Indigent customers	Indigent customers	Indigent customers	Indigent customers	Indigent customers	Indigent customers
Frequency of meter reading? (per month, per year)	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly
Are estimated consumption calculated on actual consumption over (two month's/three month's/longer period)	3 months	3 months	3 months	3 months	3 months	3 months	3 months
On average for how long does the municipality use estimates before reverting back to actual readings? (months)	6 months	6 months	6 months	6 months	6 months	6 months	6 months
Duration (hours) before availability of water is restored in cases of service interruption (complete the sub questions)							
One service connection affected (number of hours)	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours
Up to 5 service connection affected (number of hours)	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours
Up to 20 service connection affected (number of hours)	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours
Feeder pipe larger than 800mm (number of hours)	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours
What is the average minimum water flow in your municipality?	2 bar	2 bar	2 bar	2 bar	2 bar	2 bar	2 bar
Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No)	No	No	No	No	No	No	No
How long does it take to replace faulty water meters? (days)	20 days	20 days	20 days	20 days	20 days	20 days	20 days
Do you have a cathodic protection system in place that is operational at this stage? (Yes/No)	No	No	No	No	No	No	No
Electricity Service							
What is your electricity availability percentage on average per month?	100	100	100	100	100	100	100
Do your municipality have a ripple control in place that is operational? (Yes/No)	No	No	No	No	No	No	No
How much do you estimate is the cost saving in utilizing the ripple control system?	N/A	N/A	N/A	N/A	N/A	N/A	N/A
What is the frequency of meters being read? (per month, per year)	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly
Are estimated consumption calculated at consumption over (two month's/three month's/longer period)	3 months	3 months	3 months	3 months	3 months	3 months	3 months
On average for how long does the municipality use estimates before reverting back to actual readings? (months)	6 months	6 months	6 months	6 months	6 months	6 months	6 months
Duration before availability of electricity is restored in cases of breakages (immediately/one day/two days/longer)	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours
Are accounts normally calculated on actual readings? (Yes/no)	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No)	No	No	No	No	No	No	No
How long does it take to replace faulty meters? (days)	20 days	20 days	20 days	20 days	20 days	20 days	20 days
Do you have a plan to prevent illegal connections and prevention of electricity theft? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes
How effective is the action plan in curbing line losses? (Good/Bad)	Bad	Bad	Bad	Bad	Bad	Bad	Bad
How soon does the municipality provide a quotation to a customer upon a written request? (days)	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours
How long does the municipality takes to provide electricity service where existing infrastructure can be used? (working days)	7 days	7 days	7 days	7 days	7 days	7 days	7 days
How long does the municipality takes to provide electricity service for low voltage users where network extension is not required? (working days)	7 days	7 days	7 days	7 days	7 days	7 days	7 days
How long does the municipality takes to provide electricity service for high voltage users where network extension is not required? (working days)	7 days	7 days	7 days	7 days	7 days	7 days	7 days

Description Standard	2017/2018 Actual Outcome	2018/2019 Actual Outcome	2019/2020 Audited Outcome	2020/2021 Original Budget	2020/2021 Adjusted Budget	2020/2021 Full Year Forecast	2021/2022 Service Level Standards
Sewerage Service							
Are your purification system effective enough to put water back in to the system after purification?	Yes into river only	Yes into river only	Yes into river only	Yes into river only	Yes into river only	Yes into river only	Yes into river only
To what extend do you subsidize your indigent consumers?	Full monthly charge	Full monthly charge	Full monthly charge	Full monthly charge	Full monthly charge	Full monthly charge	Full monthly charge
How long does it take to restore sewerage breakages on average							
Severe overflow? (hours)	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours
Sewer blocked pipes: Large pipes? (Hours)	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours
Sewer blocked pipes: Small pipes? (Hours)	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours
Spillage clean-up? (hours)	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours
Replacement of manhole covers? (Hours)	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours
Road Infrastructure Services							
Time taken to repair a single pothole on a major road? (Hours)	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours
Time taken to repair a single pothole on a minor road? (Hours)	5 days	5 days	5 days	5 days	5 days	5 days	5 days
Time taken to repair a road following an open trench service crossing? (Hours)	14 days	14 days	14 days	14 days	14 days	14 days	14 days
Time taken to repair walkways? (Hours)	14 days	14 days	14 days	14 days	14 days	14 days	14 days
Property valuations							
How long does it take on average from completion to the first account being issued? (one month/three months or longer)	3 months	3 months	3 months	3 months	3 months	3 months	3 months
Do you have any special rating properties? (Yes/No)	No	No	No	No	No	No	No
Financial Management							
Is there any change in the situation of unauthorised and wasteful expenditure over time? (Decrease/Increase)	Decrease	Decrease	Decrease	Decrease	Decrease	Decrease	Decrease
Are the financial statement outsources? (Yes/No)	No	No	No	No	No	No	No
Are there Council adopted business processes structuring the flow and managemet of documentation feeding to Trial Balance?	No	No	No	No	No	No	No
How long does it take for an Tax/Invoice to be paid from the date it has been received?	30 days	30 days	30 days	30 days	30 days	30 days	30 days
Is there advance planning from SCM unit linking all departmental plans quaterly and annualy including for the next two to three years procurement plans?	Yes, but for one year only.	Yes, but for one year only.	Yes, but for one year only.	Yes, but for one year only.	Yes, but for one year only.	Yes, but for one year only.	Yes, but for one year only.
Administration							
Reaction time on enquiries and requests?	2 days maximum	2 days maximum	2 days maximum	2 days maximum	2 days maximum	2 days maximum	2 days maximum
Time to respond to a verbal customer enquiry or request? (working days)	2 days maximum	2 days maximum	2 days maximum	2 days maximum	2 days maximum	2 days maximum	2 days maximum
Time to respond to a written customer enquiry or request? (working days)	3 days	3 days	3 days	3 days	3 days	3 days	3 days
Time to resolve a customer enquiry or request? (working days)	2 days	2 days	2 days	2 days	2 days	2 days	2 days
What percentage of calls are not answered? (5%,10% or more)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
How long does it take to respond to voice mails? (hours)	Immediately	Immediately	Immediately	Immediately	Immediately	Immediately	Immediately
Does the municipality have control over locked enquiries? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Is there a reduction in the number of complaints or not? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes
How long does it take to open an account to a new customer? (1 day/ 2 days/ a week or longer)	2 Days	3 Days	4 Days	5 Days	6 Days	7 Days	7 Days
How many times does SCM Unit, CFO's Unit and Technical unit sit to review and resolve SCM process delays other than normal monthly management meetings?	When required	When required	When required	When required	When required	When required	When required

Description	2017/2018	2018/2019	2019/2020	2020/2021			2021/2022
Standard	Actual Outcome	Actual Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Service Level Standards
Community safety and licensing services							
How long does it take to register a vehicle? (minutes)	Transaction 3 minutes	Transaction 3 minutes	Transaction 3 minutes	Transaction 3 minutes	Transaction 3 minutes	Transaction 3 minutes	Transaction 3 minutes
How long does it take to renew a vehicle license? (minutes)	Transaction 3 minutes	Transaction 3 minutes	Transaction 3 minutes	Transaction 3 minutes	Transaction 3 minutes	Transaction 3 minutes	Transaction 3 minutes
How long does it take to issue a duplicate registration certificate vehicle? (minutes)	Transaction 15 minutes	Transaction 15 minutes	Transaction 15 minutes	Transaction 15 minutes	Transaction 15 minutes	Transaction 15 minutes	Transaction 15 minutes
How long does it take to de-register a vehicle? (minutes)	Transaction 3 minutes	Transaction 3 minutes	Transaction 3 minutes	Transaction 3 minutes	Transaction 3 minutes	Transaction 3 minutes	Transaction 3 minutes
How long does it take to renew a drivers license? (minutes)	Transaction 20 minutes	Transaction 20 minutes	Transaction 20 minutes	Transaction 20 minutes	Transaction 20 minutes	Transaction 20 minutes	Transaction 20 minutes
What is the average reaction time of the fire service to an incident? (minutes)	10 - 30 minutes	10 - 30 minutes	10 - 30 minutes	10 - 30 minutes	10 - 30 minutes	10 - 30 minutes	10 - 30 minutes
What is the average reaction time of the ambulance service to an incident in the urban area? (minutes)	Department of Health	Department of Health	Department of Health	Department of Health	Department of Health	Department of Health	Department of Health
What is the average reaction time of the ambulance service to an incident in the rural area? (minutes)	Department of Health	Department of Health	Department of Health	Department of Health	Department of Health	Department of Health	Department of Health
Economic development							
How many economic development projects does the municipality drive?	36	36	36	36	36	36	36
How many economic development programme are deemed to be catalytic in creating an enabling environment to unlock key economic growth projects?	4	4	4	4	4	4	4
What percentage of the projects have created sustainable job security?	0	0	0	0	0	0	0
Does the municipality have any incentive plans in place to create an conducive environment for economic development? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Other Service delivery and communication							
Is a information package handed to the new customer? (Yes/No)	N/A	N/A	Yes	N/A	N/A	N/A	N/A
Does the municipality have training or information sessions to inform the community? (Yes/No)	IDP & Budget meetings	IDP & Budget meetings	IDP & Budget meetings	IDP & Budget meetings	IDP & Budget meetings	IDP & Budget meetings	IDP & Budget meetings
Are customers treated in a professional and humanly manner? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Choose name from list - Table A1 Budget Summary

Description	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Financial Performance										
Property rates	**63 712**	69 777	73 497	76 388	76 388	76 388	71 827	83 290	89 121	96 460
Service charges	306 170	305 199	346 176	341 732	354 732	354 732	304 486	413 772	448 050	485 330
Investment revenue	8 122	8 551	7 446	9 129	3 358	3 358	2 584	6 990	7 089	7 193
Transfers recognised - operational	94 503	105 776	131 561	116 989	140 835	140 835	204 985	145 903	128 604	130 741
Other own revenue	48 332	46 514	47 345	46 427	40 457	40 457	16 496	52 768	51 081	50 254
Total Revenue (excluding capital transfers and contributions)	520 837	535 818	606 024	590 666	615 772	615 772	600 379	702 723	723 944	769 979
Employee costs	158 811	171 730	188 604	226 182	221 399	221 399	163 989	237 025	248 885	263 821
Remuneration of councillors	9 170	10 136	10 604	12 032	12 032	12 032	8 248	12 007	12 607	13 238
Depreciation & asset impairment	4 744	31 146	32 732	40 688	40 688	40 688	2	39 729	39 589	39 589
Finance charges	8 675	8 409	9 408	9 181	9 181	9 181	154	8 696	9 116	9 558
Materials and bulk purchases	194 879	204 522	236 016	252 289	261 207	261 207	204 264	300 766	326 638	355 060
Transfers and grants	14 160	10 021	25 477	2 179	8 616	8 616	1 658	25 603	2 273	2 575
Other expenditure	108 634	121 532	106 075	139 944	150 338	150 338	105 544	151 096	147 381	154 752
Total Expenditure	499 074	557 497	608 916	682 493	703 460	703 460	483 858	774 922	786 490	838 592
Surplus/(Deficit)	21 764	(21 679)	(2 891)	(91 827)	(87 689)	(87 689)	116 521	(72 199)	(62 546)	(68 613)
Transfers and subsidies - capital (monetary allocations)	34 481	52 832	13 442	78 716	65 559	65 559	23 130	74 937	58 004	26 360
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	279	217	237	59	560	560	738	170	179	187
Surplus/(Deficit) after capital transfers & contributions	56 524	31 371	10 788	(13 052)	(21 569)	(21 569)	140 389	2 908	(4 363)	(42 066)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	56 524	31 371	10 788	(13 052)	(21 569)	(21 569)	140 389	2 908	(4 363)	(42 066)
Capital expenditure & funds sources										
Capital expenditure	**27 754**	12 382	(740)	88 764	86 297	86 297	44 935	89 244	70 133	27 540
Transfers recognised - capital	**20 588**	3 334	6 379	78 716	66 135	66 135	33 343	75 037	58 003	26 360
Public contributions & donations	**–**	–	–	–	–	–	–	–	–	–
Borrowing	**3 930**	(1 500)	–	–	–	–	–	–	–	–
Internally generated funds	**8 603**	1 417	(765)	10 048	20 131	20 131	11 592	14 207	12 130	1 180
Total sources of capital funds	**33 120**	3 251	5 614	88 764	86 267	86 267	44 935	89 244	70 133	27 540
Financial position										
Total current assets	**25 809**	3 366	38 727	124 956	213 808	213 808	79 110	(1 895)	(15 023)	(7 575)
Total non current assets	**17 358**	60 643	(5 656)	1 048 835	1 093 438	1 093 438	38 247	49 516	30 545	(12 049)
Total current liabilities	**3 668**	15 822	53 938	115 068	186 835	186 835	105 387	8 971	(17 087)	(15 807)
Total non current liabilities	**5 115**	(2 600)	(39 731)	194 851	186 751	186 751	6 115	35 741	36 973	38 249
Community wealth/Equity	**(198)**	–	–	876 032	1 741 710	1 741 710	–	–	–	–
Cash flows										
Net cash from (used) operating	**(2 474)**	(873 737)	(748 690)	81 872	5 178	70 601	(1 154 701)	106 273	78 912	55 641
Net cash from (used) investing	**–**	–	–	–	–	–	–	(89 244)	(70 133)	(27 540)
Net cash from (used) financing	**–**	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the year end	**(2 474)**	(873 737)	(748 690)	155 192	151 817	217 240	(1 154 701)	17 029	25 808	53 909
Cash backing/surplus reconciliation										
Cash and investments available	**21 173**	(3 234)	36 123	92 603	156 673	156 673	53 266	(496)	(11 079)	5 852
Application of cash and investments	**35 140**	10 826	(33 488)	(57 933)	(108 367)	(108 367)	(31 841)	(6 977)	19 046	25 370
Balance - surplus (shortfall)	**(13 967)**	(14 061)	69 610	150 535	265 041	265 041	85 107	6 481	(30 125)	(19 519)
Asset management										
Asset register summary (WDV)	**17 195**	60 643	(5 656)	1 048 835	1 960 829	1 960 829		49 516	30 545	(12 049)
Depreciation	**4 908**	31 146	32 732	40 688	40 688	40 688		39 729	39 589	39 589
Renewal of Existing Assets	**10 816**	15 671	10 309	4 900	7 632	7 632		600	5 000	–
Repairs and Maintenance	**18 887**	18 264	14 470	18 282	22 401	22 401		19 633	19 550	20 386
Free services										
Cost of Free Basic Services provided	**1 423**	20 292	6 715	6 451	6 451	6 451	5 406	5 406	5 460	5 516
Revenue cost of free services provided	**26 737**	17 548	21 913	44 994	40 994	40 994	39 235	39 235	42 033	44 810
Households below minimum service level										
Water:	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–	–

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

Functional Classification Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue - Functional										
Governance and administration		**(3 771)**	**(254 670)**	**(361 829)**	**101 030**	**95 262**	**95 262**	**110 918**	**112 780**	**117 661**
Executive and council		(14 004)	(1 621)	(656)	–	–	–	–	–	31
Finance and administration		11 702	(252 952)	(361 059)	101 030	95 262	95 262	110 918	112 780	117 630
Internal audit		(1 470)	(96)	(114)	–	–	–	–	–	–
Community and public safety		**172 142**	**240 332**	**303 138**	**142 111**	**166 403**	**166 403**	**171 710**	**160 965**	**160 993**
Community and social services		146 301	191 852	208 480	114 880	129 762	129 762	120 006	130 502	127 923
Sport and recreation		(5 494)	3 378	16 668	1 805	4 684	4 684	1 661	1 701	1 786
Public safety		20 774	27 771	24 992	24 912	25 634	25 634	26 158	27 451	29 681
Housing		10 562	17 331	52 997	514	6 324	6 324	23 884	1 312	1 604
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		**(18 478)**	**34 920**	**5 325**	**20 173**	**23 388**	**23 388**	**25 287**	**20 260**	**2 745**
Planning and development		(2 383)	2 794	3 609	2 512	4 611	4 611	2 365	2 734	2 472
Road transport		(15 247)	31 244	1 434	17 647	18 763	18 763	22 907	17 516	262
Environmental protection		(848)	881	281	13	13	13	14	10	10
Trading services		**406 309**	**568 285**	**672 884**	**406 013**	**396 723**	**396 723**	**469 795**	**487 994**	**514 994**
Energy sources		284 377	425 399	485 311	265 685	270 965	270 965	334 664	353 176	384 904
Water management		57 538	48 289	68 398	64 856	52 652	52 652	72 201	64 990	48 407
Waste water management		43 142	63 153	47 812	43 424	43 845	43 845	27 843	33 255	29 399
Waste management		21 253	31 445	71 362	32 047	29 261	29 261	35 087	36 574	52 284
Other	4	**(604)**	**–**	**187**	**115**	**115**	**115**	**120**	**126**	**133**
Total Revenue - Functional	2	**555 598**	**588 868**	**619 704**	**669 441**	**681 891**	**681 891**	**777 830**	**782 127**	**796 526**
Expenditure - Functional										
Governance and administration		**167 522**	**432 795**	**561 542**	**150 869**	**157 935**	**157 935**	**145 004**	**149 933**	**157 876**
Executive and council		38 606	26 309	24 357	30 612	30 073	30 073	29 621	31 154	32 872
Finance and administration		125 305	404 091	534 631	117 451	125 005	125 005	112 849	116 112	122 161
Internal audit		3 612	2 396	2 555	2 805	2 857	2 857	2 534	2 667	2 842
Community and public safety		**59 028**	**(11 639)**	**(11 157)**	**107 225**	**112 771**	**112 771**	**133 059**	**112 933**	**119 730**
Community and social services		(44 049)	(71 838)	(79 611)	28 760	28 814	28 814	28 680	27 658	29 371
Sport and recreation		34 936	28 745	19 381	30 457	32 008	32 008	32 356	33 081	34 830
Public safety		49 478	26 971	49 508	42 200	40 343	40 343	43 012	45 893	48 625
Housing		18 663	4 483	(434)	5 807	11 606	11 606	29 011	6 302	6 904
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		**50 805**	**21 285**	**33 330**	**38 426**	**37 444**	**37 444**	**36 288**	**37 859**	**39 382**
Planning and development		12 695	8 036	8 019	12 992	11 896	11 896	11 280	12 121	12 510
Road transport		35 955	13 391	24 432	23 425	23 680	23 680	22 910	23 509	24 498
Environmental protection		2 156	(142)	880	2 009	1 868	1 868	2 098	2 228	2 374
Trading services		**217 896**	**91 626**	**15 852**	**385 015**	**394 381**	**394 381**	**459 620**	**484 813**	**520 649**
Energy sources		125 208	9 493	18 380	268 463	278 777	278 777	327 833	354 857	384 740
Water management		33 776	36 568	15 288	35 733	37 815	37 815	36 559	38 093	40 006
Waste water management		22 003	7 256	16 184	34 766	32 992	32 992	43 400	39 064	40 942
Waste management		36 909	38 308	(34 000)	46 053	44 797	44 797	51 829	52 798	54 961
Other	4	**1 432**	**824**	**789**	**959**	**929**	**929**	**951**	**953**	**956**
Total Expenditure - Functional	3	**496 683**	**534 891**	**600 358**	**682 493**	**703 460**	**703 460**	**774 922**	**786 490**	**838 592**
Surplus/(Deficit) for the year		**58 914**	**53 977**	**19 346**	**(13 052)**	**(21 569)**	**(21 569)**	**2 908**	**(4 363)**	**(42 066)**

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes

2. Total Revenue by functional classification must reconcile to Total Operating Revenue shown in Budgeted Financial Performance (revenue and expenditure)

3. Total Expenditure by Functional Classification must reconcile to Total Operating Expenditure shown in Budgeted Financial Performance (revenue and expenditure)

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

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

Functional Classification Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue - Functional										
Municipal governance and administration		**(3 771)**	**(254 670)**	**(361 829)**	**101 030**	**95 262**	**95 262**	**110 918**	**112 780**	**117 661**
Executive and council		(14 004)	(1 621)	(656)	–	–	–	–	–	31
Mayor and Council		(7 720)	(649)	(685)	–	–	–	–	–	31
Municipal Manager, Town Secretary and Chief Executive		(6 284)	(972)	29	–	–	–	–	–	–
Finance and administration		11 702	(252 952)	(361 059)	101 030	95 262	95 262	110 918	112 780	117 630
Administrative and Corporate Support		(5 076)	(1 597)	(4 330)	9	9	9	9	10	10
Asset Management		(48)	5	(115)	–	–	–	–	–	–
Finance		65 489	(256 704)	(349 452)	100 446	94 679	94 679	110 250	112 079	116 894
Fleet Management		(1 136)	(132)	(134)	–	–	–	–	–	–
Human Resources		(13 970)	12 273	(4 352)	552	552	552	580	609	639
Information Technology		(1 746)	(67)	146	–	–	–	–	–	–
Legal Services		(1 154)	(110)	(1 017)	–	–	–	–	–	–
Marketing, Customer Relations, Publicity and Media Co-ordination		(2 058)	(81)	(184)	4	4	4	5	5	5
Property Services		(24 597)	(3 836)	(1 222)	–	–	–	–	–	–
Risk Management		(3)	–	–	–	–	–	–	–	–
Security Services		–	–	–	–	–	–	–	–	–
Supply Chain Management		(3 431)	(2 615)	(399)	18	18	18	74	78	82
Valuation Service		(568)	(89)	–	–	–	–	–	–	–
Internal audit		(1 470)	(96)	(114)	–	–	–	–	–	–
Governance Function		(1 470)	(96)	(114)	–	–	–	–	–	–
Community and public safety		**172 142**	**240 332**	**303 138**	**142 111**	**166 403**	**166 403**	**171 710**	**160 965**	**160 993**
Community and social services		**146 301**	**191 852**	**208 480**	**114 880**	**129 762**	**129 762**	**120 006**	**130 502**	**127 923**
Aged Care		140 445	173 374	190 185	104 406	118 872	118 872	109 415	115 092	117 128
Agricultural		–	–	–	–	–	–	–	–	–
Animal Care and Diseases		–	–	–	–	–	–	–	–	–
Cemeteries, Funeral Parlours and Crematoriums		(1 334)	283	171	233	233	233	367	5 061	254
Child Care Facilities		(26)	–	–	–	–	–	–	–	–
Community Halls and Facilities		(2 957)	698	414	405	125	125	485	449	471
Consumer Protection		–	–	–	–	–	–	–	–	–
Cultural Matters		–	–	–	–	–	–	–	–	–
Disaster Management		(36)	–	(0)	–	–	–	–	–	–
Education		(8)	–	–	–	–	–	–	–	–
Indigenous and Customary Law		–	–	–	–	–	–	–	–	–
Industrial Promotion		–	–	–	–	–	–	–	–	–
Language Policy		–	–	–	–	–	–	–	–	–
Libraries and Archives		10 217	17 498	17 710	9 836	10 531	10 531	9 739	9 901	10 070
Literacy Programmes		–	–	–	–	–	–	–	–	–
Media Services		–	–	–	–	–	–	–	–	–
Museums and Art Galleries		–	–	–	–	–	–	–	–	–
Population Development		–	–	–	–	–	–	–	–	–
Provincial Cultural Matters		–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–
Zoo's		–	–	–	–	–	–	–	–	–
Sport and recreation		**(5 494)**	**3 378**	**16 668**	**1 805**	**4 684**	**4 684**	**1 661**	**1 701**	**1 786**
Beaches and Jetties		–	–	–	–	–	–	–	–	–
Casinos, Racing, Gambling, Wagering		–	–	–	–	–	–	–	–	–
Community Parks (including Nurseries)		(4 497)	(535)	(343)	–	–	–	–	–	–
Recreational Facilities		1 685	3 839	13 249	773	665	665	1 611	1 648	1 730
Sports Grounds and Stadiums		(2 682)	74	3 762	1 032	4 019	4 019	50	53	55
Public safety		**20 774**	**27 771**	**24 992**	**24 912**	**25 634**	**25 634**	**26 158**	**27 451**	**29 681**
Civil Defence		–	–	–	–	–	–	–	–	–
Cleansing		–	–	–	–	–	–	–	–	–
Control of Public Nuisances		–	–	–	–	–	–	–	–	–
Fencing and Fences		–	–	–	–	–	–	–	–	–
Fire Fighting and Protection		(6 419)	(984)	(175)	6	728	728	6	7	864
Licensing and Control of Animals		–	–	–	–	–	–	–	–	–
Police Forces, Traffic and Street Parking Control		27 192	28 755	25 166	24 906	24 906	24 906	26 152	27 444	28 817
Pounds		–	–	–	–	–	–	–	–	–
Housing		**10 562**	**17 331**	**52 997**	**514**	**6 324**	**6 324**	**23 884**	**1 312**	**1 604**
Housing		10 659	17 335	52 997	514	6 324	6 324	23 884	1 312	1 604
Informal Settlements		(98)	(4)	–	–	–	–	–	–	–
Health		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Ambulance		–	–	–	–	–	–	–	–	–
Health Services		–	–	–	–	–	–	–	–	–
Laboratory Services		–	–	–	–	–	–	–	–	–
Food Control		–	–	–	–	–	–	–	–	–
Health Surveillance and Prevention of Communicable Diseases including immunizations		–	–	–	–	–	–	–	–	–
Vector Control		–	–	–	–	–	–	–	–	–
Chemical Safety		–	–	–	–	–	–	–	–	–

Functional Classification Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Economic and environmental services		**(18 478)**	**34 920**	**5 325**	**20 173**	**23 388**	**23 388**	**25 287**	**20 260**	**2 745**
Planning and development		**(2 383)**	**2 794**	**3 609**	**2 512**	**4 611**	**4 611**	**2 365**	**2 734**	**2 472**
Billboards		–	–	–	–	–	–	–	–	–
Corporate Wide Strategic Planning (IDPs, LEDs)		(1 136)	(72)	(88)	–	–	–	–	–	–
Central City Improvement District		–	–	–	–	–	–	–	–	–
Development Facilitation		–	–	–	–	–	–	–	–	–
Economic Development/Planning		(179)	371	505	–	2 099	2 099	279	387	–
Regional Planning and Development		–	–	–	–	–	–	–	–	–
Town Planning, Building Regulations and Enforcement, and City Engineer		(56)	2 582	3 281	1 882	1 882	1 882	1 426	1 497	1 572
Project Management Unit		(1 012)	(87)	(89)	630	630	630	660	850	900
Provincial Planning		–	–	–	–	–	–	–	–	–
Support to Local Municipalities		–	–	–	–	–	–	–	–	–
Road transport		**(15 247)**	**31 244**	**1 434**	**17 647**	**18 763**	**18 763**	**22 907**	**17 516**	**262**
Public Transport		–	–	–	–	–	–	–	–	–
Road and Traffic Regulation		–	–	–	–	–	–	–	–	–
Roads		(15 247)	31 244	1 434	17 647	18 763	18 763	22 907	17 516	262
Taxi Ranks		–	–	–	–	–	–	–	–	–
Environmental protection		**(848)**	**881**	**281**	**13**	**13**	**13**	**14**	**10**	**10**
Biodiversity and Landscape		(224)	881	281	13	13	13	14	10	10
Coastal Protection		–	–	–	–	–	–	–	–	–
Indigenous Forests		–	–	–	–	–	–	–	–	–
Nature Conservation		–	–	–	–	–	–	–	–	–
Pollution Control		(625)	0	–	–	–	–	–	–	–
Soil Conservation		–	–	–	–	–	–	–	–	–
Trading services		**406 309**	**568 285**	**672 884**	**406 013**	**396 723**	**396 723**	**469 795**	**487 994**	**514 994**
Energy sources		**284 377**	**425 399**	**485 311**	**265 685**	**270 965**	**270 965**	**334 664**	**353 176**	**384 904**
Electricity		285 726	425 818	484 753	265 685	270 685	270 685	333 099	353 176	384 904
Street Lighting and Signal Systems		(1 349)	(419)	559	–	280	280	1 565	–	–
Nonelectric Energy		–	–	–	–	–	–	–	–	–
Water management		**57 538**	**48 289**	**68 398**	**64 856**	**52 652**	**52 652**	**72 201**	**64 990**	**48 407**
Water Treatment		(23)	(2)	–	–	–	–	–	–	–
Water Distribution		59 370	48 842	68 998	64 856	52 652	52 652	60 921	64 990	48 407
Water Storage		(1 809)	(551)	(599)	–	–	–	11 279	–	–
Waste water management		**43 142**	**63 153**	**47 812**	**43 424**	**43 845**	**43 845**	**27 843**	**33 255**	**29 399**
Public Toilets		(945)	(70)	(70)	–	–	–	–	–	–
Sewerage		46 074	69 241	45 321	29 605	33 238	33 238	26 954	30 435	29 399
Storm Water Management		(1 959)	(6 018)	2 561	13 819	10 607	10 607	889	2 820	–
Waste Water Treatment		(28)	0	–	–	–	–	–	–	–
Waste management		**21 253**	**31 445**	**71 362**	**32 047**	**29 261**	**29 261**	**35 087**	**36 574**	**52 284**
Recycling		–	–	–	–	–	–	–	–	–
Solid Waste Disposal (Landfill Sites)		(7 202)	(9 202)	25 623	–	–	–	–	–	–
Solid Waste Removal		29 323	40 781	45 887	32 047	29 261	29 261	35 087	36 574	52 284
Street Cleaning		(868)	(134)	(148)	–	–	–	–	–	–
Other		**(604)**	**–**	**187**	**115**	**115**	**115**	**120**	**126**	**133**
Abattoirs		–	–	–	–	–	–	–	–	–
Air Transport		–	–	–	–	–	–	–	–	–
Forestry		–	–	–	–	–	–	–	–	–
Licensing and Regulation		(28)	–	187	115	115	115	120	126	133
Markets		–	–	–	–	–	–	–	–	–
Tourism		(576)	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	**555 598**	**588 868**	**619 704**	**669 441**	**681 891**	**681 891**	**777 830**	**782 127**	**796 526**
Expenditure - Functional										
Municipal governance and administration		**167 522**	**432 795**	**561 542**	**150 869**	**157 935**	**157 935**	**145 004**	**149 933**	**157 876**
Executive and council		38 606	26 309	24 357	30 612	30 073	30 073	29 621	31 154	32 872
Mayor and Council		23 205	17 833	16 278	19 731	20 428	20 428	18 723	19 473	20 431
Municipal Manager, Town Secretary and Chief Executive		15 401	8 475	8 079	10 881	9 645	9 645	10 897	11 681	12 441
Finance and administration		125 305	404 091	534 631	117 451	125 005	125 005	112 849	116 112	122 161
Administrative and Corporate Support		13 084	13 325	20 812	12 535	17 978	17 978	11 560	12 925	13 656
Asset Management		107	95	271	4 772	660	660	5 167	5 513	5 894
Finance		39 657	382 748	472 001	38 188	44 538	44 538	37 107	35 950	38 068
Fleet Management		2 901	2 730	3 139	2 845	2 740	2 740	2 806	3 043	3 238
Human Resources		31 670	(16 346)	16 453	37 508	35 904	35 904	36 284	37 326	38 692
Information Technology		4 143	3 041	3 687	4 002	4 069	4 069	3 372	3 489	3 601
Legal Services		2 934	2 297	4 112	3 490	5 571	5 571	2 279	2 437	2 614
Marketing, Customer Relations, Publicity and Media Co-ordination		5 112	3 165	4 048	3 968	3 907	3 907	3 900	4 170	4 445
Property Services		15 421	3 787	2 616	1 239	1 157	1 157	1 268	1 309	1 355
Risk Management		7	16	–	457	457	457	497	530	567
Security Services		–	–	–	–	–	–	–	–	–
Supply Chain Management		8 978	8 611	7 143	6 963	6 645	6 645	7 052	7 474	7 961
Valuation Service		1 290	622	348	1 483	1 381	1 381	1 557	1 945	2 070
Internal audit		3 612	2 396	2 555	2 805	2 857	2 857	2 534	2 667	2 842
Governance Function		3 612	2 396	2 555	2 805	2 857	2 857	2 534	2 667	2 842

Functional Classification Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Community and public safety		**59 028**	**(11 639)**	**(11 157)**	**107 225**	**112 771**	**112 771**	**133 059**	**112 933**	**119 730**
Community and social services		**(44 049)**	**(71 838)**	**(79 611)**	**28 760**	**28 814**	**28 814**	**28 680**	**27 658**	**29 371**
Aged Care		(63 903)	(82 213)	(89 874)	4 771	4 636	4 636	4 347	1 811	1 896
Agricultural		–	–	–	–	–	–	–	–	–
Animal Care and Diseases		–	–	–	–	–	–	–	–	–
Cemeteries, Funeral Parlours and Crematoriums		4 132	2 843	2 935	3 585	3 737	3 737	3 600	3 831	4 085
Child Care Facilities		52	2	6	896	874	874	972	1 036	1 108
Community Halls and Facilities		8 554	5 366	5 454	6 671	6 625	6 625	6 608	6 988	7 403
Consumer Protection		–	–	–	–	–	–	–	–	–
Cultural Matters		–	–	–	–	–	–	–	–	–
Disaster Management		93	55	54	77	141	141	236	69	73
Education		15	4	2	766	747	747	831	887	948
Indigenous and Customary Law		–	–	–	–	–	–	–	–	–
Industrial Promotion		–	–	–	–	–	–	–	–	–
Language Policy		–	–	–	–	–	–	–	–	–
Libraries and Archives		7 008	2 105	1 811	11 994	12 054	12 054	12 086	13 036	13 859
Literacy Programmes		–	–	–	–	–	–	–	–	–
Media Services		–	–	–	–	–	–	–	–	–
Museums and Art Galleries		–	–	–	–	–	–	–	–	–
Population Development		–	–	–	–	–	–	–	–	–
Provincial Cultural Matters		–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–
Zoo's		–	–	–	–	–	–	–	–	–
Sport and recreation		**34 936**	**28 745**	**19 381**	**30 457**	**32 008**	**32 008**	**32 356**	**33 081**	**34 830**
Beaches and Jetties		–	–	–	–	–	–	–	–	–
Casinos, Racing, Gambling, Wagering		–	–	–	–	–	–	–	–	–
Community Parks (including Nurseries)		9 547	7 032	8 074	7 262	7 336	7 336	7 228	7 647	8 072
Recreational Facilities		18 548	16 935	6 252	17 843	18 774	18 774	18 999	18 987	19 962
Sports Grounds and Stadiums		6 840	4 778	5 054	5 352	5 898	5 898	6 129	6 447	6 797
Public safety		**49 478**	**26 971**	**49 508**	**42 200**	**40 343**	**40 343**	**43 012**	**45 893**	**48 625**
Civil Defence		–	–	–	–	–	–	–	–	–
Cleansing		–	–	–	–	–	–	–	–	–
Control of Public Nuisances		–	–	–	–	–	–	–	–	–
Fencing and Fences		–	–	–	–	–	–	–	–	–
Fire Fighting and Protection		15 271	11 057	8 144	9 867	9 417	9 417	8 118	8 503	8 919
Licensing and Control of Animals		–	–	–	–	–	–	–	–	–
Police Forces, Traffic and Street Parking Control		34 207	15 914	41 365	32 333	30 926	30 926	34 894	37 391	39 706
Pounds		–	–	–	–	–	–	–	–	–
Housing		**18 663**	**4 483**	**(434)**	**5 807**	**11 606**	**11 606**	**29 011**	**6 302**	**6 904**
Housing		18 240	4 273	(613)	3 948	9 747	9 747	27 003	4 160	4 617
Informal Settlements		422	209	178	1 859	1 859	1 859	2 009	2 141	2 287
Health		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Ambulance		–	–	–	–	–	–	–	–	–
Health Services		–	–	–	–	–	–	–	–	–
Laboratory Services		–	–	–	–	–	–	–	–	–
Food Control		–	–	–	–	–	–	–	–	–
Health Surveillance and Prevention of Communicable Diseases including immunizations		–	–	–	–	–	–	–	–	–
Vector Control		–	–	–	–	–	–	–	–	–
Chemical Safety		–	–	–	–	–	–	–	–	–

Functional Classification Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Economic and environmental services		**50 805**	**21 285**	**33 330**	**38 426**	**37 444**	**37 444**	**36 288**	**37 859**	**39 382**
Planning and development		**12 695**	**8 036**	**8 019**	**12 992**	**11 896**	**11 896**	**11 280**	**12 121**	**12 510**
Billboards		–	–	–	–	–	–	–	–	–
Corporate Wide Strategic Planning (IDPs, LEDs)		2 895	1 897	1 630	2 290	2 100	2 100	1 982	2 109	2 247
Central City Improvement District		–	–	–	–	–	–	–	–	–
Development Facilitation		–	–	–	–	–	–	–	–	–
Economic Development/Planning		2 389	1 586	1 269	2 215	2 531	2 531	2 115	2 365	2 104
Regional Planning and Development		–	–	–	–	–	–	–	–	–
Town Planning, Building Regulations and Enforcement, and City Engineer		4 922	2 908	3 304	5 740	4 666	4 666	4 473	4 759	5 076
Project Management Unit		2 488	1 645	1 816	2 746	2 600	2 600	2 710	2 888	3 083
Provincial Planning		–	–	–	–	–	–	–	–	–
Support to Local Municipalities		–	–	–	–	–	–	–	–	–
Road transport		**35 955**	**13 391**	**24 432**	**23 425**	**23 680**	**23 680**	**22 910**	**23 509**	**24 498**
Public Transport		–	–	–	–	–	–	–	–	–
Road and Traffic Regulation		–	–	–	–	–	–	–	–	–
Roads		35 955	13 391	24 432	23 425	23 680	23 680	22 910	23 509	24 498
Taxi Ranks		–	–	–	–	–	–	–	–	–
Environmental protection		**2 156**	**(142)**	**880**	**2 009**	**1 868**	**1 868**	**2 098**	**2 228**	**2 374**
Biodiversity and Landscape		613	(817)	880	2 009	1 868	1 868	2 098	2 228	2 374
Coastal Protection		–	–	–	–	–	–	–	–	–
Indigenous Forests		–	–	–	–	–	–	–	–	–
Nature Conservation		–	–	–	–	–	–	–	–	–
Pollution Control		1 542	675	–	–	–	–	–	–	–
Soil Conservation		–	–	–	–	–	–	–	–	–
Trading services		**217 896**	**91 626**	**15 852**	**385 015**	**394 381**	**394 381**	**459 620**	**484 813**	**520 649**
Energy sources		**125 208**	**9 493**	**18 380**	**268 463**	**278 777**	**278 777**	**327 833**	**354 857**	**384 740**
Electricity		121 530	5 378	15 702	265 128	276 129	276 129	324 461	351 106	380 808
Street Lighting and Signal Systems		3 677	4 116	2 679	3 335	2 648	2 648	3 371	3 751	3 932
Nonelectric Energy		–	–	–	–	–	–	–	–	–
Water management		**33 776**	**36 568**	**15 288**	**35 733**	**37 815**	**37 815**	**36 559**	**38 093**	**40 006**
Water Treatment		57	23	25	1 692	1 661	1 661	1 838	1 961	2 096
Water Distribution		30 172	33 015	11 559	29 481	32 210	32 210	30 463	31 768	33 427
Water Storage		3 547	3 531	3 703	4 560	3 943	3 943	4 258	4 365	4 482
Waste water management		**22 003**	**7 256**	**16 184**	**34 766**	**32 992**	**32 992**	**43 400**	**39 064**	**40 942**
Public Toilets		2 320	1 502	1 559	1 875	1 875	1 875	1 984	2 114	2 254
Sewerage		10 581	(10 777)	6 595	23 500	22 055	22 055	30 347	25 945	27 170
Storm Water Management		9 042	16 526	8 027	6 691	6 363	6 363	8 141	7 882	8 180
Waste Water Treatment		61	5	2	2 699	2 699	2 699	2 928	3 123	3 338
Waste management		**36 909**	**38 308**	**(34 000)**	**46 053**	**44 797**	**44 797**	**51 829**	**52 798**	**54 961**
Recycling		–	–	–	–	–	–	–	–	–
Solid Waste Disposal (Landfill Sites)		13 339	22 826	(48 189)	16 613	16 370	16 370	16 403	17 010	17 646
Solid Waste Removal		21 273	13 577	12 126	28 001	26 996	26 996	33 991	34 256	35 677
Street Cleaning		2 296	1 905	2 063	1 440	1 432	1 432	1 436	1 532	1 638
Other		**1 432**	**824**	**789**	**959**	**929**	**929**	**951**	**953**	**956**
Abattoirs		–	–	–	–	–	–	–	–	–
Air Transport		–	–	–	–	–	–	–	–	–
Forestry		–	–	–	–	–	–	–	–	–
Licensing and Regulation		89	18	(65)	62	32	32	51	53	56
Markets		–	–	–	–	–	–	–	–	–
Tourism		1 344	806	854	897	897	897	900	900	900
Total Expenditure - Functional	3	**496 683**	**534 891**	**600 358**	**682 493**	**703 460**	**703 460**	**774 922**	**786 490**	**838 592**
Surplus/(Deficit) for the year		**58 914**	**53 977**	**19 346**	**(13 052)**	**(21 569)**	**(21 569)**	**2 908**	**(4 363)**	**(42 066)**

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist national and international accounts and comparisor.

