

OVERSTRAND MUNICIPALITY



DRAFT

BUDGET REPORT

2024/2025

2024/25 TO 2026/27
MEDIUM TERM REVENUE AND EXPENDITURE
FORECASTS

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Table of Contents

PART 1 – ANNUAL BUDGET	2
1.1 MAYOR’S REPORT	2
1.5 OPERATING EXPENDITURE FRAMEWORK	24
1.6 CAPITAL EXPENDITURE	29
1.7 ANNUAL BUDGET TABLES	31
2 PART 2 – SUPPORTING DOCUMENTATION	51
2.1 OVERVIEW OF THE ANNUAL BUDGET PROCESS	51
2.2 OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH IDP	54
2.3 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS	58
2.4 OVERVIEW OF BUDGET RELATED-POLICIES	64
2.5 OVERVIEW OF BUDGET ASSUMPTIONS	65
2.6 OVERVIEW OF BUDGET FUNDING	67
2.7 EXPENDITURE ON GRANTS AND RECONCILIATIONS OF UNSPENT FUNDS	77
2.8 COUNCILLOR AND EMPLOYEE BENEFITS	79
2.9 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW .../.....	81
2.10 ANNUAL BUDGETS AND SDBIP	88
2.11 CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS.....	88
2.12 CAPITAL EXPENDITURE DETAILS	88
2.13 LEGISLATION COMPLIANCE STATUS	98
2.14 OTHER SUPPORTING DOCUMENTS.....	99
2.15 MUNICIPAL MANAGER’S QUALITY CERTIFICATE.....	112

List of Tables

Table 1 Consolidated Overview of the 2024/25 MTREF.....	3
Table 2 Summary of revenue classified by main revenue source	11
Table 3 Percentage growth in revenue by main revenue source.....	12
Table 4 Operating Transfers and Grant Receipts.....	13
Table 5 Costing of services	15
Table 6 Comparison of proposed rates to be levied for the 2024/25 financial year	17
Table 7 Comparison between current water charges and increases (Domestic).....	19
Table 8 Comparison between current electricity charges and increases (Domestic)	21
Table 9 Comparison between current sanitation charges and increases (Domestic)	22
Table 10 Comparison between current waste removal fees and increases (Domestic)	23
Table 11 MBRR Table SA14 – Household bills	24
Table 12 Summary of operating expenditure by functional classification item.....	25
Table 13 Operational repairs and maintenance	27
Table 14 Repairs and maintenance per asset class	28
Table 15 MBRR Table SA21 – Transfers and grants made by the municipality.....	29
Table 16 2023/24 Medium-term capital budget per vote.....	30
Table 17 MBRR Table A1 - Budget Summary.....	32
Table 18 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by functional classification)	34
Table 19 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote).....	35
Table 20 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure).....	36

Table 21 MBRR Table A5 - Budgeted Capital Expenditure by vote, functional classification and funding source	38
Table 22 MBRR Table A6 - Budgeted Financial Position.....	40
Table 23 MBRR Table A7 - Budgeted Cash Flow Statement.....	42
Table 24 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation.....	43
Table 25 MBRR Table A9 - Asset Management	45
Table 26 MBRR Table A10 - Basic Service Delivery Measurement.....	49
Table 27 IDP Strategic Objectives	55
Table 28 MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue ...	57
Table 29 MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure	57
Table 30 MBRR Table SA6 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure	57
Table 31 MBRR Table SA7 - Measurable performance objectives	59
Table 32 MBRR Table SA8 - Performance indicators and benchmarks	62
Table 33 Breakdown of the operating revenue over the medium-term.....	67
Table 34 Proposed tariff increases for 2024/25	69
Table 35 MBRR SA15 – Detail Investment Information.....	70
Table 36 MBRR SA16 – Investment particulars by maturity.....	70
Table 37 Sources of capital revenue over the MTREF	70
Table 38 MBRR Table SA18 - Capital transfers and grant receipts.....	71
Table 39 MBRR Table SA17 - Detail of borrowings.....	72
Table 40 MBRR Table A7 - Budgeted cash flow statement	73
Table 41 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation.....	74
Table 42 MBRR SA10 – Funding compliance measurement.....	76
Table 43 MBRR SA19 - Expenditure on transfers and grant programmes	77
Table 44 MBRR SA 20 - Reconciliation between of transfers, grant receipts and unspent funds	78
Table 45 MBRR SA22 - Summary of councillor and staff benefits.....	79
Table 46 MBRR SA23 - Salaries, allowances and benefits (political office bearers/councillors/senior managers).....	80
Table 47 MBRR SA24 – Summary of personnel numbers.....	80
Table 48 MBRR SA25 - Budgeted monthly revenue and expenditure.....	82
Table 49 MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)	83
Table 50 MBRR SA27 - Budgeted monthly revenue and expenditure (functional classification)	84
Table 51 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote).....	85
Table 52 MBRR SA29 - Budgeted monthly capital expenditure (functional classification).....	86
Table 53 MBRR SA30 - Budgeted monthly cash flow	87
Table 54 MBRR SA 34a - Capital expenditure on new assets by asset class.....	89
Table 55 MBRR SA34b - Capital expenditure on the renewal of existing assets by asset class	90
Table 56 MBRR SA34c - Repairs and maintenance expenditure by asset class	91
Table 57 MBRR SA34d – Depreciation by asset class	92
Table 58 MBRR SA34e - Capital expenditure on the upgrading of existing assets by asset class	93
Table 59 MBRR SA35 - Future financial implications of the capital budget	94
Table 60 MBRR SA36 - Detailed capital budget per municipal vote.....	95
Table 61 MBRR SA37 - Projects delayed from previous financial year.....	97
Table 62 MBRR Table SA1 - Supporting detail to budgeted financial performance	99

Table 63 MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)	102
Table 64 MBRR Table SA3 – Supporting detail to Statement of Financial Position	103
Table 65 MBRR Table SA9 – Social, economic and demographic statistics and assumptions	104
Table 66 MBRR SA11 – Property rates summary	105
Table 67 MBRR SA12a – Property rates by category (current year)	106
Table 68 MBRR SA12b – Property rates by category (budget year).....	107
Table 69 MBRR SA13a – Service tariffs by category.....	108
Table 70 MBRR SA13b – Service tariffs by category (explanatory)	109
Table 71 MBRR SA32 – List of external mechanisms.....	109
Table 72 MBRR SA38 – Consolidated detailed operational projects.....	110
Table 73 MBRR SA33 – Contracts having future budgetary implications.....	111

List of Figures

Figure 1 Main operational expenditure categories for the 2024/25 financial year	27
Figure 2 Capital Infrastructure Programme.....	31
Figure 3 Expenditure by major type	37
Figure 4 Depreciation in relation to repairs and maintenance over the MTREF.....	48
Figure 5 Planning, budgeting and reporting cycle	58
Figure 6 Definition of performance information concepts	59
Figure 7 Breakdown of operating revenue over the 2024/25 MTREF.....	68
Figure 8 Sources of capital revenue for the 2024/25 financial year	71
Figure 9 Growth in outstanding borrowing (long-term liabilities)	72
Figure 10 Cash and cash equivalents / Cash backed reserves and accumulated funds	75

List of Annexures

Annexure A	Draft Budget Schedule 1-10
Annexure B	A1 Schedule mSCOA Version 6.8 (14 Dec 2023) & A2 Budget regulation charts
Annexure C	Tariffs
Annexure D	Basket of tariffs
Annexure E	Capital projects & Housing Programme
Annexure F	Service Delivery Standards
Annexure G	Water and Wastewater Quality
Annexure H	NT Budget Circulars 126 & 128 and PT Circular 6 of 2024 and NT Financial ratios
Annexure I	mSCOA Implementation Status
Annexure J	Procurement Plan
Annexure K	NT Tariff Tool
Annexure L	Eskom Bulk Electricity Invoices
Annexure M	Draft Budget Related Policies

Abbreviations and Acronyms

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

Part 1 – Annual Budget

1.1 Mayor's Report

The Executive Mayor delivers her Budget speech with the tabling of the final budget for approval. A copy of the speech is included thereafter.

The draft Integrated Development Plan (IDP) review for 2024/25 and the draft SDBIP will also be tabled during the Council meeting.

1.2 Council Resolution

The following is the resolution that will be considered for the approval and adoption of the annual budget for 2024/25:

RECOMMENDATION TO THE COUNCIL:

1. that in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) the annual budget of the Overstrand Municipality for the 2024/25 to 2026/27 MTREF (Medium Term Revenue and Expenditure Framework) period **be approved** as set out in the following schedules:

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

2. that in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) the property rates reflected in **Annexure A, be imposed** for the budget year 2024/25;

3. that in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) tariffs and charges reflected in **Annexure A, be approved** for the budget year 2024/25;

4. that the Municipal Manager be authorised to sign the necessary documents to give effect to the 1st draw down of the proposed three year borrowing programme for external loans amounting to R65 million, R70 million and R90 million respectively per year.

5. that the following schedules be noted:

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

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

7. that **cognisance be taken** of the 2024/25 Budget Report.

1.3 Executive Summary

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

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

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

The draft reviewed IDP for 2024/25 to be tabled in Council on 27 March 2024. The strategic direction remains unchanged and therefore the vision, mission, strategic objectives and the Mayor's 3 C priorities of Communication, Crime Prevention & Law Enforcement and Cost and Ease of doing business with Overstrand will continue to support the implementation of the strategic objectives.

The 3 C's priorities have an overarching linkage with the existing programmes. Funding are allocated in this draft budget for specific projects in this regard, whilst in other instances, the focus on the Cost and Ease of doing business with Overstrand are reflected in the revision of various tariffs relating to before-mentioned, as well as the envisaged promotion of measures/tariff structures already in place, to create awareness in our communities.

The National Treasury shared the following guiding perspective with Local Government in December 2023(abbreviated) –

The National Treasury forecasts real GDP growth of 0.8 per cent in 2023, compared with 0.9 per cent projected in the 2023 Budget Review. Growth is projected to average 1.4 per cent from 2024 to 2026. Relative to the 2023 Budget, the weaker projection for 2023 mainly reflects lower household consumption expenditure due to higher inflation and interest rates, and lower net exports. Power cuts are expected to continue for the remainder of this year and to gradually ease in 2024. Faster, determined implementation of energy and logistics reforms remains critical to boosting economic growth.

In the context of weaker global growth and risks to the domestic outlook, government is working to position the economy for sustained growth and resilience to shocks. A combination of a stable macroeconomic framework, the rapid implementation of economic and structural reforms, and improvements in state capability remains central to achieving higher growth, employment, and competitiveness.

Employment growth continues to lag South Africa's post-COVID-19 economic recovery, with 74 000 fewer people in employment in the second quarter of 2023 than in the fourth quarter of 2019. Improving employment growth sustainably over the long term requires faster GDP growth and improved education and skills development.

Headline inflation is expected to decelerate as the energy and food price shocks associated with global supply chain disruptions and the war in Ukraine dissipate. Headline consumer prices are expected to fall from an expected 6 per cent in 2023 to 4.9 per cent in 2024. Fuel prices have fallen since June 2023, largely reflecting base effects. Food price inflation, which peaked at 14.4 per cent in March 2023, slowed to 8.2 per cent by August 2023. However, the pace of deceleration has been slow relative to global food prices. This can be attributed to a weaker rand exchange rate and elevated production costs. Core inflation has remained near 5 per cent for most of 2023 due mainly to higher insurance and vehicle price inflation. Headline inflation is projected to return towards the mid-point of the 3 to 6 per cent target range in 2025.

CPI Inflation for 2022/23 is indicated as 6% whilst forecasts for 2024/25 was at 4,9% beginning of March 2024. The latest CPI inflation rate at 5,3% for January 2024, as published in February 2024, prior to the tabling of the draft Budget on 27 March 2024.

The socio-economic profile (provincial government), indicate the following scenario for 2023 (abbreviated) –

In the economic context, the Overstrand area demonstrated growth in employment and Regional Gross Domestic Product (RGDP) in 2022 with key contributions from the finance, trade and manufacturing sectors. The informal employment played a significant role in employment outcomes. The employment gains reduced the unemployment rate.