2. Total Revenue by Functional Classification must reconcile to total operating revenue shown in Financial Performance (revenue and expenditure)

3. Total Expenditure by Functional Classification must reconcile to total operating expenditure shown in Financial Performance (revenue and expenditure)

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

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

Vote Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue by Vote	1									
Vote 1 - Financial Services		–	97 201	89 792	97 078	92 603	92 603	107 712	109 373	114 009
Vote 2 - Community Services		–	15 983	40 250	11 944	12 702	12 702	35 720	18 039	14 633
Vote 3 - Community Services		–	106 334	116 399	126 015	140 201	140 201	131 976	138 700	141 917
Vote 4 - Community Services		–	9 625	7 857	4 905	15 852	15 852	4 581	4 903	4 742
Vote 5 - Corporate Services		–	(95)	(134)	566	566	566	594	624	686
Vote 6 - Technical Services		–	288 218	291 441	330 552	337 077	337 077	388 952	407 707	418 564
Vote 7 - Technical Services		–	71 065	73 524	96 840	81 849	81 849	107 224	101 498	100 621
Vote 8 - Muncipal Manager		–	537	575	1 542	1 042	1 042	1 072	1 282	1 354
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	**–**	**588 868**	**619 704**	**669 441**	**681 891**	**681 891**	**777 830**	**782 127**	**796 526**
Expenditure by Vote ***to be appropriated***	1									
Vote 1 - Financial Services		–	34 259	38 268	52 907	54 524	54 524	52 465	52 568	55 793
Vote 2 - Community Services		–	37 963	34 933	42 428	43 383	43 383	41 879	43 943	46 405
Vote 3 - Community Services		–	39 622	57 632	51 839	51 034	51 034	54 069	54 683	57 960
Vote 4 - Community Services		–	22 949	39 225	19 452	24 323	24 323	43 719	21 453	22 570
Vote 5 - Corporate Services		–	32 967	55 673	81 238	85 748	85 748	77 479	81 166	84 763
Vote 6 - Technical Services		–	269 863	308 815	334 930	342 545	342 545	401 057	424 836	458 062
Vote 7 - Technical Services		–	86 678	53 689	84 015	84 871	84 871	90 791	93 474	97 732
Vote 8 - Muncipal Manager		–	10 589	12 124	15 685	17 032	17 032	13 462	14 367	15 307
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	**–**	**534 891**	**600 358**	**682 493**	**703 460**	**703 460**	**774 922**	**786 490**	**838 592**
Surplus/(Deficit) for the year	2	**–**	**53 977**	**19 346**	**(13 052)**	**(21 569)**	**(21 569)**	**2 908**	**(4 363)**	**(42 066)**

References

1. Insert 'Vote'; e.g. department, if different to functional classification structure

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

3. Assign share in 'associate' to relevant Vote

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

Vote Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue by Vote	1									
Vote 1 - Financial Services		–	**97 201**	**89 792**	**97 078**	**92 603**	**92 603**	**107 712**	**109 373**	**114 009**
1,1 - Assessment Rates		–	64 749	68 153	81 350	81 350	81 350	83 976	89 852	97 245
1,2 - Treasury: Administration		–	33 259	22 355	20 240	15 765	15 765	23 901	19 721	16 991
1,3 - Treasury: Debtors		–	(910)	(773)	(4 764)	(4 764)	(4 764)	(485)	(535)	(580)
1,4 - Treasury: Credit controle		–	51	(0)	234	234	234	245	258	270
1,5 - Supply Chain Management		–	52	56	18	18	18	74	78	82
1,6 - Director: Finance		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
Vote 2 - Community Services		–	**15 983**	**40 250**	**11 944**	**12 702**	**12 702**	**35 720**	**18 039**	**14 633**
2,1 - Cemetries		–	224	176	233	233	233	367	5 061	254
2,2 - Controle Centre		–	–	–	–	–	–	–	–	–
2,3 - Housing: Administration		–	277	24 474	1 098	547	547	23 998	1 425	1 717
2,4 - Library Services		–	9 024	9 299	9 836	10 531	10 531	9 739	9 901	10 070
2,5 - Fire Protection Sevices		–	3	5	6	728	728	6	7	864
2,6 - Pine Forest : Administration		–	6 456	6 296	771	663	663	1 609	1 646	1 728
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		–	**106 334**	**116 399**	**126 015**	**140 201**	**140 201**	**131 976**	**138 700**	**141 917**
3,1 - Community Halls And Facilities		–	382	222	310	30	30	200	210	221
3,2 - Klipriver Park: Administration		–	–	–	–	–	–	–	–	–
3,3 - Klipriverpark:Cleaning Service		–	–	–	–	–	–	–	–	–
3,4 - Klipriver Park: Swimming Pool		–	–	–	–	–	–	–	–	–
3,5 - Licensing & Regulation		–	100	93	115	115	115	120	126	133
3,6 - Enviromental Protection		–	88	152	13	13	13	14	10	10
3,7 - Parks		–	41	19	119	119	119	121	66	69
3,8 - Traffic		–	19 096	20 613	21 053	21 053	21 053	22 105	23 196	24 355
3,9 - Disaster Management		–	–	–	–	–	–	–	–	–
3.10 - Social & Welfare Services		–	86 628	95 300	104 406	118 872	118 872	109 415	115 092	117 128
Vote 4 - Community Services		–	**9 625**	**7 857**	**4 905**	**15 852**	**15 852**	**4 581**	**4 903**	**4 742**
4,1 - Housing Construction		–	8 771	–	–	5 861	5 861	–	–	–
4,2 - Director: Community Services		–	–	–	–	–	–	–	–	–
4,3 - Recreational Land		–	371	4 079	1 032	4 019	4 019	50	53	55
4,4 - Swimming Pools		–	95	135	19	19	19	205	215	226
4,5 - Vehicle Licensing & Testing		–	–	3 477	3 854	3 854	3 854	4 046	4 249	4 461
4,6 - Property Maintenance		–	–	–	–	–	–	–	–	–
4,7 - L E D		–	388	166	–	2 099	2 099	279	387	–
4,8 - Housing : Maintenance		–	–	–	–	–	–	–	–	–
4,9 - Thusong Centre		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
Vote 5 - Corporate Services		–	**(95)**	**(134)**	**566**	**566**	**566**	**594**	**624**	**686**
5,1 - Property Administration		–	(1 758)	(550)	–	–	–	–	–	–
5,2 - Information Tecnology		–	–	–	–	–	–	–	–	–
5,3 - Human Resources		–	499	313	552	552	552	580	609	639
5,4 - Council Cost		–	1 143	103	–	–	–	–	–	31
5,5 - Town Secretary		–	–	–	–	–	–	–	–	–
5,6 - Tourism		–	–	–	–	–	–	–	–	–
5,7 - Director Corporate Services		–	–	–	–	–	–	–	–	–
5,8 - Marketing & Communications		–	20	–	4	4	4	5	5	5
5,9 - Administration		–	1	–	9	9	9	9	10	10
		–	–	–	–	–	–	–	–	–
Vote 6 - Technical Services		–	**288 218**	**291 441**	**330 552**	**337 077**	**337 077**	**388 952**	**407 707**	**418 564**
6,1 - Building Regulations & Enforce		–	979	768	944	944	944	947	995	1 044
6,2 - Electricity: Administration		–	227 791	256 018	267 434	272 141	272 141	335 097	355 317	387 199
6,3 - Electricity: Street Lights		–	708	474	–	280	280	1 565	–	–
6,4 - Electricity: Distribution		–	–	–	–	–	–	–	–	–
6,5 - Mechanical Workshop		–	–	–	–	–	–	–	–	–
6,6 - Public Toilets		–	–	–	–	–	–	–	–	–
6,7 - Sewerage		–	34 078	27 898	29 914	33 547	33 547	27 281	30 782	29 767
6,8 - Town Planning		–	213	794	794	794	794	264	277	291
6,9 - Stormwater Management		–	4 000	3 263	13 819	10 607	10 607	889	2 820	–
6.10 - Roads		–	20 449	2 227	17 647	18 763	18 763	22 907	17 516	262
Vote 7 - Technical Services		–	**71 065**	**73 524**	**96 840**	**81 849**	**81 849**	**107 224**	**101 498**	**100 621**
7,1 - Solid Waste (Dumping Site)		–	769	803	10 024	6 266	6 266	8 700	8 619	22 668
7,2 - Solid Waste (Garden)		–	–	–	5	5	5	5	5	5
7,3 - Solid Waste (Removal)		–	24 578	27 301	21 955	22 927	22 927	26 319	27 884	29 541
7,4 - Water Storage		–	–	–	–	–	–	11 279	–	–
7,5 - Water Distribution		–	46 697	43 372	64 856	52 652	52 652	60 921	64 990	48 407
7,6 - Director: Technical Services		–	–	–	–	–	–	–	–	–
7,7 - Electricity: Client Services		–	(979)	2 048	–	–	–	–	–	–
7,8 - Electricity: Generation		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
Vote 8 - Muncipal Manager		–	**537**	**575**	**1 542**	**1 042**	**1 042**	**1 072**	**1 282**	**1 354**
8,1 - Municipal Manager		–	–	–	–	–	–	–	–	–
8,2 - Property & Legal Services		–	537	556	912	412	412	412	432	454
8,3 - IDP		–	–	–	–	–	–	–	–	–
8,4 - Project Management		–	–	19	630	630	630	660	850	900
8,5 - Performance Management		–	–	–	–	–	–	–	–	–
8,6 - Internal Audit		–	–	–	–	–	–	–	–	–
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Choose name from list - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Vote 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	–	588 868	619 704	669 441	681 891	681 891	777 830	782 127	796 526

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

Vote Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Expenditure by Vote	1									
Vote 1 - Financial Services		–	34 259	38 268	52 907	54 524	54 524	52 465	52 568	55 793
1,1 - Assessment Rates		–	1 748	4 548	3 819	3 819	3 819	4 683	3 007	3 247
1,2 - Treasury: Administration		–	11 670	13 217	25 318	26 997	26 997	23 920	24 035	25 423
1,3 - Treasury: Debtors		–	5 069	5 129	6 410	6 621	6 621	6 540	7 189	7 603
1,4 - Treasury: Credit controle		–	8 616	8 263	8 487	8 732	8 732	8 247	8 707	9 254
1,5 - Supply Chain Management		–	5 949	6 698	6 963	6 645	6 645	7 052	7 474	7 961
1,6 - Director: Finance		–	1 206	412	1 909	1 709	1 709	2 022	2 157	2 305
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Vote 2 - Community Services		–	37 963	34 933	42 428	43 383	43 383	41 879	43 943	46 405
2,1 - Cemetries		–	2 903	2 931	3 585	3 737	3 737	3 600	3 831	4 085
2,2 - Controle Centre		–	–	–	–	–	–	–	–	–
2,3 - Housing: Administration		–	4 178	4 286	5 807	5 745	5 745	5 681	5 572	5 904
2,4 - Library Services		–	10 579	10 223	11 714	11 774	11 774	11 782	12 711	13 512
2,5 - Fire Protection Sevices		–	10 070	7 964	9 867	9 417	9 417	8 118	8 503	8 919
2,6 - Pine Forest : Administration		–	10 207	9 505	11 454	12 710	12 710	12 699	13 327	13 985
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		–	26	26	–	–	–	–	–	–
Vote 3 - Community Services		–	39 622	57 632	51 839	51 034	51 034	54 069	54 683	57 960
3,1 - Community Halls And Facilities		–	5 176	5 091	6 250	6 209	6 209	6 295	6 657	7 049
3,2 - Klipriver Park: Administration		–	547	562	1 457	1 457	1 457	1 578	1 677	1 787
3,3 - Kliprivirpark:Cleaning Service		–	131	140	–	–	–	–	–	–
3,4 - Klipriver Park: Swimming Pool		–	218	233	–	–	–	–	–	–
3,5 - Licensing & Regulation		–	18	28	62	32	32	51	53	56
3,6 - Enviromental Protection		–	651	1 009	2 009	1 868	1 868	2 098	2 228	2 374
3,7 - Parks		–	6 489	7 731	7 529	7 603	7 603	7 521	7 960	8 407
3,8 - Traffic		–	21 798	37 765	28 022	27 466	27 466	30 141	32 305	34 264
3,9 - Disaster Management		–	55	54	77	141	141	236	69	73
3.10 - Social & Welfare Services		–	4 539	5 019	6 433	6 258	6 258	6 150	3 734	3 952
Vote 4 - Community Services		–	22 949	39 225	19 452	24 323	24 323	43 719	21 453	22 570
4,1 - Housing Construction		–	8 771	23 982	–	5 861	5 861	23 331	730	1 000
4,2 - Director: Community Services		–	256	448	1 749	1 074	1 074	1 865	1 989	2 126
4,3 - Recreational Land		–	4 482	4 738	5 352	5 898	5 898	6 129	6 447	6 797
4,4 - Swimming Pools		–	3 188	2 741	4 932	4 607	4 607	4 722	3 983	4 190
4,5 - Vehicle Licensing & Testing		–	3 774	4 675	4 312	3 460	3 460	4 754	5 086	5 442
4,6 - Property Maintenance		–	491	584	453	458	458	472	503	537
4,7 - L E D		–	1 570	1 609	2 215	2 531	2 531	2 115	2 365	2 104
4,8 - Housing : Maintenance		–	9	15	–	–	–	–	–	–
4,9 - Thusong Centre		–	407	432	441	435	435	332	351	375
		–	–	–	–	–	–	–	–	–
Vote 5 - Corporate Services		–	32 967	55 673	81 238	85 748	85 748	77 479	81 166	84 763
5,1 - Property Administration		–	936	1 091	–	–	–	–	–	–
5,2 - Information Tecnology		–	2 928	3 832	4 001	4 068	4 068	3 371	3 488	3 600
5,3 - Human Resources		–	(4 572)	11 788	37 508	35 904	35 904	36 284	37 326	38 692
5,4 - Council Cost		–	16 041	15 490	19 731	20 428	20 428	18 723	19 473	20 431
5,5 - Town Secretary		–	1 320	1 452	1 505	1 516	1 516	1 634	1 743	1 863
5,6 - Tourism		–	806	854	897	897	897	900	900	900
5,7 - Director Corporate Services		–	1 709	2 006	1 999	1 968	1 968	2 113	2 253	2 405
5,8 - Marketing & Communications		–	3 110	3 865	3 969	3 908	3 908	3 901	4 171	4 446
5,9 - Administration		–	10 690	15 294	11 628	17 059	17 059	10 553	11 813	12 426
		–	–	–	–	–	–	–	–	–
Vote 6 - Technical Services		–	269 863	308 815	334 930	342 545	342 545	401 057	424 836	458 062
6,1 - Building Regulations & Enforce		–	2 588	2 828	2 884	2 961	2 961	3 016	3 207	3 419
6,2 - Electricity: Administration		–	195 974	233 549	265 464	275 279	275 279	324 300	351 011	380 551
6,3 - Electricity: Street Lights		–	175	129	–	–	–	–	–	–
6,4 - Electricity: Distribution		–	6 834	7 333	–	–	–	–	–	–
6,5 - Mechanical Workshop		–	2 598	3 005	2 845	2 740	2 740	2 806	3 043	3 238
6,6 - Public Toilets		–	1 432	1 489	1 875	1 875	1 875	1 984	2 114	2 254
6,7 - Sewerage		–	28 070	27 528	28 888	27 943	27 943	36 443	32 518	34 265
6,8 - Town Planning		–	1 498	1 990	2 857	1 705	1 705	1 457	1 552	1 657
6,9 - Stormwater Management		–	6 508	7 325	6 691	6 363	6 363	8 141	7 882	8 180
6.10 - Roads		–	24 186	23 640	23 425	23 680	23 680	22 910	23 509	24 498
Vote 7 - Technical Services		–	86 678	53 689	84 015	84 871	84 871	90 791	93 474	97 732
7,1 - Solid Waste (Dumping Site)		–	13 624	(22 565)	16 613	16 370	16 370	16 403	17 010	17 646
7,2 - Solid Waste (Garden)		–	16 364	10 906	12 000	11 542	11 542	12 168	12 875	13 656
7,3 - Solid Waste (Removal)		–	14 377	20 898	17 441	16 886	16 886	23 258	22 912	23 659
7,4 - Water Storage		–	2 980	3 104	4 576	3 958	3 958	4 276	4 383	4 502
7,5 - Water Distribution		–	35 180	37 210	31 430	34 130	34 130	32 606	34 061	35 885
7,6 - Director: Technical Services		–	1 672	1 932	1 956	1 986	1 986	2 081	2 231	2 383
7,7 - Electricity: Client Services		–	2 311	2 043	–	–	–	–	–	–
7,8 - Electricity: Generation		–	170	160	–	–	–	–	–	–
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		–	–	–	–	–	–	–	–	–
Vote 8 - Muncipal Manager		–	10 589	12 124	15 685	17 032	17 032	13 462	14 367	15 307
8,1 - Municipal Manager		–	2 702	3 315	3 683	3 322	3 322	3 265	3 531	3 735
8,2 - Property & Legal Services		–	2 188	3 100	3 703	5 696	5 696	2 475	2 643	2 833
8,3 - IDP		–	1 825	1 541	2 290	2 100	2 100	1 982	2 109	2 247
8,4 - Project Management		–	537	641	1 310	1 394	1 394	1 423	1 514	1 615
8,5 - Performance Management		–	1 022	1 086	1 437	1 206	1 206	1 287	1 374	1 468
8,6 - Internal Audit		–	2 316	2 441	3 263	3 314	3 314	3 031	3 197	3 409
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Choose name from list - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
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Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
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Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
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Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
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Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
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Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
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Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
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Total Expenditure by Vote	2	–	534 891	600 358	682 493	703 460	703 460	774 922	786 490	838 592
Surplus/(Deficit) for the year	2	–	53 977	19 346	(13 052)	(21 569)	(21 569)	2 908	(4 363)	(42 066)

References

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

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

3. Assign share in 'associate' to relevant Vote

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

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue By Source											
Property rates	2	63 712	69 777	73 497	76 388	76 388	76 388	71 827	83 290	89 121	96 460
Service charges - electricity revenue	2	210 359	221 840	255 095	266 973	271 973	271 973	218 312	323 478	352 068	383 176
Service charges - water revenue	2	45 429	35 547	39 419	35 137	35 137	35 137	35 168	39 677	42 328	45 139
Service charges - sanitation revenue	2	26 997	24 904	25 949	18 352	25 352	25 352	27 671	25 043	26 546	28 280
Service charges - refuse revenue	2	23 384	22 909	25 713	21 271	22 271	22 271	23 335	25 574	27 108	28 735
Rental of facilities and equipment		5 990	5 441	3 905	2 663	1 163	1 163	1 357	1 470	1 543	1 620
Interest earned - external investments		8 122	8 551	7 446	9 129	3 358	3 358	2 584	6 990	7 089	7 193
Interest earned - outstanding debtors		11 044	10 545	10 515	8 264	5 035	5 035	5 105	8 677	9 111	9 566
Dividends received		–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		23 670	14 313	19 654	20 456	20 456	20 456	59	21 479	22 553	23 681
Licences and permits		4 751	4 913	1 042	2 010	2 010	2 010	4 953	2 111	2 216	2 327
Agency services		–	1 842	3 477	3 854	3 854	3 854	–	4 046	4 249	4 461
Transfers and subsidies		94 503	105 776	131 561	116 989	140 835	140 835	204 985	145 903	128 604	130 741
Other revenue	2	13 585	10 076	9 225	9 181	7 939	7 939	5 023	14 985	11 409	8 598
Gains		(10 708)	(615)	(474)	(0)	(0)	(0)	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		**520 837**	**535 818**	**606 024**	**590 666**	**615 772**	**615 772**	**600 379**	**702 723**	**723 944**	**769 979**
Expenditure By Type											
Employee related costs	2	158 811	171 730	188 604	226 182	221 399	221 399	163 989	237 025	248 885	263 821
Remuneration of councillors		9 170	10 136	10 604	12 032	12 032	12 032	8 248	12 007	12 607	13 238
Debt impairment	3	–	17 723	14 187	44 688	44 688	44 688	30 753	63 750	57 829	61 399
Depreciation & asset impairment	2	4 744	31 146	32 732	40 688	40 688	40 688	2	39 729	39 589	39 589
Finance charges		8 675	8 409	9 408	9 181	9 181	9 181	154	8 696	9 116	9 558
Bulk purchases	2	179 705	188 968	221 822	232 760	242 360	242 360	191 291	285 789	311 224	338 923
Other materials	8	15 174	15 554	14 194	19 528	18 846	18 846	12 972	14 977	15 415	16 137
Contracted services		36 101	43 841	44 029	48 486	59 576	59 576	43 623	48 390	49 549	51 518
Transfers and subsidies		14 160	10 021	25 477	2 179	8 616	8 616	1 658	25 603	2 273	2 575
Other expenditure	4, 5	70 074	59 980	47 859	46 770	46 074	46 074	31 167	38 955	40 003	41 834
Losses		2 460	(12)	–	0	0	0	–	0	1	1
Total Expenditure		**499 074**	**557 497**	**608 916**	**682 493**	**703 460**	**703 460**	**483 858**	**774 922**	**786 490**	**838 592**
Surplus/(Deficit)		**21 764**	**(21 679)**	**(2 891)**	**(91 827)**	**(87 689)**	**(87 689)**	**116 521**	**(72 199)**	**(62 546)**	**(68 613)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		34 481	52 832	13 442	78 716	65 559	65 559	23 130	74 937	58 004	26 360
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	6	279	217	237	59	560	560	738	170	179	187
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**56 524**	**31 371**	**10 788**	**(13 052)**	**(21 569)**	**(21 569)**	**140 389**	**2 908**	**(4 363)**	**(42 066)**
Taxation		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		**56 524**	**31 371**	**10 788**	**(13 052)**	**(21 569)**	**(21 569)**	**140 389**	**2 908**	**(4 363)**	**(42 066)**
Attributable to minorities		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		**56 524**	**31 371**	**10 788**	**(13 052)**	**(21 569)**	**(21 569)**	**140 389**	**2 908**	**(4 363)**	**(42 066)**
Share of surplus/ (deficit) of associate	7	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year		**56 524**	**31 371**	**10 788**	**(13 052)**	**(21 569)**	**(21 569)**	**140 389**	**2 908**	**(4 363)**	**(42 066)**

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	***555 598***	***588 868***	***619 704***	***669 441***	***681 891***	***681 891***	***624 247***	***777 830***	***782 127***	***796 526***

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

Vote Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Capital expenditure - Vote											
Multi-year expenditure ***to be appropriated***	2										
Vote 1 - Financial Services		–	(3 361)	(8 336)	–	–	–	(274)	–	–	–
Vote 2 - Community Services		–	–	(20)	–	214	214	–	–	–	–
Vote 3 - Community Services		–	160	–	–	–	–	–	–	–	–
Vote 4 - Community Services		–	–	–	–	–	–	–	–	–	–
Vote 5 - Corporate Services		–	–	–	–	–	–	–	–	–	–
Vote 6 - Technical Services		–	10 672	6 273	14 421	16 259	16 259	2 771	27 630	22 615	3 630
Vote 7 - Technical Services		–	10 119	2 430	26 288	11 958	11 958	–	34 373	19 550	–
Vote 8 - Muncipal Manager		–	(1)	–	–	–	–	–	–	–	–
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		**–**	**17 589**	**347**	**40 708**	**28 432**	**28 432**	**2 496**	**62 004**	**42 164**	**3 630**
Single-year expenditure ***to be appropriated***	2										
Vote 1 - Financial Services		–	13 262	(7 305)	–	132	132	(318)	180	80	80
Vote 2 - Community Services		–	(103)	–	–	4 264	4 264	–	–	4 819	7 624
Vote 3 - Community Services		–	(253)	(30)	620	1 183	1 183	–	–	80	–
Vote 4 - Community Services		–	26	8 785	900	9 733	9 733	86	6 151	6 873	–
Vote 5 - Corporate Services		–	(14)	(31)	1 050	4 484	4 484	(249)	900	700	100
Vote 6 - Technical Services		–	24 686	8 339	35 021	29 002	29 002	260	16 266	5 890	9 085
Vote 7 - Technical Services		–	8 050	(3 427)	10 465	9 067	9 067	223	3 744	9 526	7 000
Vote 8 - Muncipal Manager		–	–	–	–	–	–	–	–	–	20
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		**–**	**45 654**	**6 331**	**48 056**	**57 865**	**57 865**	**3**	**27 241**	**27 969**	**23 910**
Total Capital Expenditure - Vote	3,7	**–**	**63 242**	**6 677**	**88 764**	**86 297**	**86 297**	**2 500**	**89 244**	**70 133**	**27 540**
Capital Expenditure - Functional											
Governance and administration		**(5 448)**	**9 203**	**(6 531)**	**1 400**	**4 330**	**4 330**	**2 925**	**2 080**	**1 780**	**1 200**
Executive and council		8	1	(4)	600	1	1	(1)	600	–	20
Finance and administration		(5 457)	9 203	(6 527)	800	4 329	4 329	2 926	1 480	1 780	1 180
Internal audit		–	–	–	–	–	–	–	–	–	–
Community and public safety		**3 571**	**(184)**	**4 134**	**1 520**	**13 447**	**13 447**	**5 097**	**5 456**	**11 773**	**7 624**
Community and social services		407	(45)	(4)	580	1 677	1 677	420	–	4 859	6 768
Sport and recreation		1 352	(139)	4 158	940	7 988	7 988	4 494	5 456	6 913	–
Public safety		1 812	–	(20)	–	3 782	3 782	183	–	–	857
Housing		–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**3 855**	**(1)**	**427**	**20 245**	**21 989**	**21 989**	**13 314**	**27 042**	**13 650**	**8 237**
Planning and development		–	(1)	23	–	1 946	1 946	1 475	696	–	–
Road transport		3 855	–	405	20 245	20 042	20 042	11 840	26 347	13 650	8 237
Environmental protection		–	–	–	–	–	–	–	–	–	–
Trading services		**25 776**	**3 364**	**1 230**	**65 600**	**46 530**	**46 530**	**23 599**	**54 666**	**42 931**	**10 478**
Energy sources		1 840	(67)	106	2 500	4 238	4 238	2 649	13 163	6 715	3 478
Water management		12 636	3 489	(285)	27 396	17 297	17 297	5 405	21 135	29 076	7 000
Waste water management		8 211	(40)	501	26 347	20 370	20 370	13 494	3 386	7 140	–
Waste management		3 090	(18)	909	9 356	4 626	4 626	2 050	16 982	–	–
Other		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Capital Expenditure - Functional	3,7	**27 754**	**12 382**	**(740)**	**88 764**	**86 297**	**86 297**	**44 935**	**89 244**	**70 133**	**27 540**
Funded by:											
National Government		18 726	3 334	6 513	35 763	26 793	26 793	11 203	49 737	40 523	25 351
Provincial Government		1 862	522	38	42 954	38 164	38 164	21 684	24 801	17 480	1 009
District Municipality		–	(522)	(172)	–	677	677	180	500	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		–	–	–	–	501	501	276	–	–	–
Transfers recognised - capital	4	**20 588**	**3 334**	**6 379**	**78 716**	**66 135**	**66 135**	**33 343**	**75 037**	**58 003**	**26 360**
Public contributions & donations	5	–	–	–	–	–	–	–	–	–	–
Borrowing	6	3 930	(1 500)	–	–	–	–	–	–	–	–
Internally generated funds		8 603	1 417	(765)	10 048	20 131	20 131	11 592	14 207	12 130	1 180
Total Capital Funding	7	**33 120**	**3 251**	**5 614**	**88 764**	**86 267**	**86 267**	**44 935**	**89 244**	**70 133**	**27 540**

References

1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).

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

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

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

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

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

7. Total Capital Funding must balance with Total Capital Expenditure

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

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

Vote Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework			Multi-year appropriation for Budget Year 2021/22 in the 2020/21 Annual Budget				Multi-year appropriation for 2022/23 in the 2020/21 Annual Budget				New multi-year appropriations (funds for new and existing projects)		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	Appropriation for 2021/22	Adjustments in 2020/21	Downward adjustments for 2021/22	Appropriation carried forward	Appropriation for 2021/22	Adjustments in 2020/21	Downward adjustments for 2021/22	Appropriation carried forward	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Capital expenditure - Municipal Vote																						
Multi-year expenditure appropriation	2																					
Vote 1 - Financial Services		–	(3 361)	(8 336)	–	–	–	(274)	–	–	–	–	–	–	–	–	–	–	–	–	–	–
1,1 - Assessment Rates		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
1,2 - Treasury: Administration		–	(3 164)	(8 336)	–	–	–	(274)	–	–	–				–				–	–	–	–
1,3 - Treasury: Debtors		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
1,4 - Treasury: Credit controle		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
1,5 - Supply Chain Management		–	(197)	–	–	–	–	–	–	–	–				–				–	–	–	–
1,6 - Director: Finance		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
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Vote 2 - Community Services		–	–	(20)	–	214	214	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
2,1 - Cemetries		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
2,2 - Controle Centre		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
2,3 - Housing: Administration		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
2,4 - Library Services		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
2,5 - Fire Protection Sevices		–	–	(20)	–	214	214	–	–	–	–				–				–	–	–	–
2,6 - Pine Forest : Administration		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
2,7 - Pine Forest : Security Service		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
2,8 - Pine Forest:Semi Permanent Un		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
2,9 - Pine Forest : Cleaning Service		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
2.10 - Pine Forest : Swimming Pool		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
Vote 3 - Community Services		–	160	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
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		–	160	–	–	–	–	–	–	–	–				–				–	–	–	–
3,8 - Traffic		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
3,9 - Disaster Management		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
3.10 - Social & Welfare Services		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
Vote 4 - Community Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
4,1 - Housing Construction		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
4,2 - Director: Community Services		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
4,3 - Recreational Land		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
4,4 - Swimming Pools		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
4,5 - Vehicle Licensing & Testing		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
4,6 - Property Maintenance		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
4,7 - L E D		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
4,8 - Housing : Maintenance		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
4,9 - Thusong Centre		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
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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		–	10 672	6 273	14 421	16 259	16 259	2 771	27 630	22 615	3 630	–	–	–	–	–	–	–	–	27 630	22 615	3 630
6,1 - Building Regulations & Enforce		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
6,2 - Electricity: Administration		–	9 908	3 533	2 500	1 553	1 553	1 097	500	6 715	3 478				–				–	500	6 715	3 478
6,3 - Electricity: Street Lights		–	764	1 671	–	280	280	–	1 565	–	–				–				–	1 565	–	–
6,4 - Electricity: Distribution		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
6,5 - Mechanical Workshop		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
6,6 - Public Toilets		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
6,7 - Sewerage		–	–	–	–	–	–	–	–	2 820	–				–				–	–	2 820	–
6,8 - Town Planning		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
6,9 - Stormwater Management		–	–	1 002	4 331	3 981	3 981	681	108	2 820	–				–				–	108	2 820	–
6.10 - Roads		–	–	67	7 590	10 446	10 446	993	25 457	10 260	152				–				–	25 457	10 260	152
Vote 7 - Technical Services		–	10 119	2 430	26 288	11 958	11 958	–	34 373	19 550	–	–	–	–	–	–	–	–	–	34 373	19 550	–
7,1 - Solid Waste (Dumping Site)		–	(37)	1 817	9 356	3 263	3 263	–	16 982	–	–				–				–	16 982	–	–
7,2 - Solid Waste (Garden)		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
7,3 - Solid Waste (Removal)		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
7,4 - Water Storage		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
7,5 - Water Distribution		–	10 156	613	16 931	8 696	8 696	–	17 391	19 550	–				–				–	17 391	19 550	–
7,6 - Director: Technical Services		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
7,7 - Electricity: Client Services		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
7,8 - Electricity: Generatior		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
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Vote 8 - Muncipal Manager		–	(1)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
8,1 - Municipal Manager		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
8,2 - Property & Legal Services		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
8,3 - IDP		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
8,4 - Project Management		–	(1)	–	–	–	–	–	–	–	–				–				–	–	–	–
8,5 - Performance Management		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
8,6 - Internal Audit		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
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Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
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Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
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Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
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Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
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Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
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Vote Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework			Multi-year appropriation for Budget Year 2021/22 in the 2020/21 Annual Budget				Multi-year appropriation for 2022/23 in the 2020/21 Annual Budget				New multi-year appropriations (funds for new and existing projects)		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	Appropriation for 2021/22	Adjustments in 2020/21	Downward adjustments for 2021/22	Appropriation carried forward	Appropriation for 2021/22	Adjustments in 2020/21	Downward adjustments for 2021/22	Appropriation carried forward	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
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Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
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Capital multi-year expenditure sub-total		–	17 589	347	40 708	28 432	28 432	2 496	62 004	42 164	3 630	–	–	–	–	–	–		–	62 004	42 164	
Capital expenditure - Municipal Vote																						
Single-year expenditure appropriation	2																					
Vote 1 - Financial Services		–	13 262	(7 305)	–	132	132	(318)	180	80	80											
1,1 - Assessment Rates		–	–	–	–	–	–	–	–	–	–											
1,2 - Treasury: Administration		–	13 262	(7 153)	–	132	132	(318)	180	80	80											
1,3 - Treasury: Debtors		–	–	–	–	–	–	–	–	–	–											
1,4 - Treasury: Credit controle		–	–	–	–	–	–	–	–	–	–											
1,5 - Supply Chain Management		–	–	(152)	–	–	–	–	–	–	–											
1,6 - Director: Finance		–	–	–	–	–	–	–	–	–	–											
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Vote 2 - Community Services		–	(103)	–	–	4 264	4 264	–	–	4 819	7 624											
2,1 - Cemetries		–	–	–	–	–	–	–	–	4 819	6 768											
2,2 - Controle Centre		–	–	–	–	–	–	–	–	–	–											
2,3 - Housing: Administration		–	–	–	–	–	–	–	–	–	–											
2,4 - Library Services		–	–	–	–	696	696	–	–	–	–											
2,5 - Fire Protection Sevices		–	16	–	–	3 568	3 568	–	–	–	857											
2,6 - Pine Forest : Administration		–	(119)	–	–	–	–	–	–	–	–											
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		–	(253)	(30)	620	1 183	1 183	–	–	80	–											
3,1 - Community Halls And Facilities		–	(185)	(17)	580	981	981	–	–	40	–											
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		–	(68)	(13)	40	202	202	–	–	40	–											
3,8 - Traffic		–	–	–	–	–	–	–	–	–	–											
3,9 - Disaster Management		–	–	–	–	–	–	–	–	–	–											
3.10 - Social & Welfare Services		–	–	–	–	–	–	–	–	–	–											
Vote 4 - Community Services		–	26	8 785	900	9 733	9 733	86	6 151	6 873	–											
4,1 - Housing Construction		–	–	–	–	–	–	–	–	–	–											
4,2 - Director: Community Services		–	–	13	–	–	–	–	–	–	–											
4,3 - Recreational Land		–	–	8 749	900	7 787	7 787	–	5 456	6 873	–											
4,4 - Swimming Pools		–	–	–	–	–	–	–	–	–	–											
4,5 - Vehicle Licensing & Testing		–	–	–	–	–	–	–	–	–	–											
4,6 - Property Maintenance		–	–	–	–	–	–	–	–	–	–											
4,7 - L E D		–	26	23	–	1 946	1 946	86	696	–	–											
4,8 - Housing : Maintenance		–	–	–	–	–	–	–	–	–	–											
4,9 - Thusong Centre		–	–	–	–	–	–	–	–	–	–											
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Vote 5 - Corporate Services		–	(14)	(31)	1 050	4 484	4 484	(249)	900	700	100											
5,1 - Property Administration		–	–	–	–	–	–	–	–	–	–											
5,2 - Information Tecnology		–	48	(1)	450	706	706	–	300	700	100											
5,3 - Human Resources		–	–	–	–	–	–	–	–	–	–											
5,4 - Council Cost		–	–	(27)	600	899	899	(497)	600	–	–											
5,5 - Town Secretary		–	–	–	–	–	–	–	–	–	–											
5,6 - Tourism		–	–	–	–	–	–	–	–	–	–											
5,7 - Director Corporate Services		–	21	(4)	–	–	–	–	–	–	–											
5,8 - Marketing & Communications		–	(35)	–	–	–	–	–	–	–	–											
5,9 - Administration		–	(48)	–	–	2 879	2 879	249	–	–	–											
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Vote 6 - Technical Services		–	24 686	8 339	35 021	29 002	29 002	260	16 266	5 890	9 085											
6,1 - Building Regulations & Enforce		–	–	–	–	–	–	–	–	–	–											
6,2 - Electricity: Administration		–	1 458	5 439	–	1 535	1 535	–	11 097	–	–											
6,3 - Electricity: Street Lights		–	–	–	–	870	870	–	–	–	–											
6,4 - Electricity: Distribution		–	–	–	–	–	–	–	–	–	–											
6,5 - Mechanical Workshop		–	–	–	350	611	611	–	1 000	1 000	1 000											
6,6 - Public Toilets		–	–	–	–	–	–	–	1 500	–	–											
6,7 - Sewerage		–	4 176	551	12 528	9 762	9 762	260	889	1 500	–											
6,8 - Town Planning		–	–	–	–	–	–	–	–	–	–											
6,9 - Stormwater Management		–	1 750	–	9 489	6 627	6 627	–	889	–	–											
6.10 - Roads		–	17 302	2 348	12 655	9 596	9 596	–	889	3 390	8 085											
Vote 7 - Technical Services		–	8 050	(3 427)	10 465	9 067	9 067	223	3 744	9 526	7 000											
7,1 - Solid Waste (Dumping Site)		–	–	–	–	–	–	–	–	–	–											
7,2 - Solid Waste (Garden)		–	(16)	–	–	–	–	–	–	–	–											
7,3 - Solid Waste (Removal)		–	–	–	–	1 363	1 363	–	–	–	–											
7,4 - Water Storage		–	–	–	–	–	–	–	2 855	–	7 000											
7,5 - Water Distribution		–	8 064	(3 427)	10 465	7 703	7 703	223	889	9 526	–											
7,6 - Director: Technical Services		–	2	–	–	–	–	–	–	–	–											
7,7 - Electricity: Client Services		–	–	–	–	–	–	–	–	–	–											
7,8 - Electricity: Generation		–	–	–	–	–	–	–	–	–	–											
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Vote 8 - Muncipal Manager		–	–	–	–	–	–	–	–	–	20											
8,1 - Municipal Manager		–	–	–	–	–	–	–	–	–	20											
8,2 - Property & Legal Services		–	–	–	–	–	–	–	–	–	–											
8,3 - IDP		–	–	–	–	–	–	–	–	–	–											
8,4 - Project Management		–	–	–	–	–	–	–	–	–	–											
8,5 - Performance Management		–	–	–	–	–	–	–	–	–	–											
8,6 - Internal Audit		–	–	–	–	–	–	–	–	–	–											
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Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–											
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Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–											
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Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–											
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Vote Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework			Multi-year appropriation for Budget Year 2021/22 in the 2020/21 Annual Budget				Multi-year appropriation for 2022/23 in the 2020/21 Annual Budget				New multi-year appropriations (funds for new and existing projects)		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	Appropriation for 2021/22	Adjustments in 2020/21	Downward adjustments for 2021/22	Appropriation carried forward	Appropriation for 2021/22	Adjustments in 2020/21	Downward adjustments for 2021/22	Appropriation carried forward	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
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Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–											
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Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–											
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Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–											
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Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–											
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Capital single-year expenditure sub-total		–	45 654	6 331	48 056	57 865	57 865	3	27 241	27 969	23 910											
Total Capital Expenditure		–	63 242	6 677	88 764	86 297	86 297	2 500	89 244	70 133	27 540											

Choose name from list - Table A6 Budgeted Financial Position

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
ASSETS											
Current assets											
Cash		21 173	(3 234)	36 123	40 641	106 587	106 587	53 266	(496)	(11 079)	5 852
Call investment deposits	1	–	–	–	51 962	50 086	50 086	–	–	–	–
Consumer debtors	1	4 531	750	8 946	(23 395)	(11 895)	(11 895)	(16 051)	(22 444)	(26 058)	(36 671)
Other debtors		100	5 560	(6 251)	38 485	64 406	64 406	44 084	20 146	21 153	22 211
Current portion of long-term receivables		–	–	–	–	–	–	–	–	–	–
Inventory	2	6	291	(91)	17 263	4 623	4 623	(2 190)	899	961	1 033
Total current assets		**25 809**	**3 366**	**38 727**	**124 956**	**213 808**	**213 808**	**79 110**	**(1 895)**	**(15 023)**	**(7 575)**
Non current assets											
Long-term receivables		–	–	–	–	–	–	–	–	–	–
Investments		–	–	–	–	–	–	–	–	–	–
Investment property		(2 255)	(1 164)	(695)	43 789	88 280	88 280	–	(742)	(742)	(742)
Investment in Associate		–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	3	19 716	62 181	(4 508)	1 002 844	1 000 376	1 000 376	38 247	50 656	31 685	(10 909)
Agricultural		–	–	–	–	–	–	–	–	–	–
Biological		–	–	–	–	–	–	–	–	–	–
Intangible		(103)	(374)	(453)	1 652	3 682	3 682	–	(398)	(398)	(398)
Other non-current assets		–	–	–	550	1 100	1 100	–	–	–	–
Total non current assets		**17 358**	**60 643**	**(5 656)**	**1 048 835**	**1 093 438**	**1 093 438**	**38 247**	**49 516**	**30 545**	**(12 049)**
TOTAL ASSETS		**43 167**	**64 009**	**33 071**	**1 173 791**	**1 307 246**	**1 307 246**	**117 357**	**47 621**	**15 522**	**(19 623)**
LIABILITIES											
Current liabilities											
Bank overdraft	1	–	–	–	–	–	–	–	–	–	–
Borrowing	4	–	(842)	333	2 032	2 032	2 032	(1 177)	12	12	13
Consumer deposits		–	730	827	7 150	14 299	14 299	(462)	–	–	–
Trade and other payables	4	1 091	14 656	48 678	47 310	61 414	61 414	109 041	8 960	(14 703)	(12 273)
Provisions		2 578	1 277	4 100	58 576	109 090	109 090	(2 016)	–	(2 396)	(3 547)
Total current liabilities		**3 668**	**15 822**	**53 938**	**115 068**	**186 835**	**186 835**	**105 387**	**8 971**	**(17 087)**	**(15 807)**
Non current liabilities											
Borrowing		(1 975)	(1 186)	(1 486)	7 818	7 818	7 818	–	415	415	422
Provisions		7 090	(1 414)	(38 245)	187 033	178 933	178 933	6 115	35 326	36 557	37 827
Total non current liabilities		**5 115**	**(2 600)**	**(39 731)**	**194 851**	**186 751**	**186 751**	**6 115**	**35 741**	**36 973**	**38 249**
TOTAL LIABILITIES		**8 783**	**13 222**	**14 207**	**309 919**	**373 587**	**373 587**	**111 502**	**44 712**	**19 885**	**22 442**
NET ASSETS	5	**34 384**	**50 788**	**18 864**	**863 871**	**933 660**	**933 660**	**5 855**	**2 908**	**(4 363)**	**(42 066)**
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		(198)	–	(263)	865 677	1 731 355	1 731 355	–	–	–	–
Reserves	4	–	–	263	10 355	10 355	10 355	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	5	**(198)**	**–**	**–**	**876 032**	**1 741 710**	**1 741 710**	**–**	**–**	**–**	**–**

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

Witzenberg Municipality - Table A6 Budgeted Financial Position

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				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 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
ASSETS											
Current assets											
Cash		97 506	94 272	130 394	75 897	137 819	137 819	137 819	133 360	139 570	153 907
Call investment deposits	1	–	–	–	–	–	–	–	–	–	–
Consumer debtors	1	57 003	66 634	68 999	54 501	30 908	30 908	30 908	28 353	28 036	27 679
Other debtors		12 701	11 076	7 966	11 076	7 966	7 966	7 966	7 966	7 966	7 966
Current portion of long-term receivables		–	–	–	–	–	–	–	–	–	–
Inventory	2	11 402	11 693	11 602	11 693	11 602	11 602	11 602	11 602	11 602	11 602
Total current assets		178 612	183 674	218 961	153 166	188 295	188 295	188 295	181 281	187 174	201 154
Non current assets											
Long-term receivables		–	–	–	–	–	–	–	–	–	–
Investments		–	–	–	–	–	–	–	–	–	–
Investment property		45 660	44 492	43 765	44 492	43 765	43 765	43 765	43 765	43 765	43 765
Investment in Associate		–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	3	856 347	918 262	900 003	966 339	946 515	946 515	946 515	996 031	1 026 576	1 014 527
		–	–	–	–	–	–	–	–	–	–
Biological		–	–	–	–	–	–	–	–	–	–
Intangible assets		2 650	2 029	1 576	2 029	1 576	1 576	1 576	1 576	1 576	1 576
Other non-current assets		550	550	550	550	550	550	550	550	550	550
Total non current assets		905 207	965 334	945 893	1 013 410	992 405	992 405	992 405	1 041 921	1 072 466	1 060 418
TOTAL ASSETS		1 083 819	1 149 007	1 164 854	1 166 576	1 180 701	1 180 701	1 180 701	1 223 203	1 259 640	1 261 572
LIABILITIES											
Current liabilities											
Bank overdraft	1	–	–	–	–	–	–	–	–	–	–
Borrowing	4	–	–	–	–	–	–	–	–	–	–
Consumer deposits		6 418	7 150	7 976	7 150	7 976	7 976	7 976	7 976	7 976	7 976
Trade and other payables	4	53 808	60 983	106 924	60 983	111 653	111 653	111 653	115 836	120 015	124 358
Provisions Current		17 426	21 801	25 901	45 580	49 680	49 680	49 680	77 857	106 825	138 393
Total current liabilities		77 653	89 934	140 801	113 712	169 309	169 309	169 309	201 668	234 815	270 727
Non current liabilities											
Borrowing LT		4 175	6 222	4 588	5 222	3 588	3 588	3 588	2 588	1 588	588
Provisions		154 570	150 812	112 525	158 654	120 367	120 367	120 367	128 602	137 255	146 340
Total non current liabilities		158 745	157 034	117 112	163 876	123 955	123 955	123 955	131 189	138 842	146 928
TOTAL LIABILITIES		236 399	246 968	257 913	277 589	293 263	293 263	293 263	332 857	373 657	417 654
NET ASSETS	5	847 421	902 040	906 942	888 987	887 437	887 437	887 437	890 345	885 983	843 917
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		837 066	891 685	896 324	878 633	876 820	876 820	876 820	879 728	875 364	833 299
Reserves	4	10 355	10 355	10 618	10 355	10 618	10 618	10 618	10 618	10 618	10 618
					–					–	–
TOTAL COMMUNITY WEALTH/EQUITY	5	847 421	902 040	906 942	888 987	887 437	887 437	887 437	890 345	885 982	843 916

Choose name from list - Table A7 Budgeted Cash Flows

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		–	12	–	74 766	74 766	74 766	(240)	78 476	83 091	88 076
Service charges		–	–	–	366 826	366 826	366 826	(407 532)	379 328	424 466	471 257
Other revenue		–	1	–	18 900	19 004	19 004	(7 841)	16 283	13 163	13 108
Transfers and Subsidies - Operational	1	–	6	–	116 989	137 020	137 020	(101 162)	111 506	117 371	119 457
Transfers and Subsidies - Capital	1	–	–	–	89 706		65 423	(55 967)	62 912	52 292	32 436
Interest		–	–	–	(34 569)	(41 693)	(41 693)	(2 585)	1 918	2 014	2 114
Dividends		–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees		(2 474)	(873 756)	(748 690)	(550 745)	(550 745)	(550 745)	(579 374)	(544 150)	(613 484)	(670 808)
Finance charges		–	–	–	–	–	–	–	–	–	–
Transfers and Grants	1	–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**(2 474)**	**(873 737)**	**(748 690)**	**81 872**	**5 178**	**70 601**	**(1 154 701)**	**106 273**	**78 912**	**55 641**
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–
Payments											
Capital assets		–	–	–	–	–	–	–	(89 244)	(70 133)	(27 540)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(89 244)**	**(70 133)**	**(27 540)**
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–	–
Payments											
Repayment of borrowing		–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**(2 474)**	**(873 737)**	**(748 690)**	**81 872**	**5 178**	**70 601**	**(1 154 701)**	**17 029**	**8 779**	**28 101**
Cash/cash equivalents at the year begin:	2	**–**	**–**	**–**	73 319	146 639	146 639	**–**	**–**	**17 029**	**25 808**
Cash/cash equivalents at the year end:	2	**(2 474)**	**(873 737)**	**(748 690)**	**155 192**	**151 817**	**217 240**	**(1 154 701)**	**17 029**	**25 808**	**53 909**

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.

Witzenberg Municipality- Table A7 Budgeted Cash Flows

Description	Ref						Current Year 2020/21		2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited 2015-2016	Audited 2016-2017	Audited 2017-2018	Audited 2018-2019	Audited 2018-2019	Original Budget	Adjusted Budget	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		53 848	49 505	63 618	71 498	69 752	72 569	70 277	79 126	84 665	91 637
Service charges		276 852	322 926	308 615	305 199	361 793	335 325	372 908	379 151	418 525	453 817
Other revenue		64 851	50 820	59 406	29 595	18 644	21 679	21 510	27 756	24 818	22 678
Government - operating	1	70 946	70 845	89 929	104 473	132 480	116 989	140 245	145 903	128 604	130 741
Government - capital	1	65 603	51 237	39 096	59 002	53 489	78 716	70 330	75 107	58 183	26 547
Interest		7 018	9 005	6 457	19 096	7 198	11 608	4 868	9 593	9 822	10 063
Dividends		–	–	–	–	–			–	–	–
Payments											
Suppliers and employees		(331 737)	(360 554)	(386 180)	(422 733)	(498 497)	(561 979)	(575 066)	(604 934)	(644 586)	(689 609)
Finance charges		(2 807)	(1 296)	(499)	(651)	(89)	(1 339)	(1 339)	(461)	(463)	(473)
Transfers and Grants	1	(85 465)	(112 358)	(95 963)	(42 140)	(71 669)	(2 179)	(8 110)	(25 603)	(2 273)	(2 575)
NET CASH FROM/(USED) OPERATING ACTIVITIES		119 110	80 132	84 479	123 339	73 100	71 390	95 624	85 636	77 294	42 827
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		–	23 000	1 543	(41 439)	–			–	–	–
Payments											
Capital assets		(77 088)	(115 647)	(63 800)	(86 657)	(36 418)	(88 764)	(87 200)	(89 094)	(70 083)	(27 490)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(77 088)	(92 647)	(62 257)	(124 828)	(36 418)	(88 764)	(87 200)	(89 094)	(70 083)	(27 490)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–			–	–	–
Borrowing long term/refinancing		–	–	–	–	–			–	–	–
Increase (decrease) in consumer deposits		784	501	1 085	731	(433)			–	–	–
Payments											
Repayment of borrowing		(8 152)	(8 651)	(2 179)	(2 477)	(125)	(1 000)	(1 000)	(1 000)	(1 000)	(1 000)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(7 368)	(8 150)	(1 094)	(1 745)	(559)	(1 000)	(1 000)	(1 000)	(1 000)	(1 000)
NET INCREASE/ (DECREASE) IN CASH HELD		34 653	(20 665)	21 127	(3 234)	36 123	(18 374)	7 424	(4 459)	6 210	14 337
Cash/cash equivalents at the year begin:	2	62 387	96 998	76 379	97 506	94 272	130 395	130 394	137 819	133 360	139 570
Cash/cash equivalents at the year end:	2	97 040	76 333	97 506	94 272	130 395	112 020	137 819	133 360	139 570	153 907

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

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Cash and investments available											
Cash/cash equivalents at the year end	1	(2 474)	(873 737)	(748 690)	155 192	151 817	217 240	(1 154 701)	17 029	25 808	53 909
Other current investments > 90 days		23 647	870 503	784 812	(62 589)	4 857	(60 567)	1 207 967	(17 525)	(36 886)	(48 057)
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		**21 173**	**(3 234)**	**36 123**	**92 603**	**156 673**	**156 673**	**53 266**	**(496)**	**(11 079)**	**5 852**
Application of cash and investments											
Unspent conditional transfers		(1 091)	(6 921)	(43 393)	(13 352)	744	744	(66 085)	52 202	22 616	8 488
Unspent borrowing		–	–	–	–	–	–		–	–	–
Statutory requirements	2	–	–	–	–	–	–	–	–	–	–
Other working capital requirements	3	–	(4 589)	(2 380)	(44 595)	(109 127)	(109 127)	34 245	(59 180)	(3 571)	16 881
Other provisions		36 231	22 336	12 285	15	15	15	–	1	1	1
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	–	–	–	–	–	–	–	–	–	–
Total Application of cash and investments:		**35 140**	**10 826**	**(33 488)**	**(57 933)**	**(108 367)**	**(108 367)**	**(31 841)**	**(6 977)**	**19 046**	**25 370**
Surplus(shortfall)		**(13 967)**	**(14 061)**	**69 610**	**150 535**	**265 041**	**265 041**	**85 107**	**6 481**	**(30 125)**	**(19 519)**

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		–	–	–	14 958	51 289	51 289	(29 661)	(1 982)	(4 342)	(13 096)
Creditors due		–	(4 589)	(2 380)	(29 637)	(57 838)	(57 838)	4 584	(61 162)	(7 913)	3 785
Total		**–**	**4 589**	**2 380**	**44 595**	**109 127**	**109 127**	**(34 245)**	**59 180**	**3 571**	**(16 881)**
Debtors collection assumptions											
Balance outstanding - debtors		4 631	6 310	2 695	15 090	52 512	52 512	28 033	(2 298)	(4 905)	(14 460)
Estimate of debtors collection rate		0.0%	0.0%	0.0%	99.1%	97.7%	97.7%	-105.8%	86.2%	88.5%	90.6%
Long term investments committed											
Balance (*Insert description; eg sinking fund)*											
Bankers Acceptance Certificate		–	–	–	–	–	–	–	–	–	–
Deposit Taking Institutions		–	–	–	–	–	–	–	–	–	–
Bank Repurchase Agreements		–	–	–	–	–	–	–	–	–	–
Derivative Financial Assets		–	–	–	–	–	–	–	–	–	–
Guaranteed Endowment Policies (Sinking)		–	–	–	–	–	–	–	–	–	–
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		–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments											
Housing Development Fund		–	–	–	–	–	–	–	–	–	–
Capital replacement		–	–	263	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		–	–	–	–	–	–	–	–	–	–
Equity		–	–	–	–	–	–	–	–	–	–
Non-Controlling Interest		–	–	–	–	–	–	–	–	–	–
Share Premium		–	–	–	–	–	–	–	–	–	–
Revaluation		–	–	–	–	–	–	–	–	–	–
		–	–	263	10 355	10 355	10 355	–	–	–	–

Choose name from list - Table A9 Asset Management

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
CAPITAL EXPENDITURE										
Total New Assets	1	**51 280**	**70 695**	**9 115**	**74 627**	**60 388**	**60 388**	**57 231**	**35 570**	**27 388**
Roads Infrastructure		4 764	18 674	1 804	13 417	10 059	10 059	889	1 390	8 085
Storm water Infrastructure		1 789	12 088	3 263	13 819	10 607	10 607	997	–	–
Electrical Infrastructure		1 404	5 778	2 770	–	2 685	2 685	12 663	2 715	3 478
Water Supply Infrastructure		21 621	9 529	204	26 896	15 799	15 799	21 135	24 756	7 000
Sanitation Infrastructure		11 172	7 457	884	10 228	7 362	7 362	2 389	–	–
Solid Waste Infrastructure		(134)	8 616	(5 329)	9 356	4 626	4 626	16 982	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***40 615***	***62 142***	***3 596***	***73 717***	***51 138***	***51 138***	***55 056***	***28 861***	***18 563***
Community Facilities		318	549	76	–	1 946	1 946	696	4 819	6 768
Sport and Recreation Facilities		775	873	–	30	331	331	–	30	–
Community Assets		***1 093***	***1 422***	***76***	***30***	***2 277***	***2 277***	***696***	***4 849***	***6 768***
Heritage Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		2 914	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		***2 914***	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		188	527	–	–	–	–	–	–	–
Intangible Assets		***188***	***527***	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Computer Equipment		**452**	**1 215**	**825**	**450**	**736**	**736**	**450**	**750**	**150**
Furniture and Office Equipment		**1 121**	**1 754**	**213**	**–**	**–**	**–**	**30**	**30**	**50**
Machinery and Equipment		**1 708**	**1 666**	**3 361**	**430**	**2 668**	**2 668**	**–**	**80**	**–**
Transport Assets		**3 190**	**1 971**	**1 043**	**–**	**3 568**	**3 568**	**1 000**	**1 000**	**1 857**
Land		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Renewal of Existing Assets	2	**10 816**	**15 671**	**10 309**	**4 900**	**7 632**	**7 632**	**600**	**5 000**	**–**
Roads Infrastructure		4 051	11 421	5 300	1 800	1 600	1 600	–	2 000	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		2 428	–	1 163	–	–	–	–	–	–
Water Supply Infrastructure		360	1 200	802	500	500	500	–	1 500	–
Sanitation Infrastructure		2 799	2 649	2 737	2 000	1 956	1 956	–	1 500	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***9 637***	***15 270***	***10 002***	***4 300***	***4 056***	***4 056***	**–**	***5 000***	**–**
Community Facilities		451	90	238	–	–	–	–	–	–
Sport and Recreation Facilities		257	290	–	–	–	–	–	–	–
Community Assets		***708***	***380***	***238***	**–**	**–**	**–**	**–**	**–**	**–**
Heritage Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		113	21	70	600	3 576	3 576	600	–	–
Housing		359	–	–	–	–	–	–	–	–
Other Assets		***471***	***21***	***70***	***600***	***3 576***	***3 576***	***600***	**–**	**–**
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Computer Equipment		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Furniture and Office Equipment		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Machinery and Equipment		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Transport Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Land		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Total Upgrading of Existing Assets	6	**940**	**9 941**	**8 519**	**9 237**	**18 277**	**18 277**	**31 413**	**29 563**	**152**
Roads Infrastructure		–	2 242	571	5 028	8 384	8 384	25 457	10 260	152
Storm water Infrastructure		–	300	–	–	–	–	–	2 820	–
Electrical Infrastructure		–	5 499	3 700	2 500	1 553	1 553	500	4 000	–
Water Supply Infrastructure		–	711	–	–	–	–	–	2 820	–
Sanitation Infrastructure		940	844	188	840	884	884	–	2 820	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***940***	***9 595***	***4 458***	***8 368***	***10 821***	***10 821***	***25 957***	***22 720***	***152***
Community Facilities		–	–	29	–	–	–	–	–	–
Sport and Recreation Facilities		–	346	4 031	870	7 456	7 456	5 456	6 843	–
Community Assets		**–**	***346***	***4 060***	***870***	***7 456***	***7 456***	***5 456***	***6 843***	**–**
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		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Transport Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Land		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Capital Expenditure	4	**63 037**	**96 307**	**27 944**	**88 764**	**86 297**	**86 297**	**89 244**	**70 133**	**27 540**
Roads Infrastructure		8 815	32 337	7 675	20 245	20 042	20 042	26 347	13 650	8 237
Storm water Infrastructure		1 789	12 388	3 263	13 819	10 607	10 607	997	2 820	–
Electrical Infrastructure		3 832	11 277	7 632	2 500	4 238	4 238	13 163	6 715	3 478
Water Supply Infrastructure		21 981	11 439	1 006	27 396	16 299	16 299	21 135	29 076	7 000
Sanitation Infrastructure		14 910	10 950	3 810	13 068	10 202	10 202	2 389	4 320	–
Solid Waste Infrastructure		(134)	8 616	(5 329)	9 356	4 626	4 626	16 982	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***51 192***	***87 007***	***18 057***	***86 384***	***66 015***	***66 015***	***81 013***	***56 581***	***18 716***
Community Facilities		770	639	342	–	1 946	1 946	696	4 819	6 768
Sport and Recreation Facilities		1 031	1 509	4 031	900	7 787	7 787	5 456	6 873	–
Community Assets		***1 801***	***2 147***	***4 374***	***900***	***9 733***	***9 733***	***6 151***	***11 693***	***6 768***
Heritage Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		3 026	21	70	600	3 576	3 576	600	–	–
Housing		359	–	–	–	–	–	–	–	–
Other Assets		***3 385***	***21***	***70***	***600***	***3 576***	***3 576***	***600***	**–**	**–**
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		188	527	–	–	–	–	–	–	–
Intangible Assets		***188***	***527***	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Computer Equipment		**452**	**1 215**	**825**	**450**	**736**	**736**	**450**	**750**	**150**
Furniture and Office Equipment		**1 121**	**1 754**	**213**	**–**	**–**	**–**	**30**	**30**	**50**
Machinery and Equipment		**1 708**	**1 666**	**3 361**	**430**	**2 668**	**2 668**	**–**	**80**	**–**
Transport Assets		**3 190**	**1 971**	**1 043**	**–**	**3 568**	**3 568**	**1 000**	**1 000**	**1 857**
Land		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
TOTAL CAPITAL EXPENDITURE - Asset class		**63 037**	**96 307**	**27 944**	**88 764**	**86 297**	**86 297**	**89 244**	**70 133**	**27 540**

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
ASSET REGISTER SUMMARY - PPE (WDV)	5	17 195	60 643	(5 656)	1 048 835	1 960 829	1 960 829	49 516	30 545	(12 049)
Roads Infrastructure		306	15 369	2 728	157 605	279 684	279 684	21 589	8 892	3 479
Storm water Infrastructure		6 945	28 030	1 217	99 612	173 569	173 569	(1 094)	729	(2 091)
Electrical Infrastructure		1 117	8 787	4 628	61 221	122 150	122 150	9 251	1 803	(433)
Water Supply Infrastructure		17 857	4 539	(3 802)	172 067	329 132	329 132	(1 690)	6 912	1 566
Sanitation Infrastructure		10 495	2 516	(330)	156 448	293 960	293 960	(3 169)	(1 239)	(5 559)
Solid Waste Infrastructure		(2 341)	6 744	(8 017)	28 535	40 012	40 012	15 242	(1 740)	(1 740)
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		(80)	(90)	(138)	2 023	4 046	4 046	–	–	–
Infrastructure		***34 299***	***65 894***	***(3 714)***	***677 511***	***1 242 553***	***1 242 553***	***40 128***	***15 358***	***(4 778)***
Community Assets		649	2 819	1 998	62 538	127 133	127 133	2 485	8 166	3 241
Heritage Assets		–	–	–	550	1 100	1 100	–	–	–
Investment properties		(2 255)	(1 164)	(695)	43 789	88 280	88 280	(742)	(742)	(742)
Other Assets		(8 248)	(4 083)	(2 024)	180 777	333 554	333 554	10 470	9 809	(6 921)
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		(103)	(374)	(453)	1 652	3 682	3 682	(398)	(398)	(398)
Computer Equipment		(722)	(285)	(303)	69	1 674	1 674	(1 923)	(1 623)	(2 223)
Furniture and Office Equipment		(863)	662	(752)	1 700	2 789	2 789	(0)	(600)	(580)
Machinery and Equipment		(221)	1 116	1 781	6 518	12 602	12 602	(1 505)	(425)	(1 505)
Transport Assets		11	(2 175)	(1 276)	(2 175)	(4 350)	(4 350)	1 000	1 000	1 857
Land		(5 353)	(1 767)	(217)	75 906	151 813	151 813	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	**17 195**	**60 643**	**(5 656)**	**1 048 835**	**1 960 829**	**1 960 829**	**49 516**	**30 545**	**(12 049)**
EXPENDITURE OTHER ITEMS										
Depreciation	7	4 908	31 146	32 732	40 688	40 688	40 688	39 729	39 589	39 589
Repairs and Maintenance by Asset Class	3	**18 887**	**18 264**	**14 470**	**18 282**	**22 401**	**22 401**	**19 633**	**19 550**	**20 386**
Roads Infrastructure		6 975	6 921	6 092	6 864	9 008	9 008	7 173	7 489	7 826
Storm water Infrastructure		2 408	2 207	2 118	2 044	1 333	1 333	2 971	2 484	2 531
Electrical Infrastructure		1 120	1 023	1 649	1 931	2 705	2 705	2 012	2 100	2 195
Water Supply Infrastructure		2 471	1 483	567	1 270	2 101	2 101	1 299	1 356	1 417
Sanitation Infrastructure		2 005	3 457	1 441	2 151	2 943	2 943	1 639	1 711	1 788
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		308	274	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***15 287***	***15 366***	***11 867***	***14 259***	***18 090***	***18 090***	***15 094***	***15 141***	***15 757***
Community Facilities		565	343	277	581	529	529	605	633	662
Sport and Recreation Facilities		424	360	256	400	551	551	510	532	556
Community Assets		***989***	***703***	***533***	***981***	***1 081***	***1 081***	***1 115***	***1 165***	***1 218***
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		230	415	319	338	321	321	357	373	389
Housing		131	113	81	157	207	207	99	103	108
Other Assets		***361***	***528***	***400***	***495***	***528***	***528***	***456***	***476***	***497***
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		**156**	**131**	**166**	**328**	**228**	**228**	**311**	**325**	**339**
Furniture and Office Equipment		**10**	**23**	**10**	**37**	**37**	**37**	**53**	**55**	**58**
Machinery and Equipment		**322**	**74**	**23**	**271**	**241**	**241**	**288**	**300**	**314**
Transport Assets		**1 761**	**1 439**	**1 471**	**1 912**	**2 197**	**2 197**	**2 316**	**2 087**	**2 202**
Libraries		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
TOTAL EXPENDITURE OTHER ITEMS		**23 794**	**49 411**	**47 202**	**58 970**	**63 088**	**63 088**	**59 362**	**59 138**	**59 975**
Renewal and upgrading of Existing Assets as % of total capex		*18.7%*	*26.6%*	*67.4%*	*15.9%*	*30.0%*	*30.0%*	*35.9%*	*49.3%*	*0.6%*
Renewal and upgrading of Existing Assets as % of deprecn		*239.6%*	*82.2%*	*57.5%*	*34.7%*	*63.7%*	*63.7%*	*80.6%*	*87.3%*	*0.4%*
R&M as a % of PPE		*95.8%*	*29.4%*	*-321.0%*	*1.8%*	*2.2%*	*2.2%*	*38.8%*	*61.7%*	*-186.9%*
Renewal and upgrading and R&M as a % of PPE		*178.0%*	*72.0%*	*-589.0%*	*3.0%*	*2.0%*	*2.0%*	*104.0%*	*177.0%*	*-170.0%*

References

1. Detail of new assets provided in Table SA34a

2. Detail of renewal of existing assets provided in Table SA34b

3. Detail of Repairs and Maintenance by Asset Class provided in Table SA34c

4. Must reconcile to total capital expenditure on Budgeted Capital Expenditure

5. Must reconcile to 'Budgeted Financial Position' (written down value)

6. Detail of upgrading of existing assets provided in Table SA34e

7. Detail of depreciation provided in Table SA34d

Choose name from list - Table A10 Basic service delivery measuremen

Description	Ref	-2017	-2018	-2019	-2020-O	-2020-A	-2020-F	-2021	-2022	-2023
		2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Household service targets	1									
Water:										
Piped water inside dwelling		–	–	–	–	–	–	–	–	–
Piped water inside yard (but not in dwelling)		–	–	–	–	–	–	–	–	–
Using public tap (at least min.service level)	2	–	–	–	–	–	–	–	–	–
Other water supply (at least min.service level)	4	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–
Using public tap (< min.service level)	3	–	–	–	–	–	–	–	–	–
Other water supply (< min.service level)	4	–	–	–	–	–	–	–	–	–
No water supply		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		–	–	–	–	–	–	–	–	–
Flush toilet (with septic tank)		–	–	–	–	–	–	–	–	–
Chemical toilet		–	–	–	–	–	–	–	–	–
Pit toilet (ventilated)		–	–	–	–	–	–	–	–	–
Other toilet provisions (> min.service level)		–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–
Bucket toilet		–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)		–	–	–	–	–	–	–	–	–
No toilet provisions		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–	–	–
Energy:										
Electricity (at least min.service level)		–	–	–	–	–	–	–	–	–
Electricity - prepaid (min.service level)		–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–
Electricity (< min.service level)		–	–	–	–	–	–	–	–	–
Electricity - prepaid (< min. service level)		–	–	–	–	–	–	–	–	–
Other energy sources		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–	–	–
Refuse:										
Removed at least once a week		–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–
Removed less frequently than once a week		–	–	–	–	–	–	–	–	–
Using communal refuse dump		–	–	–	–	–	–	–	–	–
Using own refuse dump		–	–	–	–	–	–	–	–	–
Other rubbish disposal		–	–	–	–	–	–	–	–	–
No rubbish disposal		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–	–	–
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		1 057 347	3 450 717	3 427 046	6 450 775	6 450 775	6 450 775	5 406 089	5 459 872	5 516 343
Sanitation (free minimum level service)		–	8 747 756	–	–	–	–	–	–	–
Electricity/other energy (50kwh per household per month)		366 060	837 839	3 288 084	–	–	–	–	–	–
Refuse (removed at least once a week)		–	7 255 520	–	–	–	–	–	–	–
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitres per **indigent** household per month)		1 057	3 451	3 427	6 451	6 451	6 451	5 406	5 460	5 516
Sanitation (free sanitation service to **indigent households**)		–	8 748	–	–	–	–	–	–	–
Electricity/other energy (50kwh per **indigent** household per month)		366	838	3 288	–	–	–	–	–	–
Refuse (removed once a week **for indigent households**)		–	7 256	–	–	–	–	–	–	–
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		–	–	–	–	–	–	–	–	–
Total cost of FBS provided		**1 423**	**20 292**	**6 715**	**6 451**	**6 451**	**6 451**	**5 406**	**5 460**	**5 516**