Environmental factors, such as sea level rise, drought, rising temperatures, vegetation fires, and floods, present various challenges and potential threats to the area, impacting ecosystems, livelihoods, and infrastructure. These issues require attention and planning for long term resilience.

Overall, addressing these multifaceted challenges and opportunities requires coordinated efforts from various stakeholders to ensure the well being and sustainability of the Overstrand area.

Furthermore - additionally, Overstrand had the highest number of taxpayers, accounting for 46.2 per cent of the taxpayers in the Overberg District in 2021.

South Africa has also been grey listed in February 2023 by global financial crime watchdog, the Financial Action Task Force (FATF), for not fully complying with international standards related to the prevention of money laundering, terrorist financing and proliferation financing. Before mentioned can have significant implications for economic growth and global competitiveness, resulting in a negative impact on South African businesses and consumers if not addressed effectively.

National Treasury published a fact sheet, indicating the following – *The National Treasury is particularly working to continue to strengthen and expand anti-money laundering (and combatting terror finance) systems in the financial sector, to minimise perceived risks relating to this sector, including from new and emerging risks (eg. crypto-related risks). This is because the biggest economic risks of being grey listed is related to the withdrawal of banking and payments services necessary for trade, remittances, and other transfers and economic growth. The completion of an assessment and the publication of the mutual evaluation report is a starting point for the country to continue strengthening its measures to tackle money laundering and terrorist financing. The country subsequently reports back to the FATF on a regular basis on the progress it has made. This can lead to a change of the compliance ratings from the original mutual evaluation report.*

Provincial Treasury also issued Treasury Circular No 5 of 2024 in March 2024, regarding budget related matters and the proposed Strategic Integrated Municipal Engagements (SIME) engagements, with the following guidance (abbreviated) to municipalities with the finalisation of the 2024/25 Medium Term Revenue and Expenditure Framework (MTREF) Budgets, in terms of the Strategic Integrated Municipal Engagement (SIME) Process:

Economic and Fiscal Environment - For more than ten years, the South Africa's economy has experienced slow growth. Since 2012, the GDP has averaged just 0.8 per cent annually, further entrenching the country's high rates of unemployment and poverty.

South Africa's economy is predicted to expand at an average rate of 1.6 per cent during the next three years, which signifies marginal improvement over the 1.4 per cent average predicted at the time of the 2023 National MTBPS. The forecast is bolstered by anticipated increases in energy-related fixed investments and a rebound in consumer expenditure as inflation drops.

Power outages and issues with freight train and port operations continue to hinder economic activity and reduce the nation's export potential. Though it may take some time to see development rebound, these sectors are undergoing extensive reforms. High living expenses are putting pressure on household consumption, while limited investment is the result of low confidence and difficult business environment brought on by structural limitations.

The National government is giving energy and logistics reforms top priority in addition to steps to stop the deterioration of state capacity to reverse the trend and boost economic development sustainably. Effective initiatives to strengthen the state's capability, finish structural reforms, and strengthen the fiscal position will all work together to lower borrowing costs, boost confidence, boost investment and employment, and quicken economic growth.

Furthermore –

The overall objectives of the 2024/25 SIME process and the key messages therefore emphasise: Aligning strategic intent as encapsulated within the Integrated Development Plans (IDP) and municipal budgets to create public value based on the community needs/priorities identified through the public participation processes;

Safeguarding of municipal sustainability by ensuring that municipalities table funded budgets and the strengthening of municipal financial management;

Ensure optimal and targeted service delivery through strategic spatial planning and alignment;

Deepening of an integrated approach to service delivery with the intention of creating synergies through the consolidation/concentration of resources across all spheres of government; and

Identification of areas that require support as well as opportunities for collaboration and partnerships.

Multiple global crises over the past three years have had a noticeable impact on the landscape, in terms of the compilation of annual municipal budgets.

With the impact of COVID-19 hard lockdown during 2020 and subsequent devastating effect on our communities, inclusive of businesses and the tourism industry, also followed by further international turmoil caused by the Russia-Ukraine war since February 2022, the municipality had to respond accordingly with stringent measures, implemented during those budget processes to ensure minimal increases in tariffs for municipal services approved over the past 3 years.

With these budgets only 4,5% was across the board for **2020/21**, followed by 4.5% for **2021/22** and increases ranging from 4.9% for water, refuse at 5.9% and sewage service charges at 4,3% for the **2022/23** financial year.

Before-mentioned strategy was implemented after careful consideration of our own position, as conscious decisions to contain at least the cost of municipal services for these three budget cycles to ensure the municipality respond appropriately in very low tariff increases in supporting our residents and business community, for them to get through these challenges at the time. This approach represented the extreme caution and care exercised by the municipality to contribute in alleviating the burden on communities in containing rates- and tariff increases.

With the compilation of the current budget last year, the municipality was still confronted (since February 2022) with skyrocketing oil prices, causing petrol and diesel prices to rise drastically. The prices of chemicals also followed the same drastic price increases which now seems to be a permanent phenomenon. For the **current year (2023/24)**, tariff increases for the respective basic municipal services ranged from 6,5% to 7.5%. The Electricity increase implemented on 1 July 2023 was 15,1%.

Before-mentioned context provides the basis for the compilation of the draft MTREF draft budget for 2024/25, and recommended draft tariffs for the respective municipal services included in this report, range between 6% and 11%.

The draft electricity tariff increase recommended for municipal consumers of the municipality, is in accordance with electricity consumer categories, now also offering a capacity charge, for the consumer to determine the level of services required, directly in relation to the price structure. Implementation will follow a phased approach with four phases over the next four years, starting with phase one of the revised CoS electricity tariff structure for 2024/25.

The national annual increase for municipalities to implement, as issued by the National Energy Regulator of South Africa (NERSA), represents a 10.04% increase, but the final increase per category consumer is to be considered in view of phase one of the Cos tariffs. This increase should

be determined in combination with the capacity charge tariff applicable to the consumer, together with the unit costs (kWh) consumed.

Before-mentioned implementation also involves the phasing out over four years of the familiar sliding scale for electricity unit costs, previously prescribed for a number of years by NERSA. A important principle of the CoS tariffs will be the option for individual consumers to migrate to, or to choose the most cost effective capacity charge tariff, allowing consumers to manage this portion of electricity costs, as well as consumption levels, which are already managed by the consumer.

As described in the guidelines of NERSA, a Cost of Supply (CoS) study is one of the most important considerations in establishing and designing electricity tariffs that are implemented to provide the service required by customers and recover costs incurred by the municipality. The objective of the CoS study is to apportion all costs required to service customers among each customer class in a fair and equitable manner, thereby developing cost reflective tariffs. The municipal council took a decision during April 2023 already that the proposed recommendations be phased in over 4 years. A presentation explaining the Cos cost-reflective electricity tariffs were also shared with ward committees during 2023.

The Budget Steering Committee recommended revenue projections for the Draft MTREF Budget 2024/25, based on before-mentioned draft tariff increases for the respective municipal services. (more information later on in this report).

The municipality is furthermore now also with this budget, improving on the provision of additional relief in line with the municipality's focus to render support to vulnerable groups – For the calculation of property rates payable on residential properties, an additional reduction of R250 000 (Two hundred and fifty thousand Rand) over and above the standard residential rebates as mentioned later in the report, will apply to owners of residential properties with a municipal valuation below R300 000 (Three hundred thousand Rand). **This will in effect mean that no property rates will be payable on properties with a valuation of R300 000 (Three hundred thousand Rand).**

This additional relief as recommended, will build on the enhanced support already approved and implemented from 1 July 2023 (current year) for pensioner rates rebates, which increased from 50%, to 70% to approved applicants who are older than 60, who's gross monthly household income may not exceed the amount of four times (4X) of state funded social pensions per month.

Sundry tariffs were reviewed with a strong focus on affordability in the first instance and secondly as *an Overstrand for all*, integral to the Mission statement. Before mentioned resulted in proposed zero increases in some instances and also lowering of tariffs where viable. Minimal instances of proposed increases above inflation relates to the requirement for cost recovery.

Rates and tariff increases (to be discussed later on in this report in more detail), are recommended to council for approval (31 May 2024) in accordance with legislative requirements, in finalising the budget for 2024/25.

To be noted that the continuation of the standard residential rebates is recommended for the new financial period (2024/25), with the following as example:

Residential Property:

- Minus: First R15 000 of property value
- Minus: R35 000
- Minus: additional 20% of the levy calculated on such property

Pensioners Rebate will be continued as follows:

- 100% to approved applicant who are older than 60, who's gross monthly household income may not exceed the amount of two times (2X) of state funded social pensions per month.

- 70% to approved applicant who are older than 60, who's gross monthly household income may not exceed the amount of four times (4X) of state funded social pensions per month.
- 40% to approved applicant who are older than 60, who's gross monthly household income more than four times (4X) but less than eight times (8X) of state funded pension per month.

The draft budget provides for an increase in Electricity tariffs for municipal consumers - important to note that the final recommendation to Council for Electricity tariffs for municipal consumers will be based on the final percentage increase stipulated by NERSA for municipal customers for 2024/25. The applicable tariffs for municipal consumers are annually implemented from 1 July, as the starting date of the municipal financial year. The final tariffs applicable on Overstrand residents will thus be aligned to the final approval of the municipal electricity tariffs by NERSA.

In order to present a balanced budget to Council, the respective municipal directorates were requested to cut back on initial expenditure budget requests. Against this backdrop, it is emphasized again that a proviso will remain relevant for the 5th year now, implying that emphasis be placed on responsible spending in view of the uncertainty as mentioned, and the further impact of intensified spells of load shedding on the municipality's operations and finances, exorbitant fuel prices, and debt collection performance. The compilation of the draft budget followed due process over months and are thus at this stage representing the known and planned status.

The mSCOA chart is reviewed on an annual basis by the National Treasury, to address implementation challenges and correct chart related errors and improvements. Towards this end, National Treasury issued a revised A Schedule – mSCOA Version 6.8 (Municipal annual budgets and MTREF & supporting tables) effective from 2024/25, and deployed this version to compile the 2024/25 MTREF Budget.

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

The following are extracts from the preamble to the regulations:

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

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

The segments classification consists of the following:

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

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

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

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

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

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

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

Overstrand municipality was identified as one of the official national pilot sites to early implement mSCOA and to pilot the SAMRAS system. This was first implemented for the 2015/2016 financial year and continued in 2016/17. The piloting stage ended 30 June 2017. A report regarding the status of implementation of mSCOA (since this project is not yet formally finalised by the national treasury) can be found in Annexure I of the budget documentation.

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

The main challenges experienced during the compilation of the 2024/25 MTREF, many of these already a standing item listed annually, can be summarised as follows:

- Infrastructure capacity not able to serve growing needs, in view of continuous increase in Overstrand's population, and the immediate demand for services versus the Municipality's financial capacity to deliver.
- The subsequent impact of COVID-19 on the financial sustainability of the municipality;
- The major financial risks, uncertainty and constraints facing the municipality due to worsening stages of power cuts which –
 - significantly and directly disrupt economic activity;
 - costs for the use of back-up power (Gensets) and additional costs for distribution network maintenance, upgrades and new infrastructure are key areas; and
 - risk of an adjustments budget to address loss in revenue (downwards adjustment) and increased expenditure (to avoid unforeseen and unavoidable expenditure);
- The on-going difficulties in the national and local economy;
- Uncertainty with regard to future allocations to local government in view of the deterioration in the public finances due to various spending pressures on the national fiscus;
- Ever aging existing water, roads, sewage and electricity infrastructure;
- Sustainable refuse disposal, increasingly regulated over the past number of years;
- The need to reprioritise projects and expenditure within the existing resource envelope;
- The cost of bulk electricity;
- Revenue recovery from cost reflective core municipal services;
- Wage increases for municipal staff that have exceeded headline consumer inflation in the past, as well as the need to restructure certain components for operational efficiencies;

- Affordability of capital projects and the operational expenditure associated with prior year's capital investments needed to be factored into the budget as part of the 2023/24 MTREF process;
- Maintaining a positive cash flow; and
- Ensuring financial sustainability.