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
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)** (**impermissable values per section 17 of MPRA**)		–	–	–	–	–	–	–	–	–
Property rates exemptions, reductions and rebates **and impermissable values in excess of section 17 of MPRA)**		6 609	7 483	7 720	12 689	12 689	12 689	10 371	11 097	11 775
Water **(in excess of 6 kilolitres per indigent household per month)**		2 330	–	7	–	–	–	–	–	–
Sanitation **(in excess of free sanitation service to indigent households)**		9 356	4 912	7 664	15 161	13 161	13 161	13 392	14 196	14 906
Electricity/other energy **(in excess of 50 kwh per indigent household per month)**		–	–	–	5 080	4 080	4 080	4 860	5 492	6 206
Refuse **(in excess of one removal a week for indigent households)**		8 405	5 067	6 523	12 040	11 040	11 040	10 635	11 273	11 950
Municipal Housing - rental rebates		37	85	(1)	24	24	24	(24)	(25)	(27)
Housing - top structure subsidies	6	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Total revenue cost of subsidised services provided		**26 737**	**17 548**	**21 913**	**44 994**	**40 994**	**40 994**	**39 235**	**42 033**	**44 810**

References

1. Include services provided by another entity; e.g. Eskom

2. Stand distance <= 200m from dwelling

3. Stand distance > 200m from dwelling

4. Borehole, spring, rain-water tank etc.

5. Must agree to total number of households in municipal area (informal settlements receiving services must be included)

6. Include value of subsidy provided by municipality above provincial subsidy level

7. Show number of households receiving at least these levels of services completely free (informal settlements must be included)

8. Must reflect the cost to the municipality of providing the Free Basic Service

9. Reflect the cost to the municipality in terms of 'revenue foregone' of providing free services (note this will not equal 'Revenue Foregone' on SA1)

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

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
REVENUE ITEMS:											
Property rates	6										
Total Property Rates		70 321	77 260	81 218	89 077	89 077	89 077	78 679	93 662	100 218	108 236
less Revenue Foregone ***(exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)***		6 609	7 483	7 720	12 689	12 689	12 689	6 852	10 371	11 097	11 775
Net Property Rates		**63 712**	**69 777**	**73 497**	**76 388**	**76 388**	**76 388**	**71 827**	**83 290**	**89 121**	**96 460**
Service charges - electricity revenue	6										
Total Service charges - electricity revenue		210 725	222 678	258 383	272 053	276 053	276 053	220 654	328 338	357 559	389 382
less Revenue Foregone ***(in excess of 50 kwh per indigent household per month)***		–	–	–	5 080	4 080	4 080	–	4 860	5 492	6 206
less Cost of Free Basic Services (50 kwh per indigent household per month)		366	838	3 288	–	–	–	2 343	–	–	–
Net Service charges - electricity revenue		**210 359**	**221 840**	**255 095**	**266 973**	**271 973**	**271 973**	**218 312**	**323 478**	**352 068**	**383 176**
Service charges - water revenue	6										
Total Service charges - water revenue		48 816	38 998	42 853	41 588	41 588	41 588	37 817	45 083	47 788	50 656
less Revenue Foregone ***(in excess of 6 kilolitres per indigent household per month)***		2 330	–	7	–	–	–	2	–	–	–
less Cost of Free Basic Services (6 kilolitres per indigent household per month)		1 057	3 451	3 427	6 451	6 451	6 451	2 647	5 406	5 460	5 516
Net Service charges - water revenue		**45 429**	**35 547**	**39 419**	**35 137**	**35 137**	**35 137**	**35 168**	**39 677**	**42 328**	**45 139**
Service charges - sanitation revenue											
Total Service charges - sanitation revenue		36 353	38 564	33 613	33 513	38 513	38 513	38 134	38 435	40 742	43 186
less Revenue Foregone ***(in excess of free sanitation service to indigent households)***		9 356	4 912	7 664	15 161	13 161	13 161	10 463	13 392	14 196	14 906
less Cost of Free Basic Services (free sanitation service to indigent households)		–	8 748	–	–	–	–	–	–	–	–
Net Service charges - sanitation revenue		**26 997**	**24 904**	**25 949**	**18 352**	**25 352**	**25 352**	**27 671**	**25 043**	**26 546**	**28 280**
Service charges - refuse revenue	6										
Total refuse removal revenue		30 932	34 464	31 432	32 639	32 639	32 639	27 871	35 498	37 628	39 885
Total landfill revenue		857	768	803	671	671	671	604	712	754	799

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
less Revenue Foregone ***(in excess of one removal a week to indigent households)***		8 405	5 067	6 523	12 040	11 040	11 040	5 139	10 635	11 273	11 950
less Cost of Free Basic Services (removed once a week to indigent households)		–	7 256	–	–	–	–	–	–	–	–
Net Service charges - refuse revenue		**23 384**	**22 909**	**25 713**	**21 271**	**22 271**	**22 271**	**23 335**	**25 574**	**27 108**	**28 735**
Other Revenue by source											
Fuel Levy		–	–	–	–	–	–	–	–	–	–
Other Revenue											
Discontinued Operations		–	–	–	–	–	–	–	–	–	–
Rent on Land		0	–	–	22	22	22	–	23	25	26
Operational Revenue		4 565	1 330	1 806	1 167	1 167	1 167	149	1 258	1 157	1 246
Intercompany/Parent-subsidiary Transactions		–	–	–	–	–	–	–	–	–	–
Surcharges and Taxes		3 963	4 407	2 285	5 495	4 254	4 254	1 895	10 769	7 145	4 091
Sales of Goods and Rendering of Services		5 057	4 339	5 134	2 496	2 496	2 496	2 978	2 935	3 082	3 236
Fuel Levy	3	–	–	–	–	–	–	–	–	–	–
Total 'Other' Revenue	1	**13 585**	**10 076**	**9 225**	**9 181**	**7 939**	**7 939**	**5 023**	**14 985**	**11 409**	**8 598**
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	91 620	103 643	113 726	133 540	127 502	127 502	100 182	144 052	150 593	159 877
Pension and UIF Contributions		14 583	15 789	17 396	19 911	19 911	19 911	15 749	21 584	22 367	23 393
Medical Aid Contributions		6 750	7 362	8 133	8 613	8 613	8 613	7 159	9 359	9 986	10 675
Overtime		276	259	255	22	22	22	314	24	26	27
Performance Bonus		7 779	8 502	9 044	9 862	9 662	9 662	8 059	10 362	11 057	11 820
Motor Vehicle Allowance		4 300	5 392	6 010	6 029	7 404	7 404	5 578	6 551	6 990	7 473
Cellphone Allowance		523	511	539	517	517	517	485	562	600	641
Housing Allowances		1 446	1 448	1 545	1 959	1 959	1 959	1 493	2 128	2 271	2 427
Other benefits and allowances		18 186	18 487	19 480	15 882	17 062	17 062	16 517	13 175	14 854	16 397
Payments in lieu of leave		2 053	1 376	4 328	966	4 966	4 966	1 095	1 050	1 120	1 197
Long service awards		411	2 688	879	1 000	4 000	4 000	1 220	1 087	1 119	1 153
Post-retirement benefit obligations	4	10 901	6 274	7 268	27 880	19 780	19 780	6 138	27 091	27 904	28 741
sub-total	5	**158 827**	**171 732**	**188 604**	**226 182**	**221 399**	**221 399**	**163 989**	**237 025**	**248 885**	**263 821**
Less: Employees costs capitalised to PPE		16	1	–	–	–	–	–	–	–	–
Total Employee related costs	1	**158 811**	**171 730**	**188 604**	**226 182**	**221 399**	**221 399**	**163 989**	**237 025**	**248 885**	**263 821**
Contributions recognised - capital											
List contributions by contract		279	217	237	59	560	560	738	170	179	187

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Total Contributions recognised - capital		**279**	**217**	**237**	**59**	**560**	**560**	**738**	**170**	**179**	**187**
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		4 134	29 922	32 263	40 310	40 310	40 310	2	39 331	39 191	39 191
Lease amortisation		590	400	469	377	377	377	–	398	398	398
Capital asset impairment		20	824	–	–	–	–	–	–	–	–
Depreciation resulting from revaluation of PPE	10	–	–	–	–	–	–	–	–	–	–
Total Depreciation & asset impairment	1	**4 744**	**31 146**	**32 732**	**40 688**	**40 688**	**40 688**	**2**	**39 729**	**39 589**	**39 589**
Bulk purchases											
Electricity Bulk Purchases		179 705	188 968	221 822	232 760	242 360	242 360	191 291	285 789	311 224	338 923
Water Bulk Purchases		–	–	–	–	–	–	–	–	–	–
Total bulk purchases	1	**179 705**	**188 968**	**221 822**	**232 760**	**242 360**	**242 360**	**191 291**	**285 789**	**311 224**	**338 923**
Transfers and grants											
Cash transfers and grants		14 160	10 021	25 477	2 179	8 616	8 616	1 658	25 603	2 273	2 575
Non-cash transfers and grants		–	–	–	–	–	–	–	–	–	–
Total transfers and grants	1	**14 160**	**10 021**	**25 477**	**2 179**	**8 616**	**8 616**	**1 658**	**25 603**	**2 273**	**2 575**
Contracted services											
Outsourced Services		16 432	20 179	25 060	21 656	31 146	31 146	22 222	26 514	27 247	28 367
Consultants and Professional Services		14 200	19 134	15 398	20 758	22 585	22 585	18 681	15 470	15 991	16 508
Contractors		5 468	4 529	3 570	6 071	5 845	5 845	2 720	6 406	6 310	6 643
sub-total	1	**36 101**	**43 841**	**44 029**	**48 486**	**59 576**	**59 576**	**43 623**	**48 390**	**49 549**	**51 518**
Allocations to organs of state:											
Electricity		–	–	–	–	–	–	–	–	–	–
Water		–	–	–	–	–	–	–	–	–	–
Sanitation		–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–
Total contracted services		**36 101**	**43 841**	**44 029**	**48 486**	**59 576**	**59 576**	**43 623**	**48 390**	**49 549**	**51 518**
Other Expenditure By Type											
Collection costs		1 872	2 037	2 354	1 995	2 325	2 325	2 001	1 669	1 738	1 825
Contributions to 'other' provisions		36 231	22 336	12 285	15	15	15	–	1	1	1
Audit fees		2 728	3 242	3 371	3 626	3 626	3 626	3 194	3 792	3 967	4 165
General expenses	3										
Operating Leases		856	802	798	849	1 056	1 056	839	646	676	710
Operational Cost		28 387	31 562	29 052	40 286	39 053	39 053	25 134	32 846	33 621	35 133
Statutory Payments other than Income Taxes		–	–	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Total 'Other' Expenditure	1	**70 074**	**59 980**	**47 859**	**46 770**	**46 074**	**46 074**	**31 167**	**38 955**	**40 003**	**41 834**
by Expenditure Item	8										
Employee related costs		1 368	1 451	1 564	1 171	1 171	1 171	1 250	2 166	1 645	1 655
Other materials		5 008	4 000	2 921	4 450	3 956	3 956	3 167	3 272	3 432	3 591
Contracted Services		10 830	11 334	9 343	11 267	15 750	15 750	11 892	12 745	12 960	13 559
Other Expenditure		1 682	1 479	642	1 394	1 523	1 523	705	1 449	1 513	1 581
Total Repairs and Maintenance Expenditure	9	18 887	18 264	14 470	18 282	22 401	22 401	17 015	19 633	19 550	20 386
Inventory Consumed											
Inventory Consumed - Water		(6)	(12)	(50)	(50)	(50)	(50)	(50)	–	–	–
Inventory Consumed - Other		(50 563)	(87 828)	(33 486)	(1 267 233)	(1 276 266)	(1 276 266)	25 344	(66 800)	(44 075)	9 131
Total Inventory Consumed & Other Material		**(50 569)**	**(87 840)**	**(33 536)**	**(1 267 284)**	**(1 276 316)**	**(1 276 316)**	**25 293**	**(66 800)**	**(44 075)**	**9 131**
	check	18 887	18 264	14 470	18 282	22 401	22 401		19 633	19 550	20 386

References

1. Must reconcile with 'Budgeted Financial Performance (Revenue and Expenditure)

2. Must reconcile to supporting documentation on staff salaries

3. Insert other categories where revenue or expenditure is of a material nature (list separate items until 'General expenses' is not > 10% of Total Expenditure)

4. Expenditure to meet any 'unfunded obligations'

5 This sub-total must agree with the total on SA22, but excluding councillor and board member items

6. Include a note for each revenue item that is affected by 'revenue foregone'

7. Special consideration may have to be given to including 'goodwill arising' or 'joint venture' budgets where circumstances require this (include separately under relevant notes)

8. Repairs and Maintenance is not a GRAP item. However to facilitate transparency, municipalities must provide a breakdown of the amounts included in the relevant GRAP items that will be spent on Repairs and Maintenance.

9. Must reconcile with Repairs and Maintenance by Asset Class (Total Repairs and Maintenance) on Table SA34c.

10. Only applicable to municipalities that have adopted the 'revaluation method' in GRAP 17. The aim is to prevent overstating 'depreciation and asset impairment'

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

Description R thousand	Ref 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	Vote 7 - Technical Services	Vote 8 - Muncipal 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
Revenue By Source																	
Property rates		83 290	–	–	–	–	–	–	–	–	–	–	–	–	–	–	83 290
Service charges - electricity revenue		377	–	–	–	–	323 100	–	–	–	–	–	–	–	–	–	323 478
Service charges - water revenue		–	–	–	–	–	–	39 677	–	–	–	–	–	–	–	–	39 677
Service charges - sanitation revenue		–	–	–	–	–	25 043	–	–	–	–	–	–	–	–	–	25 043
Service charges - refuse revenue		–	–	–	–	–	–	25 574	–	–	–	–	–	–	–	–	25 574
Rental of facilities and equipment		–	807	200	50	–	–	–	412	–	–	–	–	–	–	–	1 470
Interest earned - external investments		6 990	–	–	–	–	–	–	–	–	–	–	–	–	–	–	6 990
Interest earned - outstanding debtors		2 015	146	–	–	–	2 142	4 374	–	–	–	–	–	–	–	–	8 677
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		1 338	19	20 110	–	5	7	–	–	–	–	–	–	–	–	–	21 479
Licences and permits		5	–	2 101	–	5	–	–	–	–	–	–	–	–	–	–	2 111
Agency services		–	–	–	4 046	–	–	–	–	–	–	–	–	–	–	–	4 046
Other revenue		11 434	1 325	149	205	585	1 240	48	–	–	–	–	–	–	–	–	14 985
Transfers and subsidies		2 263	33 286	109 415	279	–	–	–	660	–	–	–	–	–	–	–	145 903
Gains		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		**107 712**	**35 583**	**131 976**	**4 581**	**594**	**351 534**	**69 673**	**1 072**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**702 723**
Expenditure By Type																	
Employee related costs		30 807	30 948	28 607	15 331	45 691	43 830	31 587	10 224	–	–	–	–	–	–	–	237 025
Remuneration of councillors		–	–	–	–	12 007	–	–	–	–	–	–	–	–	–	–	12 007
Debt impairment		4 683	–	15 895	–	–	20 137	23 035	–	–	–	–	–	–	–	–	63 750
Depreciation & asset impairment		418	2 318	3 168	1 613	3 910	18 486	9 768	48	–	–	–	–	–	–	–	39 729
Finance charges		16	45	21	12	32	121	8 449	–	–	–	–	–	–	–	–	8 696
Bulk purchases		8	–	8	–	27	285 424	322	–	–	–	–	–	–	–	–	285 789
Other materials		668	819	924	718	545	6 925	4 312	65	–	–	–	–	–	–	–	14 977
Contracted services		1 822	5 611	3 167	2 307	6 493	21 339	5 492	2 158	–	–	–	–	–	–	–	48 390
Transfers and subsidies		850	–	–	23 331	1 087	–	–	335	–	–	–	–	–	–	–	25 603
Other expenditure		13 192	2 137	2 280	407	7 686	4 794	7 826	631	–	–	–	–	–	–	–	38 955
Losses		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		**52 465**	**41 879**	**54 069**	**43 719**	**77 479**	**401 057**	**90 791**	**13 462**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**774 922**
Surplus/(Deficit)		**55 247**	**(6 296)**	**77 906**	**(39 139)**	**(76 885)**	**(49 523)**	**(21 118)**	**(12 391)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(72 199)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		–	**137**	–	–	–	**37 248**	**37 551**	–	–	–	–	–	–	–	–	74 937
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		–	–	–	–	–	**170**	–	–	–	–	–	–	–	–	–	170
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**55 247**	**(6 159)**	**77 906**	**(39 139)**	**(76 885)**	**(12 105)**	**16 433**	**(12 391)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**2 908**

References

1. Departmental columns to be based on municipal organisation structure

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

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
ASSETS											
Call investment deposits											
Call deposits		–	–	–	51 962	50 086	50 086	–	–	–	–
Other current investments		–	–	–	–	–	–	–	–	–	–
Total Call investment deposits	2	–	–	–	**51 962**	**50 086**	**50 086**	–	–	–	–
Consumer debtors											
Consumer debtors		32 187	32 692	53 257	201 877	213 377	213 377	14 704	41 306	31 770	24 729
Less: Provision for debt impairment		(27 656)	(31 942)	(44 311)	(225 272)	(225 272)	(225 272)	(30 755)	(63 750)	(57 829)	(61 399)
Total Consumer debtors	2	**4 531**	**750**	**8 946**	**(23 395)**	**(11 895)**	**(11 895)**	**(16 051)**	**(22 444)**	**(26 058)**	**(36 671)**
Debt impairment provision											
Balance at the beginning of the year		–	–	–	(180 584)	(180 584)	(180 584)	–	–	–	–
Contributions to the provision		30 418	(31 936)	(44 291)	(44 688)	(44 688)	(44 688)	(30 739)	(63 750)	(57 829)	(61 399)
Bad debts written off		(58 074)	(7)	(20)	–	–	–	(15)	–	–	–
Balance at end of year		**(27 656)**	**(31 942)**	**(44 311)**	**(225 272)**	**(225 272)**	**(225 272)**	**(30 755)**	**(63 750)**	**(57 829)**	**(61 399)**
Inventory											
Water											
Opening Balance		–	**6**	**12**	**50**	**50**	**50**	**50**	–	–	–
System Input Volume		**6**	**6**	**39**	–	–	–	–	–	–	–
Water Treatment Works		–	–	–	–	–	–	–	–	–	–
Bulk Purchases		6	6	39	–	–	–	–	–	–	–
Natural Sources		–	–	–	–	–	–	–	–	–	–
Authorised Consumption	6	–	–	–	–	–	–	–	–	–	–
Billed Authorised Consumption		–	–	–	–	–	–	–	–	–	–
Billed Metered Consumption		–	–	–	–	–	–	–	–	–	–
Free Basic Water		–	–	–	–	–	–	–	–	–	–
Subsidised Water		–	–	–	–	–	–	–	–	–	–
Revenue Water		–	–	–	–	–	–	–	–	–	–
Billed Unmetered Consumption		–	–	–	–	–	–	–	–	–	–
Free Basic Water		–	–	–	–	–	–	–	–	–	–
Subsidised Water		–	–	–	–	–	–	–	–	–	–
Revenue Water		–	–	–	–	–	–	–	–	–	–
UnBilled Authorised Consumption		–	–	–	–	–	–	–	–	–	–
Unbilled Metered Consumption		–	–	–	–	–	–	–	–	–	–
Unbilled Unmetered Consumption		–	–	–	–	–	–	–	–	–	–
Water Losses		–	–	–	–	–	–	–	–	–	–
Apparent losses		–	–	–	–	–	–	–	–	–	–
Unauthorised Consumption		–	–	–	–	–	–	–	–	–	–
Customer Meter Inaccuracies		–	–	–	–	–	–	–	–	–	–
Real losses		–	–	–	–	–	–	–	–	–	–
Leakage on Transmission and Distribution Mains		–	–	–	–	–	–	–	–	–	–
Leakage and Overflows at Storage Tanks/Reservoirs		–	–	–	–	–	–	–	–	–	–
Leakage on Service Connections up to the point of Customer		–	–	–	–	–	–	–	–	–	–
Data Transfer and Management Errors		–	–	–	–	–	–	–	–	–	–
Unavoidable Annual Real Losses		–	–	–	–	–	–	–	–	–	–
Non-revenue Water		–	–	–	–	–	–	–	–	–	–
Closing Balance Water		**6**	**12**	**50**	**50**	**50**	**50**	**50**	–	–	–
Agricultural											
Opening Balance		–	–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–	–
Issues	7	–	–	–	–	–	–	–	–	–	–
Adjustments	8	–	–	–	–	–	–	–	–	–	–
Write-offs	9	–	–	–	–	–	–	–	–	–	–
Closing balance - Agricultural		–	–	–	–	–	–	–	–	–	–

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Consumables											
Standard Rated											
Opening Balance		–	–	(711)	(619)	(619)	(619)	(619)	–	110	214
Acquisitions		–	–	–	–	–	–	–	–	–	–
Issues	7	–	3 628	4 424	19 162	19 164	19 164	2 534	1 949	1 877	1 965
Adjustments	8	–	(4 339)	(4 332)	(2 548)	(5 861)	(5 861)	(2 555)	(1 839)	(1 773)	(1 858)
Write-offs	9	–	(1)	–	–	–	–	–	–	–	–
Closing balance - Consumables Standard Rated		–	(711)	(619)	15 995	12 684	12 684	(641)	110	214	321
Zero Rated											
Opening Balance		–	–	6	(0)	(0)	(0)	(0)	–	3	6
Acquisitions		–	–	–	–	–	–	–	–	–	–
Issues	7	–	109	55	286	286	286	3	56	43	45
Adjustments	8	–	(103)	(61)	(64)	(27)	(27)	(3)	(53)	(40)	(42)
Write-offs	9	–	–	–	–	–	–	–	–	–	–
Closing balance - Consumables Zero Rated		–	6	(0)	222	259	259	(0)	3	6	8
Finished Goods											
Opening Balance		–	–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–	–
Issues	7	–	–	–	–	–	–	–	–	–	–
Adjustments	8	–	–	–	–	–	–	–	–	–	–
Write-offs	9	–	–	–	–	–	–	–	–	–	–
Closing balance - Finished Goods		–	–	–	–	–	–	–	–	–	–
Materials and Supplies											
Opening Balance		–	–	992	777	777	777	777	–	785	1 639
Acquisitions		–	–	–	–	–	–	–	–	–	–
Issues	7	–	9 133	8 351	5 592	5 584	5 584	2 011	13 870	14 455	15 160
Adjustments	8	–	(8 130)	(8 567)	(16 858)	(12 866)	(12 866)	(4 179)	(13 085)	(13 601)	(14 236)
Write-offs	9	–	(10)	–	–	–	–	–	–	–	–
Closing balance - Materials and Supplies		–	992	777	(10 489)	(6 506)	(6 506)	(1 391)	785	1 639	2 563
Work-in-progress											
Opening Balance		–	–	–	–	–	–	–	–	–	–
Materials		–	–	–	–	–	–	–	–	–	–
Transfers		–	–	–	–	–	–	–	–	–	–
Closing balance - Work-in-progress		–	–	–	–	–	–	–	–	–	–
Housing Stock											
Opening Balance		–	–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–	–
Transfers		–	–	–	–	–	–	–	–	–	–
Sales		–	–	–	–	–	–	–	–	–	–
Closing Balance - Housing Stock		–	–	–	–	–	–	–	–	–	–
Land											
Opening Balance		–	–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–	–
Sales		–	–	–	–	–	–	–	–	–	–
Adjustments		–	–	–	–	–	–	–	–	–	–
Correction of Prior period errors		–	–	–	–	–	–	–	–	–	–
Closing Balance - Land		–	–	–	–	–	–	–	–	–	–
Closing Balance - Inventory & Consumables		6	299	208	5 779	6 488	6 488	(1 982)	899	1 859	2 892
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		46 033	90 225	27 445	1 294 949	1 292 481	1 292 481	38 247	89 244	70 133	27 540
Leases recognised as PPE	3	–	1 218	–	3 111	3 111	3 111	–	–	–	–
Less: Accumulated depreciation		26 317	29 261	31 952	295 216	295 216	295 216	–	38 589	38 449	38 449
Total Property, plant and equipment (PPE)	2	19 716	62 181	(4 508)	1 002 844	1 000 376	1 000 376	38 247	50 656	31 685	(10 909)

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)		–	–	–	–	–	–	–	–	–	–
Current portion of long-term liabilities		–	842	(333)	(2 032)	(2 032)	(2 032)	1 177	(12)	(12)	(13)
Total Current liabilities - Borrowing		**–**	**842**	**(333)**	**(2 032)**	**(2 032)**	**(2 032)**	**1 177**	**(12)**	**(12)**	**(13)**
Trade and other payables											
Trade Payables		–	(4 589)	(2 380)	(28 737)	(56 938)	(56 938)	4 584	(61 162)	(7 913)	3 785
Other Creditors		–	–	–	(900)	(900)	(900)	–	–	–	–
Unspent conditional transfers		(1 091)	(6 921)	(43 393)	(13 352)	744	744	(66 085)	52 202	22 616	8 488
VAT		–	(3 146)	(2 905)	(4 321)	(4 321)	(4 321)	(47 540)	–	–	–
Total Trade and other payables	2	**(1 091)**	**(14 656)**	**(48 678)**	**(47 310)**	**(61 414)**	**(61 414)**	**(109 041)**	**(8 960)**	**14 703**	**12 273**
Non current liabilities - Borrowing											
Borrowing	4	1 975	1 186	1 486	(7 818)	(7 818)	(7 818)	–	(415)	(415)	(422)
Finance leases (including PPP asset element)		–	–	–	–	–	–	–	–	–	–
Total Non current liabilities - Borrowing		**1 975**	**1 186**	**1 486**	**(7 818)**	**(7 818)**	**(7 818)**	**–**	**(415)**	**(415)**	**(422)**
Provisions - non-current											
Retirement benefits		(5 599)	21 397	1 922	(82 702)	(74 602)	(74 602)	(6 138)	(27 091)	(27 904)	(28 741)
List other major provision items											
Refuse landfill site rehabilitation		(1 217)	(15 005)	35 575	(94 314)	(94 314)	(94 314)	–	(8 235)	(8 653)	(9 086)
Other		(273)	(4 978)	748	(10 017)	(10 017)	(10 017)	23	–	0	0
Total Provisions - non-current		**(7 090)**	**1 414**	**38 245**	**(187 033)**	**(178 933)**	**(178 933)**	**(6 115)**	**(35 326)**	**(36 557)**	**(37 827)**
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance		–	–	–	865 677	865 677	865 677	–	–	–	–
GRAP adjustments		(108)	38	–	–	–	–	–	–	–	–
Restated balance		(108)	38	–	865 677	865 677	865 677	–	–	–	–
Surplus/(Deficit)		56 524	31 371	10 788	(13 052)	(21 569)	(21 569)	140 389	2 908	(4 363)	(42 066)
Transfers to/from Reserves		25 815	32 479	21 175	–	–	–	–	–	–	–
Depreciation offsets		–	–	–	–	–	–	–	–	–	–
Other adjustments		(198)	–	–	–	–	–	–	–	–	–
Accumulated Surplus/(Deficit)	1	**82 032**	**63 888**	**31 963**	**852 625**	**844 108**	**844 108**	**140 389**	**2 908**	**(4 363)**	**(42 066)**
Reserves											
Housing Development Fund		–	–	–	–	–	–	–	–	–	–
Capital replacement		–	–	263	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		–	–	–	–	–	–	–	–	–	–
Equity		–	–	–	–	–	–	–	–	–	–
Non-Controlling Interest		–	–	–	–	–	–	–	–	–	–
Share Premium		–	–	–	–	–	–	–	–	–	–
Revaluation		–	–	–	–	–	–	–	–	–	–
Total Reserves	2	**–**	**–**	**263**	**10 355**	**10 355**	**10 355**	**–**	**–**	**–**	**–**
TOTAL COMMUNITY WEALTH/EQUITY	2	**82 032**	**63 888**	**32 226**	**862 980**	**854 463**	**854 463**	**140 389**	**2 908**	**(4 363)**	**(42 066)**

Total capital expenditure includes expenditure on nationally significant priorities:

Provision of basic services											

References

1. Must reconcile with Table A4 Budgeted Financial Performance (revenue and expenditure)

2. Must reconcile with Table A6 Budgeted Financial Position

3. Leases treated as assets to be depreciated as the same as purchased/constructed assets. Includes PPP asset element accounted for as finance leases

4. Borrowing must reconcile to Table A17

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

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

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

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

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

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

Strategic Objective	Goal	Goal Code	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Essential Services	1.1 Sustainable provision & maintenance of basic infrastructure			351 012	366 798	384 647	425 654	438 103	438 103	494 965	507 933	517 850
Governance	2.1 Support Institutional Transformation & Development			1 759	2 228	4 684	3 845	3 845	3 845	2 877	3 178	3 375
Governance	2.2 Ensure financial viability.			83 282	86 082	91 172	97 078	97 078	97 078	107 712	109 373	114 009
Governance	2.3 To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the creation of participative structures.			–	20	104	–	–	–	–	–	–
Communal Services	3.1 Provide & maintain facilities that make citizens feel at home.			115 053	123 487	151 426	141 766	141 766	141 766	147 999	159 831	159 575
Socio-Economic Support Services	4.1 Support the poor & vulnerable through programmes & policy			13 006	9 049	30 043	1 098	1 098	1 098	23 998	1 425	1 717
Socio-Economic Support Services	4.2 Create an enabling environment to attract investment & support local economy.			295	388	1 715	–	–	–	279	387	–
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	564 409	588 051	663 791	669 441	681 890	681 890	777 830	782 127	796 526

References

1. Total revenue must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

2. Balance of allocations not directly linked to an IDP strategic objective

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

Strategic Objective	Goal	Goal Code	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Essential Services	1.1 Sustainable provision & maintenance of basic infrastructure			315 095	348 699	397 403	411 249	432 216	432 216	485 294	511 319	548 334
Governance	2.1 Support Institutional Transformation & Development			61 684	41 713	98 175	105 014	105 014	105 014	98 353	103 472	108 551
Governance	2.2 Ensure financial viability.			27 219	34 049	51 525	50 998	50 998	50 998	50 442	50 411	53 488
Governance	2.3 To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the			5 202	5 426	6 373	3 263	3 263	3 263	3 031	3 197	3 409
Communal Services	3.1 Provide & maintain facilities that make citizens feel at home.			88 628	87 111	99 704	103 948	103 948	103 948	106 676	109 424	115 801
Socio-Economic Support Services	4.1 Support the poor & vulnerable through programmes & policy			16 468	12 954	34 012	5 807	5 807	5 807	29 011	6 302	6 904
Socio-Economic Support Services	4.2 Create an enabling environment to attract investment & support local economy.			1 921	1 570	2 172	2 215	2 215	2 215	2 115	2 365	2 104
Allocations to other priorities												
Total Expenditure			1	516 217	531 521	689 363	682 494	703 461	703 461	774 922	786 490	838 592

References

1. Total expenditure must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

2. Balance of allocations not directly linked to an IDP strategic objective

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

Strategic Objective	Goal	Goal Code	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Essential Services	1.1 Sustainable provision & maintenance of basic infrastructure	A		56 297	80 938	54 483	86 194	83 727	83 727	82 013	57 581	19 716
Governance	2.1 Support Institutional Transformation & Development	B		678	959	4 518	1 050	1 050	1 050	900	700	120
Governance	2.2 Ensure financial viability.	C		322	675	80	–	–	–	180	80	80
Governance	2.3 To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the	D		661	148	240	–	–	–	–	–	–
Communal Services	3.1 Provide & maintain facilities that make citizens feel at home.	E		5 518	3 446	20 492	1 520	1 520	1 520	5 456	11 773	7 624
Socio-Economic Support Services	4.1 Support the poor & vulnerable through programmes & policy	F		359	–	–	–	–	–	–	–	–
Socio-Economic Support Services	4.2 Create an enabling environment to attract investment & support local economy.	G		20	491	1 577	–	–	–	696	–	–
		H										
		I										
		J										
		K										
		L										
		M										
		N										
		O										
		P										
Allocations to other priorities			3									
Total Capital Expenditure			1	63 855	86 657	81 390	88 764	86 297	86 297	89 244	70 133	27 540

References

1. Total capital expenditure must reconcile to Budgeted Capital Expenditure

2. Goal code must be used on Table SA36

3. Balance of allocations not directly linked to an IDP strategic objective

Choose name from list - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Essential Services										
Sustainable provision & maintenance of basic										
% Expenditure on Operational Budget by		99.0%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%
Insert measure/s description										
% Expenditure on Capital Budget by		98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%
Insert measure/s description										
Percentage compliance with drinking water		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Insert measure/s description										
Number of outstanding valid applications for		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Insert measure/s description										
Number of outstanding valid applications for		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Insert measure/s description										
Number of outstanding valid applications for		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Insert measure/s description										
Number of outstanding valid applications for		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Insert measure/s description										
Decrease unaccounted water losses.		19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%
Insert measure/s description										
Decrease unaccounted electricity losses.		10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Insert measure/s description										
Percentage compliance with drinking water		1070.0%	1070.0%	1070.0%	1070.0%	1070.0%	1070.0%	1070.0%	1070.0%	1070.0%
Insert measure/s description										
Provide for the needs of informal settlements										
Number of subsidised serviced sites										
Insert measure/s description										
Provide basic services - number of informal		3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Insert measure/s description										
Provide basic services - number of informal		3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Insert measure/s description										
Improve basic services - number of informal		3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Insert measure/s description										
Number of subsidised electricity connections		94.00	94.00	94.00	94.00	94.00	94.00	94.00	94.00	94.00
Insert measure/s description										

Governance										
Support Institutional Transformation &										
Percentage budget spent on implementation		98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%
Insert measure/s description										
Percentage of people from employment equity		75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%
Insert measure/s description										
Ensure financial viability.										
Financial viability expressed as Debt-		39.70	39.70	39.70	39.70	39.70	39.70	39.70	40.00	40.00
Insert measure/s description										
Financial viability expressed as Cost-		2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40
Insert measure/s description										
Financial viability expressed outstanding		54.0%	54.0%	54.0%	54.0%	54.0%	54.0%	54.0%	54.0%	54.0%
Insert measure/s description										
Opinion of the Auditor-General on annual		Unqualified	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified
Insert measure/s description										
Increased revenue collection		95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	91.0%	91.0%	91.0%
Insert measure/s description										
Percentage of budget spent on repairs &		99.0%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%
Insert measure/s description										
Percentage spend of capital budget.		97.4%	97.4%	97.4%	97.4%	97.4%	97.4%	97.4%	97.4%	97.4%
Insert measure/s description										
To maintain and strengthen relations with										
Number of IDP community meetings held.		14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00
Number of meetings with inter-governmental		12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
Insert measure/s description										
Communal Services										
Provide & maintain facilities that make citizens										
Customer satisfaction survey (Score 1-5) -		220.0%	220.0%	220.0%	220.0%	220.0%	220.0%	220.0%	220.0%	220.0%
Insert measure/s description										
% Expenditure on Operational Budget by		99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%
Insert measure/s description										
% Expenditure on Capital Budget by		96.1%	96.1%	96.1%	96.1%	96.1%	96.1%	96.1%	96.1%	96.1%
Insert measure/s description										

Socio-Economic Support Services										
Support the poor & vulnerable through										
Number of account holders subsidised		2521.00	2521.00	2521.00	2521.00	2521.00	2521.00	2521.00	2521.00	2521.00
Insert measure/s description										
Number of jobs created through		398.00	398.00	398.00	398.00	398.00	398.00	398.00	398.00	398.00
Insert measure/s description										
Number of social development programmes		22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00
Insert measure/s description										
Number of housing opportunities provided		200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00
Insert measure/s description										
Number of Rental Stock transferred		65.00	65.00	65.00	65.00	65.00	65.00	65.00	65.00	65.00
Insert measure/s description										
Create an enabling environment to attract										
Revisit Municipal Land Audit and draw up an		Phase 2	Phase 2	Phase 2	Phase 2	Phase 2	Phase 2	Phase 2	Phase 2	Phase 2
Insert measure/s description										
Compile & Imlementation of LED Strategy		Approved	Approved	Approved	Approved	Approved	Approved	Approved	Approved	Approved
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
And so on for the rest of the Votes										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Function 2 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
And so on for the rest of the Votes										