The following budget principles and guidelines directly informed the compilation of the 2024/25 MTREF:

- The 2023/24 Adjustments Budget priorities and targets, as well as the base line allocations contained in the Budget Circulars informed the upper limits for the new baselines for the 2024/25 annual budget;
- Service level standards were used to inform the measurable objectives, targets and any backlog eradication goals;
- Tariffs and property rates increases should aim to be affordable;
- Some price increases in the input costs of services are beyond the control of the municipality, for instance the cost of fuel, chemicals and electricity, as cost drivers. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure maintenance and backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;
- The following cost saving measures were applied:
 - The principle of a minimal increase in non-core general expenses unless valid motivations such as contractual inflation adjustments dictate.
 - The examining of expenses to see if they are essential to the municipality's operations.
 - Municipal Cost Containment Regulations, 2019.
 - Provision for ward specific projects were replaced with budget provision for caring projects.

In view of the aforementioned, the following table is a consolidated overview of the proposed 2024/25 Medium-term Revenue and Expenditure Framework:

Table 1 Consolidated Overview of the 2024/25 MTREF

Total Revenue (excluding capital grants)

R thousand	Budget Year 2023/24	Budget Year 2024/25	Budget Year +2 2025/26	Budget Year +3 2026/27				
Revenue	1,628,326	1,744,916	1,838,961	1,943,519		7.16%	5.39%	5.69%
Housing-Operational	104,289	84,410	46,719	10,500		-19.06%	-44.65%	-77.53%
Total Revenue excl Capital Grants	1,732,615	1,829,326	1,885,680	1,954,019		5.58%	3.08%	3.62%
Expenditure	1,744,071	1,859,837	1,996,266	2,140,661		6.64%	7.34%	7.23%
Housing-Operational	104,289	84,410	46,719	10,500		-19.06%	-44.65%	-77.53%
Total Operational Expenditure	1,848,360	1,944,247	2,042,985	2,151,161		5.19%	5.08%	5.30%
Surplus / (Deficit)	(115,745)	(114,921)	(157,305)	(197,142)				
Total Capital Expenditure	211,644	152,033	137,910	116,734		-28.17%	-9.29%	-15.35%

Total revenue (excluding capital grants) to expenditure (Table 1) indicates accounting deficits over the 2024/25 MTREF.

Operational revenue (Table 1) indicates an increase in revenue of 5,58 per cent for the 2024/25 financial year when compared to the 2023/24 Adjustments Budget. For the two outer years, revenue will increase by 3,08 and increase with 3,62 per cent respectively. Total Revenue are as informed by noticeable fluctuations in the allocation of the Housing grant (Construction Contracts) between operating (top structures) and capital (infrastructure) in the respective financial years.

Total operating expenditure for the 2024/25 financial year has been appropriated at R1,944bn and translates into an accounting deficit of R114.9m (excluding capital grants). Important to note that the format of Table 1 is updated for 2024/25 to include the top structures portion of the Housing grant (Construction Contracts), as Exchange Revenue. Furthermore, it is important to note that the services portion (Capital) is classified as Non-Exchange Revenue (Transfers and Subsidies: Capital) which is no longer classified as construction contract revenue. Before-mentioned re-classification complies with Generally Recognized Accounting Principles (GRAP 23).

Before-mentioned classification now provides a clear indication of either a positive effect on the operating deficit when the grant will increase year on year, or as in the instance of Budget Year+2 and Budget Year+3, the negative effect of the decreased allocation of the Housing grant (Construction Contracts) for top structures, on the operating deficit in the outer years of the MTREF (Budget Year+2 and Budget Year+3) please see Table 1 above.

Information presented later on in this report also include the Surplus / Deficit position including capital grants, which relates to a deficit of R49.4m (including capital grants) for 2024/25.

When compared to the 2023/24 Adjustments Budget, operating expenditure has increased by 5,19 per cent in the 2024/25 budget and increases by 5,08 and 5,30 per cent for each of the respective outer years of the MTREF.

The capital budget of R152.03m for 2024/25 is 28,17 per cent less when compared to the 2023/24 Budget. The dedicated infrastructure upgrading/replacement project for water and sewerage networks had a 3-year lifespan, which came to an end on 30 June 2021. Council however approved funding in subsequent years as well to ensure that pipe replacements remain an ongoing project, although on a less bold basis. The impact of roll over projects for the current financial period (R52.3m) also results in a decreased position when compared with capital budget for 2024/25.

The capital programme decreases to R137.9m and to R116.7m in the outer years. Own funding (new borrowings) is anticipated at R65m. Borrowings contribute to 55,4 % of the funding over the 2024/25 MTREF. Internally generated funds contribute 5,2% and capital grants 39.4% over the 2024/25 MTREF. The various sources of funded roll-over projects are included in these figures.

The Municipality had reached its planned outer borrowing limit of 60% of operational revenue in 2012. This was a result of much needed investment in infrastructure during the period from 2009 to 2012, after which the municipality embarked on a strategy to manage this rate down by at least 10% over a ten-year period. In January 2014 National Treasury published the first norms and standards circular in which it recommended an upper limit of 45% to revenue. The repayment of capital and interest (debt services costs) remains within the NT acceptable norm band.

1.4 Operating Revenue Framework

For Overstrand to continue delivering and improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic conditions strong revenue management is fundamental to the financial sustainability of the municipality. The reality is that we are faced with an increasing population (*the Overstrand region stands out with a substantial population of 132 495 in 2022, due to a robust population growth, projecting an annual increase of 2.6 percent from 2022 to 2027 in accordance with the 2023 Socio Economic Profile for Overstrand Municipality a publication produced by the Provincial Treasury*).

The expenditure required to address these challenges will inevitably always exceed available funding, hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

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

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

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

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

Revenue generated from rates and services forms a significant percentage of the revenue basket for the Municipality. Rates and services revenues comprise 76,55% of the total operating revenue mix for 2024/25. For the 2024/25 financial year, revenue from rates and services charges totals R1,4bn and increases to R1,484bn, R1,573bn in the respective financial years of the MTREF.

The following table is a summary of the 2024/25 MTREF (classified by main revenue source):

Table 2 Summary of revenue classified by main revenue source

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

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue									
Exchange Revenue									
Service charges - Electricity	442,792	512,750	495,999	577,969	577,969	577,969	636,747	674,952	715,449
Service charges - Water	131,113	142,917	158,070	147,269	164,269	164,269	176,718	187,321	198,560
Service charges - Waste Water Management	87,094	93,177	100,655	104,715	104,715	104,715	118,479	125,588	133,123
Service charges - Waste Management	72,198	76,951	85,923	85,430	97,430	97,430	108,946	115,482	122,411
Sale of Goods and Rendering of Services	86,171	114,179	80,449	131,673	123,604	123,604	102,760	66,165	31,109
Agency services	6,189	6,880	7,140	8,319	6,719	6,719	7,103	7,529	7,981
Interest	28	24	33	0	0	0	0	0	0
Interest earned from Receivables	3,257	3,370	5,796	6,400	9,900	9,900	9,400	9,964	10,562
Interest earned from Current and Non Current Assets	30,476	31,884	51,751	41,800	41,800	41,800	47,750	48,705	49,679
Dividends	-	-	-	-	-	-	-	-	-
Rent on Land	966	1,650	1,401	1,127	1,127	1,127	1,889	2,001	2,120
Rental from Fixed Assets	4,068	5,042	5,346	5,646	5,646	5,646	5,676	6,015	6,375
Licence and permits	626	1,002	1,143	964	864	864	779	826	875
Operational Revenue	9,019	7,497	11,572	8,242	8,242	8,242	6,921	7,314	7,730
Non-Exchange Revenue									
Property rates	261,222	278,154	297,101	340,506	340,506	340,506	359,440	381,006	403,866
Surcharges and Taxes	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	1,095	35,124	58,043	20,421	45,421	45,421	44,889	44,983	45,083
Licences or permits	1,601	1,778	1,834	1,943	1,943	1,943	2,000	2,120	2,247
Transfer and subsidies - Operational	144,199	155,949	172,162	184,953	192,561	192,561	190,068	199,421	210,978
Interest	987	851	1,294	1,300	2,000	2,000	2,110	2,237	2,371
Fuel Levy	-	-	-	-	-	-	-	-	-
Operational Revenue	3,848	-	-	-	-	-	-	-	-
Gains on disposal of Assets	-	-	904	-	-	-	-	-	-
Other Gains	7,545	7,570	14,279	7,900	7,900	7,900	7,650	4,050	3,500
Discontinued Operations	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	1,294,494	1,476,750	1,550,896	1,676,577	1,732,615	1,732,615	1,829,326	1,885,680	1,954,019

Table 3 Percentage growth in revenue by main revenue source

Description	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework					
		Budget Year 2024/25		Budget Year +1 2025/26		Budget Year +2 2026/27	
Revenue							
Exchange Revenue							
Service charges - Electricity	577,969	636,747	10.17%	674,952	6.00%	715,449	6.00%
Service charges - Water	164,269	176,718	7.58%	187,321	6.00%	198,560	6.00%
Service charges - Waste Water Management	104,715	118,479	13.15%	125,588	6.00%	133,123	6.00%
Service charges - Waste Management	97,430	108,946	11.82%	115,482	6.00%	122,411	6.00%
Sale of Goods and Rendering of Services	123,604	102,760	-16.86%	66,165	-35.61%	31,109	-52.98%
Agency services	6,719	7,103	5.72%	7,529	6.00%	7,981	6.00%
Interest	0	0	0.00%	0	0.00%	0	0.00%
Interest earned from Receivables	9,900	9,400	-5.05%	9,964	6.00%	10,562	6.00%
Interest earned from Current and Non Current Assets	41,800	47,750	14.23%	48,705	2.00%	49,679	2.00%
Rent on Land	1,127	1,889	67.62%	2,001	5.92%	2,120	5.92%
Rental from Fixed Assets	5,646	5,676	0.54%	6,015	5.98%	6,375	5.98%
Licence and permits	864	779	-9.77%	826	5.97%	875	5.98%
Operational Revenue	8,242	6,921	-16.03%	7,314	5.68%	7,730	5.70%
Non-Exchange Revenue							
Property rates	340,506	359,440	5.56%	381,006	6.00%	403,866	6.00%
Fines, penalties and forfeits	45,421	44,889	-1.17%	44,983	0.21%	45,083	0.22%
Licences or permits	1,943	2,000	2.93%	2,120	6.00%	2,247	6.00%
Transfer and subsidies - Operational	192,561	190,068	-1.29%	199,421	4.92%	210,978	5.80%
Interest	2,000	2,110	5.50%	2,237	6.00%	2,371	6.00%
Other Gains	7,900	7,650	-3.16%	4,050	-47.06%	3,500	-13.58%
Total Revenue (excluding capital transfers and contributions)	1,732,615	1,829,326	5.58%	1,885,680	3.08%	1,954,019	3.62%

The above table, relating to percentage increases for the different revenue categories, could reflect percentage changes that are not consistent with the annual tariff increases. This would be due to the baseline for 2023/24 and the subsequent adjustments budget and further reclassifications of revenue categories relating to mSCOA. The determination of proposed revenue for 2024/25 has been based on the current statistics available, limited growth and pending slump in economic activity

also partly still due to the impact of the coronavirus, as well as the impact of the downgrade on South Africa's credit rating.

South Africa has also been grey listed in February 2023 by global financial crime watchdog, the Financial Action Task Force (FATF), for not fully complying with international standards related to the prevention of money laundering, terrorist financing and proliferation financing. Before mentioned can have significant implications for economic growth and global competitiveness, resulting in a negative impact on South African businesses and consumers if not addressed effectively.

After collective service charges, property rates are the second largest revenue source. The third largest source is operational grants from national and provincial government, which is showing growth over the MTREF. This is followed by other revenue which consists of various items such as revenue received from permits and licenses, building plan fees, connection fees, advertisement fees and construction contracts relating to low-cost housing etc., interest on investments and fines. Departments delivering these services have been urged to review the tariffs of these items on an annual basis to ensure they are cost reflective.

Transfers and subsidies - Operational on Financial Performance (A4) table amount to R190.1m in the 2024/25 financial year. This increases in the outer years to R199.4m in 2025/26 and R210.9 in 2026/27 respectively, of the MTREF. The housing allocation totals R84.4m in the 2024/25 financial year, R46.7m in 2025/26 and R10.5m in 2026/27 respectively for the building of top structures for housing development are included under exchange revenue in accordance with GRAP construction contracts and amounts to R141.6m over the MTREF.

Equitable share increases over the 3-year MTREF period, from the current 2023/24 adjustments budget by 6,87% in terms of the equitable share formula. The NT municipal budget circular release in March 2024 confirm that the local government equitable share formula is being updated in various ways, including improving its responsiveness to the different functions assigned to district and local municipalities. It also includes allocations for the operational and maintenance costs associated with the provision of free basic services.

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

Table 4 Operating Transfers and Grant Receipts

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
RECEIPTS:									
Operating Transfers and Grants									
National Government:	138,372	127,977	153,762	167,902	169,123	169,123	172,592	181,606	192,629
Operational Revenue: General Revenue: Equitable Share	134,322	123,897	141,896	157,935	157,935	157,935	168,794	179,596	190,729
Energy Efficiency and Demand-side [Schedule 5B]	-	-	3,000	4,200	4,200	4,200	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	2,500	2,530	2,593	3,565	3,366	3,366	1,898	-	-
Local Government Financial Management Grant [Schedule 5B]	1,550	1,550	1,550	1,550	1,550	1,550	1,700	1,800	1,900
Municipal Disaster Grant [Schedule 5B]	-	-	-	-	1,419	1,419	-	-	-
Municipal Infrastructure Grant [Schedule 5B]	-	-	1,144	652	652	652	200	210	-
Water Services Infrastructure Grant	-	-	3,579	-	-	-	-	-	-
Provincial Government:	76,639	57,967	79,840	87,519	122,381	122,381	101,886	64,534	28,849
Capacity Building	2,575	-	-	-	-	-	-	-	-
Community Library Services Grant	7,651	6,580	8,258	8,399	8,398	8,398	8,608	8,627	9,014
Library Support Grant	-	2,222	-	-	-	-	-	-	-
Thusong Services Centres Grant	-	-	150	-	-	-	-	146	-
Resource funding for the establish & support of K9 Unit	-	2,420	2,420	3,345	3,345	3,345	3,772	4,100	4,220
Municipal Electricity Masterplan Grant	-	1,000	-	-	-	-	-	-	-
Financial Management Capacity Building Grant	-	400	-	-	-	-	-	-	-
Community Development Workers	-	76	75	76	76	76	76	76	76
Municipal Energy Resilience Grant	-	650	-	-	-	-	-	-	-
LG Public Employment Grant	-	1,300	-	-	-	-	-	-	-
Maintenance & Construction of Transport Infrastructure	145	145	140	400	400	400	450	500	523
Financial Management Capability Grant	-	-	450	-	200	200	160	-	-
Municipal Service Delivery & Capacity Building Grant	-	244	300	-	500	500	-	-	-
Municipal Intervention Grant	-	-	200	-	-	-	-	-	-
Resource funding for the est of Law Enforcement Reaction Unit	-	6,307	2,958	4,065	4,065	4,065	4,223	4,317	4,516
Emergency Municipal Load-shedding relief grant	-	-	6,700	-	-	-	-	-	-
Human Settlements Dev & Informal Settlement Upgrading Partnership Grant	66,268	36,623	58,189	70,468	104,289	104,289	84,410	46,719	10,500
Title Deeds Restoration Grant	-	-	-	766	766	766	187	49	-
Library Service Replacement Funding	-	-	-	-	342	342	-	-	-
District Municipality:	-	90	35	-	-	-	-	-	-
<i>All Grants</i>	-	90	35	-	-	-	-	-	-
Other Grant Providers:	-	-	-	-	-	-	-	-	-
<i>Households</i>	-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	215,011	186,034	233,637	255,421	291,504	291,504	274,478	246,140	221,478

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services was taken into account to ensure the financial sustainability of the Municipality. In order to determine the tariffs which must be charged for the supply of the four major services namely electricity, refuse removal, sanitation and water, the municipality shall use service and expenditure classifications and cost elements and identify all the costs associated with the service concerned.

It must be acknowledged that the whole of the Overstrand municipal area can to a large extent be regarded as a holiday destination with many holiday homeowners as well as still a substantial number of vacant erven with no improvements on. A metro municipality (city) with large industries and a vastly different and much larger customer / rates base, and a municipality as Overstrand cannot be compared.

Taking into consideration that the basic charge is applicable on vacant erven as well and, this charge should represent the fixed costs portion of the service, the consumption charges thus reflect the price per unit consumed.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs, and other charges as low as possible. Inflation (CPI) is currently within the 4 to 6 per cent target band of the South African Reserve Bank's inflation targets, with very little change in inflation forecasts over the 2024/25 MTREF. Municipalities should justify increases in excess of the 4 to 6 per cent projected inflation target as indicated in Municipal Budget Circular 126. Excessive increases are by nature fundamentally likely to be counterproductive, which could result in possible higher levels of non-payment.

However, subsequent to the release of the budget circular and inflation forecasts, the release of the latest CPI inflation rate confirmed 5,6% for February 2024, as published in March 2024, prior to the tabling of the draft Budget on 27 March 2024. The estimated inflation for the current financial period (2023/24) is now indicated in the circular at 6% exceeding the upper limit of the Reserve Bank's target range of 3% to 6%. This is largely due to the detrimental effect of power cuts on the economy, the rand depreciation, fuel prices and food costs. An avian influenza outbreak also increased the costs for poultry and eggs. These factors are expected to dissipate over the medium term. With this in mind, the increases from 1 July 2023 was approved at 6.65% for water, refuse at 6.8% and sewage service charges at 7,21%.

Taking before mentioned into account, the increases for the 2024/25 budget is 6% for water refuse at 11% and sewerage service charges at 8,9%, with operational costs for both refuse and sewerage services also impacted negatively by fuel price and a regulatory compliance. The cost of maintenance on equipment, inclusive of generators, and the impact of increased fuel costs to run generators at all bulk water works and bulk sewer works across the Overstrand are compounding factors in increased operational costs for these services.

The percentage increase of Eskom bulk purchases tariffs charged to municipalities in the NERSA media statement released on 29 January 2024 are now indicated as 12,72% in this report, based on the tariff increase for Eskom customers, as approved by NERSA. The indicative overall tariff increases for municipal electricity tariffs for municipal consumers applicable from 1 July 2024 for the electricity basket are now 10.04%. As mentioned in this report, electricity tariffs should be considered as a newly introduced, phased, cost reflective Cost of Supply (Cos) tariffs, in combination with the indicative Nersa increase of 10.04%.

The final NERSA annual increase approval is still awaited at the time of finalising this report. Any changes to the recommended increases based on forthcoming NERSA decision, will be effected accordingly in the final tariffs for approval by Council at the end of May 2024.

The South African Local Government Association (SALGA) recently acknowledged the challenges faced by the country due to load shedding as a result of failing generation infrastructure and lack of maintenance to Eskom's generation fleet. This relates to the following -

"During load shedding municipalities are experiencing a range of negative impacts such as:

- Increased theft of infrastructure such as cables*
- Increased frequency of vandalism of infrastructure (such as transformers etc.)*
- Damage to electricity distribution networks, especially substations, due to excessive switching.*
- Cable fault increases due to high loads after restoring the supply of electricity - Approximately R150 000 to R250 000/day of load shedding.*
- Medium voltage switchgear failure - Approximately R50 000 to R 150 000/day of load shedding.*
- Impact on WWTW and water purification plants.*
 - The huge financial implications of utilising back-up power for wastewater treatment works.*
- Loss of sales revenue*
 - Cities incur a loss of income due to unserved energy whereby the overall average direct loss ranges from between R3 million to R6million per day of load shedding.*
- Overtime budgets are abnormally high*
 - Switching operators and control officers who are performing network switching operations and restoring supply after equipment damage or theft & Vandalism incidents are costing between R60 000 to R80 000 per day of load shedding."*

Furthermore, the loss of income from unserved energy due to load shedding and the impact of load shedding on WWTW facilities and water purification plants, costs for the use of back-up power (Gensets) and additional costs for distribution network maintenance, upgrades and new infrastructure are key areas. Before mentioned must be continuously monitored, to reduce risk where there is an indication that the budget must be adjusted if there is material under-collection of revenue, or unforeseen and unavoidable expenditure. With the current mid-year review process, the electricity bottom line was assessed, and it was concluded to maintain the status quo regarding the budget.

The following table sets out the costing of services. The portion of the Equitable Share equal to the subsidies to indigents has since 1 July 2017 been reflected as revenue to the relevant service. This is to ensure that the tariffs for these services are not unduly burdened as a result of the revised budget presentation.

Table 5 Costing of services

COSTING OF SERVICES	Amended Budget 2022/23	Actuals 2022/23	Original Budget 2023/2024	Amended Budget 2023/2024	Draft Budget 2024/2025
Service : ELECTRICITY					
TOTAL EXPENDITURE	527,778,851	503,355,337	583,327,094	587,893,466	653,304,950
TOTAL INCOME	-564,854,373	-527,007,482	-625,655,957	-609,436,397	-670,014,100
(SURPLUS)/DEFICIT	-37,075,522	-23,652,145	-42,328,863	-21,542,931	-16,709,150
	6.56%	4.49%	6.77%	3.53%	2.49%
Service : WATER					
TOTAL EXPENDITURE	149,081,070	152,626,573	167,888,876	166,666,503	179,515,875
TOTAL INCOME	-154,432,771	-171,430,163	-164,563,559	-176,860,700	-189,693,282
(SURPLUS)/DEFICIT	-5,351,701	-18,803,590	3,325,317	-10,194,197	-10,177,407
	3.47%	10.97%	-2.02%	5.76%	5.37%
Service : SEWERAGE					
TOTAL EXPENDITURE	129,559,015	135,635,574	117,970,127	135,325,403	142,478,466
TOTAL INCOME	-112,181,355	-113,808,744	-127,423,360	-121,172,963	-135,674,997
(SURPLUS)/DEFICIT	17,377,660	21,826,830	-9,453,233	14,152,440	6,803,469
	-15.49%	-19.18%	7.42%	-11.68%	-5.01%
Service : REFUSE					
TOTAL EXPENDITURE	101,051,013	102,327,511	107,379,201	120,495,845	126,149,175
TOTAL INCOME	-96,834,598	-100,947,422	-104,634,185	-111,309,928	-123,641,100
	4,216,415	1,380,088	2,745,016	9,185,917	2,508,075
	-4.35%	-1.37%	-2.62%	-8.25%	-2.03%

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

Operational costs for both Sewerage services and Refuse Services are severely impacted by fuel price hikes and strict regulatory compliance, where tanker services and refuse trucks are part and parcel of rendering a service.

The consequence of loadshedding, with an impact on increased operational costs for these services, such as additional fuel costs to run generators during loadshedding at our bulk sewer works across the Overstrand are compounding factors contributing to increased costs.

Within this framework the Municipality has undertaken the tariff setting process relating to rates and service charges as follows:

1.4.1 Property Rates

Property rates revenue should cover the cost of the provision of general community and support services. Determining the effective property rates tariff is therefore an integral part of the municipality's budgeting process. National Treasury's MFMA Circular No. 51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and also prescribe the rate ratio for the non-residential categories, public service infrastructure and agricultural properties relative to residential properties.

The municipality obtained permission from the Minister for Local Government, on recommendation of Council, during the COVID pandemic in 2020, for the extension of the Valuation Roll for a period of two years. The General Valuation roll for the financial years 2023/24 - 2027/28 has thus been published in February 2023 by the municipality, and property owners had until 3 April 2023 to

object. The Valuation Roll is the official record of the value of all rateable properties. The previous general valuation was effective from July 2016.