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

Choose name from list - Entities measureable performance objectives

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

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

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

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

Description of financial indicator	Basis of calculation	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Borrowing Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	1.7%	1.5%	1.5%	1.3%	1.3%	1.3%	0.0%	1.1%	1.2%	1.1%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	2.0%	2.0%	2.0%	1.9%	1.9%	1.9%	0.0%	1.6%	1.5%	1.5%
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%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	-565.6%	75.5%	75.5%	75.5%	0.0%	0.0%	0.0%	0.0%
Liquidity											
Current Ratio	Current assets/current liabilities	7.0	0.2	0.7	1.1	1.1	1.1	0.8	(0.2)	0.9	0.5
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	7.0	0.2	0.7	1.1	1.1	1.1	0.8	(0.2)	0.9	0.5
Liquidity Ratio	Monetary Assets/Current Liabilities	5.8	(0.2)	0.7	0.8	0.8	0.8	0.5	(0.1)	0.6	(0.4)
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0.0%	0.0%	0.0%	105.6%	102.4%	102.4%	-108.4%	92.1%	94.5%	96.1%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	0.9%	1.2%	0.4%	2.6%	8.5%	8.5%	4.7%	-0.3%	-0.7%	-1.9%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within`MFMA' s 65(e))	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%
Creditors to Cash and Investments		0.0%	0.5%	0.3%	-18.5%	-37.5%	-26.2%	-0.4%	-359.2%	-30.7%	7.0%
Other Indicators											
Electricity Distribution Losses (2)	Total Volume Losses (kW)	20636257	21334198	20764217	21802427.85	21802427.85	21802427.85	21802427.85	22892549.24	24037176.7	25239035.54
	Total Cost of Losses (Rand '000)	17 967	23 697	19 861	20 854	20 854	20 854	20 854	21 897	22 991	24 141
	% Volume (units purchased and generated less units sold)/units purchased and generated	0	10.51%	10.68%	0	0	0	0	0	0	0
Water Distribution Losses (2)	Total Volume Losses (kℓ)	1 260	1 136	1 009	1 059	1 059	1 059	1 059	1 112	1 168	1 226
	Total Cost of Losses (Rand '000)	487798	458209	379461	398434.05	398434.05	398434.05	398434.05	418355.7525	439273.5401	461237.2171
	% Volume (units purchased and generated less units sold)/units purchased and generated	0	17.73%	15.04%	0	0	0	0	0	0	0
Employee costs	Employee costs/(Total Revenue - capital revenue)	30.5%	32.1%	31.1%	38.3%	36.0%	36.0%	27.3%	33.7%	34.4%	34.3%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	31.8%	29.7%	31.5%	40.3%	37.9%	37.9%		35.4%	36.1%	36.0%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	3.6%	3.4%	2.4%	3.1%	3.6%	3.6%		2.8%	2.7%	2.6%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	2.6%	7.4%	7.0%	8.4%	8.1%	8.1%	0.0%	6.9%	6.7%	6.4%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	–	–	(13.7)	(11.4)	(11.4)	(11.4)	206.2	276.5	281.6	302.3
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	1.2%	1.7%	0.6%	3.6%	12.1%	12.1%	7.4%	-0.5%	-0.9%	-2.5%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	(0.1)	(21.8)	(16.7)	3.1	2.9	4.2	(30.3)	0.3	0.4	0.8

References

1. Consumer debtors > 12 months old are excluded from current assets

2. Only include if services provided by the municipality

Calculation data

Debtors > 90 days										
Monthly fixed operational expenditure	36 727	40 087	44 913	50 169	51 985	51 985	38 114	58 569	59 471	63 685
Fixed operational expenditure % assumption	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%
Own capex	(20 588)	59 908	298	10 048	20 161	20 161	(30 843)	14 207	12 130	1 180
Borrowing	–	–	–	–	–	–	–	–	–	–

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

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2017/18	2018/19	2019/20	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
						Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Demographics												
Population		0	–	–	–	116	116	116	116	116	116	116
Females aged 5 - 14		0	–	–	–	–	–	–	–	–	–	–
Males aged 5 - 14		0	–	–	–	–	–	–	–	–	–	–
Females aged 15 - 34		0	–	–	–	21	21	21	21	21	21	21
Males aged 15 - 34		0	–	–	–	24	24	24	24	24	24	24
Unemployment		0	–	–	–	3	3	3	3	3	3	3
Monthly household income (no. of households)	1, 12											
No income		0	–	–	–	2	2	2	2	2	2	2
R1 - R1 600		0	–	–	–	7	7	7	7	7	7	7
R1 601 - R3 200		0	–	–	–	7	7	7	7	7	7	7
R3 201 - R6 400		0	–	–	–	6	6	6	6	6	6	6
R6 401 - R12 800		0	–	–	–	3	3	3	3	3	3	3
R12 801 - R25 600		0	–	–	–	2	2	2	2	2	2	2
R25 601 - R51 200		0	–	–	–	1	1	1	1	1	1	1
R52 201 - R102 400		0	–	–	–	0	0	0	0	0	0	0
R102 401 - R204 800		0	–	–	–	0	0	0	0	0	0	0
R204 801 - R409 600		0	–	–	–	0	0	0	0	0	0	0
R409 601 - R819 200		0	–	–	–	–	–	–	–	–	–	–
> R819 200		0	–	–	–	–	–	–	–	–	–	–
Poverty profiles (no. of households)												
< R2 060 per household per month	13	0	–	–	–	8 460	8 460	8 460	8 460	8 460	8 460	8 460
	2	0	–	–	–	15 539	15 539	15 539	15 539	15 539	15 539	15 539
Household/demographics (000)												
Number of people in municipal area		0	–	–	–	116	116	116	116	116	116	116
Number of poor people in municipal area		0	–	–	–	90	90	90	90	90	90	90
Number of households in municipal area		0	–	–	–	27	27	27	27	27	27	27
Number of poor households in municipal area		0	–	–	–	21	21	21	21	21	21	21
Definition of poor household (R per month)		0	–	–	–	>R6400	>R6400	>R6400	>R6400	>R6400	>R6400	>R6400
Housing statistics	3											
Formal		0	–	–	–	23 642	23 642	23 642	23 642	23 642	23 642	23 642
Informal		0	–	–	–	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	0	–	–	–	-	-	-	-	-	-	-
Dwellings provided by province/s		0	–	–	–	-	-	-	-	-	-	-
Dwellings provided by private sector	5	0	–	–	–	-	-	-	-	-	-	-
Total new housing dwellings			-	-	-	-	-	-	-	-	-	-
Economic	6											
Inflation/inflation outlook (CPIX)						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest rate - borrowing						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest rate - investment						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Remuneration increases						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Consumption growth (electricity)						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Consumption growth (water)						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Collection rates	7											
Property tax/service charges						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Rental of facilities & equipment						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest - external investments						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest - debtors						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Revenue from agency services						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Detail on the provision of municipal services for A10

Total municipal services	Ref.		2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
		Household service targets (000)									
		Water:									
		Piped water inside dwelling	–	–	–	–	–	–	–	–	–
		Piped water inside yard (but not in dwelling)	–	–	–	–	–	–	–	–	–
	8	Using public tap (at least min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (at least min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
	9	Using public tap (< min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (< min.service level)	–	–	–	–	–	–	–	–	–
		No water supply	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)	–	–	–	–	–	–	–	–	–
		Flush toilet (with septic tank)	–	–	–	–	–	–	–	–	–
		Chemical toilet	–	–	–	–	–	–	–	–	–
		Pit toilet (ventilated)	–	–	–	–	–	–	–	–	–
		Other toilet provisions (> min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Bucket toilet	–	–	–	–	–	–	–	–	–
		Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–
		No toilet provisions	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
		Energy:									
		Electricity (at least min.service level)	–	–	–	–	–	–	–	–	–
		Electricity - prepaid (min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Electricity (< min.service level)	–	–	–	–	–	–	–	–	–
		Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–
		Other energy sources	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
		Refuse:									
		Removed at least once a week	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Removed less frequently than once a week	–	–	–	–	–	–	–	–	–
		Using communal refuse dump	–	–	–	–	–	–	–	–	–
		Using own refuse dump	–	–	–	–	–	–	–	–	–
		Other rubbish disposal	–	–	–	–	–	–	–	–	–
		No rubbish disposal	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–

Municipal in-house services	Ref.		2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
		Household service targets (000)									
		Water:									
		Piped water inside dwelling	–	–	–	–	–	–	–	–	–
		Piped water inside yard (but not in dwelling)	–	–	–	–	–	–	–	–	–
	8	Using public tap (at least min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (at least min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
	9	Using public tap (< min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (< min.service level)	–	–	–	–	–	–	–	–	–
		No water supply	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)	–	–	–	–	–	–	–	–	–
		Flush toilet (with septic tank)	–	–	–	–	–	–	–	–	–
		Chemical toilet	–	–	–	–	–	–	–	–	–
		Pit toilet (ventilated)	–	–	–	–	–	–	–	–	–
		Other toilet provisions (> min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Bucket toilet	–	–	–	–	–	–	–	–	–
		Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–
		No toilet provisions	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
		Energy:									
		Electricity (at least min.service level)	–	–	–	–	–	–	–	–	–
		Electricity - prepaid (min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Electricity (< min.service level)	–	–	–	–	–	–	–	–	–
		Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–
		Other energy sources	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
		Refuse:									
		Removed at least once a week	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Removed less frequently than once a week	–	–	–	–	–	–	–	–	–
		Using communal refuse dump	–	–	–	–	–	–	–	–	–
		Using own refuse dump	–	–	–	–	–	–	–	–	–
		Other rubbish disposal	–	–	–	–	–	–	–	–	–
		No rubbish disposal	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–

Municipal entity services	Ref.		2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
		Household service targets (000)									
Name of municipal entity		***Water:***									
		Piped water inside dwelling	–	–	–	–	–	–	–	–	–
		Piped water inside yard (but not in dwelling)	–	–	–	–	–	–	–	–	–
	8	Using public tap (at least min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (at least min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
	9	Using public tap (< min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (< min.service level)	–	–	–	–	–	–	–	–	–
		No water supply	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
Name of municipal entity		***Sanitation/sewerage:***									
		Flush toilet (connected to sewerage)	–	–	–	–	–	–	–	–	–
		Flush toilet (with septic tank)	–	–	–	–	–	–	–	–	–
		Chemical toilet	–	–	–	–	–	–	–	–	–
		Pit toilet (ventilated)	–	–	–	–	–	–	–	–	–
		Other toilet provisions (> min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Bucket toilet	–	–	–	–	–	–	–	–	–
		Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–
		No toilet provisions	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
Name of municipal entity		***Energy:***									
		Electricity (at least min.service level)	–	–	–	–	–	–	–	–	–
		Electricity - prepaid (min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Electricity (< min.service level)	–	–	–	–	–	–	–	–	–
		Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–
		Other energy sources	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
Name of municipal entity		***Refuse:***									
		Removed at least once a week	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Removed less frequently than once a week	–	–	–	–	–	–	–	–	–
		Using communal refuse dump	–	–	–	–	–	–	–	–	–
		Using own refuse dump	–	–	–	–	–	–	–	–	–
		Other rubbish disposal	–	–	–	–	–	–	–	–	–
		No rubbish disposal	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–

Services provided by 'external mechanisms'	Ref.		2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
		Household service targets (000)									
Names of service providers		***Water:***									
		Piped water inside dwelling	–	–	–	–	–	–	–	–	–
		Piped water inside yard (but not in dwelling)	–	–	–	–	–	–	–	–	–
	8	Using public tap (at least min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (at least min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
	9	Using public tap (< min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (< min.service level)	–	–	–	–	–	–	–	–	–
		No water supply	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
Names of service providers		***Sanitation/sewerage:***									
		Flush toilet (connected to sewerage)	–	–	–	–	–	–	–	–	–
		Flush toilet (with septic tank)	–	–	–	–	–	–	–	–	–
		Chemical toilet	–	–	–	–	–	–	–	–	–
		Pit toilet (ventilated)	–	–	–	–	–	–	–	–	–
		Other toilet provisions (> min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Bucket toilet	–	–	–	–	–	–	–	–	–
		Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–
		No toilet provisions	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
Names of service providers		***Energy:***									
		Electricity (at least min.service level)	–	–	–	–	–	–	–	–	–
		Electricity - prepaid (min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Electricity (< min.service level)	–	–	–	–	–	–	–	–	–
		Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–
		Other energy sources	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
Names of service providers		***Refuse:***									
		Removed at least once a week	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Removed less frequently than once a week	–	–	–	–	–	–	–	–	–
		Using communal refuse dump	–	–	–	–	–	–	–	–	–
		Using own refuse dump	–	–	–	–	–	–	–	–	–
		Other rubbish disposal	–	–	–	–	–	–	–	–	–
		No rubbish disposal	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–

Detail of Free Basic Services (FBS) provided			2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Electricity	Ref.	***Location of households for each type of FBS***									
List type of FBS service		**Formal settlements - (50 kwh per indigent household per month Rands)**	366 060	837 839	3 288 084	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–
		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)**	1 057 347	3 450 717	3 427 046	6 450 775	6 450 775	6 450 775	5 406 089	5 459 872	5 516 343
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–
		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)**	–	8 747 756	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–
		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)**	–	7 255 520	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–
		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 persons

Choose name from list Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	(2 474)	(873 737)	(748 690)	155 192	151 817	217 240	(1 154 701)	17 029	25 808	53 909
Cash + investments at the yr end less applications - R'000	18(1)b	2	(13 967)	(14 061)	69 610	150 535	265 041	265 041	85 107	6 481	(30 125)	(19 519)
Cash year end/monthly employee/supplier payments	18(1)b	3	(0.1)	(21.8)	(16.7)	3.1	2.9	4.2	(30.3)	0.3	0.4	0.8
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	56 524	31 371	10 788	(13 052)	(21 569)	(21 569)	140 389	2 908	(4 363)	(42 066)
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	(4.6%)	5.9%	(6.4%)	(2.9%)	(6.0%)	(18.7%)	9.3%	2.1%	2.3%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	0.0%	0.0%	0.0%	99.1%	97.7%	97.7%	(105.8%)	86.2%	88.5%	90.6%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	0.0%	4.7%	3.4%	10.7%	10.4%	10.4%	8.2%	12.8%	10.8%	10.6%
Capital payments % of capital expenditure	18(1)c;19	8	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	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								100.1%	100.2%	100.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	36.3%	(57.3%)	459.9%	248.0%	0.0%	(46.6%)	(104.4%)	113.4%	194.8%
Long term receivables % change - incr(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	95.8%	29.4%	(321.0%)	1.8%	2.2%	2.2%	51.3%	38.8%	61.7%	(186.9%)
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	24.8%	154.4%	5.5%	8.8%	8.8%	0.0%	0.7%	7.1%	0.0%

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 arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)

12. Indicative of realistic long term arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)

13. Indicative of a credible allowance for repairs & maintenance of assets - functioning assets revenue protection

14. Indicative of a credible allowance for asset renewal (requires analysis of asset renewal projects as % of total capital projects - detailed capital plan) - functioning assets revenue protection

Supporting indicators												
% incr *total service charges (incl prop rates)*	18(1)a			1.4%	11.9%	(0.4%)	3.1%	0.0%	(12.7%)	15.3%	8.1%	8.3%
% incr Property Tax	18(1)a			9.5%	5.3%	3.9%	0.0%	0.0%	(6.0%)	9.0%	7.0%	8.2%
% incr Service charges - electricity revenue	18(1)a			5.5%	15.0%	4.7%	1.9%	0.0%	(19.7%)	18.9%	8.8%	8.8%
% incr Service charges - water revenue	18(1)a			(21.8%)	10.9%	(10.9%)	0.0%	0.0%	0.1%	12.9%	6.7%	6.6%
% incr Service charges - sanitation revenue	18(1)a			(7.8%)	4.2%	(29.3%)	38.1%	0.0%	9.1%	(1.2%)	6.0%	6.5%
% incr Service charges - refuse revenue	18(1)a			(2.0%)	12.2%	(17.3%)	4.7%	0.0%	4.8%	14.8%	6.0%	6.0%
% incr in Service charges - other	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total billable revenue	18(1)a		369 881	374 977	419 673	418 121	431 121	431 121	376 314	497 062	537 171	581 791
Service charges			369 881	374 977	419 673	418 121	431 121	431 121	376 314	497 062	537 171	581 791
Property rates			63 712	69 777	73 497	76 388	76 388	76 388	71 827	83 290	89 121	96 460
Service charges - electricity revenue			210 359	221 840	255 095	266 973	271 973	271 973	218 312	323 478	352 068	383 176
Service charges - water revenue			45 429	35 547	39 419	35 137	35 137	35 137	35 168	39 677	42 328	45 139
Service charges - sanitation revenue			26 997	24 904	25 949	18 352	25 352	25 352	27 671	25 043	26 546	28 280
Service charges - refuse removal			23 384	22 909	25 713	21 271	22 271	22 271	23 335	25 574	27 108	28 735
Service charges - other			–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment			5 990	5 441	3 905	2 663	1 163	1 163	1 357	1 470	1 543	1 620
Capital expenditure excluding capital grant funding			(20 588)	59 908	298	10 048	20 161	20 161	(30 843)	14 207	12 130	1 180
Cash receipts from ratepayers	18(1)a		–	13	–	460 492	460 596	460 596	(415 613)	474 087	520 720	572 441
Ratepayer & Other revenue	18(1)a		428 921	422 106	467 492	464 548	471 578	471 578	392 810	549 831	588 252	632 045
Change in consumer debtors (current and non-current)			(1 871)	1 679	(3 614)	12 395	49 816	49 816	25 338	(17 388)	(2 607)	(9 555)
Operating and Capital Grant Revenue	18(1)a		128 984	158 609	145 003	195 705	206 394	206 394	228 115	220 840	186 608	157 101
Capital expenditure - total	20(1)(vi)		–	63 242	6 677	88 764	86 297	86 297	2 500	89 244	70 133	27 540
Capital expenditure - renewal	20(1)(vi)		10 816	15 671	10 309	4 900	7 632	7 632		600	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										110 696	116 373	118 409
DoRA capital grants total MFY										50 296	41 374	26 251
Provincial operating grants										34 268	10 994	11 432
Provincial capital grants										24 801	17 480	1 009
District Municipality grants										500	–	–
Total gazetted/advised national, provincial and district grants										220 561	186 221	157 101
Average annual collection rate (arrears inclusive)												

Description	MFMA section	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
DoRA operating												
Operational Revenue:General Revenue:Equitable Share										106 666	114 960	116 996
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]										2 617	–	–
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]										1 413	1 413	1 413
Mitchell's Plain Urban Renewal										–	–	–
Municipal Demarcation and Transition Grant [Schedule 5B]										–	–	–
Municipal Disaster Grant [Schedule 5B]										–	–	–
Municipal Human Settlement Capacity Grant [Schedule 5B]										–	–	–
Municipal Systems Improvement Grant										–	–	–
Natural Resource Management Project										–	–	–
Neighbourhood Development Partnership Grant										–	–	–
Operation Clean Audit										–	–	–
Municipal Disaster Recovery Grant										–	–	–
Public Service Improvement Facility										–	–	–
Public Transport Network Operations Grant [Schedule 5B]										–	–	–
Restructuring - Seed Funding										–	–	–
Revenue Enhancement Grant Debtors Book										–	–	–
Rural Road Asset Management Systems Grant										–	–	–
Sport and Recreation										–	–	–
Terrestrial Invasive Alien Plants										–	–	–
Water Services Operating Subsidy Grant [Schedule 5B]										–	–	–
Health Hygiene in Informal Settlements										–	–	–
Municipal Infrastructure Grant [Schedule 5B]										–	–	–
Water Services Infrastructure Grant										–	–	–
Public Transport Network Grant [Schedule 5B]										–	–	–
Smart Connect Grant										–	–	–
Urban Settlement Development Grant										–	–	–
WiFi Grant [Department of Telecommunications and Postal Services										–	–	–
Street Lighting										–	–	–
Traditional Leaders - Imbizion										–	–	–
Department of Water and Sanitation Smart Living Handbook										–	–	–
Integrated National Electrification Programme Grant										–	–	–
Municipal Restructuring Grant										–	–	–
Regional Bulk Infrastructure Grant										–	–	–
Municipal Emergency Housing Grant										–	–	–
Metro Informal Settlements Partnership Grant										–	–	–
Integrated Urban Development Grant										–	–	–
										110 696	**116 373**	**118 409**

Description	MFMA section	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
DoRA Capital												
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]										11 097	2 715	3 478
Municipal Infrastructure Grant [Schedule 5B]										21 808	21 929	22 773
Municipal Water Infrastructure Grant [Schedule 5B]										–	–	–
Neighbourhood Development Partnership Grant [Schedule 5B]										–	–	–
Public Transport Infrastructure Grant [Schedule 5B]										–	–	–
Rural Household Infrastructure Grant [Schedule 5B]										–	–	–
Rural Road Asset Management Systems Grant [Schedule 5B]										–	–	–
Urban Settlement Development Grant [Schedule 4B]										–	–	–
Municipal Human Settlement										–	–	–
Community Library										–	–	–
Integrated City Development Grant [Schedule 4B]										–	–	–
Municipal Disaster Recovery Grant										–	–	–
Energy Efficiency and Demand Side Management Grant										–	–	–
Khayelitsha Urban Renewal										–	–	–
Local Government Financial Management Grant [Schedule 5B]										–	–	–
Municipal Systems Improvement Grant [Schedule 5B]										–	–	–
Public Transport Network Grant [Schedule 5B]										–	–	–
Public Transport Network Operations Grant [Schedule 5B]										–	–	–
Regional Bulk Infrastructure Grant (Schedule 5B)										17 391	16 730	–
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										–	–	–
Integrated Urban Development Grant										–	–	–
										50 296	**41 374**	**26 251**
Trend												
Change in consumer debtors (current and non-current)			(1 871)	1 679	(3 614)	12 395	49 816	49 816	25 338	(17 388)	(2 607)	(9 555)

Description	MFMA section	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Total Operating Revenue			520 837	535 818	606 024	590 666	615 772	615 772	600 379	702 723	723 944	769 979
Total Operating Expenditure			499 074	557 497	608 916	682 493	703 460	703 460	483 858	774 922	786 490	838 592
Operating Performance Surplus/(Deficit)			21 764	(21 679)	(2 891)	(91 827)	(87 689)	(87 689)	116 521	(72 199)	(62 546)	(68 613)
Cash and Cash Equivalents (30 June 2012)										17 029		
Revenue												
% Increase in Total Operating Revenue				2.9%	13.1%	(2.5%)	4.3%	0.0%	(2.5%)	14.1%	3.0%	6.4%
% Increase in Property Rates Revenue				9.5%	5.3%	3.9%	0.0%	0.0%	(6.0%)	9.0%	7.0%	8.2%
% Increase in Electricity Revenue				5.5%	15.0%	4.7%	1.9%	0.0%	(19.7%)	18.9%	8.8%	8.8%
% Increase in Property Rates & Services Charges				1.4%	11.9%	(0.4%)	3.1%	0.0%	(12.7%)	15.3%	8.1%	8.3%
Expenditure												
% Increase in Total Operating Expenditure				11.7%	9.2%	12.1%	3.1%	0.0%	(31.2%)	10.2%	1.5%	6.6%
% Increase in Employee Costs				8.1%	9.8%	19.9%	(2.1%)	0.0%	(25.9%)	7.1%	5.0%	6.0%
% Increase in Electricity Bulk Purchases				5.2%	17.4%	4.9%	4.1%	0.0%	(21.1%)	17.9%	8.9%	8.9%
Average Cost Per Budgeted Employee Position (Remuneration)					0	0				0		
Average Cost Per Councillor (Remuneration)					0	0				0		
R&M % of PPE			95.8%	29.4%	(321.0%)	1.8%	2.2%	2.2%		38.8%	61.7%	(186.9%)
Asset Renewal and R&M as a % of PPE			178.0%	72.0%	(589.0%)	3.0%	2.0%	2.0%		104.0%	177.0%	(170.0%)
Debt Impairment % of Total Billable Revenue			0.0%	4.7%	3.4%	10.7%	10.4%	10.4%	8.2%	12.8%	10.8%	10.6%
Capital Revenue												
Internally Funded & Other (R'000)			8 603	1 417	(765)	10 048	20 131	20 131	11 592	14 207	12 130	1 180
Borrowing (R'000)			3 930	(1 500)	–	–	–	–	–	–	–	–
Grant Funding and Other (R'000)			20 588	3 334	6 379	78 716	66 135	66 135	33 343	75 037	58 003	26 360
Internally Generated funds % of Non Grant Funding			68.6%	(1710.1%)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Borrowing % of Non Grant Funding			31.4%	1810.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grant Funding % of Total Funding			62.2%	102.5%	113.6%	88.7%	76.7%	76.7%	74.2%	84.1%	82.7%	95.7%
Capital Expenditure												
Total Capital Programme (R'000)			27 754	12 382	(740)	88 764	86 297	86 297	44 935	89 244	70 133	27 540
Asset Renewal			10 816	15 671	10 309	4 900	7 632	7 632	–	600	5 000	–
Asset Renewal % of Total Capital Expenditure			32.7%	482.0%	183.6%	5.5%	8.8%	8.8%	0.0%	0.7%	7.1%	0.0%
Cash												
Cash Receipts % of Rate Payer & Other			0.0%	0.0%	0.0%	99.1%	97.7%	97.7%	(105.8%)	86.2%	88.5%	90.6%
Cash Coverage Ratio			(0)	(0)	(0)	0	0	0	(0)	0	0	0
Borrowing												
Credit Rating (2009/10)										0		
Capital Charges to Operating			1.7%	1.5%	1.5%	1.3%	1.3%	1.3%	0.0%	1.1%	1.2%	1.1%
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)			(13 967)	(14 061)	69 610	150 535	265 041	265 041	85 107	6 481	(30 125)	(19 519)
Free Services												
Free Basic Services as a % of Equitable Share			0.0%	0.0%	0.0%	6.3%	5.6%	5.6%		5.1%	4.7%	4.7%
Free Services as a % of Operating Revenue (excl operational transfers)			6.3%	4.1%	4.6%	9.5%	8.6%	8.6%		7.0%	7.1%	7.0%
High Level Outcome of Funding Compliance												
Total Operating Revenue			520 837	535 818	606 024	590 666	615 772	615 772	600 379	702 723	723 944	769 979
Total Operating Expenditure			499 074	557 497	608 916	682 493	703 460	703 460	483 858	774 922	786 490	838 592
Surplus/(Deficit) Budgeted Operating Statement			21 764	(21 679)	(2 891)	(91 827)	(87 689)	(87 689)	116 521	(72 199)	(62 546)	(68 613)
Surplus/(Deficit) Considering Reserves and Cash Backing			(13 967)	(14 061)	69 610	150 535	265 041	265 041	85 107	6 481	(30 125)	(19 519)
MTREF Funded (1) / Unfunded (0)		15	0	0	1	1	1	1	1	1	0	0
MTREF Funded ✓ / Unfunded ✗		15	✗	✗	✓	✓	✓	✓	✓	✓	✗	✗

References

15. Subject to figures provided in Schedule.

Choose name from list - Supporting Table SA11 Property rates summary

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Valuation:	1									
Date of valuation:										
Financial year valuation used										
Municipal by-laws s6 in place? (Y/N)	2									
Municipal/assistant valuer appointed? (Y/N)										
Municipal partnership s38 used? (Y/N)										
No. of assistant valuers (FTE)	3	–	–	–	–			–		
No. of data collectors (FTE)	3	–	–	–	–			–		
No. of internal valuers (FTE)	3	–	–	–	–			–		
No. of external valuers (FTE)	3	–	–	–	–			–		
No. of additional valuers (FTE)	4	–	–	–	–			–		
Valuation appeal board established? (Y/N)										
Implementation time of new valuation roll (mths)		–	–	–	–			–		
No. of properties	5	–	–	–	–			–		
No. of sectional title values	5	–	–	–	–			–		
No. of unreasonably difficult properties s7(2)		–	–	–	–			–		
No. of supplementary valuations		–	–	–	–			–		
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	–	–	–	–	–	–	–	–	–
Total land value (Rm)	5	–	–	–	–	–	–	–	–	–
Total value of improvements (Rm)	5	–	–	–	–	–	–	–	–	–
Total market value (Rm)	5	–	–	–	–	–	–	–	–	–

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Rating:										
Residential rate used to determine rate for other categories? (Y/N)										
Differential rates used? (Y/N)	5									
Limit on annual rate increase (s20)? (Y/N)										
Special rating area used? (Y/N)										
Phasing-in properties s21 (number)		–	–	–	–	–	–	–	–	–
Rates policy accompanying budget? (Y/N)										
Fixed amount minimum value (R'000)		–	–	–	–			–		
Non-residential prescribed ratio s19? (%)		0.0%	0.0%	0.0%	0.0%			0.0%		
Rate revenue:										
Rate revenue budget (R '000)	6	70 321	77 260	81 218	89 124	89 124	89 124	93 652	100 208	108 224
Rate revenue expected to collect (R'000)	6									
Expected cash collection rate (%)										
Special rating areas (R'000)	7	–	–	–	(47)	(47)	(47)	10	10	11
Rebates, exemptions - indigent (R'000)		–	–	–	2 849	2 849	2 849	–	–	–
Rebates, exemptions - pensioners (R'000)		–	(1)	–	1 002	1 002	1 002	–	–	–
Rebates, exemptions - bona fide farm. (R'000)		–	–	–	492	492	492	–	–	–
Rebates, exemptions - other (R'000)		6 609	7 484	7 720	8 345	8 345	8 345	10 371	11 097	11 775
Phase-in reductions/discounts (R'000)		–	–	–	–	–	–	–	–	–
Total rebates,exemptns,reductns,discs (R'000)		**6 609**	**7 483**	**7 720**	**12 689**	**12 689**	**12 689**	**10 371**	**11 097**	**11 775**

References

1. All numbers to be expressed as whole numbers except FTEs and Rates in the Rand

2. To give effect to rates policy

3. Full Time Equivalent (FTE) should be expressed to one decimal place and takes into account full time and part time staff

4. Required to implement new system (FTE)

5. Provide relevant information for historical comparisons. Must reconcile to the total of Table SA12

6. Current and budget year must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

7. Included in rate revenue budget

8. In favour of the rate-payer

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

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.	Small Holdings	Special Rating Areas	Agricultural	Multiple Purposes	Other Categories	Sum
Current Year 2020/21																							
Valuation:																							
No. of properties		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 appeals by rate-payers finalised		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of successful objections	5	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)**		2	2	2	2	2	0	2	0	2													
Frequency of valuation **(select)**		4	4	4	4	4	0	4	0	4													
Method of valuation used **(select)**		Market	Market	Market	Market	Market	0	Market	0	Market													
Base of valuation **(select)**		Land and Improvend	and Improvend	and Improvend	and Improvend	and Improven	0	d and Improven	0	d and Improven													
Phasing-in properties s21 (number)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Combination of rating types used? (Y/N)																							
Flat rate used? (Y/N)																							
Is balance rated by uniform rate/variable rate?		variable rate	variable rate	variable rate	variable rate	variable rate	0	variable rate	0	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	–	0	0	0	0	0	–	0	–	0	–	–	–	–	–	–	–	–	–	–	–	18
Total land value (Rm)	6	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total value of improvements (Rm)	6	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total market value (Rm)	6	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rating:																							
Average rate	3	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Rate revenue budget (R '000)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rate revenue expected to collect (R'000)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
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)		7 845	56	56	–	56	–	56	–	–	–	–	–	–	–	56	56	–	56	55	56	–	8 345
Phase-in reductions/discounts (R'000)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total rebates,exemptns,reductns,discs (R'000)		**11 696**	**56**	**56**	**–**	**56**	**–**	**56**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**56**	**56**	**–**	**56**	**547**	**56**	**–**	**12 689**

Choose name from list - Supporting Table SA12b Property rates by category (budget year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.	Small Holdings	Special Rating Areas	Agricultural	Multiple Purposes	Other Categories	Sum
Budget Year 2021/22																							
Valuation:																							
No. of properties		10 011	93	480	2 151	179	2 066	97	–	599	–	–	–	–	–	–	–	–	–	–	–	–	16
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 appeals by rate-payers finalised		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
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	Market	Market	Market	Market	Market	Market	Market	Market													
Base of valuation **(select)**		Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.													
Phasing-in properties s21 (number)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
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	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rating:																							
Average rate	3	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Rate revenue budget (R '000)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rate revenue expected to collect (R'000)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
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)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rebates, exemptions - other (R'000)		6 385	56	56	–	56	–	56	–	–	–	–	–	–	–	–	–	–	–	–	–	–	6 608
Phase-in reductions/discounts (R'000)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total rebates,exemptns,reductns,discs (R'000)		10 237	56	56	–	56	–	56	–	–	–	–	–	–	–	–	–	–	–	–	–	–	10 459

References

1. Land & Assistance Act, Restitution of Land Rights, Communual Property Associations

2. Include value of additional reductions is 'free' value greater than MPRA minimum.

3. Average rate - cents in the Rand. Eg 10.26 cents in the Rand is 0.1026, expressed to 6 decimal places maximum

4. Include arrears collections

5. In favour of the rate-payer

6. Provide relevant information for historical comparisons.

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

Description	Ref	Provide description of tariff structure where appropriate	2017/18	2018/19	2019/20	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
							Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Property rates *(rate in the Rand)*	1								
Residential properties			0.0099	0.0083	0.0087	0.0093	0.0098	0.0105	0.0111
Residential properties - vacant land			0.0149	0.0021	0.0131	0.0139	0.0148	0.0158	0.0168
Formal/informal settlements			0.0079	0.0074	0.0078	0.0083	0.0094	0.0105	0.0111
Small holdings			0.0099	0.0083	0.0087	0.0093	0.0098	0.0105	0.0111
Farm properties - used			0.0025	0.0010	0.0010	0.0015	0.0140	0.0018	0.0018
Farm properties - not used			0.0025	0.0010	0.0010	0.0015	0.0140	0.0018	0.0018
Industrial properties			0.0188	0.0149	0.0158	0.0163	0.0173	0.0185	0.0196
Business and commercial properties			0.0188	0.0149	0.0158	0.0167	0.0177	0.0190	0.0201
Communal land - residential			0.0099	0.0083	0.0087	0.0093	0.0098	0.0105	0.0111
Communal land - small holdings			0.0099	0.0083	0.0087	0.0093	0.0098	0.0105	0.0111
Communal land - farm property			0.0025	0.0010	0.0010	0.0093	0.0098	0.0105	0.0111
Communal land - business and commercial			0.0188	0.0149	0.0158	0.0167	0.0177	0.0190	0.0201
Communal land - other			0.0099	0.0083	0.0087	0.0093	0.0098	0.0105	0.0111
State-owned properties			0.0188	0.0124	0.0138	0.0146	0.0155	0.0166	0.0176
Municipal properties			0.0099	0.0083	0.0087	0.0093	0.0098	0.0105	0.0111
Public service infrastructure			0.0025	0.0021	0.0022	0.0023	0.0025	0.0026	0.0028
Privately owned towns serviced by the owner			n/a	n/a	n/a	-	-	-	-
State trust land			0.0188	0.0124	0.0158	0.0163	0.0173	0.0185	0.0196
Restitution and redistribution properties			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
National monuments properties			0.0025	0.0021	0.0010	0.0139	0.0148	0.0158	0.0168
Exemptions, reductions and rebates *(Rands)*									
Residential properties									
R15 000 threshhold rebate			15 000	15 000	15 000	15 000	15 000	15 000	15 000
General residential rebate			85 000	85 000	105 000	105 000	105 000	105 000	105 000
Indigent rebate or exemption			85 000	85 000	105 000	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/fixed fee *(Rands/month)*			82	83	83	83	83	83	83
Service point - vacant land *(Rands/month)*			123	136	144	153	162	172	182
Water usage - flat rate tariff *(c/kl)*			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
Water usage - Block 1 (c/kl)			285	300	324	344	344	361	379
Water usage - Block 2 (c/kl)			805	868	1 023	1 085	994	1 054	1 106
Water usage - Block 3 (c/kl)			805	868	1 023	1 085	994	1 054	1 106
Water usage - Block 4 (c/kl)			805	868	1 023	1 085	994	1 054	1 106
Other	2		-	-	-	-	-	-	-

Description	Ref	Provide description of tariff structure where appropriate	2017/18	2018/19	2019/20	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
							Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Waste water tariffs									
Domestic									
Basic charge/fixed fee *(Rands/month)*			202	216	228	242	257	272	288
Service point - vacant land *(Rands/month)*			n/a	n/a	n/a	86	91	96	102
Waste water - flat rate tariff *(c/kl)*			n/a	n/a	n/a	n/a	n/a	n/a	n/a
Volumetric charge - Block 1 (c/kl)			n/a	n/a	n/a	n/a	n/a	n/a	n/a
Volumetric charge - Block 2 (c/kl)			n/a	n/a	n/a	n/a	n/a	n/a	n/a
Volumetric charge - Block 3 (c/kl)			n/a	n/a	n/a	n/a	n/a	n/a	n/a
Volumetric charge - Block 4 (c/kl)			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	-	-	-	-	-
Service point - vacant land *(Rands/month)*			174	192	217	230	264	298	337
FBE					-	-	-	-	-
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)			143	154	-	184	211	239	270
Meter - IBT Block 2 (c/kwh)			143	154	-	184	211	239	270
Meter - IBT Block 3 (c/kwh)			143	154	-	184	286	323	365
Meter - IBT Block 4 (c/kwh)			193	208	-	310	321	362	410
Meter - IBT Block 5 (c/kwh)					-	-	-	-	-
Prepaid - IBT Block 1 (c/kwh)			125	135	-	162	186	211	238
Prepaid - IBT Block 2 (c/kwh)			125	135	-	162	186	211	238
Prepaid - IBT Block 3 (c/kwh)			125	135	-	162	186	211	238
Prepaid - IBT Block 4 (c/kwh)			217	233	-	280	321	362	410
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	203	216	229
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

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

Description	Ref	Provide description of tariff structure where appropriate	2017/18	2018/19	2019/20	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
							Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Exemptions, reductions and rebates *(Rands)*									
Indigent rebate		-	6kl	6KL	6KL	6KL	6KL	6KL	6KL
			Basic	Basic	Basic	Basic	Basic	Basic	Basic
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
Water tariffs									
Indigent rebate			Basic	Basic	Basic	Basic	Basic	Basic	Basic
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-

Description	Ref	Provide description of tariff structure where appropriate	2017/18	2018/19	2019/20	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
							Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Waste water tariffs									
Indigent rebate			Basic	Basic	Basic	Basic	Basic	Basic	Basic
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
Electricity tariffs									
Indigent rebate			50kWh	50kWh	50kWh	50kWh	50kWh	50kWh	50kWh
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-

Choose name from list - Supporting Table SA14 Household bills

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework			
Rand/cent		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22 % incr.	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		495.50	398.75	510.13	540.73	540.73	540.73	6.0%	474.92	503.41	533.62
Electricity: Basic levy		–	–	–	–	–	–	–	–	–	–
Electricity: Consumption		1 420.00	1 517.00	1 328.57	1 411.21	1 411.21	1 411.21	14.8%	1 620.00	1 859.68	2 134.82
Water: Basic levy		72.29	72.17	72.17	72.17	72.17	72.17	–	72.17	72.17	72.17
Water: Consumption		184.50	196.86	212.51	212.51	212.51	212.51	6.0%	268.49	284.61	301.69
Sanitation		176.80	189.05	198.65	210.57	210.57	210.57	6.0%	223.21	236.60	250.79
Refuse removal		184.44	195.51	169.89	205.81	205.81	205.81	6.0%	272.70	289.06	306.40
Other		–	–	–	–	–	–	–	–	–	–
sub-total		**2 533.53**	**2 569.34**	**2 491.93**	**2 653.01**	**2 653.01**	**2 653.01**	**10.5%**	**2 931.48**	**3 245.53**	**3 599.50**
VAT on Services		285.32	327.94	297.27	314.90	314.90	314.90	12.4%	368.48	411.32	459.88
Total large household bill:		**2 818.85**	**2 897.28**	**2 789.20**	**2 967.91**	**2 967.91**	**2 967.91**	**11.2%**	**3 299.96**	**3 656.85**	**4 059.38**
% increase/-decrease			**2.8%**	**(3.7%)**	**6.4%**	**–**	**–**		**11.2%**	**10.8%**	**11.0%**
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		330.33	261.25	364.38	386.24	386.24	386.24	6.0%	311.15	329.82	349.61
Electricity: Basic levy		–	–	–	–	–	–	–	–	–	–
Electricity: Consumption		550.00	587.50	664.29	705.60	705.60	705.60	14.8%	810.00	929.84	1 067.41
Water: Basic levy		72.29	72.17	72.17	72.17	72.17	72.17	–	72.17	72.17	72.17
Water: Consumption		149.18	159.11	171.76	182.09	182.09	182.09	–	182.09	193.03	204.64
Sanitation		176.80	189.05	198.65	210.57	210.57	210.57	6.0%	223.21	236.60	250.79
Refuse removal		169.60	179.77	169.89	205.81	205.81	205.81	6.0%	218.16	231.25	245.12
Other			–	–	–	–	–	–	–	–	–
sub-total		**1 448.21**	**1 448.86**	**1 641.14**	**1 762.48**	**1 762.48**	**1 762.48**	**3.1%**	**1 816.78**	**1 992.71**	**2 189.75**
VAT on Services		156.50	179.22	191.51	202.58	202.58	202.58	11.5%	225.84	250.33	277.92
Total small household bill:		**1 604.71**	**1 628.08**	**1 832.65**	**1 965.06**	**1 965.06**	**1 965.06**	**3.9%**	**2 042.62**	**2 243.04**	**2 467.67**
% increase/-decrease			**1.5%**	**12.6%**	**7.2%**	**–**	**–**		**3.9%**	**9.8%**	**10.0%**
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates		165.17	123.75	131.18	139.05	139.05	139.05	6.0%	147.39	156.23	165.61
Electricity: Basic levy		–	–	–	–	–	–	–	–	–	–
Electricity: Consumption		330.00	352.50	465.00	493.92	493.92	493.92	14.8%	567.00	650.89	747.19
Water: Basic levy		–	–	72.17	72.17	72.17	72.17	–	72.17	72.17	72.17
Water: Consumption		113.87	105.70	131.01	138.89	138.89	138.89	–	138.89	147.24	156.09
Sanitation			–	198.65	210.57	210.57	210.57	6.0%	223.21	236.60	250.79
Refuse removal			–	157.75	167.22	167.22	167.22	6.0%	177.25	187.89	199.16
Other			–	(719.88)	(762.29)	(762.29)	(762.29)	5.6%	(804.68)	(893.57)	(913.26)
sub-total		**609.04**	**581.95**	**435.88**	**459.54**	**459.54**	**459.54**	**13.4%**	**521.23**	**557.44**	**677.75**
VAT on Services		62.14	71.70	153.69	162.42	162.42	162.42	8.8%	176.78	194.22	213.81
Total small household bill:		**671.18**	**653.65**	**589.57**	**621.95**	**621.95**	**621.95**	**12.2%**	**698.00**	**751.66**	**891.56**
% increase/-decrease			**(2.6%)**	**(9.8%)**	**5.5%**	**–**	**–**		**12.2%**	**7.7%**	**18.6%**

References

1. Use as basis property value of R700 000, 1 000 kWh electricity and 30kl water

2. Use as basis property value of R500 000 and R700 000, 500 kWh electricity and 25kl water

3. Use as basis property value of R 300 000, 350kWh electricity and 20kl water (50 kWh electricity and 6 kl water free)

4. Note this is for a SINGLE household.

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

Investment type R thousand	Ref	2017/18 Audited Outcome	2018/19 Audited Outcome	2019/20 Audited Outcome	Current Year 2020/21 Original Budget	 Adjusted Budget	 Full Year Forecast	2021/22 Medium Term Revenue & Expenditure Framework Budget Year 2021/22	 Budget Year +1 2022/23	 Budget Year +2 2023/24
Parent municipality										
Securities - National Government		–	–	–	–	–	–	–	–	–
Listed Corporate Bonds		–	–	–	–	–	–	–	–	–
Deposits - Bank		–	–	–	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	1	–	–	–	–	–	–	–	–	–
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)

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

Investments by Maturity Name of institution & investment ID	Ref 1	Period of Investment Yrs/Months	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate [3]	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Parent municipality														
No Investment at year end														
-														
-														
-														
-														
-														
-														
-														
-														
-														
-														
-														
-														
Municipality sub-total														
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

Choose name from list - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Parent municipality										
Annuity and Bullet Loans		(1 975)	(1 186)	(1 486)	6 747	6 747	6 747	–	–	–
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		(237)	782	(482)	–	–	–	–	–	–
Municipality sub-total	1	**(2 212)**	**(404)**	**(1 968)**	**6 747**	**6 747**	**6 747**	**–**	**–**	**–**
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	**(2 212)**	**(404)**	**(1 968)**	**6 747**	**6 747**	**6 747**	**–**	**–**	**–**

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

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

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		–	–	–	**106 455**	**120 625**	**120 625**	**110 833**	**116 510**	**118 546**
Operational Revenue:General Revenue:Equitable Share		–	–	–	101 915	116 085	116 085	106 666	114 960	116 996
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	2 360	2 360	2 617	–	–
HIV and Aids		–	–	–	–	–	–	–	–	–
Housing Accreditation		–	–	–	–	–	–	–	–	–
Housing Top structure		–	–	–	–	–	–	–	–	–
Infrastructure Skills Development Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Integrated City Development Grant		–	–	–	–	–	–	–	–	–
Khayelitsha Urban Renewal		–	–	–	–	–	–	–	–	–
Local Government Financial Management Grant [Schedule 5B]		–	–	–	1 550	1 550	1 550	1 550	1 550	1 550
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	630	630	–	–	–
Water Services Infrastructure Grant		–	–	–	–	–	–	–	–	–
Public Transport Network Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Smart Connect Grant		–	–	–	–	–	–	–	–	–
Urban Settlement Development Grant		–	–	–	–	–	–	–	–	–
WiFi Grant [Department of Telecommunications and Postal Services		–	–	–	–	–	–	–	–	–
Street Lighting		–	–	–	–	–	–	–	–	–
Traditional Leaders - Imbizion		–	–	–	–	–	–	–	–	–
Department of Water and Sanitation Smart Living Handbook		–	–	–	–	–	–	–	–	–
Integrated National Electrification Programme Grant		–	–	–	–	–	–	–	–	–
Municipal Restructuring Grant		–	–	–	–	–	–	–	–	–
Regional Bulk Infrastructure Grant		–	–	–	–	–	–	–	–	–
Municipal Emergency Housing Grant		–	–	–	–	–	–	–	–	–
Metro Informal Settlements Partnership Grant		–	–	–	–	–	–	–	–	–
Metro Informal Settlements Partnership Grant		–	–	–	–	–	–	–	–	–
Provincial Government:		–	–	–	**10 534**	**17 786**	**17 786**	**14 085**	**10 994**	**12 417**
Capacity Building		–	–	–	–	–	–	–	–	–
Capacity Building and Other		–	–	–	10 534	11 925	11 925	2 034	396	1 381
Disaster and Emergency Services		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	2 348	730	1 000
Infrastructure		–	–	–	–	5 861	5 861	–	–	–
Libraries, Archives and Museums		–	–	–	–	–	–	9 703	9 868	10 036
Other		–	–	–	–	–	–	–	–	–
Public Transport		–	–	–	–	–	–	–	–	–
Road Infrastructure - Maintenance		–	–	–	–	–	–	–	–	–
Sports and Recreation		–	–	–	–	–	–	–	–	–
Waste Water Infrastructure - Maintenance		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure - Maintenance		–	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	**2 087**	**2 087**	–	–	–
All Grants		–	–	–	–	2 087	2 087	–	–	–
Other Grant Providers:		–	–	–	–	**338**	**338**	–	–	–
Departmental Agencies and Accounts		–	–	–	–	–	–	–	–	–
Foreign Government and International Organisations		–	–	–	–	338	338	–	–	–
Households		–	–	–	–	–	–	–	–	–
Non-profit Institutions		–	–	–	–	–	–	–	–	–
Private Enterprises		–	–	–	–	–	–	–	–	–
Public Corporations		–	–	–	–	–	–	–	–	–
Higher Educational Institutions		–	–	–	–	–	–	–	–	–
Parent Municipality / Entity		–	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants	5	–	–	–	**116 989**	**140 835**	**140 835**	**124 918**	**127 504**	**130 963**

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Capital Transfers and Grants										
National Government:		–	–	–	**35 763**	**26 793**	**26 793**	**57 742**	**47 452**	**30 054**
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		–	–	–	–	–	–	12 762	3 122	4 000
Municipal Infrastructure Grant [Schedule 5B]		–	–	–	18 831	18 097	18 097	24 980	25 091	26 054
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	8 696	8 696	20 000	19 239	–
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		–	–	–	–	–	–	–	–	–
Integrated Urban Development Grant		–	–	–	–	–	–	–	–	–
Provincial Government:		–	–	–	**42 954**	**38 164**	**38 164**	**48 170**	**18 410**	**175**
Capacity Building		–	–	–	–	–	–	–	–	–
Capacity Building and Other		–	–	–	–	1 417	1 417	–	–	–
Disaster and Emergency Services		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Infrastructure		–	–	–	42 954	36 746	36 746	24 540	11 280	–
Libraries, Archives and Museums		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Public Transport		–	–	–	–	–	–	23 630	7 130	175
Road Infrastructure		–	–	–	–	–	–	–	–	–
Sports and Recreation		–	–	–	–	–	–	–	–	–
Waste Water Infrastructure		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	**602**	**602**	**500**	–	–
All Grants		–	–	–	–	602	602	500	–	–
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	–	–	–	**78 716**	**66 060**	**66 060**	**106 412**	**65 862**	**30 229**
TOTAL RECEIPTS OF TRANSFERS & GRANTS		–	–	–	**195 705**	**206 896**	**206 896**	**231 330**	**193 366**	**161 192**

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

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		–	–	–	106 455	61 940	61 940	110 833	116 510	118 546
Operational Revenue:General Revenue:Equitable Share		–	–	–	101 915	57 400	57 400	106 666	114 960	116 996
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	2 360	2 360	2 617	–	–
HIV and Aids		–	–	–	–	–	–	–	–	–
Housing Accreditation		–	–	–	–	–	–	–	–	–
Housing Top structure		–	–	–	–	–	–	–	–	–
Infrastructure Skills Development Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Integrated City Development Grant		–	–	–	–	–	–	–	–	–
Khayelitsha Urban Renewal		–	–	–	–	–	–	–	–	–
Local Government Financial Management Grant [Schedule 5B]		–	–	–	1 550	1 550	1 550	1 550	1 550	1 550
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	630	630	–	–	–
Water Services Infrastructure Grant		–	–	–	–	–	–	–	–	–
Public Transport Network Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Smart Connect Grant		–	–	–	–	–	–	–	–	–
Urban Settlement Development Grant		–	–	–	–	–	–	–	–	–
WiFi Grant [Department of Telecommunications and Postal Services		–	–	–	–	–	–	–	–	–
Street Lighting		–	–	–	–	–	–	–	–	–
Traditional Leaders - Imbizion		–	–	–	–	–	–	–	–	–
Department of Water and Sanitation Smart Living Handbook		–	–	–	–	–	–	–	–	–
Integrated National Electrification Programme Grant		–	–	–	–	–	–	–	–	–
Municipal Restructuring Grant		–	–	–	–	–	–	–	–	–
Regional Bulk Infrastructure Grant		–	–	–	–	–	–	–	–	–
Municipal Emergency Housing Grant		–	–	–	–	–	–	–	–	–
Metro Informal Settlements Partnership Grant		–	–	–	–	–	–	–	–	–
Provincial Government:		–	–	–	10 534	17 909	17 909	14 085	10 994	12 417
Capacity Building		–	–	–	–	–	–			
Capacity Building and Other		–	–	–	10 534	12 048	12 048	2 034	396	1 381
Disaster and Emergency Services		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	2 348	730	1 000
Infrastructure		–	–	–	–	5 861	5 861	–	–	–
Libraries, Archives and Museums		–	–	–	–	–	–	9 703	9 868	10 036
Other		–	–	–	–	–	–	–	–	–
Public Transport		–	–	–	–	–	–	–	–	–
Road Infrastructure - Maintenance		–	–	–	–	–	–	–	–	–
Sports and Recreation		–	–	–	–	–	–	–	–	–
Waste Water Infrastructure - Maintenance		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure - Maintenance		–	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	2 012	2 012	–	–	–
All Grants		–	–	–	–	2 012	2 012	–	–	–
Other Grant Providers:		–	–	–	–	904	904	–	–	–
Departmental Agencies and Accounts		–	–	–	–	–	–	–	–	–
Foreign Government and International Organisations		–	–	–	–	904	904	–	–	–
Households		–	–	–	–	–	–	–	–	–
Non-profit Institutions		–	–	–	–	–	–	–	–	–
Private Enterprises		–	–	–	–	–	–	–	–	–
Public Corporations		–	–	–	–	–	–	–	–	–
Higher Educational Institutions								–	–	–
Parent Municipality / Entity		–	–	–	–	–	–	–	–	–
Total operating expenditure of Transfers and Grants:		–	–	–	116 989	82 765	82 765	124 918	127 504	130 963
Capital expenditure of Transfers and Grants										
National Government:		–	–	–	41 127	26 793	26 793	57 742	47 452	30 054

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		–	–	–	–	–	–	12 762	3 122	4 000
Municipal Infrastructure Grant [Schedule 5B]		–	–	–	21 656	18 097	18 097	24 980	25 091	26 054
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)		–	–	–	19 471	8 696	8 696	20 000	19 239	–
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		–	–	–	–	–	–	–	–	–
Integrated Urban Development Grant		–	–	–	–	–	–	–	–	–
Provincial Government:		**–**	**–**	**–**	**43 084**	**38 164**	**38 164**	**48 170**	**18 410**	**175**
Capacity Building		–	–	–	–	–	–	–	–	–
Capacity Building and Other		–	–	–	–	1 417	1 417	–	–	–
Disaster and Emergency Services		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Infrastructure		–	–	–	43 084	36 746	36 746	24 540	11 280	–
Libraries, Archives and Museums		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Public Transport		–	–	–	–	–	–	23 630	7 130	175
Road Infrastructure		–	–	–	–	–	–	–	–	–
Sports and Recreation		–	–	–	–	–	–	–	–	–
Waste Water Infrastructure		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
District Municipality:		**–**	**–**	**–**	**–**	**677**	**677**	**500**	**–**	**–**
All Grants		–	–	–	–	677	677	500	–	–
Other Grant Providers:		**–**	**–**	**–**	**–**	**20 633**	**20 633**	**–**	**–**	**–**
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		–	–	–	–	20 131	20 131	–	–	–
Total capital expenditure of Transfers and Grants		**–**	**–**	**–**	**84 211**	**86 267**	**86 267**	**106 412**	**65 862**	**30 229**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		**–**	**–**	**–**	**201 200**	**169 031**	**169 031**	**231 330**	**193 366**	**161 192**

References

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

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

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		–	–	–	(6 804)	(6 804)	–	–	–	–
Current year receipts		(3 035)	(3 330)	(1 550)	(2 180)	(2 180)	(2 180)	(2 210)	(2 400)	(2 450)
Conditions met - transferred to revenue		**(3 035)**	**(3 330)**	**(2 177)**	**(8 984)**	**(8 984)**	**(2 180)**	**(2 210)**	**(2 400)**	**(2 450)**
Conditions still to be met - transferred to liabilities		–	–	627	–	–	–	–	–	–
Provincial Government:										
Balance unspent at beginning of the year		–	–	–	8 037	8 037	–	–	–	–
Current year receipts		(17 880)	(13 970)	(43 814)	(12 894)	(18 755)	(18 755)	(2 630)	(11)	(11)
Conditions met - transferred to revenue		**(17 880)**	**(13 970)**	**(80 428)**	**(4 857)**	**(10 718)**	**(18 755)**	**(2 630)**	**(11)**	**(11)**
Conditions still to be met - transferred to liabilities		–	–	36 614	–	–	–	–	–	–
District Municipality:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		**–**	**–**	**2 226**	**–**	**–**	**–**	**–**	**–**	**–**
Conditions still to be met - transferred to liabilities		–	–	(2 226)	–	–	–	–	–	–
Other grant providers:										
Balance unspent at beginning of the year		–	–	–	(2 219)	(2 219)	–	–	–	–
Current year receipts		(1 186)	(929)	(3 799)	–	–	–	–	–	–
Conditions met - transferred to revenue		**(1 186)**	**(929)**	**(3 799)**	**(2 219)**	**(2 219)**	**–**	**–**	**–**	**–**
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Total operating transfers and grants revenue		**(22 101)**	**(18 229)**	**(84 178)**	**(16 060)**	**(21 921)**	**(20 935)**	**(4 840)**	**(2 411)**	**(2 461)**
Total operating transfers and grants - CTBM	2	**–**	**–**	**35 014**	**–**	**–**	**–**	**–**	**–**	**–**
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		–	–	–	275	275	–	–	–	–
Current year receipts		(22 739)	(36 531)	(45 086)	(41 127)	(31 383)	(31 383)	(57 082)	(46 602)	(29 154)
Conditions met - transferred to revenue		**(22 739)**	**(36 531)**	**(51 527)**	**(40 852)**	**(31 108)**	**(31 383)**	**(57 082)**	**(46 602)**	**(29 154)**
Conditions still to be met - transferred to liabilities		–	–	6 441	–	–	–	–	–	–
Provincial Government:										
Balance unspent at beginning of the year		–	–	–	(7 132)	(7 132)	–	–	–	–
Current year receipts		(21 575)	(28 464)	(7 301)	(43 084)	(29 891)	(29 891)	(49)	(18)	(1)
Conditions met - transferred to revenue		**(21 575)**	**(28 464)**	**(7 980)**	**(50 216)**	**(37 024)**	**(29 891)**	**(49)**	**(18)**	**(1)**
Conditions still to be met - transferred to liabilities		–	–	679	–	–	–	–	–	–
District Municipality:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		**–**	**–**	**1 000**	**–**	**–**	**–**	**1**	**–**	**–**
Conditions still to be met - transferred to liabilities		–	–	(1 000)	–	–	–	(1)	–	–
Other grant providers:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Total capital transfers and grants revenue		**(44 314)**	**(64 995)**	**(58 508)**	**(91 069)**	**(68 132)**	**(61 274)**	**(57 130)**	**(46 620)**	**(29 155)**
Total capital transfers and grants - CTBM	2	**–**	**–**	**6 120**	**–**	**–**	**–**	**(1)**	**–**	**–**
TOTAL TRANSFERS AND GRANTS REVENUE		**(66 415)**	**(83 223)**	**(142 685)**	**(107 129)**	**(90 053)**	**(82 209)**	**(61 971)**	**(49 031)**	**(31 617)**
TOTAL TRANSFERS AND GRANTS - CTBM		**–**	**–**	**41 135**	**–**	**–**	**–**	**(1)**	**–**	**–**

References

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

2. CTBM = conditions to be met

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

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

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Cash Transfers to other municipalities											
Operational	1	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–
Total Cash Transfers To Municipalities:		–	–	–	–	–	–	–	–	–	–
Cash Transfers to Entities/Other External Mechanisms											
Operational	2	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–
Total Cash Transfers To Entities/Ems'		–	–	–	–	–	–	–	–	–	–
Cash Transfers to other Organs of State											
Operational	3	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–
Total Cash Transfers To Other Organs Of State:		–	–	–	–	–	–	–	–	–	–
Cash Transfers to Organisations											
Operational		1 001	947	1 289	1 396	1 678	1 678	1 640	1 235	1 346	1 368
Capital		–	–	–	–	–	–	–	–	–	–
Total Cash Transfers To Organisations		**1 001**	**947**	**1 289**	**1 396**	**1 678**	**1 678**	**1 640**	**1 235**	**1 346**	**1 368**
Cash Transfers to Groups of Individuals											
Operational		13 159	9 074	24 188	782	6 938	6 938	18	24 368	927	1 207
Capital		–	–	–	–	–	–	–	–	–	–
Total Cash Transfers To Groups Of Individuals:		**13 159**	**9 074**	**24 188**	**782**	**6 938**	**6 938**	**18**	**24 368**	**927**	**1 207**
TOTAL CASH TRANSFERS AND GRANTS	6	**14 160**	**10 021**	**25 477**	**2 179**	**8 616**	**8 616**	**1 658**	**25 603**	**2 273**	**2 575**

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Non-Cash Transfers to other municipalities											
Operational	1	–	–	–	–	–	–	–	–	–	–
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	**14 160**	**10 021**	**25 477**	**2 179**	**8 616**	**8 616**	**1 658**	**25 603**	**2 273**	**2 575**

References

1. Insert description listed by municipal name and demarcation code of recipient

2. Insert description of each entity or external mechanism (an external mechanism may be provided with resources to ensure a minimum level of service)

3. Insert description of each Organ of State (e.g. transfer to electricity provider to compensate for FBS provided)

4. Insert description of each other organisation (e.g. charity)

5 Insert description of each other organisation (e.g. the aged, child-headed households)

6. All descriptions should separate transfers for 'capital purposes' and 'operating purposes'

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

Summary of Employee and Councillor remuneration	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
	1	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		7 006	7 242	7 600	8 104	8 104	8 104	7 980	8 379	8 798
Pension and UIF Contributions		1 018	1 049	1 106	1 194	1 194	1 194	1 787	1 876	1 970
Medical Aid Contributions		137	184	216	239	239	239	335	352	369
Motor Vehicle Allowance		0	679	702	778	778	778	817	858	901
Cellphone Allowance		934	931	938	1 149	1 149	1 149	985	1 035	1 086
Housing Allowances		73	50	41	511	511	511	43	46	48
Other benefits and allowances		1	–	–	56	56	56	59	62	65
Sub Total - Councillors		**9 170**	**10 136**	**10 604**	**12 032**	**12 032**	**12 032**	**12 007**	**12 607**	**13 238**
% increase	4		**10.5%**	**4.6%**	**13.5%**	**–**	**–**	**(0.2%)**	**5.0%**	**5.0%**
Senior Managers of the Municipality	2									
Basic Salaries and Wages		4 112	3 011	2 968	4 139	3 589	3 589	4 497	4 799	5 130
Pension and UIF Contributions		548	189	204	851	851	851	925	987	1 055
Medical Aid Contributions		104	67	62	147	147	147	159	170	182
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		642	499	453	968	768	768	1 052	1 122	1 199
Motor Vehicle Allowance	3	426	812	814	1 143	950	950	1 242	1 325	1 417
Cellphone Allowance	3	26	24	31	77	77	77	84	90	96
Housing Allowances	3	–	–	–	167	167	167	182	194	207
Other benefits and allowances	3	621	151	118	125	125	125	136	145	155
Payments in lieu of leave		–	–	–	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality		**6 479**	**4 754**	**4 650**	**7 617**	**6 674**	**6 674**	**8 276**	**8 831**	**9 440**
% increase	4		**(26.6%)**	**(2.2%)**	**63.8%**	**(12.4%)**	**–**	**24.0%**	**6.7%**	**6.9%**
Other Municipal Staff										
Basic Salaries and Wages		86 971	100 051	109 920	126 695	122 707	122 707	136 537	142 574	151 306
Pension and UIF Contributions		14 034	15 600	17 192	19 060	19 060	19 060	20 659	21 380	22 338
Medical Aid Contributions		6 646	7 295	8 071	8 467	8 467	8 467	9 200	9 816	10 493
Overtime		15 508	16 376	16 844	13 794	13 874	13 874	10 906	12 276	13 639
Performance Bonus		7 137	8 002	8 591	8 895	8 895	8 895	9 311	9 935	10 620
Motor Vehicle Allowance	3	3 874	4 580	5 197	4 886	6 454	6 454	5 309	5 665	6 056
Cellphone Allowance	3	497	488	507	440	440	440	478	510	545
Housing Allowances	3	1 446	1 448	1 545	1 792	1 792	1 792	1 947	2 077	2 220
Other benefits and allowances	3	2 855	2 798	3 612	4 691	4 291	4 291	5 175	5 678	6 073
Payments in lieu of leave		2 053	1 376	4 328	966	4 966	4 966	1 050	1 120	1 197
Long service awards		3 530	451	879	–	–	–	–	–	–
Post-retirement benefit obligations	6	5 228	(14 095)	(1 290)	28 880	23 780	23 780	28 178	29 023	29 894
Sub Total - Other Municipal Staff		**149 778**	**144 370**	**175 396**	**218 565**	**214 725**	**214 725**	**228 749**	**240 055**	**254 381**
% increase	4		**(3.6%)**	**21.5%**	**24.6%**	**(1.8%)**	**–**	**6.5%**	**4.9%**	**6.0%**
Total Parent Municipality		**165 427**	**159 260**	**190 650**	**238 214**	**233 431**	**233 431**	**249 032**	**261 493**	**277 059**
			(3.7%)	**19.7%**	**24.9%**	**(2.0%)**	**–**	**6.7%**	**5.0%**	**6.0%**
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	–	–	–	–	–	–	–	–	–

Summary of Employee and Councillor remuneration	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Payments in lieu of leave		–	–	–	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Entities		–	–	–	–	–	–	–	–	–
% increase	4		–	–	–	–	–	–	–	–
Other Staff of Entities										
Basic Salaries and Wages		–	–	–	–	–	–	–	–	–
Pension and UIF Contributions		–	–	–	–	–	–	–	–	–
Medical Aid Contributions		–	–	–	–	–	–	–	–	–
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance	3	–	–	–	–	–	–	–	–	–
Cellphone Allowance	3	–	–	–	–	–	–	–	–	–
Housing Allowances	3	–	–	–	–	–	–	–	–	–
Other benefits and allowances	3	–	–	–	–	–	–	–	–	–
Payments in lieu of leave		–	–	–	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–
Sub Total - Other Staff of Entities		–	–	–	–	–	–	–	–	–
% increase	4		–	–	–	–	–	–	–	–
Total Municipal Entities		–	–	–	–	–	–	–	–	–
TOTAL SALARY, ALLOWANCES & BENEFITS		165 427	159 260	190 650	238 214	233 431	233 431	249 032	261 493	277 059
% increase	4		(3.7%)	19.7%	24.9%	(2.0%)	–	6.7%	5.0%	6.0%
TOTAL MANAGERS AND STAFF	5,7	156 257	149 124	180 046	226 182	221 399	221 399	237 025	248 885	263 821

References

1. Include 'Loans and advances' where applicable if any reportable amounts until phased compliance with s164 of MFMA achieved

2. s57 of the Systems Act

3. In kind benefits (e.g. provision of living quarters) must be shown as the cost (full market value) to the municipality, as part of the relevant allowance

4. B/A, C/B, D/C, E/C, F/C, G/D, H/D, I/D

5. Must agree to the sub-total appearing on Table A1 (Employee costs)

6. Includes pension payments and employer contributions to medical aid

7. Correct as at 30 June

Column Definitions:

A, B and C. Audited actual as per the audited financial statements. If audited amounts are unavailable, unaudited amounts must be provided with a note stating these are unaudited

D. The original budget approved by council for the budget year.

E. The budget for the budget year as adjusted by council resolution in terms of section 28 of the MFMA.

F. An estimate of final actual amounts (pre audit) for the current year at the point in time of preparing the budget for the budget year. This may differ from E.

G. The amount to be appropriated for the budget year.

H and I. The indicative projection

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

Disclosure of Salaries, Allowances & Benefits 1. Rand per annum	Ref	No.	Salary	Contributions 1.	Allowances	Performance Bonuses	In-kind benefits	Total Package 2.
Councillors	3							
Speaker	4	1	589 499	97 866	146 782	–	–	834 147
Chief Whip		–	–	–	–	–	–	–
Executive Mayor		1	602 438	34 768	347 576	–	–	984 782
Deputy Executive Mayor		1	591 199	98 192	144 291	–	–	833 682
Executive Committee		–	2 173 762	503 234	507 033	–	–	3 184 029
Total for all other councillors		–	4 023 391	1 388 055	758 863	–	–	6 170 309
Total Councillors	8	**3**	**7 980 289**	**2 122 115**	**1 904 545**			**12 006 949**
Senior Managers of the Municipality	5							
Municipal Manager (MM)		1	1 149 607	351 839	316 770	259 330	–	2 077 546
Chief Finance Officer		1	624 266	240 363	378 890	199 684	–	1 443 203
		1	911 030	212 862	285 560	199 684	–	1 609 136
		1	902 154	274 421	170 039	199 684	–	1 546 298
		1	910 180	5 959	490 790	193 206	–	1 600 135
		–	–	–	–	–	–	–
List of each offical with packages >= senior manager								
		–	–	–	–	–	–	–
		–	–	–	–	–	–	–
		–	–	–	–	–	–	–
		–	–	–	–	–	–	–
		–	–	–	–	–	–	–
		–	–	–	–	–	–	–
		–	–	–	–	–	–	–
		–	–	–	–	–	–	–
		–	–	–	–	–	–	–
		–	–	–	–	–	–	–
		–	–	–	–	–	–	–
Total Senior Managers of the Municipality	8,10	**5**	**4 497 237**	**1 085 444**	**1 642 049**	**1 051 588**		**8 276 318**

Disclosure of Salaries, Allowances & Benefits 1. Rand per annum	Ref	No.	Salary	Contributions 1.	Allowances	Performance Bonuses	In-kind benefits	Total Package 2.
A Heading for Each Entity List each member of board by designation	6,7							
		–	–	–	–	–	–	–
		–	–	–	–	–	–	–
		–	–	–	–	–	–	–
		–	–	–	–	–	–	–
		–	–	–	–	–	–	–
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		–	–	–	–	–	–	–
		–	–	–	–	–	–	–
		–	–	–	–	–	–	–
Total for municipal entities	8,10	–	–	–	–	–		–
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	**8**	**12 477 526**	**3 207 559**	**3 546 594**	**1 051 588**		**20 283 267**

References

1. Pension and medical aid

2. Total package must equal the total cost to the municipality

3. List each political office bearer by designation. Provide a total for all other councillors

4. Political office bearer is defined in MFMA s 1: speaker, executive mayor, deputy executive mayor, member of executive committee, mayor, deputy mayor, member of mayoral committee, the councillor designated to exercise powers and duties of mayor (MSA s 57)

5. Also list each senior manager reporting to MM by designation and each official with package >= senior manager by designation

6. List each entity where municipality has an interest and state percentage ownership and control

7. List each senior manager reporting to the CEO of an Entity by designation

8. Must reconcile to relevant section of Table SA24

9. Must reconcile to totals shown for the budget year of Table SA22

10. Correct as at 30 June

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

Summary of Personnel Numbers	Ref	2019/20			Current Year 2020/21			Budget Year 2021/22		
Number	1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		–	–	–	–	–	–	–	–	–
Board Members of municipal entities	4	–	–	–	–	–	–	–	–	–
Municipal employees	5	–	–	–	–	–	–	–	–	–
Municipal Manager and Senior Managers	3	–	–	–	–	–	–	–	–	–
Other Managers	7	–	–	–	–	–	–	–	–	–
Professionals		–	–	–	–	–	–	–	–	–
Finance		–	–	–	–	–	–	–	–	–
Spatial/town planning		–	–	–	–	–	–	–	–	–
Information Technology		–	–	–	–	–	–	–	–	–
Roads		–	–	–	–	–	–	–	–	–
Electricity		–	–	–	–	–	–	–	–	–
Water		–	–	–	–	–	–	–	–	–
Sanitation		–	–	–	–	–	–	–	–	–
Refuse		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Technicians		–	–	–	–	–	–	–	–	–
Finance		–	–	–	–	–	–	–	–	–
Spatial/town planning		–	–	–	–	–	–	–	–	–
Information Technology		–	–	–	–	–	–	–	–	–
Roads		–	–	–	–	–	–	–	–	–
Electricity		–	–	–	–	–	–	–	–	–
Water		–	–	–	–	–	–	–	–	–
Sanitation		–	–	–	–	–	–	–	–	–
Refuse		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Clerks (Clerical and administrative)		–	–	–	–	–	–	–	–	–
Service and sales workers		–	–	–	–	–	–	–	–	–
Skilled agricultural and fishery workers		–	–	–	–	–	–	–	–	–
Craft and related trades		–	–	–	–	–	–	–	–	–
Plant and Machine Operators		–	–	–	–	–	–	–	–	–
Elementary Occupations		–	–	–	–	–	–	–	–	–
TOTAL PERSONNEL NUMBERS	9	–	–	–	–	–	–	–	–	–
% increase					–	–	–	–	–	–
Total municipal employees headcount	6, 10	–	–	–	–	–	–	–	–	–
Finance personnel headcount	8, 10	–	–	–	–	–	–	–	–	–
Human Resources personnel headcount	8, 10	–	–	–	–	–	–	–	–	–

References

1. Positions must be funded and aligned to the municipality's current organisational structure

2. Full Time Equivalent (FTE). E.g. One full time person = 1FTE. A person working half time (say 4 hours out of 8) = 0.5FTE.