Table 6 Comparison of proposed rates to be levied for the 2024/25 financial year

RATES TARIFFS						
Tariff Code	Detail	2024/2025		2023/2024		
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
		R	R	R	R	
RATES	YEAR OF GENERAL VALUATION: 02 JULY 2022					1.040 1.080
RATE1*	Commercial Land with Improvements	0.007957	0.007957	0.007368	0.007368	8.00%
RATE2*	Residential Land with Improvements	0.004547	0.004547	0.004210	0.004210	8.00%
	<i>* See attached schedule of Exemptions and Rebates applicable</i>					
RATE3	Municipal Properties: Investment Properties	Applicable tariff for Commercial or Residential	Applicable tariff for Commercial or Residential	Applicable tariff for Commercial or Residential	Applicable tariff for Commercial or Residential	
RATE4	Municipal Properties: Property, Plant and Equipment	0.000000	0.000000	0.000000	0.000000	
RATE6	Building Clause	Equals to tariff for rates on property	Equals to tariff for rates on property	Equals to tariff for rates on property	Equals to tariff for rates on property	
RATE7	Farm/Agriculture (Bona-fide)	0.001137	0.001137	0.001053	0.001053	8.00%
RATE8	Undeveloped erven	0.006820	0.006820	0.006315	0.006315	8.00%
	Special Rating Areas					
RAT11	HSRA (Hermanus)	0.000440	0.000440	0.000423	0.000423	4.00%
RAT12	KSRA (Kleinmond)	0.000346	0.000346	0.000333	0.000333	4.00%
RAT13	OVSRA (Onrus-Vermont)	0.000240	0.000240	0.000231	0.000231	4.00%
PLEASE NOTE: VAT IS LEVIED AT A RATE OF 0% ON ASSESSMENT RATES						

The following stipulations in the Property Rates Policy are also highlighted:

ATTACHMENTS TO THE RATES TARIFF SCHEDULE			
TARIFF CODE	CLASS TAX	TYPE OF PROPERTY	REBATE OR EXEMPTIONS
BUS	General Tax: Commercial	All business, industries, Bed and Breakfast and Guest Houses	NO exemptions Bed and Breakfast as well as Guesthouses can apply before 30 June for the following rebate on the <u>difference between Bus and Res rate</u> : 3 X lettable room : 75% 4 X lettable room : 50% 5 X lettable room : 25%
BUSO	General Tax: Tourism and Recreational Resorts outside the municipal service areas	Hotels, Guest Houses, Cottages, Caravan Parks and Holiday Resorts, Chalets	50% rebate on the tax applicable on commercial property in urban areas
RES	General Tax: Residential properties within the municipal service areas	Single residential properties, Group housing, Retirement villages, Flats, Sectional schemes, Small holdings not used for bona fide farming purposes	The first R15 000.00 of the rateable value of all residential properties is exempted from property tax as per the Municipal Property Rates Act, Section 17 (1) h A further R35 000.00 of the rateable value is exempted in respect of all residential properties where a residential completion certificate has been issued An Additional rebate of 20% of the levy calculated on such properties is granted Rebate to qualifying property owners as indicated under "Other Rebate" No property rates are applicable on property R300 000 or less
RESO	General Tax: Residential properties outside the municipal service area	Single residential properties, Group housing, Retirement villages, Flats, Sectional schemes	50% of the tax applicable on residential property in urban areas Rebate to qualifying property owners as indicated under "Other Rebate"
FARMS	General Tax: Farming properties	Small holdings used for bona fide farming purposes outside municipal service area	Agricultural purpose in relation to the use of a property, excludes the use of the property for the purpose of ecotourism or for the trading in or hunting game
FARMS	Conservation land	Privately owned properties whether designated or used for conservation purposes	Not rateable in terms of section 17(1)(e) of the Municipal Property Rates Act
	Other Rebates	Single residential properties, Group housing, Retirement villages, Flats, Sectional schemes	- Property zoned single residential must be occupied permanently by the applicant; - The applicant must be the registered owner; - Applicant may not be the registered owner of more than one property
PR100			* A rebate of 100% to approved applicant in terms of the Property Rates Policy, who are older than 60, who's gross monthly household income may not exceed the amount of two times (2X) of state funded social pensions per month
PR070			* A rebate of 70% to approved applicants, in terms of the Property Rates Policy who are older than 60 with a gross monthly household income less than four times (4X) of state funded social pensions per month
PR040			* A rebate of 40% to approved applicants, in terms of the Property Rates Policy who are older than 60 with a gross monthly household income more than four times (4X) but less than eight times (8X) of state funded social pensions per month

1.4.2 Sale of Water and Impact of Tariff Increases

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

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

National Treasury has urged all municipalities some years ago to ensure that water tariff structures are cost reflective from 2014 onwards. Overstrand has implemented a phased approach in this regard. Water source management and maintenance of infrastructure together with cost-reflective tariffs will ensure that the supply challenges are managed in future to ensure sustainability. The second infrastructure levy (Table 7 below), implemented in the 2018/19 financial year, relates to a loan for water & wastewater infrastructure networks, which loan was raised over a period of three years.

Tariff increases as from 1 July 2024 are indicated in the list of tariffs in Annexure C. The increase to **10 kℓ** free water per 30-day period was implemented from 1 July 2022. Free water has since 2014 only been granted to registered indigents, in accordance with the annual NT budget circulars released, emphasising that it should be noted that municipalities are only compensated for free basic services based on an indigent user component calculation through the equitable share. The third

level of phasing in the increases in the 0 – 6 kl category as implemented during 2013/14, to recover minimum cost of the production of water, has been further postponed up to date. The increases in the 0 – 6 kl category for all other residential consumers, in this budget will be the same as the general 6 % increase for water consumption tariffs, for consumption up to 18kl.

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

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

WATER TARIFFS (ROUNDING APPLICABLE)						
Tariff Code	Detail	2024/2025		2023/2024		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
W1	BASIC CHARGE					1.060
W1A1	Basic Monthly Charge per erf/unit per month	175.68	202.04	165.74	190.60	6.00%
W1A2A	Basic Monthly Subsidy : Residential Indigent as per paragraph A of the Indigent Policy per erf/unit per month	175.68	202.04	165.74	190.60	6.00%
W1A3	Infrastructure					
W1A3A	Fixed Infrastructure Basic Charge per erf/unit per month (No 1 end date 30 June 2026)	15.45	17.77	15.45	17.77	0.00%
W1A3B	Fixed Infrastructure Basic Charge per erf/unit per month (No 2 end date 30 June 2029)	8.41	9.67	8.41	9.67	0.00%
W1A3C	Subsidised Fixed Infrastructure Basic Charge per erf/unit per month - Registered Indigent Households (No 2 end date 30 June 2029)	8.41	9.67	8.41	9.67	0.00%
	<i>See attachment for the amount of RUE's allocated to different household consumers</i>					
W1B	CONSUMPTION - HOUSEHOLDS					
	Normal Tariff & Level 1 water restrictions					
W1B1	0 - 6 kl per kl	7.22	8.30	6.81	7.83	6.00%
W1B2	7 - 18 kl per kl	14.81	17.03	13.97	16.07	6.00%
W1B4	19 - 45 kl per kl	31.04	35.69	29.28	33.67	6.00%
W1B5	46 - 60 kl per kl	62.06	71.37	58.55	67.33	6.00%
W1B6	>60kl per kl	82.76	95.18	78.08	89.79	6.00%
	Restriction Tariff 1 (level 2 & 3 water restrictions)					
W1B7	0 - 6 kl per kl	7.22	8.30	6.81	7.83	6.00%
W1B8	7 - 18 kl per kl	19.25	22.14	18.16	20.89	6.00%
W1B10	19 - 45 kl per kl	40.35	46.40	38.06	43.77	6.00%
W1B11	46 - 60 kl per kl	80.68	92.78	76.12	87.53	6.00%
W1B12	>60kl per kl	107.59	123.73	101.50	116.73	6.00%
	Restriction Tariff 2 (level 4 & 5 water restrictions)					
W1B13	0 - 6 kl per kl	7.22	8.30	6.81	7.83	6.00%
W1B14	7 - 18 kl per kl	23.69	27.25	22.35	25.70	6.00%
W1B16	19 - 45 kl per kl	49.66	57.11	46.85	53.88	6.00%
W1B17	46 - 60 kl per kl	99.30	114.20	93.68	107.73	6.00%
W1B18	>60kl per kl	132.42	152.29	124.93	143.67	6.00%
	Restriction Tariff 3 (level 6 water restrictions)					
W1B19	0 - 6 kl per kl	7.22	8.30	6.81	7.83	6.00%
W1B20	7 - 18 kl per kl	29.62	34.06	27.94	32.13	6.00%
W1B22	19 - 45 kl per kl	62.07	71.38	58.56	67.34	6.00%
W1B23	46 - 60 kl per kl	124.13	142.74	117.10	134.67	6.00%
W1B24	>60kl per kl	165.53	190.36	156.16	179.58	6.00%

1.4.3 Sale of Electricity and Impact of Tariff Increases

The percentage increase of Eskom bulk tariffs charged to municipalities in the NERSA notification received on 29 January 2024 are now indicated as 12,72% in this report, based on the tariff increase for Eskom customers, as approved by NERSA.

The indicative overall tariff increases for municipal electricity tariffs for municipal consumers applicable from 1 July 2024 for the electricity basket are now 10.04% on electricity, which will be implemented in conjunction with the new cost reflective tariff structure, also now discussed. **Below also more information regarding the implementation of phase 1 of the cost reflective, Cost of Supply (Cos) tariffs recommended from 1 July 2024.** Before-mentioned will also have the effect of differentiated increases for individual consumers, directly in relation to the size of the capacity charge of a consumer. A final outcome from NERSA of the tariff increase is still awaited at the time of finalising this report. Any changes to the recommended increases based on forthcoming NERSA notifications will be effected accordingly. The municipality must submit the electricity tariffs application, to ensure that NERSA considers and approves the application on time for implementation on 1 July 2024.

To assist municipalities to take advantage of new regulatory requirements and changes in customer behaviour, the Provincial Government of the Western Cape initiated the Municipal Energy Resilience Project (MER).

The MER is an initiative of the Green Economy Unit of the Department of Economic Development and Tourism (DEDAT). The project provided municipalities with the opportunity to apply for funding to conduct CoS studies, Integrated Resource Plans and Grid Capacity Connection studies. The Overstrand Municipality was one of six municipalities in the Western Cape selected to take part in this project and received funding to complete a CoS study. Overstrand Municipality commissioned a comprehensive electricity pricing study, with the following three components:

- Ringfencing electricity - The key objective of this part is to establish the true cost and revenue of electricity supply in the municipality.
- The objective of the CoS study is to know the cost of supplying customers on each tariff and to compare this with the revenue from the current tariffs and thus the cross-subsidies.
- A Tariff study, to analyse the structure of the tariffs and how it differs from the cost structures and identify the cross-subsidies with-in the tariffs and then to provide new tariffs.

All small customers (domestic and business) should have fully cost reflective tariffs, with the following structure:

- A basic charge to reflect the fixed metering, billing, revenue collection and customer services cost
- A capacity charge based on the installed/limited capacity of the customer
- An energy charge that covers the full energy cost, losses and surplus requirement.

All large customers should be charged a Time of Use (ToU) tariff with structure and slots as per the Eskom Megaflex tariff applicable to the Overstrand area.

(The basic charge will decrease over the 4 years of the phased implementation, as part of the electricity tariff structure, since the costs of service rendering for this service also have a large component representing overheads/fixed costs. The basic charge must be associated with the fixed costs to have electricity services available to the community, inclusive of capital costs for expansion and replacement of electricity infrastructure. All other costs (maintenance, operational requirements) related to daily network availability on a 24 hours basis and service rendering from the Eskom intake points, relate to Fixed Costs. Service rendering with regard to Electricity provision is a high risk service with immediate and costly consequences.)

The recommendations of the Cost of Supply and Pricing Study indicate that, to comply with legislation and the requirements of NERSA, the following should be implemented:

- Simplifying subsidies for indigent customers,
- Phasing out of the inclined block tariff for electrical energy and replacing it ultimately with a flat rate,
- Phasing in a Capacity Charge to enable consumers to choose the most appropriate and cost effective electrical capacity connection they require, and
- Large consumers should be charged a Time of Use (ToU) tariff with structure and slots as per the Eskom Megaflex tariff applicable to the Overstrand area. This tariff allows for High- and Low Seasons as well as Peak, Standard and Off-Peak periods.

Due to comprehensive nature of the tariff reforms, it is recommended that the proposed recommendations be phased in over 4 years.

Nersa increase for 2024/25 as indicated at 10.04% is also applied in conjunction with the new cost reflective CoS tariffs for the respective brackets of the Inclining Block Tariffs (0-350 kWh, 351-600kWh, and >600kWh). The recommendation of tariffs, for final approval by Council on 31 May 2024 must be in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) of tariffs and charges for the budget year 2024/25.

Registered indigents will be granted an increased electricity units allocation from 1 July 2024, the increase to be from 50 kWh, to 70 kWh per 30-day period free of charge, in the instance that they qualify for this indigent benefit. The following table shows the impact of the proposed increases in electricity tariffs for domestic consumers:

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

ELECTRICITY TARIFFS (ROUNDING APPLICABLE) (BEFORE NERSA approval)

Tariff Code	Detail		2024/2025		2023/2024			
			Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%		
EF	FIXED CHARGES							1.1004
EF1	Infrastructure Charge per Meter per month (No 1 end date 30 June 2026)	R	16.65	19.15	16.65	19.15	0.00%	
E1	SINGLE PHASE : DOMESTIC							1.0600
E1A	Two-Part Tariff: Credit meters up to 60 Amp (13.8 kVA BDMD) (Including Resorts)							
E1A4 E1A	Basic Monthly charge per meter per month	R	466.10	536.02	504.90	580.64	-7.68%	
EC	Capacity Charge per Amp/Phase/Month	R	2.49	2.86	new	new		
EC1D	Capacity Charge : 60Amp	R	149.40	171.81	new	new		
	kWh Unit cost							
E1A2	IBT BLOCK 1 0 - 350 kWh	c	212.53	244.41	193.72	222.78	9.71%	
E1A3	IBT BLOCK 2 351 - 600 kWh	c	273.93	315.02	284.52	327.20	-3.72%	
E1A4	IBT BLOCK 3 > 600 kWh	c	384.67	442.37	349.57	402.01	10.04%	
E1B	Two-Part Tariff: Pre-paid up to 60 Amp (13.8 kVA BDMD) (Including Resorts)							
E1B4 E1B	Basic Monthly charge per meter per month	R	466.10	536.02	504.90	580.64	-7.68%	
EC	Capacity Charge per Amp/Phase/Month	R	2.49	2.86	new	new		
EC1A	Capacity Charge : 30Amp	R	74.70	85.91	new	new		
EC1B	Capacity Charge : 40Amp	R	99.60	114.54	new	new		
EC1C	Capacity Charge : 50Amp	R	124.50	143.18	new	new		
EC1D	Capacity Charge : 60Amp	R	149.40	171.81	new	new		
	kWh Unit cost							
E1B2	IBT BLOCK 1 0 - 350 kWh	c	200.33	230.38	178.95	205.79	11.95%	
E1B3	IBT BLOCK 2 351 - 600 kWh	c	273.93	315.02	268.11	308.33	2.17%	
E1B4	IBT BLOCK 3 > 600 kWh	c	369.76	425.22	336.02	386.42	10.04%	

A major effort has been made to contain the increase in basic charges, and with that, this service will have only a 2.49% surplus.

The full set proposed tariffs are included in Annexure C.

1.4.4 Sanitation and Impact of Tariff Increases

A tariff increase of 8,9% for sanitation (basic & consumption) is proposed from 1 July 2024.

With the previous budget (2023/24) an intensified effort to contain the costs of this service for the consumer, which resulted in an average increase of 7.21% (6.8% Basic/Fixed, 7.5% unit costs) from 1 July 2023. This service is however running at a loss currently, necessitating an increase aimed at decreasing the deficit to ensure the sustainability of this service.

The recommendation of an increase of 8,9% for 2024/25 will improve on the position for 2024/25 but is still translating to a deficit of 5,01%. The performance of this service, inclusive of tariffs for the next budget cycle will thus have to be monitored. As mentioned previously in this report, costs related to substantial fuel costs for generators at bulk sewer works (unavoidable due to prolonged loadshedding) as well as fuel costs for sewer tank services, are contributing cost factors currently.

The following factors inform the proposed tariffs:

- Sanitation charges are calculated according to the percentage water discharged as indicated in the table below;
- Tariff structure comparability research was undertaken by the Infrastructure & Planning directorate, where it was found that the current tariff structure compares very favourably, towards the consumer, against tariff structures locally and international; and
- Free sanitation to an increased benefit of 7 kℓ (70% of 10 kℓ) was approved and implemented on 1 July 2022 for registered indigents.

The following table compares the current and proposed tariffs:

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

SEWER TARIFFS (ROUNDING APPLICABLE)						
Tariff Code	Detail	2024/2025		2023/2024		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
SE7A	SEWERAGE - SINGLE AND INTERMEDIATE RESIDENTIAL (Dwelling house and Duplex flats, Conventional Sewers, small bore sewers and conservancy tanks)					1.089
	0 - 35kl per kl (based on 70% of max 50kl water usage) - per unit per month ,					1.06
SE7A1	Conservancy tank service only during office hours per month. For after hours service, refer to tariff SE9B.	18.18	20.90	16.69	19.19	8.90%
SE7A2	Where no municipal water is used - per RUE per month. Conservancy tank service only during office hours per month. For after hours service, refer to tariff SE9B.	161.41	185.62	148.22	170.45	8.90%
SE7A3	Call out fee for Tank Service request but no service due to another defect/no access to tank	737.71	848.37	677.42	779.03	8.90%
SE7A5	Double the basic charge levied where networks are available but client is not connected	320.72	368.83	294.51	338.69	8.90%
	SEWERAGE - REGISTERED INDIGENT HOUSEHOLDS					
SE7A4	0 - 7 kl - subsidised	18.18	20.90	16.69	19.19	8.90%
SE7A5	8 - 35kl per kl (based on 70% of max 50kl water usage) - per unit per month , Conservancy tank service only during office hours per month. For after hours service, refer to	18.18	20.90	16.69	19.19	8.90%
	SE7B SEWERAGE - GENERAL RESIDENTIAL (Blocks of flats and Residential Buildings)					
SE7B1	0 - 45kl per kl (based on 90% of max 50kl water usage) per unit per month	18.18	20.90	16.69	19.19	8.90%
SE7B2	Call out fee for Tank Service request but no service due to another defect/no access to tank	737.71	848.37	677.42	779.03	8.90%
	SE7C SEWERAGE - GUEST HOUSE; BED & BREAKFAST ESTABLISHMENTS					
SE7C1	per kl (based on 70% of water usage) per unit per month.	18.18	20.90	16.69	19.19	8.90%
	SE7D CONSUMPTION - ALL OTHER (Including Commercial, Industrial, School, Sport, etc)					
SE7D1	per kl (based on 90% of water usage) per unit per month - this percentage may be adjusted according to the Tariff Policy after investigation	18.18	20.90	16.69	19.19	8.90%
SE7D2	Call out fee for Tank Service request but no service due to another defect/no access to tank	737.71	848.37	677.42	779.03	8.90%
	SE7E CONSUMPTION - DEPARTMENTAL					
SE7E1	0 - 35 kl per kl (based on 70% of max 50kl water usage) per unit per month	18.18	20.90	16.69	19.19	8.90%
	SE8 BASIC CHARGE					
SE8A	Basic Monthly Charge Developed sites per erf/unit per month	160.52	184.60	147.40	169.51	8.90%
SE8A1	Basic Monthly Subsidy Residential Indigent as per paragraph A of the Indigent Policy per month	160.52	184.60	147.40	169.51	8.90%
SE8B	Basic Monthly Charge Undeveloped sites - can not connect to the network per erf/unit per month	108.16	124.38	99.32	114.22	8.90%
SE8C	Basic Monthly Charge Undeveloped sites - can connect to the network per erf/unit per month	160.51	184.58	147.39	169.50	8.90%
SE8D	Basic Monthly Charge Developed sites - with a septic Tank per erf/unit per month	108.16	124.38	99.32	114.22	8.90%
SE8E	Basic Monthly Charge - Low Cost Housing & Single Quarters per erf/unit per month	108.16	124.38	99.32	114.22	8.90%
	SE8F Infrastructure					
SE8F1	Fixed Infrastructure Basic Charge per erf/unit per month (No 1 end date 30 June 2026)	9.60	11.04	9.60	11.04	0.00%
SE8F2	Fixed Infrastructure Basic Charge per erf/unit per month (No 2 end date 30 June 2029)	3.43	3.94	3.43	3.94	0.00%
SE8F3	Subsidised Fixed Infrastructure Basic Charge per erf/unit per month - Registered Indigent	3.43	3.94	3.43	3.94	0.00%

The full proposed tariffs are included in Annexure C.

1.4.5 Waste Removal and Impact of Tariff Increases

A recommended tariff increase of at least 11% is proposed for 2024/25, in view of the nature of cost drivers for rendering the municipal waste removal service in a heavily regulated environment, and to ensure that this service is rendered sustainable. The proposed increase will bring the performance of this service closer to a break-even, with the strategy to render the service at a surplus from 2025/26 in order to provide the necessary cash for replacement of refuse removal trucks.

Cell 4 of the Overberg District Municipality operates since 1 April 2019, and this cell is still operational. The new Hermanus Waste Management Facility became operational during 2022/23. Refuse removal, refuse dumps and solid waste disposal mechanisms must comply with stringent legislative requirements such as the National Environmental Management: Waste Act, No 59 of 2008. Revision of the solid waste strategy to ensure that this service can be rendered in a sustainable manner is ongoing.

The following table compares current and proposed amounts payable from 1 July 2024:

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

REFUSE (SOLID WASTE) TARIFFS (ROUNDING APPLICABLE)						
Tariff Code	Detail	2024/2025		2023/2024		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
		R	R	R	R	
DOMESTIC WASTE						1.1100
						1.06
SAN1A	Residential (All registered erven/unit with approved building plan) 1 x removal per week (R/Month)	253.08	291.04	228.00	262.20	11.00%
SA1A2	Residential Indigent subsidy as per paragraph A of the Indigent Policy (All registered erven/unit with approved building plan) 1 x removal per week (R/Month)	253.08	291.04	228.00	262.20	11.00%

All proposed refuse tariffs are listed in Annexure C.

1.4.6 Overall impact of tariff increases on households

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

MONTHLY BASKET OF TARIFFS 2024/2025					
SINGLE RESIDENTIAL		Year	Year	Increase/Decrease	
High Consumption with prepaid elect meter		2023/2024	2024/2025	Amount	%
Valuation R3,500,000					
Rates		968.30	1,045.76	77.46	8.00
Sewer	SE7A1+SE8A	381.06	414.97	33.91	8.90
Infrastructure Basic Charge Water, Electricity & Sewer		53.54	53.54	0.00	0.00
Refuse	1X Per Week	228.00	253.08	25.08	11.00
Water	20 kl	432.80	458.77	25.97	6.00
SUB TOTAL		2,063.70	2,226.13	162.43	7.87
VAT	15%	164.31	177.05	24.36	14.83
TOTAL		2,228.01	2,403.18	186.79	8.38
SRA Rate as might be applicable to be added					
Medium Consumption with prepaid elect meter		2023/2024	2024/2025	Amount	%
Valuation R2,500,000					
Rates		687.63	742.64	55.01	8.00
Sewer	SE7A1+SE8A	322.65	351.36	28.72	8.90
Infrastructure Basic Charge Water, Electricity & Sewer		53.54	53.54	0.00	0.00
Refuse	1X Per Week	228.00	253.08	25.08	11.00
Water	15 kl	332.33	352.27	19.94	6.00
SUB TOTAL		1,624.15	1,752.89	128.75	7.93
VAT	15%	140.48	151.54	19.31	13.75
TOTAL		1,764.63	1,904.43	148.06	8.39
SRA Rate as might be applicable to be added					
Low Consumption with prepaid elect meter		2023/2024	2024/2025	Amount	%
Valuation R1,000,000					
Rates		266.63	287.96	21.33	8.00
Sewer	SE7A1+SE8A	322.65	351.36	28.72	8.90
Infrastructure Basic Charge Water, Electricity & Sewer		53.54	53.54	0.00	0.00
Refuse	1X Per Week	228.00	253.08	25.08	11.00
Water	15 kl	332.33	352.27	19.94	6.00
SUB TOTAL		1,203.15	1,298.21	95.07	7.90
VAT	15%	140.48	151.54	14.26	10.15
TOTAL		1,343.63	1,449.75	109.33	8.14
SRA Rate as might be applicable to be added					
Life-Line Consumption (ONE PART) (Indigent)		2023/2024	2024/2025	Amount	%
Valuation R50,000					
Rates		0.00	0.00	0.00	0.00
Sewer	SE7A1	0.00	0.00	0.00	0.00
Infrastructure Basic Charge Water, Electricity & Sewer		41.70	41.70	0.00	0.00
Refuse	1X Per Week	0.00	0.00	0.00	0.00
Water	8 kl	0.00	0.00	0.00	0.00
SUB TOTAL		41.70	41.70	0.00	0.00
VAT	15%	6.26	6.26	0.00	0.00
TOTAL		47.96	47.96	0.00	0.00
SRA Rate as might be applicable to be added					

All proposed basket of tariffs is listed in Annexure C.