3. s57 of the Systems Act

4. Include only in Consolidated Statements

5. Include municipal entity employees in Consolidated Statements

6. Include headcount (number fo persons, Not FTE) of managers and staff only (exclude councillors)

7. Managers who provide the direction of a critical technical function

8. Total number of employees working on these functions

9. Correct as at 30 June

10. Must account for all budgeted positions, as per the municipal organogram

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

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue By Source																
Property rates		6 941	6 941	6 941	6 941	6 941	6 941	6 941	6 941	6 941	6 941	6 941	6 941	83 290	89 121	96 460
Service charges - electricity revenue		26 956	26 956	26 956	26 956	26 956	26 956	26 956	26 956	26 956	26 956	26 956	26 956	323 478	352 068	383 176
Service charges - water revenue		3 306	3 306	3 306	3 306	3 306	3 306	3 306	3 306	3 306	3 306	3 306	3 306	39 677	42 328	45 139
Service charges - sanitation revenue		2 087	2 087	2 087	2 087	2 087	2 087	2 087	2 087	2 087	2 087	2 087	2 087	25 043	26 546	28 280
Service charges - refuse revenue		2 131	2 131	2 131	2 131	2 131	2 131	2 131	2 131	2 131	2 131	2 131	2 131	25 574	27 108	28 735
Rental of facilities and equipment		122	122	122	122	122	122	122	122	122	122	122	122	1 470	1 543	1 620
Interest earned - external investments		582	582	582	582	582	582	582	582	582	582	582	582	6 990	7 089	7 193
Interest earned - outstanding debtors		723	723	723	723	723	723	723	723	723	723	723	723	8 677	9 111	9 566
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		1 790	1 790	1 790	1 790	1 790	1 790	1 790	1 790	1 790	1 790	1 790	1 790	21 479	22 553	23 681
Licences and permits		176	176	176	176	176	176	176	176	176	176	176	176	2 111	2 216	2 327
Agency services		337	337	337	337	337	337	337	337	337	337	337	337	4 046	4 249	4 461
Transfers and subsidies		12 159	12 159	12 159	12 159	12 159	12 159	12 159	12 159	12 159	12 159	12 159	12 159	145 903	128 604	130 741
Other revenue		1 249	1 249	1 249	1 249	1 249	1 249	1 249	1 249	1 249	1 249	1 249	1 249	14 985	11 409	8 598
Gains		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		**58 560**	**58 560**	**58 560**	**58 560**	**58 560**	**58 560**	**58 560**	**58 560**	**58 560**	**58 560**	**58 560**	**58 560**	**702 723**	**723 944**	**769 979**
Expenditure By Type																
Employee related costs		19 752	19 752	19 752	19 752	19 752	19 752	19 752	19 752	19 752	19 752	19 752	19 751	237 025	248 885	263 821
Remuneration of councillors		1 001	1 001	1 001	1 001	1 001	1 001	1 001	1 001	1 001	1 001	1 001	1 001	12 007	12 607	13 238
Debt impairment		5 313	5 313	5 313	5 313	5 313	5 313	5 313	5 313	5 313	5 313	5 313	5 313	63 750	57 829	61 399
Depreciation & asset impairment		3 311	3 311	3 311	3 311	3 311	3 311	3 311	3 311	3 311	3 311	3 311	3 311	39 729	39 589	39 589
Finance charges		725	725	725	725	725	725	725	725	725	725	725	725	8 696	9 116	9 558
Bulk purchases		23 816	23 816	23 816	23 816	23 816	23 816	23 816	23 816	23 816	23 816	23 816	23 816	285 789	311 224	338 923
Other materials		1 248	1 248	1 248	1 248	1 248	1 248	1 248	1 248	1 248	1 248	1 248	1 248	14 977	15 415	16 137
Contracted services		3 616	3 616	3 616	3 616	3 616	3 616	3 616	3 616	3 616	3 616	3 616	8 616	48 390	49 549	51 518
Transfers and subsidies		2 134	2 134	2 134	2 134	2 134	2 134	2 134	2 134	2 134	2 134	2 134	2 134	25 603	2 273	2 575
Other expenditure		3 246	3 246	3 246	3 246	3 246	3 246	3 246	3 246	3 246	3 246	3 246	3 246	38 955	40 003	41 834
Losses		–	–	–	–	–	–	–	–	–	–	–	0	0	1	1
Total Expenditure		**64 160**	**64 160**	**64 160**	**64 160**	**64 160**	**64 160**	**64 160**	**64 160**	**64 160**	**64 160**	**64 160**	**69 159**	**774 922**	**786 490**	**838 592**

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Surplus/(Deficit)		**(5 600)**	**(5 600)**	**(5 600)**	**(5 600)**	**(5 600)**	**(5 600)**	**(5 600)**	**(5 600)**	**(5 600)**	**(5 600)**	**(5 600)**	**(10 599)**	**(72 199)**	**(62 546)**	**(68 613)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		6 245	6 245	6 245	6 245	6 245	6 245	6 245	6 245	6 245	6 245	6 245	6 245	74 937	58 004	26 360
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		14	14	14	14	14	14	14	14	14	14	14	14	170	179	187
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**659**	**659**	**659**	**659**	**659**	**659**	**659**	**659**	**659**	**659**	**659**	**(4 340)**	**2 908**	**(4 363)**	**(42 066)**
Taxation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Attributable to minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	**1**	**659**	**659**	**659**	**659**	**659**	**659**	**659**	**659**	**659**	**659**	**659**	**(4 340)**	**2 908**	**(4 363)**	**(42 066)**

References

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

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

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue by Vote																
Vote 1 - Financial Services		8 976	8 976	8 976	8 976	8 976	8 976	8 976	8 976	8 976	8 976	8 976	8 976	107 712	109 373	114 009
Vote 2 - Community Services		2 977	2 977	2 977	2 977	2 977	2 977	2 977	2 977	2 977	2 977	2 977	2 977	35 720	18 039	14 633
Vote 3 - Community Services		10 998	10 998	10 998	10 998	10 998	10 998	10 998	10 998	10 998	10 998	10 998	10 998	131 976	138 700	141 917
Vote 4 - Community Services		382	382	382	382	382	382	382	382	382	382	382	382	4 581	4 903	4 742
Vote 5 - Corporate Services		50	50	50	50	50	50	50	50	50	50	50	49	594	624	686
Vote 6 - Technical Services		32 413	32 413	32 413	32 413	32 413	32 413	32 413	32 413	32 413	32 413	32 413	32 413	388 952	407 707	418 564
Vote 7 - Technical Services		8 935	8 935	8 935	8 935	8 935	8 935	8 935	8 935	8 935	8 935	8 935	8 935	107 224	101 498	100 621
Vote 8 - Muncipal Manager		89	89	89	89	89	89	89	89	89	89	89	89	1 072	1 282	1 354
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		**64 819**	**64 819**	**64 819**	**64 819**	**64 819**	**64 819**	**64 819**	**64 819**	**64 819**	**64 819**	**64 819**	**64 819**	**777 830**	**782 127**	**796 526**
Expenditure by Vote to be appropriated																
Vote 1 - Financial Services		4 372	4 372	4 372	4 372	4 372	4 372	4 372	4 372	4 372	4 372	4 372	4 372	52 465	52 568	55 793
Vote 2 - Community Services		3 490	3 490	3 490	3 490	3 490	3 490	3 490	3 490	3 490	3 490	3 490	3 490	41 879	43 943	46 405
Vote 3 - Community Services		4 506	4 506	4 506	4 506	4 506	4 506	4 506	4 506	4 506	4 506	4 506	4 506	54 069	54 683	57 960
Vote 4 - Community Services		3 643	3 643	3 643	3 643	3 643	3 643	3 643	3 643	3 643	3 643	3 643	3 643	43 719	21 453	22 570
Vote 5 - Corporate Services		6 457	6 457	6 457	6 457	6 457	6 457	6 457	6 457	6 457	6 457	6 457	6 456	77 479	81 166	84 763
Vote 6 - Technical Services		33 005	33 005	33 005	33 005	33 005	33 005	33 005	33 005	33 005	33 005	33 005	38 005	401 057	424 836	458 062
Vote 7 - Technical Services		7 566	7 566	7 566	7 566	7 566	7 566	7 566	7 566	7 566	7 566	7 566	7 566	90 791	93 474	97 732
Vote 8 - Muncipal Manager		1 122	1 122	1 122	1 122	1 122	1 122	1 122	1 122	1 122	1 122	1 122	1 122	13 462	14 367	15 307
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		**64 160**	**64 160**	**64 160**	**64 160**	**64 160**	**64 160**	**64 160**	**64 160**	**64 160**	**64 160**	**64 160**	**69 159**	**774 922**	**786 490**	**838 592**
Surplus/(Deficit) before assoc.		**659**	**659**	**659**	**659**	**659**	**659**	**659**	**659**	**659**	**659**	**659**	**(4 340)**	**2 908**	**(4 363)**	**(42 066)**
Taxation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Attributable to minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	**659**	**659**	**659**	**659**	**659**	**659**	**659**	**659**	**659**	**659**	**659**	**(4 340)**	**2 908**	**(4 363)**	**(42 066)**

References

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

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

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue - Functional																
Governance and administration		**9 243**	**9 243**	**9 243**	**9 243**	**9 243**	**9 243**	**9 243**	**9 243**	**9 243**	**9 243**	**9 243**	**9 243**	**110 918**	**112 780**	**117 661**
Executive and council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	31
Finance and administration		9 243	9 243	9 243	9 243	9 243	9 243	9 243	9 243	9 243	9 243	9 243	9 243	110 918	112 780	117 630
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		**14 309**	**14 309**	**14 309**	**14 309**	**14 309**	**14 309**	**14 309**	**14 309**	**14 309**	**14 309**	**14 309**	**14 309**	**171 710**	**160 965**	**160 993**
Community and social services		10 001	10 001	10 001	10 001	10 001	10 001	10 001	10 001	10 001	10 001	10 001	10 001	120 006	130 502	127 923
Sport and recreation		138	138	138	138	138	138	138	138	138	138	138	138	1 661	1 701	1 786
Public safety		2 180	2 180	2 180	2 180	2 180	2 180	2 180	2 180	2 180	2 180	2 180	2 180	26 158	27 451	29 681
Housing		1 990	1 990	1 990	1 990	1 990	1 990	1 990	1 990	1 990	1 990	1 990	1 990	23 884	1 312	1 604
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**2 107**	**2 107**	**2 107**	**2 107**	**2 107**	**2 107**	**2 107**	**2 107**	**2 107**	**2 107**	**2 107**	**2 107**	**25 287**	**20 260**	**2 745**
Planning and development		197	197	197	197	197	197	197	197	197	197	197	197	2 365	2 734	2 472
Road transport		1 909	1 909	1 909	1 909	1 909	1 909	1 909	1 909	1 909	1 909	1 909	1 909	22 907	17 516	262
Environmental protection		1	1	1	1	1	1	1	1	1	1	1	1	14	10	10
Trading services		**39 150**	**39 150**	**39 150**	**39 150**	**39 150**	**39 150**	**39 150**	**39 150**	**39 150**	**39 150**	**39 150**	**39 150**	**469 795**	**487 994**	**514 994**
Energy sources		27 889	27 889	27 889	27 889	27 889	27 889	27 889	27 889	27 889	27 889	27 889	27 889	334 664	353 176	384 904
Water management		6 017	6 017	6 017	6 017	6 017	6 017	6 017	6 017	6 017	6 017	6 017	6 017	72 201	64 990	48 407
Waste water management		2 320	2 320	2 320	2 320	2 320	2 320	2 320	2 320	2 320	2 320	2 320	2 320	27 843	33 255	29 399
Waste management		2 924	2 924	2 924	2 924	2 924	2 924	2 924	2 924	2 924	2 924	2 924	2 924	35 087	36 574	52 284
Other		**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**120**	**126**	**133**
Total Revenue - Functional		**64 819**	**64 819**	**64 819**	**64 819**	**64 819**	**64 819**	**64 819**	**64 819**	**64 819**	**64 819**	**64 819**	**64 819**	**777 830**	**782 127**	**796 526**

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Expenditure - Functional																
Governance and administration		**12 084**	**12 084**	**12 084**	**12 084**	**12 084**	**12 084**	**12 084**	**12 084**	**12 084**	**12 084**	**12 084**	**12 083**	**145 004**	**149 933**	**157 876**
Executive and council		2 468	2 468	2 468	2 468	2 468	2 468	2 468	2 468	2 468	2 468	2 468	2 468	29 621	31 154	32 872
Finance and administration		9 404	9 404	9 404	9 404	9 404	9 404	9 404	9 404	9 404	9 404	9 404	9 404	112 849	116 112	122 161
Internal audit		211	211	211	211	211	211	211	211	211	211	211	211	2 534	2 667	2 842
Community and public safety		**11 088**	**11 088**	**11 088**	**11 088**	**11 088**	**11 088**	**11 088**	**11 088**	**11 088**	**11 088**	**11 088**	**11 088**	**133 059**	**112 933**	**119 730**
Community and social services		2 390	2 390	2 390	2 390	2 390	2 390	2 390	2 390	2 390	2 390	2 390	2 390	28 680	27 658	29 371
Sport and recreation		2 696	2 696	2 696	2 696	2 696	2 696	2 696	2 696	2 696	2 696	2 696	2 696	32 356	33 081	34 830
Public safety		3 584	3 584	3 584	3 584	3 584	3 584	3 584	3 584	3 584	3 584	3 584	3 584	43 012	45 893	48 625
Housing		2 418	2 418	2 418	2 418	2 418	2 418	2 418	2 418	2 418	2 418	2 418	2 418	29 011	6 302	6 904
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**3 024**	**3 024**	**3 024**	**3 024**	**3 024**	**3 024**	**3 024**	**3 024**	**3 024**	**3 024**	**3 024**	**3 024**	**36 288**	**37 859**	**39 382**
Planning and development		940	940	940	940	940	940	940	940	940	940	940	940	11 280	12 121	12 510
Road transport		1 909	1 909	1 909	1 909	1 909	1 909	1 909	1 909	1 909	1 909	1 909	1 909	22 910	23 509	24 498
Environmental protection		175	175	175	175	175	175	175	175	175	175	175	175	2 098	2 228	2 374
Trading services		**37 885**	**37 885**	**37 885**	**37 885**	**37 885**	**37 885**	**37 885**	**37 885**	**37 885**	**37 885**	**37 885**	**42 885**	**459 620**	**484 813**	**520 649**
Energy sources		26 903	26 903	26 903	26 903	26 903	26 903	26 903	26 903	26 903	26 903	26 903	31 903	327 833	354 857	384 740
Water management		3 047	3 047	3 047	3 047	3 047	3 047	3 047	3 047	3 047	3 047	3 047	3 047	36 559	38 093	40 006
Waste water management		3 617	3 617	3 617	3 617	3 617	3 617	3 617	3 617	3 617	3 617	3 617	3 617	43 400	39 064	40 942
Waste management		4 319	4 319	4 319	4 319	4 319	4 319	4 319	4 319	4 319	4 319	4 319	4 319	51 829	52 798	54 961
Other		**79**	**79**	**79**	**79**	**79**	**79**	79	79	79	79	79	79	951	953	956
Total Expenditure - Functional		**64 160**	**64 160**	**64 160**	**64 160**	**64 160**	**64 160**	**64 160**	**64 160**	**64 160**	**64 160**	**64 160**	**69 159**	**774 922**	**786 490**	**838 592**
Surplus/(Deficit) before assoc.		**659**	**659**	**659**	**659**	**659**	**659**	**659**	**659**	**659**	**659**	**659**	**(4 340)**	**2 908**	**(4 363)**	**(42 066)**
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	**659**	**659**	**659**	**659**	**659**	**659**	**659**	**659**	**659**	**659**	**659**	**(4 340)**	**2 908**	**(4 363)**	**(42 066)**

References

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

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

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Multi-year expenditure *to be appropriated*	1															
Vote 1 - Financial Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 2 - Community Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 3 - Community Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 4 - Community Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 5 - Corporate Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 6 - Technical Services		430	1 061	2 680	3 166	3 166	3 311	430	1 061	2 680	3 166	3 166	3 311	27 630	22 615	3 630
Vote 7 - Technical Services		1 763	2 285	2 285	4 024	4 024	2 806	1 763	2 285	2 285	4 024	4 024	2 806	34 373	19 550	–
Vote 8 - Muncipal 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	**2 193**	**3 346**	**4 965**	**7 190**	**7 190**	**6 118**	**2 193**	**3 346**	**4 965**	**7 190**	**7 190**	**6 118**	**62 004**	**42 164**	**3 630**

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Single-year expenditure *to be appropriated*																
Vote 1 - Financial Services		7	7	32	7	7	32	7	7	32	7	7	32	180	80	80
Vote 2 - Community Services		–	–	–	–	–	–	–	–	–	–	–	–	–	4 819	7 624
Vote 3 - Community Services		–	–	–	–	–	–	–	–	–	–	–	–	–	80	–
Vote 4 - Community Services		469	489	489	559	559	510	469	489	489	559	559	510	6 151	6 873	–
Vote 5 - Corporate Services		20	38	88	98	98	106	20	38	88	98	98	106	900	700	100
Vote 6 - Technical Services		528	861	1 236	1 970	1 970	1 568	528	861	1 236	1 970	1 970	1 568	16 266	5 890	9 085
Vote 7 - Technical Services		312	312	312	312	312	312	312	312	312	312	312	312	3 744	9 526	7 000
Vote 8 - Muncipal Manager		–	–	–	–	–	–	–	–	–	–	–	–	–	–	20
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	**1 335**	**1 707**	**2 157**	**2 946**	**2 946**	**2 529**	**1 335**	**1 707**	**2 157**	**2 946**	**2 946**	**2 529**	**27 241**	**27 969**	**23 910**
Total Capital Expenditure	2	**3 528**	**5 053**	**7 122**	**10 136**	**10 136**	**8 647**	**3 528**	**5 053**	**7 122**	**10 136**	**10 136**	**8 647**	**89 244**	**70 133**	**27 540**

References

1. Table should be completed as either Multi-Year expenditure appropriation or Budget Year and Forward Year estimates

2. Total Capital Expenditure must reconcile to Budgeted Capital Expenditure

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

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Capital Expenditure - Functional	1															
Governance and administration		**110**	**128**	**203**	**188**	**188**	**221**	**110**	**128**	**203**	**188**	**188**	**221**	**2 080**	**1 780**	**1 200**
Executive and council		12	30	30	90	90	48	12	30	30	90	90	48	600	–	20
Finance and administration		98	98	173	98	98	173	98	98	173	98	98	173	1 480	1 780	1 180
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		**455**	**455**	**455**	**455**	**455**	**455**	**455**	**455**	**455**	**455**	**455**	**455**	**5 456**	**11 773**	**7 624**
Community and social services		–	–	–	–	–	–	–	–	–	–	–	–	–	4 859	6 768
Sport and recreation		455	455	455	455	455	455	455	455	455	455	455	455	5 456	6 913	–
Public safety		–	–	–	–	–	–	–	–	–	–	–	–	–	–	857
Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**499**	**1 136**	**2 364**	**3 261**	**3 261**	**3 001**	**499**	**1 136**	**2 364**	**3 261**	**3 261**	**3 001**	**27 042**	**13 650**	**8 237**
Planning and development		14	35	35	104	104	56	14	35	35	104	104	56	696	–	–
Road transport		485	1 102	2 329	3 156	3 156	2 945	485	1 102	2 329	3 156	3 156	2 945	26 347	13 650	8 237
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		**2 464**	**3 334**	**4 100**	**6 233**	**6 233**	**4 970**	**2 464**	**3 334**	**4 100**	**6 233**	**6 233**	**4 970**	**54 666**	**42 931**	**10 478**
Energy sources		232	580	971	1 740	1 740	1 319	232	580	971	1 740	1 740	1 319	13 163	6 715	3 478
Water management		660	1 182	1 182	2 921	2 921	1 703	660	1 182	1 182	2 921	2 921	1 703	21 135	29 076	7 000
Waste water management		157	157	532	157	157	532	157	157	532	157	157	532	3 386	7 140	–
Waste management		1 415	1 415	1 415	1 415	1 415	1 415	1 415	1 415	1 415	1 415	1 415	1 415	16 982	–	–
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	2	**3 528**	**5 053**	**7 122**	**10 136**	**10 136**	**8 647**	**3 528**	**5 053**	**7 122**	**10 136**	**10 136**	**8 647**	**89 244**	**70 133**	**27 540**
Funded by:																
National Government		2 202	3 056	3 448	5 905	5 905	4 302	2 202	3 056	3 448	5 905	5 905	**4 402**	**49 737**	**40 523**	**25 351**
Provincial Government		721	1 359	1 359	3 483	3 483	1 996	721	1 359	1 359	3 483	3 483	1 996	24 801	17 480	1 009
District Municipality		–	–	125	–	–	125	–	–	125	–	–	125	500	–	–
Other transfers and grants		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital		**2 923**	**4 415**	**4 931**	**9 388**	**9 388**	**6 423**	**2 923**	**4 415**	**4 931**	**9 388**	**9 388**	**6 523**	**75 037**	**58 003**	**26 360**
Public contributions & donations		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Internally generated funds		601	634	2 161	744	744	2 194	601	634	2 161	744	744	2 244	14 207	12 130	1 180
Total Capital Funding		**3 524**	**5 049**	**7 093**	**10 132**	**10 132**	**8 618**	**3 524**	**5 049**	**7 093**	**10 132**	10 132	8 768	89 244	70 133	27 540

References

1. Table should be completed as either Multi-Year expenditure appropriation or Budget Year and Forward Year estimates

2. Total Capital Expenditure must reconcile to Budgeted Capital Expenditure

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

MONTHLY CASH FLOWS	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Cash Receipts By Source													1		
Property rates	6 540	6 540	6 540	6 540	6 540	6 540	6 540	6 540	6 540	6 540	6 540	6 540	78 476	83 091	88 076
Service charges - electricity revenue	26 433	26 433	26 433	26 433	26 433	26 433	26 433	26 433	26 433	26 433	26 433	26 433	317 197	358 410	404 979
Service charges - water revenue	2 407	2 407	2 407	2 407	2 407	2 407	2 407	2 407	2 407	2 407	2 407	2 407	28 882	30 813	28 833
Service charges - sanitation revenue	1 273	1 273	1 273	1 273	1 273	1 273	1 273	1 273	1 273	1 273	1 273	1 273	15 274	16 190	17 248
Service charges - refuse revenue	1 498	1 498	1 498	1 498	1 498	1 498	1 498	1 498	1 498	1 498	1 498	1 498	17 975	19 053	20 196
Service charges - other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	0	0	0	0	0	0	0	0	0	0	0	0	5	5	5
Interest earned - external investments	160	160	160	160	160	160	160	160	160	160	160	160	1 918	2 014	2 114
Interest earned - outstanding debtors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	111	111	111	111	111	111	111	111	111	111	111	111	1 333	1 400	1 470
Licences and permits	184	184	184	184	184	184	184	184	184	184	184	184	2 209	2 320	2 436
Agency services	329	329	329	329	329	329	329	329	329	329	329	329	3 948	4 145	4 353
Transfers and Subsidies - Operational	8 889	8 889	10 099	8 889	8 889	10 099	8 889	8 889	10 099	8 889	8 889	10 099	111 506	117 371	119 457
Other revenue	732	732	732	732	732	732	732	732	732	732	732	732	8 788	5 293	4 844
Cash Receipts by Source	**48 556**	**48 556**	**49 766**	**48 556**	**48 556**	**49 766**	**48 556**	**48 556**	**49 766**	**48 556**	**48 556**	**49 766**	**587 511**	**640 105**	**694 013**
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	482	482	14 765	482	482	14 765	482	482	14 765	482	482	14 765	62 912	52 292	32 436
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on Disposal of Fixed and Intangible Assets	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Short term loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Receipts by Source	**49 038**	**49 038**	**64 531**	**49 038**	**49 038**	**64 531**	**49 038**	**49 038**	**64 531**	**49 038**	**49 038**	**64 531**	**650 423**	**692 396**	**726 449**

MONTHLY CASH FLOWS	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Cash Payments by Type															
Employee related costs	17 632	17 632	17 632	17 632	17 632	17 632	17 632	17 632	17 632	17 632	17 632	17 632	211 585	224 093	240 856
Remuneration of councillors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Finance charges	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Bulk purchases - Electricity	21 735	21 735	21 735	21 735	21 735	21 735	21 735	21 735	21 735	21 735	21 735	21 735	260 825	302 139	348 895
Bulk purchases - Water & Sewer	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other materials	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Contracted services	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and grants - other municipalities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and grants - other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other expenditure	5 978	5 978	5 978	5 978	5 978	5 978	5 978	5 978	5 978	5 978	5 978	5 978	71 740	87 253	81 057
Cash Payments by Type	**45 346**	**45 346**	**45 346**	**45 346**	**45 346**	**45 346**	**45 346**	**45 346**	**45 346**	**45 346**	**45 346**	**45 346**	**544 150**	**613 484**	**670 808**
Other Cash Flows/Payments by Type															
Capital assets	3 528	5 053	7 122	10 136	10 136	8 647	3 528	5 053	7 122	10 136	10 136	8 647	89 244	70 133	27 540
Repayment of borrowing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Cash Flows/Payments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type	**48 874**	**50 399**	**52 468**	**55 482**	**55 482**	**53 993**	**48 874**	**50 399**	**52 468**	**55 482**	**55 482**	**53 993**	**633 394**	**683 618**	**698 348**
NET INCREASE/(DECREASE) IN CASH HELD	**164**	**(1 361)**	**12 063**	**(6 444)**	**(6 444)**	**10 538**	**164**	**(1 361)**	**12 063**	**(6 444)**	**(6 444)**	**10 538**	**17 029**	**8 779**	**28 101**
Cash/cash equivalents at the month/year begin:	–	164	(1 198)	10 865	4 421	(2 023)	8 515	8 678	7 317	19 380	12 936	6 491	–	17 029	25 808
Cash/cash equivalents at the month/year end:	164	(1 198)	10 865	4 421	(2 023)	8 515	8 678	7 317	19 380	12 936	6 491	17 029	17 029	25 808	53 909

References

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

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

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

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

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

References

1. Total agreement period from commencement until end

2. Annual value

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

Description	Ref	Preceding Years	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework			Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Forecast 2030/31	Total Contract Value
R thousand	1,3	Total	Original Budget	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Parent Municipality:														
Revenue Obligation By Contract	2													
Contract 1														–
Contract 2														–
Contract 3														–
Contract 4														–
Contract 5														–
Contract 6														–
Contract 7														–
Contract 8														–
Contract 9														–
Contract 10														–
Contract 11														–
Contract 12														–
Contract 13														–
Contract 14														–
Contract 15														–
Contract 16														–
Contract 17														–
Contract 18														–
Contract 19														–
Contract 20														–
Total Operating Revenue Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Expenditure Obligation By Contract	2													
Banking Services		2 051	464	389	405	425	446	468	492	516	542	569	598	7 365
Contract 2														–
Contract 3														–
Contract 4														–
Contract 5														–
Contract 6														–
Contract 7														–
Contract 8														–
Contract 9														–
Contract 10														–
Contract 11														–
Contract 12														–
Contract 13														–
Contract 14														–
Contract 15														–
Contract 16														–
Contract 17														–
Contract 18														–
Contract 19														–
Contract 20														–
Total Operating Expenditure Implication		2 051	464	389	405	425	446	468	492	516	542	569	598	7 365

Description	Ref	Preceding Years	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework			Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Forecast 2030/31	Total Contract Value
R thousand	1,3	Total	Original Budget	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Capital Expenditure Obligation By Contract	2													
Contract 1														–
Contract 2														–
Contract 3														–
Contract 4														–
Contract 5														–
Contract 6														–
Contract 7														–
Contract 8														–
Contract 9														–
Contract 10														–
Contract 11														–
Contract 12														–
Contract 13														–
Contract 14														–
Contract 15														–
Contract 16														–
Contract 17														–
Contract 18														–
Contract 19														–
Contract 20														–
Total Capital Expenditure Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Total Parent Expenditure Implication		**2 051**	**464**	**389**	**405**	**425**	**446**	**468**	**492**	**516**	**542**	**569**	**598**	7 365
Entities:														
Revenue Obligation By Contract	2													
Contract 1														–
Contract 2														–
Contract 3														–
Contract 4														–
Contract 5														–
Contract 6														–
Contract 7														–
Contract 8														–
Contract 9														–
Contract 10														–
Contract 11														–
Contract 12														–
Contract 13														–
Contract 14														–
Contract 15														–
Contract 16														–
Contract 17														–
Contract 18														–
Contract 19														–
Contract 20														–
Total Operating Revenue Implication		–	–	–	–	–	–	–	–	–	–	–	–	–

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

References

1. Total implication for all preceding years to be summed and total stated in 'Preceding Years' column

2. List all contracts with future financial obligations beyond the three years covered by the MTREF (MFMA s33)

3. For municipalities with approved total revenue not exceeding R250 m - all contracts with an annual cost greater than R500 000. For municipalities with approved total revenue greater than R250 m - all contracts with an annual cost greater than R1million. For municipalities with approved total revenue greater than R500 m - all contracts with an annual cost greater than R5 million

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

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		**40 615**	**62 142**	**3 596**	**73 717**	**51 138**	**51 138**	**55 056**	**28 861**	**18 563**
Roads Infrastructure		4 764	18 674	1 804	13 417	10 059	10 059	889	1 390	8 085
Roads		4 614	18 524	1 656	12 547	9 189	9 189	889	1 390	8 085
Road Structures		150	150	148	870	870	870	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		1 789	12 088	3 263	13 819	10 607	10 607	997	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		1 789	12 088	3 263	13 819	10 607	10 607	997	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		1 404	5 778	2 770	–	2 685	2 685	12 663	2 715	3 478
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		470	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
MV Switching Stations		–	–	–	–	–	–	–	–	–
MV Networks		–	4 217	2 296	–	1 535	1 535	11 097	2 715	3 478
LV Networks		934	1 560	474	–	1 150	1 150	1 565	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		21 621	9 529	204	26 896	15 799	15 799	21 135	24 756	7 000
Dams and Weirs		61	2 529	204	16 931	8 696	8 696	17 391	16 730	–
Boreholes		772	–	–	–	–	–	–	–	–
Reservoirs		–	–	–	–	–	–	2 855	–	7 000
Pump Stations		–	–	–	–	–	–	–	–	–
Water Treatment Works		–	–	–	–	–	–	–	–	–
Bulk Mains		14 509	–	–	476	476	476	–	8 026	–
Distribution		6 095	7 000	–	9 489	6 627	6 627	889	–	–
Distribution Points		–	–	–	–	–	–	–	–	–
PRV Stations		184	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		11 172	7 457	884	10 228	7 362	7 362	2 389	–	–
Pump Station		–	–	–	–	–	–	–	–	–
Reticulation		11 172	7 000	–	10 228	7 362	7 362	889	–	–
Waste Water Treatment Works		–	457	–	–	–	–	–	–	–
Outfall Sewers		–	–	–	–	–	–	–	–	–
Toilet Facilities		–	–	884	–	–	–	1 500	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		(134)	8 616	(5 329)	9 356	4 626	4 626	16 982	–	–
Landfill Sites		–	–	–	–	–	–	–	–	–
Waste Transfer Stations		(134)	8 013	–	–	1 363	1 363	–	–	–
Waste Processing Facilities		–	–	–	–	–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–	–	–	–	–
Waste Separation Facilities		–	603	(5 329)	9 356	3 263	3 263	16 982	–	–
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	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Community Assets		**1 093**	**1 422**	**76**	**30**	**2 277**	**2 277**	**696**	**4 849**	**6 768**
Community Facilities		318	549	76	–	1 946	1 946	696	4 819	6 768
Halls		38	–	–	–	–	–	–	–	–
Centres		–	–	–	–	–	–	–	–	–
Crèches		–	–	–	–	–	–	–	–	–
Clinics/Care Centres		–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations		–	–	–	–	–	–	–	–	–
Testing Stations		–	–	–	–	–	–	–	–	–
Museums		–	–	–	–	–	–	–	–	–
Galleries		–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–
Libraries		–	–	–	–	–	–	–	–	–
Cemeteries/Crematoria		186	–	–	–	–	–	–	4 819	6 768
Police		–	–	–	–	–	–	–	–	–
Parks		–	–	–	–	–	–	–	–	–
Public Open Space		74	–	–	–	–	–	–	–	–
Nature Reserves		–	–	–	–	–	–	–	–	–
Public Ablution Facilities		–	–	–	–	–	–	–	–	–
Markets		20	549	76	–	1 946	1 946	696	–	–
Stalls		–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–
Airports		–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		775	873	–	30	331	331	–	30	–
Indoor Facilities		–	148	–	–	–	–	–	–	–
Outdoor Facilities		775	725	–	30	331	331	–	30	–
Capital Spares		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments		–	–	–	–	–	–	–	–	–
Historic Buildings		–	–	–	–	–	–	–	–	–
Works of Art		–	–	–	–	–	–	–	–	–
Conservation Areas		–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Other assets		**2 914**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		2 914	–	–	–	–	–	–	–	–
Municipal Offices		–	–	–	–	–	–	–	–	–
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–
Workshops		–	–	–	–	–	–	–	–	–
Yards		680	–	–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	–
Laboratories		–	–	–	–	–	–	–	–	–
Training Centres		2 234	–	–	–	–	–	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–
Depots		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Staff Housing		–	–	–	–	–	–	–	–	–
Social Housing		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Intangible Assets		188	527	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		188	527	–	–	–	–	–	–	–
Water Rights		–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–
Computer Software and Applications		188	527	–	–	–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–
Computer Equipment		452	1 215	825	450	736	736	450	750	150
Computer Equipment		452	1 215	825	450	736	736	450	750	150
Furniture and Office Equipment		1 121	1 754	213	–	–	–	30	30	50
Furniture and Office Equipment		1 121	1 754	213	–	–	–	30	30	50
Machinery and Equipment		1 708	1 666	3 361	430	2 668	2 668	–	80	–
Machinery and Equipment		1 708	1 666	3 361	430	2 668	2 668	–	80	–
Transport Assets		3 190	1 971	1 043	–	3 568	3 568	1 000	1 000	1 857
Transport Assets		3 190	1 971	1 043	–	3 568	3 568	1 000	1 000	1 857
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Capital Expenditure on new assets	1	**51 280**	**70 695**	**9 115**	**74 627**	**60 388**	**60 388**	**57 231**	**35 570**	**27 388**

References

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

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

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		**9 637**	**15 270**	**10 002**	**4 300**	**4 056**	**4 056**	**–**	**5 000**	**–**
Roads Infrastructure		4 051	11 421	5 300	1 800	1 600	1 600	–	2 000	–
Roads		4 051	11 421	5 300	1 800	1 600	1 600	–	2 000	–
Road Structures		–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		2 428	–	1 163	–	–	–	–	–	–
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		2 428	–	–	–	–	–	–	–	–
MV Switching Stations		–	–	–	–	–	–	–	–	–
MV Networks		–	–	1 163	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		360	1 200	802	500	500	500	–	1 500	–
Dams and Weirs		–	–	–	–	–	–	–	–	–
Boreholes		–	–	–	–	–	–	–	–	–
Reservoirs		–	–	–	–	–	–	–	–	–
Pump Stations		–	–	–	–	–	–	–	–	–
Water Treatment Works		–	–	–	–	–	–	–	–	–
Bulk Mains		–	–	–	–	–	–	–	–	–
Distribution		360	1 200	802	500	500	500	–	1 500	–
Distribution Points		–	–	–	–	–	–	–	–	–
PRV Stations		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		2 799	2 649	2 737	2 000	1 956	1 956	–	1 500	–
Pump Station		–	–	–	–	–	–	–	–	–
Reticulation		1 949	1 299	1 437	500	456	456	–	1 500	–
Waste Water Treatment Works		850	1 350	1 300	1 500	1 500	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		–	–	–	–	–	–	–	–	–
Community Assets		**708**	**380**	**238**	**–**	**–**	**–**	**–**	**–**	**–**
Community Facilities		451	90	238	–	–	–	–	–	–

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Halls		451	90	238	–	–	–	–	–	–
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		257	290	–	–	–	–	–	–	–
Indoor Facilities		–	–	–	–	–	–	–	–	–
Outdoor Facilities		257	290	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments		–	–	–	–	–	–	–	–	–
Historic Buildings		–	–	–	–	–	–	–	–	–
Works of Art		–	–	–	–	–	–	–	–	–
Conservation Areas		–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Other assets		**471**	**21**	**70**	**600**	**3 576**	**3 576**	**600**	**–**	**–**
Operational Buildings		113	21	70	600	3 576	3 576	600	–	–
Municipal Offices		113	21	70	600	3 576	3 576	600	–	–
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–
Workshops		–	–	–	–	–	–	–	–	–
Yards		–	–	–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	–
Laboratories		–	–	–	–	–	–	–	–	–
Training Centres		–	–	–	–	–	–	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–
Depots		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Housing		359	–	–	–	–	–	–	–	–
Staff Housing		–	–	–	–	–	–	–	–	–
Social Housing		359	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Water Rights		–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–
Computer Software and Applications		–	–	–	–	–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Computer Equipment		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Capital Expenditure on renewal of existing assets	1	**10 816**	**15 671**	**10 309**	**4 900**	**7 632**	**7 632**	**600**	**5 000**	**–**
Renewal of Existing Assets as % of total capex		*1150.7%*	*16.3%*	*36.9%*	*5.5%*	*8.8%*	*8.8%*	*0.7%*	*7.1%*	*0.0%*
Renewal of Existing Assets as % of deprecn"		*220.4%*	*50.3%*	*31.5%*	*12.0%*	*18.8%*	*18.8%*	*1.5%*	*12.6%*	*0.0%*