Table 11 MBRR Table SA14 – Household bills

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework			
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25 % incr.	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Rand/cent										
Monthly Account for Household - 'Middle Income Range'										
Rates and services charges:										
Property rates	258.27	268.67	284.70	182.43	182.43	182.43	8.0%	197.02	206.91	219.33
Electricity: Basic levy	356.20	408.17	438.66	504.46	504.46	504.46	22.0%	615.50	652.43	691.58
Electricity: Consumption	1,862.96	2,134.79	2,294.26	2,638.39	2,638.39	2,638.39	5.9%	2,793.28	2,960.88	3,138.53
Water: Basic levy	142.64	148.35	155.62	165.74	165.74	165.74	6.0%	175.68	186.22	197.39
Water: Consumption	419.04	435.81	449.88	559.86	559.86	559.86	6.0%	593.46	629.07	666.81
Sanitation	427.84	444.89	464.01	497.89	497.89	497.89	9.1%	543.19	575.78	610.33
Refuse removal	193.84	201.59	213.48	228.00	228.00	228.00	11.0%	253.08	268.26	284.36
Other	53.54	53.54	53.54	53.54	53.54	53.54	-	53.54	53.54	53.54
sub-total	3,714.33	4,095.81	4,354.15	4,830.31	4,830.31	4,830.31	8.2%	5,224.75	5,533.09	5,861.87
VAT on Services	518.41	574.07	610.42	697.18	697.18	697.18	8.2%	754.16	798.93	846.38
Total large household bill:	4,232.74	4,669.88	4,964.57	5,527.49	5,527.49	5,527.49	8.2%	5,978.91	6,332.02	6,708.25
% increase/-decrease		10.3%	6.3%	11.3%	-	-		8.2%	5.9%	5.9%
Monthly Account for Household - 'Affordable Range'										
Rates and services charges:										
Property rates	178.80	186.00	197.10	126.30	126.30	126.30	8.0%	136.40	143.25	151.84
Electricity: Basic levy	356.20	408.17	438.66	504.46	504.46	504.46	22.0%	615.50	652.43	691.58
Electricity: Consumption	725.57	831.44	893.56	1,104.80	1,104.80	1,104.80	4.5%	1,154.75	1,224.04	1,297.48
Water: Basic levy	142.64	148.35	155.62	165.74	165.74	165.74	6.0%	175.68	186.22	197.39
Water: Consumption	317.47	330.17	343.78	413.46	413.46	413.46	6.0%	438.27	464.57	492.44
Sanitation	377.72	392.78	409.66	440.29	440.29	440.29	8.9%	479.56	508.33	538.83
Refuse removal	193.84	201.59	213.48	228.00	228.00	228.00	11.0%	253.08	268.26	284.36
Other	53.54	53.54	53.54	53.54	53.54	53.54	-	53.54	53.54	53.54
sub-total	2,345.78	2,552.04	2,705.40	3,036.59	3,036.59	3,036.59	8.9%	3,306.78	3,500.64	3,707.46
VAT on Services	2,230.20	2,345.78	376.25	436.54	436.54	436.54	8.9%	475.56	503.61	533.34
Total small household bill:	4,575.98	4,897.82	3,081.65	3,473.13	3,473.13	3,473.13	8.9%	3,782.34	4,004.25	4,240.80
% increase/-decrease		7.0%	(37.1%)	12.7%	-	-		8.9%	5.9%	5.9%
Monthly Account for Household - 'Indigent' Household receiving free basic services										
Rates and services charges:										
Property rates	99.33	103.34	109.50	70.17	70.17	70.17	-	-	-	-
Electricity: Basic levy	356.20	408.17	438.66	504.46	504.46	504.46	7.2%	540.80	573.25	607.64
Electricity: Consumption	441.84	506.31	544.15	678.02	678.02	678.02	9.7%	743.85	788.48	835.79
Water: Basic levy	142.64	148.35	155.62	165.74	165.74	165.74	6.0%	175.68	186.22	197.39
Water: Consumption	220.22	229.02	210.88	267.06	267.06	267.06	6.0%	283.08	300.06	318.07
Sanitation	327.60	340.66	355.99	381.06	381.06	381.06	9.2%	415.93	440.89	467.34
Refuse removal	193.84	201.59	213.48	228.00	228.00	228.00	11.0%	253.08	268.26	284.36
Other	(935.13)	(1,016.56)	(1,154.19)	(1,356.85)	(1,356.85)	(1,356.85)	5.8%	(1,392.34)	(1,475.88)	(1,564.43)
sub-total	846.54	920.88	874.09	937.66	937.66	937.66	8.8%	1,020.08	1,081.28	1,146.16
VAT on Services	112.08	122.63	114.69	130.12	130.12	130.12	17.6%	153.01	162.19	171.92
Total small household bill:	958.62	1,043.51	988.78	1,067.78	1,067.78	1,067.78	9.9%	1,173.09	1,243.47	1,318.08
% increase/-decrease		8.9%	(5.2%)	8.0%	-	-		9.9%	6.0%	6.0%

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

1.5 Operating Expenditure Framework

The Municipality's expenditure framework for the 2024/25 budget and MTREF is informed by the following:

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

The following table is a high-level summary of the 2024/25 budget and MTREF (classified per main type of operating expenditure):

Table 12 Summary of operating expenditure by functional classification item

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

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Expenditure									
Employee related costs	436,029	452,651	480,939	537,911	549,390	549,390	587,185	609,765	650,443
Remuneration of councillors	11,219	11,538	12,315	12,514	12,898	12,898	13,912	14,488	15,086
Bulk purchases - electricity	298,272	351,600	346,418	429,805	429,805	429,805	484,477	546,102	615,566
Inventory consumed	45,042	52,658	58,220	62,499	65,360	65,360	61,092	73,043	73,524
Debt impairment	9,494	28,248	52,100	19,414	50,372	50,372	53,394	56,598	59,994
Depreciation and amortisation	138,195	147,004	148,321	149,154	149,154	149,154	158,441	167,237	176,574
Interest	48,805	47,584	48,152	49,658	49,658	49,658	49,814	51,810	46,707
Contracted services	208,095	237,081	257,088	300,624	305,174	305,174	316,048	334,743	351,451
Transfers and subsidies	8,651	12,750	16,086	16,380	16,580	16,580	17,755	17,154	17,993
Irrecoverable debts written off	4,559	5,258	10,206	-	10,709	10,709	10,709	10,709	10,709
Operational costs	112,270	118,256	141,085	164,252	209,258	209,258	191,421	161,335	133,113
Losses on disposal of Assets	144	33,873	-	-	-	-	-	-	-
Other Losses	1,034	192	72	-	-	-	-	-	-
Total Expenditure	1,321,810	1,498,694	1,571,001	1,742,212	1,848,360	1,848,360	1,944,247	2,042,985	2,151,161

The budgeted allocation for employee related costs and remuneration of councillors for the 2024/25 financial year totals R601,1m which equals 30,91 per cent of the total operating expenditure and is within the NT norm of 25 – 40 per cent. Of this total, the provisions relating to employee related costs amounts to R28,1m of which the majority of the amount is a long-term liability (post-retirement benefits) and therefore not cash remuneration.

The South African Local Government Bargaining Council (SALGBC) Salary and Wage Collective Agreement for municipalities for the period 01 July 2021 to 30 June 2024 was signed in 2021 and had to be implemented by all municipalities on a national level. A new agreement has not yet been negotiated for salary increases from 1 July 2024, the increase thus provided for in draft budget for 2024/25 as follows:

An increase in the salary budget of 5,7%, and notch increases, with an average of 2%, have also budgeted for in view of the SALGBC agreement to be negotiated and finalised between the employer organization (SALGA) and the respective unions. Staff vacancies are currently still frozen and may only be filled, following a motivation to Senior Management. The revised organisational structure was considered and approved by Council, with the implementation phase now in process. Section 57 Employees' (Directors) remuneration is determined in terms of a fixed agreement. The aforementioned employees receive no bonuses, which principle was negotiated with them. Regulations have been promulgated, which provide for the Minister of Co-operative Governance to determine the total remuneration packages payable to any new employees to the posts of Municipal Manager and Section 57 Employees (Directors), with effect from 1 July 2014. Existing contracts however continue until they lapse.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998).

On 18 August 2023, the Minister of Cooperative Governance and Traditional Affairs published the upper limits notice for the salaries, allowances and benefits of councillors, approving an increase of 3,8% with effect from 1 July 2022. An increase in remuneration of councillors has been factored into the 2024/25 budget, providing for 5,7%, in the absence of specific indication at the time of the tabling of the Draft Budget.

The provision of debt impairment and write-off of bad debts for consumer accounts has been determined based on an annual collection rate of close to 98 per cent and the Debt Write-off Policy of the Municipality. The provision for impairment has however been revisited.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate of asset consumption. Budget appropriations in this regard total R158,4m for the 2024/25 financial year and equates to 8,15 per cent of the total operating expenditure. Note that the implementation of the GRAP 17 accounting standard meant bringing a range of assets previously fully depreciated and not included in the assets register, back onto the assets register. This resulted in a significant increase in depreciation at implementation, relative to previous years. This aspect is further highlighted in para. 1.3 of this report.

Finance charges consist of the repayment of interest on long-term borrowing (cost of capital). Finance charges comprise 2,56 per cent of operating expenditure. The gearing ratio of borrowing to revenue is expected to be below 35% for 2024/25, which is below the outer proposed limit of National Treasury.

Bulk purchases are directly informed by the purchase of electricity from Eskom. Municipalities were notified by NERSA that Eskom tariff increases has been approved at 12,72% for bulk purchases. The increase indicated in this budget report now reflects the same price increase from 1 July 2024.

Other materials, now classified as Inventory in mSCOA, comprise amongst others the purchase of materials for maintenance, cleaning materials, fuel, printing and stationery etc. In previous financial years the expenditure on top structures relating to Housing Projects funded through the Human Settlement Grant (Construction Contracts) that fluctuates from year to year causes major discrepancies in the trend for this type of expenditure.

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

Contracted services have been identified as an area for the municipality to implement efficiencies. As part of the compilation of the 2024/25 MTREF this group of expenditure was critically evaluated and operational efficiencies are being enforced, a process that will be continued with. In the 2024/25 financial year, this group of expenditure totals R316m. Further details relating to contracted services can be seen in Table 62 MBRR SA1.

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

The following table gives a breakdown of the major expenditure categories for the 2024/25 financial year.