References

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

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

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		**15 287**	**15 366**	**11 867**	**14 259**	**18 090**	**18 090**	**15 094**	**15 141**	**15 757**
Roads Infrastructure		6 975	6 921	6 092	6 864	9 008	9 008	7 173	7 489	7 826
Roads		6 327	6 101	5 720	5 994	8 208	8 208	6 263	6 538	6 832
Road Structures		–	–	–	–	–	–	–	–	–
Road Furniture		648	821	372	870	800	800	911	951	993
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		2 408	2 207	2 118	2 044	1 333	1 333	2 971	2 484	2 531
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		2 408	2 207	2 118	2 044	1 333	1 333	2 971	2 484	2 531
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		1 120	1 023	1 649	1 931	2 705	2 705	2 012	2 100	2 195
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		16	–	14	80	27	27	28	29	30
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		478	551	898	754	518	518	825	862	900
MV Switching Stations		66	10	0	53	386	386	0	0	0
MV Networks		435	303	627	758	1 060	1 060	999	1 043	1 090
LV Networks		126	159	110	285	714	714	160	167	174
Capital Spares		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		2 471	1 483	567	1 270	2 101	2 101	1 299	1 356	1 417
Dams and Weirs		33	142	–	205	634	634	204	213	223
Boreholes		154	165	43	147	147	147	154	161	168
Reservoirs		–	–	–	–	–	–	–	–	–
Pump Stations		125	110	47	49	49	49	51	54	56
Water Treatment Works		48	110	77	98	618	618	103	107	112
Bulk Mains		527	394	151	400	214	214	419	437	457
Distribution		1 482	490	249	303	372	372	317	331	346
Distribution Points		51	55	–	49	49	49	51	54	56
PRV Stations		51	17	–	18	18	18	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		2 005	3 457	1 441	2 151	2 943	2 943	1 639	1 711	1 788
Pump Station		–	–	–	–	–	–	–	–	–
Reticulation		684	1 426	332	648	935	935	556	581	607
Waste Water Treatment Works		1 241	1 946	1 081	1 413	1 918	1 918	988	1 032	1 078
Outfall Sewers		–	–	–	–	–	–	–	–	–
Toilet Facilities		79	86	27	90	90	90	95	99	104
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		308	274	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–
Rail Furniture		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
LV Networks		308	274	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–
Promenades		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Data Centres		–	–	–	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Community Assets		**989**	**703**	**533**	**981**	**1 081**	**1 081**	**1 115**	**1 165**	**1 218**
Community Facilities		565	343	277	581	529	529	605	633	662

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Halls		235	200	141	149	139	139	156	163	170
Centres		–	–	–	–	–	–	–	–	–
Crèches		15	3	2	38	10	10	38	40	41
Clinics/Care Centres		–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations		–	–	–	–	–	–	–	–	–
Testing Stations		–	–	–	–	–	–	–	–	–
Museums		–	–	–	–	–	–	–	–	–
Galleries		–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–
Libraries		120	19	33	(3)	17	17	(3)	(3)	(3)
Cemeteries/Crematoria		24	75	96	125	91	91	159	166	173
Police		–	–	–	–	–	–	–	–	–
Parks		–	–	–	–	–	–	–	–	–
Public Open Space		–	–	–	–	–	–	–	–	–
Nature Reserves		–	–	–	–	–	–	–	–	–
Public Ablution Facilities		109	–	3	205	205	205	186	195	205
Markets		63	46	2	67	67	67	70	73	76
Stalls		–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–
Airports		–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		424	360	256	400	551	551	510	532	556
Indoor Facilities		254	234	165	295	246	246	254	265	277
Outdoor Facilities		169	126	91	105	305	305	256	267	279
Capital Spares		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments		–	–	–	–	–	–	–	–	–
Historic Buildings		–	–	–	–	–	–	–	–	–
Works of Art		–	–	–	–	–	–	–	–	–
Conservation Areas		–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Other assets		**361**	**528**	**400**	**495**	**528**	**528**	**456**	**476**	**497**
Operational Buildings		230	415	319	338	321	321	357	373	389
Municipal Offices		230	415	319	338	321	321	357	373	389
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–
Workshops		–	–	–	–	–	–	–	–	–
Yards		–	–	–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	–
Laboratories		–	–	–	–	–	–	–	–	–
Training Centres		–	–	–	–	–	–	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–
Depots		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Housing		131	113	81	157	207	207	99	103	108
Staff Housing		–	–	–	–	–	–	–	–	–
Social Housing		131	113	81	157	207	207	99	103	108
Capital Spares		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Water Rights		–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–
Computer Software and Applications		–	–	–	–	–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Computer Equipment		156	131	166	328	228	228	311	325	339
Computer Equipment		156	131	166	328	228	228	311	325	339
Furniture and Office Equipment		10	23	10	37	37	37	53	55	58
Furniture and Office Equipment		10	23	10	37	37	37	53	55	58
Machinery and Equipment		322	74	23	271	241	241	288	300	314
Machinery and Equipment		322	74	23	271	241	241	288	300	314
Transport Assets		1 761	1 439	1 471	1 912	2 197	2 197	2 316	2 087	2 202
Transport Assets		1 761	1 439	1 471	1 912	2 197	2 197	2 316	2 087	2 202
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Repairs and Maintenance Expenditure	1	**18 887**	**18 264**	**14 470**	**18 282**	**22 401**	**22 401**	**19 633**	**19 550**	**20 386**
R&M as a % of PPE		*95.8%*	*29.4%*	*-321.0%*	*1.8%*	*2.2%*	*2.2%*	*51.3%*	*38.6%*	*64.3%*
R&M as % Operating Expenditure		*3.8%*	*3.3%*	*2.4%*	*2.7%*	*3.2%*	*3.2%*	*4.1%*	*2.5%*	*2.6%*

References

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

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

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Depreciation by Asset Class/Sub-class										
Infrastructure		–	19 562	21 540	24 358	24 358	24 358	23 494	23 494	23 494
Roads Infrastructure		–	4 461	4 946	4 964	4 964	4 964	4 758	4 758	4 758
Roads		–	4 461	4 946	534	534	534	558	558	558
Road Structures		–	–	–	2 215	2 215	2 215	2 100	2 100	2 100
Road Furniture		–	–	–	2 215	2 215	2 215	2 100	2 100	2 100
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	1 392	2 046	1 982	1 982	1 982	2 091	2 091	2 091
Drainage Collection		–	1 392	2 046	480	480	480	507	507	507
Storm water Conveyance		–	–	–	1 021	1 021	1 021	1 077	1 077	1 077
Attenuation		–	–	–	480	480	480	507	507	507
Electrical Infrastructure		–	3 070	2 962	3 708	3 708	3 708	3 912	3 912	3 912
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	450	450	450	474	474	474
HV Switching Station		–	–	–	450	450	450	474	474	474
HV Transmission Conductors		–	–	–	450	450	450	474	474	474
MV Substations		–	–	–	450	450	450	474	474	474
MV Switching Stations		–	–	–	450	450	450	474	474	474
MV Networks		–	2 948	2 832	561	561	561	591	591	591
LV Networks		–	122	130	450	450	450	474	474	474
Capital Spares		–	–	–	450	450	450	474	474	474
Water Supply Infrastructure		–	4 796	4 809	5 928	5 928	5 928	5 434	5 434	5 434
Dams and Weirs		–	–	–	386	386	386	407	407	407
Boreholes		–	77	77	386	386	386	407	407	407
Reservoirs		–	847	848	386	386	386	407	407	407
Pump Stations		–	104	104	386	386	386	407	407	407
Water Treatment Works		–	–	–	386	386	386	407	407	407
Bulk Mains		–	–	–	100	100	100	100	100	100
Distribution		–	3 769	3 779	1 300	1 300	1 300	1 100	1 100	1 100
Distribution Points		–	–	–	1 300	1 300	1 300	1 100	1 100	1 100
PRV Stations		–	–	–	1 300	1 300	1 300	1 100	1 100	1 100
Capital Spares		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	3 835	3 952	6 122	6 122	6 122	5 559	5 559	5 559
Pump Station		–	200	207	100	100	100	100	100	100
Reticulation		–	136	137	1 349	1 349	1 349	1 200	1 200	1 200
Waste Water Treatment Works		–	3 499	3 608	1 349	1 349	1 349	1 200	1 200	1 200
Outfall Sewers		–	–	–	1 349	1 349	1 349	1 200	1 200	1 200
Toilet Facilities		–	–	–	1 974	1 974	1 974	1 859	1 859	1 859
Capital Spares		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	1 872	2 688	1 654	1 654	1 654	1 740	1 740	1 740
Landfill Sites		–	1 872	2 688	100	100	100	100	100	100
Waste Transfer Stations		–	–	–	311	311	311	328	328	328
Waste Processing Facilities		–	–	–	311	311	311	328	328	328
Waste Drop-off Points		–	–	–	311	311	311	328	328	328
Waste Separation Facilities		–	–	–	311	311	311	328	328	328
Electricity Generation Facilities		–	–	–	311	311	311	328	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		–	136	138	–	–	–	–	–	–
Data Centres		–	136	138	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Community Assets		164	3 318	2 337	3 856	3 856	3 856	3 667	3 527	3 527
Community Facilities		164	1 608	1 062	1 971	1 971	1 971	2 079	2 079	2 079

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Halls		–	–	–	1 348	1 348	1 348	1 422	1 422	1 422
Centres		–	36	200	–	–	–	–	–	–
Crèches		–	–	–	–	–	–	–	–	–
Clinics/Care Centres		–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations		–	4	8	–	–	–	–	–	–
Testing Stations		–	–	–	–	–	–	–	–	–
Museums		–	–	–	–	–	–	–	–	–
Galleries		–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–
Libraries		164	889	175	365	365	365	385	385	385
Cemeteries/Crematoria		–	9	9	12	12	12	13	13	13
Police		–	–	–	–	–	–	–	–	–
Parks		–	–	–	–	–	–	–	–	–
Public Open Space		–	7	7	246	246	246	260	260	260
Nature Reserves		–	–	–	–	–	–	–	–	–
Public Ablution Facilities		–	633	634	–	–	–	–	–	–
Markets		–	29	29	–	–	–	–	–	–
Stalls		–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–
Airports		–	1	1	–	–	–	–	–	–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	1 711	1 275	1 885	1 885	1 885	1 588	1 448	1 448
Indoor Facilities		–	–	–	–	–	–	–	–	–
Outdoor Facilities		–	1 711	1 275	1 885	1 885	1 885	1 588	1 448	1 448
Capital Spares		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments		–	–	–	–	–	–	–	–	–
Historic Buildings		–	–	–	–	–	–	–	–	–
Works of Art		–	–	–	–	–	–	–	–	–
Conservation Areas		–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**281**	**280**	**703**	**703**	**703**	**742**	**742**	**742**
Revenue Generating		–	–	–	352	352	352	371	371	371
Improved Property		–	–	–	176	176	176	185	185	185
Unimproved Property		–	–	–	176	176	176	185	185	185
Non-revenue Generating		–	281	280	352	352	352	371	371	371
Improved Property		–	281	280	176	176	176	185	185	185
Unimproved Property		–	–	–	176	176	176	185	185	185
Other assets		**–**	**1 828**	**1 916**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		–	1 828	1 916	–	–	–	–	–	–
Municipal Offices		–	1 779	1 868	–	–	–	–	–	–
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–
Workshops		–	49	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		590	400	469	377	377	377	398	398	398
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		590	400	469	377	377	377	398	398	398
Water Rights		–	1	–	16	16	16	17	17	17
Effluent Licenses		–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–
Computer Software and Applications		590	399	469	361	361	361	381	381	381
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Computer Equipment		1 265	949	1 132	2 436	2 436	2 436	2 373	2 373	2 373
Computer Equipment		1 265	949	1 132	2 436	2 436	2 436	2 373	2 373	2 373
Furniture and Office Equipment		1 310	735	802	588	588	588	630	630	630
Furniture and Office Equipment		1 310	735	802	588	588	588	630	630	630
Machinery and Equipment		1 580	1 605	1 936	1 427	1 427	1 427	1 505	1 505	1 505
Machinery and Equipment		1 580	1 605	1 936	1 427	1 427	1 427	1 505	1 505	1 505
Transport Assets		–	2 467	2 319	6 943	6 943	6 943	6 921	6 921	6 921
Transport Assets		–	2 467	2 319	6 943	6 943	6 943	6 921	6 921	6 921
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Depreciation	1	**4 908**	**31 146**	**32 732**	**40 688**	**40 688**	**40 688**	**39 729**	**39 589**	**39 589**

References

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

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

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		**940**	**9 595**	**4 458**	**8 368**	**10 821**	**10 821**	**25 957**	**22 720**	**152**
Roads Infrastructure		–	2 242	571	5 028	8 384	8 384	25 457	10 260	152
Roads		–	–	–	–	–	–	–	2 820	–
Road Structures		–	2 242	571	5 028	8 384	8 384	25 457	7 440	152
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	300	–	–	–	–	–	2 820	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	300	–	–	–	–	–	2 820	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	5 499	3 700	2 500	1 553	1 553	500	4 000	–
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		–	701	812	1 000	500	500	500	1 000	–
MV Switching Stations		–	–	–	–	–	–	–	–	–
MV Networks		–	2 911	1 166	1 000	803	803	–	2 000	–
LV Networks		–	1 886	1 722	500	250	250	–	1 000	–
Capital Spares		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	711	–	–	–	–	–	2 820	–
Dams and Weirs		–	–	–	–	–	–	–	–	–
Boreholes		–	–	–	–	–	–	–	–	–
Reservoirs		–	–	–	–	–	–	–	–	–
Pump Stations		–	–	–	–	–	–	–	–	–
Water Treatment Works		–	711	–	–	–	–	–	–	–
Bulk Mains		–	–	–	–	–	–	–	–	–
Distribution		–	–	–	–	–	–	–	2 820	–
Distribution Points		–	–	–	–	–	–	–	–	–
PRV Stations		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		940	844	188	840	884	884	–	2 820	–
Pump Station		–	–	–	–	–	–	–	–	–
Reticulation		–	–	–	–	–	–	–	2 820	–
Waste Water Treatment Works		940	844	188	840	884	884	–	–	–
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		–	–	–	–	–	–	–	–	–

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Community Assets		–	346	4 060	870	7 456	7 456	5 456	6 843	–
Community Facilities		–	–	29	–	–	–	–	–	–
Halls		–	–	29	–	–	–	–	–	–
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		–	346	4 031	870	7 456	7 456	5 456	6 843	–
Indoor Facilities		–	–	–	–	–	–	–	–	–
Outdoor Facilities		–	346	4 031	870	7 456	7 456	5 456	6 843	–
Capital Spares		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments		–	–	–	–	–	–	–	–	–
Historic Buildings		–	–	–	–	–	–	–	–	–
Works of Art		–	–	–	–	–	–	–	–	–
Conservation Areas		–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Other assets		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–
Municipal Offices		–	–	–	–	–	–	–	–	–
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–
Workshops		–	–	–	–	–	–	–	–	–
Yards		–	–	–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	–
Laboratories		–	–	–	–	–	–	–	–	–
Training Centres		–	–	–	–	–	–	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–
Depots		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Staff Housing		–	–	–	–	–	–	–	–	–
Social Housing		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Intangible Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Water Rights		–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–
Computer Software and Applications		–	–	–	–	–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Capital Expenditure on upgrading of existing assets	1	**940**	**9 941**	**8 519**	**9 237**	**18 277**	**18 277**	**31 413**	**29 563**	**152**
Upgrading of Existing Assets as % of total capex		*0.0%*	*10.3%*	*30.5%*	*10.4%*	*21.2%*	*21.2%*	*35.2%*	*42.2%*	*0.6%*
Upgrading of Existing Assets as % of deprecn"		*19.2%*	*31.9%*	*26.0%*	*22.7%*	*44.9%*	*44.9%*	*79.1%*	*74.7%*	*0.4%*

References

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

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

Vote Description	Ref	2021/22 Medium Term Revenue & Expenditure Framework			Forecasts			
R thousand		Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Present value
Capital expenditure	1							
Vote 1 - Financial Services		180	80	80				
Vote 2 - Community Services		–	4 819	7 624				
Vote 3 - Community Services		–	80	–				
Vote 4 - Community Services		6 151	6 873	–				
Vote 5 - Corporate Services		900	700	100				
Vote 6 - Technical Services		43 896	28 505	12 716				
Vote 7 - Technical Services		38 117	29 076	7 000				
Vote 8 - Muncipal Manager		–	–	20				
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]		–	–	–				
List entity summary if applicable								
Total Capital Expenditure		**89 244**	**70 133**	**27 540**	**–**	**–**	**–**	**–**
Future operational costs by vote	2							
Vote 1 - Financial Services		52 285	52 488	55 713				
Vote 2 - Community Services		41 879	39 124	38 781				
Vote 3 - Community Services		54 069	54 603	57 960				
Vote 4 - Community Services		37 568	14 580	22 570				
Vote 5 - Corporate Services		76 579	80 466	84 663				
Vote 6 - Technical Services		357 161	396 331	445 346				
Vote 7 - Technical Services		52 674	64 398	90 732				
Vote 8 - Muncipal Manager		13 462	14 367	15 287				
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]		–	–	–				
List entity summary if applicable								
Total future operational costs		685 677	716 357	811 052	–	–	–	–
Future revenue by source	3							
Property rates		83 290	89 121	96 460				
Service charges - electricity revenue		323 478	352 068	383 176				
Service charges - water revenue		39 677	42 328	45 139				
Service charges - sanitation revenue		25 043	26 546	28 280				
Service charges - refuse revenue		25 574	27 108	28 735				
Service charges - other		–	–	–				
Rental of facilities and equipment		1 470	1 543	1 620				
Interest earned - external investments		6 990	7 089	7 193				
Interest earned - outstanding debtors		8 677	9 111	9 566				
Dividends received		–	–	–				
Fines, penalties and forfeits		21 479	22 553	23 681				
Licences and permits		2 111	2 216	2 327				
Agency services		4 046	4 249	4 461				
Transfers and subsidies		145 903	128 604	130 741				
Other revenue		14 985	11 409	8 598				
Gains		–	–	–				
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		74 937	58 004	26 360				
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		170	179	187				
Transfers and subsidies - capital (in-kind - all)		–	–	–				
List entity summary if applicable								
Total future revenue		777 830	782 127	796 526	–	–	–	–
Net Financial Implications		**(2 908)**	**4 363**	**42 066**	**–**	**–**	**–**	**–**

References

1. Summarise the total capital cost until capital project is operational (MFMA s19(2)(a))

2. Summary of future operational costs from when projects operational (present value until the end of each asset's useful life) (MFMA s19(2)(b))

3. Summarise the future revenue from when projects are operational, including municipal tax and tariff implications, (present value until the end of asset's useful life)

Choose name from list - Supporting Table SA36 Detailed capital budget

R thousand														2021/22 Medium Term Revenue & Expenditure Framework		
Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Lattitude	Audited Outcome 2019/20	Current Year 2020/21 Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Parent municipality:																
List all capital projects grouped by Function																
Electricity	Vredebes Electrical Network								Vredebes					11 097	0	–
Electricity	Nduli infill Electrical Network								N'duli					–	2 715	3 478
Electricity	MV Substation Equipment								Whole of municipality					500	1 000	–
Electricity	Upgrade of LV Network Cables								Whole of municipality					–	1 000	–
Electricity	MV Network Equipment								Whole of municipality					–	1 000	–
Electricity	Upgrade of MV Cables								Whole of municipality					–	1 000	–
Solid Waste	New Material Recovery Facility								Ceres					11 165	–	–
Solid Waste	Transfer stations & related infrastructure (contribution to above)								Wolseley					5 817	–	–
Cemeteries	Regional Cemetery								Whole of municipality					0	4 819	6 768
Community Sport	Ceres upgrade Of Leyell Str Sport Facilities								Ceres					5 456	6 843	–
Storm water	Vredebes Bulk storm water & attenuation								Vredebes					108	–	–
Water	Network- Water Pipes & Valve Replacement								Whole of municipality					–	1 500	–
Sewerage	Sewer Network Replacement								Whole of municipality					–	1 500	–
Electricity	Vredebes Phase H Streetlights								Vredebes					1 565	–	–
Roads	Vredebes new access collector								Vredebes					–	1 390	8 085
Water	Op-Die-Berg Reservoir								Op-Die-Berg					2 855	–	–
Water	Tulbagh Reservoir								Tulbagh					–	–	7 000
Municipal Manager	Office Equipment								Whole of municipality					–	–	20
Water	Tierhokskloof Bulk pipeline								Wolseley					–	8 026	–
Water	Tulbagh Dam								Tulbagh					17 391	16 730	–
Water	Vredebes Phase H Internal Water								Vredebes					889	–	–
Sewerage	Vredebes Phase H Internal Sewerage								Vredebes					889	–	–
Roads	Vredebes Phase H Internal Roads								Vredebes					889	–	–
Storm water	Vredebes Phase H Internal Storm Water								Vredebes					889	–	–
Water	Nduli Infill Internal Water								N'duli					–	2 820	–
Sewerage	Nduli Infill Internal Sewerage								N'duli					–	2 820	–
Roads	Nduli Infill Internal Roads								N'duli					–	2 820	–
Storm water	Nduli Infill Internal Storm water								N'duli					–	2 820	–
Roads	Tulbagh Steinthalweg walkways								Tulbagh					–	–	–
Roads	Van Breda Brug								Ceres					20 548	6 200	152
Roads	Van Breda Brug own contribution								Ceres					4 910	1 240	–
ITC	Replace Computers								Whole of municipality					200	–	–
Roads	Network streets								Whole of municipality					–	2 000	–
Admin IT	IT Equipment								Whole of municipality					–	600	–
Administration	Council Chambers furniture								Ceres					600	–	–
Community Hall	Townhalls Equipment								Whole of municipality					–	40	–
Recreational	Sportfield equipment								Whole of municipality					–	30	–
Parks	Parks equipment								Whole of municipality					–	40	–
Fire	Capex Firefighting Response Vehicle								Whole of municipality					–	0	857
Treasury Admin	Capex IT Equipment								Whole of municipality					100	–	–
Public Toilets	Capex Public Toilets Wolseley								Wolseley					1 000	–	–
Public Toilets	Capex Public Toilets Wolseley								Wolseley					500	–	–
L E D	Capex Hamlet Economic Hub								PA Hamlet					696	–	–
Mechanical Workshop	Capex Vehicle Replacement Programme								Whole of municipality					1 000	1 000	1 000
ITC	Capex IT Equipment								Whole of municipality					100	100	100
Finance	Capex Furniture & Equipment								Whole of municipality					30	30	30
Finance	Capex Computer Hardware								Whole of municipality					50	50	50
Parent Capital expenditure												–	–	**89 244**	**70 133**	**27 540**

Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Lattitude	Audited Outcome 2019/20	Current Year 2020/21 Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Entities: *List all capital projects grouped by Entity*																
Entity A Water project A																
Entity B Electricity project B																
Entity Capital expenditure												–	–	–	–	–
Total Capital expenditure												–	–	**89 244**	**70 133**	**27 540**

References

Must reconcile with Budgeted Capital Expenditure

Projects that fall above the threshold values applicable to the municipality as identified in regulation 13 of the Municipal Budget and Reporting Regulations must be listed individually. Other projects by Function

Asset class as per table A9 and asset sub-class as per table SA34

GPS coordinates correct to seconds. Provide a logical starting point on networked infrastructure.

Distinguish projects approved in terms of MFMA section 19(1)(b) and MRRR Regulation 13 — check — 27 944 — 86 297 — (0) — 0 — –

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

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

R thousand												Previous target year to complete	Current Year 2020/21		2021/22 Medium Term Revenue & Expenditure Framework		
Function	Project name	Project number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Lattitude		Original Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Parent municipality:																	
List all capital projects grouped by Function																	
Entities:																	
List all capital projects grouped by Entity																	
Entity Name																	
Project name																	

References

List all projects with planned completion dates in current year that have been re-budgeted in the MTREF

Asset class as per table A9 and asset sub-class as per table SA34

GPS coordinates correct to seconds. Provide a logical starting point on networked infrastructure.

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

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

Municipal Vote/Operational project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	4				6	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Parent municipality:								
List all operational projects grouped by Municipal Vote								
		COR Planned Dams and Weirs Civil Struture	PO00100100200100700100400000000000000		Yes	41	43	45
		Cost of Free Basic Services - Water (6 kl per household per month)	PO00305700400000000000000000000000000		Yes	5 406	5 460	5 516
		MUNICIPAL INCOME ITEMS	PD00000000000000000000000000000000000		Yes	(773 524)	(744 659)	(736 357)
		Municipal Running Cost	PO00200000000000000000000000000000000		Yes	747 800	762 144	814 204
		Property Rates Rebate - Discretionary	PO00305900700000000000000000000000000		Yes	570	610	659
		Property Rates Rebate - General Residential Rebate (excess exceeding R15000 Threshold Rebate)	PO00305900600000000000000000000000000		Yes	9 801	10 487	11 117
		Rental Rebate	PO00305800300000000000000000000000000		Yes	(24)	(25)	(27)
		Revenue Cost of Free Services - Electricity (Other Energy)	PO00305800100000000000000000000000000		Yes	4 860	5 492	6 206
		Revenue Cost of Free Services - Waste Management	PO00305800400000000000000000000000000		Yes	10 635	11 273	11 950
		Revenue Cost of Free Services - Waste Water Management	PO00305800500000000000000000000000000		Yes	13 392	14 196	14 906
		Revenue Cost of Free Services - Water	PO00305800600000000000000000000000000		Yes	–	–	–
		RM COR Planned Reticulation Pipe Work	PO00100100200100800200200000000000000		Yes	106	111	116
		RM PREV INTERVAL BASED Transport Assets - Community Services	PO00100200100101000000000000000000000		Yes	2 316	2 087	2 202
		RM COR Planned COMM Community Facilities MarketsBuildings	PO00100200200100200101700200000000000		Yes	70	73	76
		RM COR Planned COMM Sport and Recreation Facilities Indoor FacilitiesBuildings	PO00100200200100200200100200000000000		Yes	216	226	236
		RM COR Planned COMM Sport and Recreation Facilities Outdoor FacilitiesCivil Structures	PO00100200200100200200200400000000000		Yes	28	29	30
		RM COR Planned FURN Furniture and Office Equipment	PO00100200200100500000000000000000000		Yes	20	21	22
		RM COR Planned OTHER Operational Buildings Municipal OfficesBuildings	PO00100200200100300100100200000000000		Yes	78	82	86
		RM COR Emergence Boreholes Mechanical	PO00100100200200700200600000000000000		Yes	103	107	112
		RM COR Emergency Boreholes Electrical	PO00100100200200700200400000000000000		Yes	51	54	56
		RM COR Emergency Bulk Mains Pipe Work	PO00100100200200700300100000000000000		Yes	419	437	457
		RM COR Emergency COMM Community Facilities CrèchesBuildings	PO00100200200200200100300200000000000		Yes	38	40	41
		RM COR Emergency COMM Community Facilities HallsBuildings	PO00100200200200200100100200000000000		Yes	156	163	170
		RM COR Emergency COMM Community Facilities Public Ablution FacilitiesBuildings	PO00100200200200200101600200000000000		Yes	186	195	205
		RM COR Emergency COMM Sport and Recreation Facilities Indoor FacilitiesBuildings	PO00100200200200200200100200000000000		Yes	37	39	41
		RM COR Emergency COMM Sport and Recreation Facilities Outdoor FacilitiesBuildings	PO00100200200200200200200200000000000		Yes	200	209	218
		RM COR Emergency COMM Sport and Recreation Facilities Outdoor FacilitiesExternal Facilities	PO00100200200200200200300000000000000		Yes	28	29	30
		RM COR Emergency COMP Computer Equipment	PO00100200200200400000000000000000000		Yes	311	325	339
		RM COR Emergency Distribution Pipe Work	PO00100100200200700400200000000000000		Yes	317	331	346
		RM COR Emergency ELEC HV Substations Control and Instrumentation	PO00100100200200100200600000000000000		Yes	28	29	30
		RM COR Emergency ELEC HV Substations MV Substation Equipment	PO00100100200200100500200000000000000		Yes	670	699	731
		RM COR Emergency ELEC LV Networks Electricity Meters	PO00100100200200100800400000000000000		Yes	39	41	43
		RM COR Emergency ELEC LV Networks LV Conductors	PO00100100200200100800100000000000000		Yes	37	39	41
		RM COR Emergency ELEC LV Networks Municipal Service Connections	PO00100100200200100800300000000000000		Yes	8	9	9
		RM COR Emergency ELEC LV Networks Public Lighting	PO00100100200200100800200000000000000		Yes	75	78	82
		RM COR Emergency ELEC MV Networks MV Conductors	PO00100100200200100700400000000000000		Yes	14	15	16
		RM COR Emergency ELEC MV Networks MV Network Equipment	PO00100100200200100700200000000000000		Yes	953	995	1 040
		RM COR Emergency ELEC MV Networks MV Transformers	PO00100100200200100700300000000000000		Yes	31	32	34
		RM COR Emergency ELEC MV Substations Control and Instrumentation	PO00100100200200100500700000000000000		Yes	28	29	30
		RM COR Emergency ELEC MV Substations MV Network Equipment	PO00100100200200100500500000000000000		Yes	37	39	41
		RM COR Emergency ELEC MV Switching Stations MV Switching Station Equipment	PO00100100200200100600100000000000000		Yes	0	0	0
		RM COR Emergency FURN Furniture and Office Equipment	PO00100200200200500000000000000000000		Yes	33	35	36
		RM COR Emergency MACH Machinery and Equipment	PO00100200200200900000000000000000000		Yes	227	237	248
		RM COR Emergency OTHER Housing Social HousingBuildings	PO00100200200200300200200000000000000		Yes	99	103	108
		RM COR Emergency OTHER Operational Buildings Municipal OfficesBuildings	PO00100200200200300100100200000000000		Yes	279	291	304
		RM COR Emergency Pump stations Electrical Equipment	PO00100100200200700800600000000000000		Yes	51	54	56
		RM COR Emergency SEWER Toilet Facilities Communal Sanitation	PO00100100200200800500100000000000000		Yes	95	99	104
		RM COR Emergency Waste Water Treatment Earthworks	PO00100100200200800300500000000000000		Yes	20	21	22
		RM COR Emergency Waste Water Treatment Electrical Equipment	PO00100100200200800300600000000000000		Yes	246	257	269
		RM COR Emergency Waste Water Treatment Works	PO00100100200200800300700000000000000		Yes	535	559	584
		RM COR Emergency Water Treatment Mechanical Equipment	PO00100100200200700900700000000000000		Yes	103	107	112
		RM COR Planned COMM Community Facilities Cemeteries/Crematoria External Facilities	PO00100200200100200101100300000000000		Yes	27	29	30
		RM COR Planned LIB Libraries	PO00100200200100200101000200000000000		Yes	(3)	(3)	(3)
		RM COR Planned Reticulation Civil Structures	PO00100100200100800200100000000000000		Yes	196	204	213
		RM COR Planned Reticulation Municipal Service Connection	PO00100100200100800200400000000000000		Yes	128	134	140
		RM Cor Planned Reticulation Pipe Bridges	PO00100100200100800200300000000000000		Yes	126	132	138
		RM COR Planned Road Furniture Traffic Signs	PO00100100200100200300200000000000000		Yes	911	951	993
		RM COR Planned Roads Pavements	PO00100100200100200100200000000000000		Yes	6 263	6 538	6 832
		RM COR Planned Storm water Conveyance Civil Structures	PO00100100200100300200200000000000000		Yes	1 464	945	958
		RM COR Planned Storm water Conveyance Drainage	PO00100100200100300200300000000000000		Yes	528	541	555
		RM COR Planned Storm water Conveyance Pipework	PO00100100200100300200600000000000000		Yes	979	998	1 018
		RM COR Planned Waste Water Treatment Works	PO00100100200100800300700000000000000		Yes	129	134	140
		RM PREV Condition Based Waste Water Treatment Buildings	PO00100100100200800300300000000000000		Yes	58	61	63
		RM PREV Interval Based COMM Community Facilities Cemeteries	PO00100200100100200101100300000000000		Yes	131	137	143
		RM PREV Interval Based ELEC MV Substations Electricity Bulk Meters	PO00100100100100100500600000000000000		Yes	90	94	98
		RM PREV Interval Based MACH Machinery and Equipment	PO00100200100100900000000000000000000		Yes	61	63	66
		RM PREV Planned Condition Based Communal Standpipes	PO00100100100200700500100000000000000		Yes	51	54	56
		RM PREV Planned Condition Based Dams & Weirs land	PO00100100100200700100100000000000000		Yes	163	170	178
		Typical Work Streams Alien and Invasive Trees	PO00301500800000000000000000000000000		Yes	2	2	2
		Typical Work Streams Cancer	PO00300200200300000000000000000000000		Yes	7	8	8
		Typical Work Streams Capacity Building Unemployed	PO00300400400000000000000000000000000		Yes	91	90	–
		Typical Work Streams Catchment and Forestry	PO00301501000000000000000000000000000		Yes	152	158	166
		Typical Work Streams Child Programmes	PO00300700100000000000000000000000000		Yes	7	2	3
		Typical Work Streams Clean-up Actions	PO00300500100000000000000000000000000		Yes	32	32	32
		Typical Work Streams Community Development Initiatives	PO00300700300000000000000000000000000		Yes	132	132	132
		Typical Work Streams Compilation of Plan	PO00302300100000000000000000000000000		Yes	11	31	33
		Typical Work Streams Disaster Relief	PO00301400300000000000000000000000000		Yes	200	38	40
		Typical Work Streams Education and Training	PO00300700500000000000000000000000000		Yes	25	26	27
		Typical Work Streams Education Programme: Litter	PO00300700600000000000000000000000000		Yes	550	600	–
		Typical Work Streams EPWP Project	PO00301600100000000000000000000000000		Yes	4 152	1 648	1 373
		Typical Work Streams Gender Development	PO00300701100000000000000000000000000		Yes	7	8	8
		Typical Work Streams Holiday Program	PO00300701200000000000000000000000000		Yes	1	2	2
		Typical Work Streams Leadership Development	PO00300400900000000000000000000000000		Yes	18	26	27
		Typical Work Streams Library Programmes	PO00300701400000000000000000000000000		Yes	14	15	15
		Typical Work Streams Meetings	PO00304800200000000000000000000000000		Yes	10	11	12
		Typical Work Streams Municipal Minimum Competency Level	PO00300401100000000000000000000000000		Yes	288	169	239
		Typical Work Streams Parks Programme	PO00303300000000000000000000000000000		Yes	134	166	174
		Typical Work Streams Project Implementation	PO00302300200000000000000000000000000		Yes	31	34	35

Municipal Vote/Operational project R thousand	Ref 4	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No) 6	2021/22 Medium Term Revenue & Expenditure Framework Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
		Typical Work Streams Public Participation Meeting	PO003006006000000000000000000000000		Yes	3	3	4
		Typical Work Streams Public Protection and Safety	PO003038000000000000000000000000000		Yes	14	15	15
		Typical Work Streams Social Development Programme (Welfare)	PO003007016000000000000000000000000		Yes	22	32	33
		Typical Work Streams Special Events and Functions	PO003017005000000000000000000000000		Yes	292	190	195
		Typical Work Streams Training	PO003023004000000000000000000000000		Yes	–	10	10
		Typical Work Streams Ward Initiatives	PO003048001000000000000000000000000		Yes	46	50	53
		Typical Work Streams Workshops, Seminars and Subject Matter Training	PO003004010000000000000000000000000		Yes	947	1 000	1 058
		Typical Work Streams Youth Development	PO003007017002000000000000000000000		Yes	4	5	5
		Typical Workstreams Aids/HIV	PO003002003000000000000000000000000		Yes	7	3	3
		Typical Workstreams IDP Implementation and Monitoring	PO003044009000000000000000000000000		Yes	2	2	2
		Typical Workstreams Spaces for Sport	PO003043003000000000000000000000000		Yes	284	290	296
Parent operational expenditure	1					**46 039**	**89 324**	**152 561**
Entities: *List all operational projects grouped by Entity*								
Entity A Water project A								
Entity B Electricity project B								
Entity Operational expenditure						–	–	–
Total Operational expenditure						**46 039**	**89 324**	**152 561**

References

1. Must reconcile with Budgeted Operating Expenditure

2. As per Table SA5