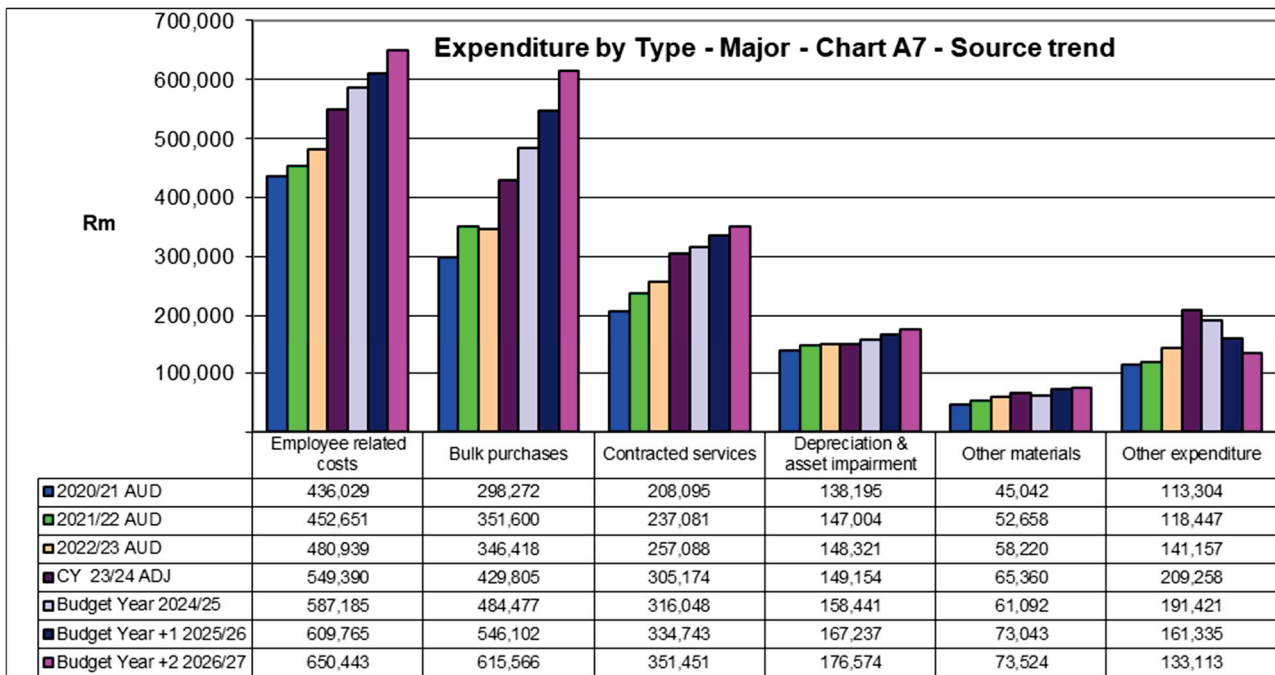


Figure 1 Main operational expenditure categories for the 2024/25 financial year

1.5.1 Priority given to repairs and maintenance

Alignment to this priority has been given to preserving and maintaining the Municipality's current infrastructure, the 2024/25 budget and MTREF provides for continuing in the area of asset maintenance, as informed by the asset maintenance strategy and repairs and maintenance plan of the Municipality.

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

Table 13 Operational repairs and maintenance

Description	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand									
Repairs and Maintenance by Expenditure Item									
Employee related costs	101,119	113,771	116,569	132,398	132,413	132,413	141,820	147,647	158,253
Inventory Consumed (Project Maintenance)	19,462	22,089	23,186	25,845	27,725	27,725	21,831	32,874	34,496
Contracted Services	80,996	99,098	97,410	120,575	124,262	124,262	116,799	119,830	121,259
Other Expenditure	9,941	10,428	12,340	14,477	16,393	16,393	15,024	16,026	17,252
Total Repairs and Maintenance Expenditure	211,518	245,386	249,505	293,296	300,793	300,793	295,474	316,378	331,260

For 2024/25 MTREF, operational repairs and maintenance remain a strategic imperative owing to the aging of the Municipality's infrastructure. In relation to the total operating expenditure, repairs and maintenance comprises on average 15.36 per cent of the budget over the respective financial years of the MTREF.

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

Table 14 Repairs and maintenance per asset class

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	140,742	141,079	137,671	168,080	172,726	172,726	172,870	191,021	202,996
Roads Infrastructure	67,439	64,340	54,418	75,266	80,631	80,631	78,469	92,481	98,202
Roads	64,190	64,340	54,418	75,266	80,631	80,631	78,469	92,481	98,202
Road Structures	3,249	-	-	-	-	-	-	-	-
Storm water Infrastructure	5,584	6,870	6,157	6,469	6,265	6,265	6,361	6,573	6,943
Drainage Collection	2,515	-	-	-	-	-	-	-	-
Storm water Conveyance	3,069	6,870	6,157	6,469	6,265	6,265	6,361	6,573	6,943
Electrical Infrastructure	31,045	30,721	35,380	41,404	41,590	41,590	40,144	42,117	45,114
Power Plants	436	-	-	-	-	-	-	-	-
HV Transmission Conductors	25	-	-	-	-	-	-	-	-
MV Networks	28,149	-	-	-	-	-	-	-	-
LV Networks	2,435	30,721	35,380	41,404	41,590	41,590	40,144	42,117	45,114
Water Supply Infrastructure	21,046	21,088	20,432	23,527	21,800	21,800	24,954	26,031	27,625
Water Treatment Works	-	272	33	312	312	312	331	346	367
Distribution	21,046	18,916	18,708	20,317	18,590	18,590	21,542	22,460	23,826
Distribution Points	-	1,900	1,691	2,898	2,898	2,898	3,081	3,224	3,431
Sanitation Infrastructure	12,980	11,710	12,634	13,718	14,008	14,008	14,322	14,738	15,395
Reticulation	-	6,507	6,759	7,815	7,815	7,815	8,338	8,693	9,285
Waste Water Treatment Works	12,980	5,203	5,875	5,903	6,193	6,193	5,984	6,046	6,110
Solid Waste Infrastructure	2,535	6,351	8,650	7,697	8,432	8,432	8,620	9,081	9,717
Landfill Sites	61	-	-	-	-	-	-	-	-
Waste Transfer Stations	1,186	-	-	-	-	-	-	-	-
Waste Processing Facilities	272	1,574	2,662	2,517	2,517	2,517	3,100	3,333	3,583
Waste Drop-off Points	1,009	4,777	5,988	5,180	5,915	5,915	5,520	5,748	6,134
Waste Separation Facilities	7	-	-	-	-	-	-	-	-
Community Assets	44,371	50,376	53,486	62,076	62,653	62,653	66,438	72,474	72,201
Community Facilities	37,364	37,455	40,568	47,427	48,358	48,358	49,396	52,852	55,009
Halls	5,332	4,464	5,950	7,463	6,555	6,555	7,405	9,210	8,716
Centres	67	-	-	-	-	-	-	-	-
Fire/Ambulance Stations	440	-	-	-	-	-	-	-	-
Testing Stations	54	-	-	-	-	-	-	-	-
Libraries	121	-	14	1,785	1,785	1,785	1,800	2,001	2,121
Cemeteries/Crematoria	967	1,037	943	948	902	902	994	1,025	1,079
Police	358	-	-	-	-	-	-	-	-
Parks	25,542	27,586	28,619	32,063	33,950	33,950	33,755	34,981	37,156
Public Open Space	4,304	3,886	4,553	4,187	4,185	4,185	4,401	4,557	4,793
Public Ablution Facilities	178	482	488	982	982	982	1,041	1,078	1,145
Sport and Recreation Facilities	7,007	12,921	12,919	14,649	14,295	14,295	17,042	19,622	17,192
Outdoor Facilities	7,007	12,921	12,919	14,649	14,295	14,295	17,042	19,622	17,192
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	2,137	15,056	16,833	18,438	14,949	14,949	13,758	8,069	8,381
Operational Buildings	2,136	15,056	16,833	18,438	14,949	14,949	13,758	8,069	8,381
Municipal Offices	2,086	15,048	16,773	18,400	14,872	14,872	13,720	8,031	8,343
Building Plan Offices	35	-	25	-	39	39	-	-	-
Depots	16	8	34	38	38	38	38	38	38
Housing	1	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	5,672	5,915	6,829	8,331	8,073	8,073	8,967	9,720	10,707
Licences and Rights	5,672	5,915	6,829	8,331	8,073	8,073	8,967	9,720	10,707
Computer Software and Applications	5,672	5,915	6,829	8,331	8,073	8,073	8,967	9,720	10,707
Computer Equipment	1,947	2,490	2,157	2,423	2,423	2,423	2,566	2,717	2,878
Computer Equipment	1,947	2,490	2,157	2,423	2,423	2,423	2,566	2,717	2,878
Furniture and Office Equipment	1,128	5,004	8,206	11,697	13,872	13,872	7,747	7,935	8,389
Furniture and Office Equipment	1,128	5,004	8,206	11,697	13,872	13,872	7,747	7,935	8,389
Machinery and Equipment	-	4,059	4,163	6,036	7,656	7,656	5,983	6,310	6,530
Machinery and Equipment	-	4,059	4,163	6,036	7,656	7,656	5,983	6,310	6,530
Transport Assets	15,521	21,406	20,160	16,214	18,441	18,441	17,145	18,132	19,178
Transport Assets	15,521	21,406	20,160	16,214	18,441	18,441	17,145	18,132	19,178
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Living resources	-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	211,518	245,386	249,505	293,296	300,793	300,793	295,474	316,378	331,260

For the 2024/25 financial year, 15.20 per cent or R295.5m of the total budget will be spent on repairs and maintenance, of which R172.9m is for infrastructure. Roads infrastructure has received a significant proportion of the infrastructure allocation totalling 45.4 per cent (R78.5m), followed by community assets at 22.48 per cent (R66.4m) and electricity at 13.59 per cent (R40.1m) on the total repairs and maintenance allocation.

1.5.2 Free Basic Services: Basic Social Services Package

The social package assists households that are indigent or face other circumstances that limit their ability to pay for services. To receive these free/subsidised services the households are required to register in terms of the Municipality's Indigent Policy. The budgeted indigent households for 2024/25 is estimated at 4 800.

The following is an extract from NT Budget Circular 85:

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

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

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

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

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand									
Cash Transfers to Organisations									
Operational	–	–	500	538	538	538	800	840	882
Capital	–	–	–	–	–	–	–	–	–
Total Cash Transfers To Organisations	–	–	500	538	538	538	800	840	882
Cash Transfers to Groups of Individuals									
Operational	8,651	12,750	14,286	15,843	16,043	16,043	16,955	16,314	17,111
Capital	–	–	–	–	–	–	–	–	–
Total Cash Transfers To Groups Of Individuals:	8,651	12,750	14,286	15,843	16,043	16,043	16,955	16,314	17,111
TOTAL CASH TRANSFERS AND GRANTS	8,651	12,750	14,786	16,380	16,580	16,580	17,755	17,154	17,993
Operational	–	–	–	–	–	–	–	–	–
Capital	–	–	1,300	–	–	–	–	–	–
Total Non-Cash Grants To Groups Of Individuals:	–	–	1,300	–	–	–	–	–	–
TOTAL NON-CASH TRANSFERS AND GRANTS	–	–	1,300	–	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS	8,651	12,750	16,086	16,380	16,580	16,580	17,755	17,154	17,993

1.6 Capital expenditure

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

Table 16 2024/25 Medium-term capital budget per function

Vote Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital Expenditure - Functional									
Governance and administration	7,054	3,761	2,228	9,075	5,162	5,162	3,490	-	-
Executive and council	355	3	5	5,005	5	5	520	-	-
Finance and administration	6,699	3,759	2,223	4,070	5,157	5,157	2,970	-	-
Internal audit	-	-	-	-	-	-	-	-	-
Community and public safety	96,981	63,534	40,838	49,161	42,325	42,325	30,164	16,029	24,183
Community and social services	16,072	1,458	3,890	1,330	1,360	1,360	2,235	-	-
Sport and recreation	22,886	5,047	3,318	5,041	3,837	3,837	11,850	16,029	15,183
Public safety	8,425	7,998	5,007	900	3,450	3,450	2,950	-	-
Housing	49,598	49,031	28,623	41,890	33,678	33,678	13,129	-	9,000
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	29,200	11,405	20,518	5,748	5,825	5,825	3,277	2,981	6,000
Planning and development	8,466	2,656	3,719	1,108	825	825	975	-	-
Road transport	20,734	8,748	16,799	4,640	5,000	5,000	2,302	2,981	6,000
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	121,565	113,677	125,737	145,425	158,332	158,332	115,102	118,900	86,551
Energy sources	10,436	28,253	55,692	59,526	58,249	58,249	44,584	46,900	37,551
Water management	35,574	36,721	31,608	25,963	31,124	31,124	41,700	42,200	16,660
Waste water management	57,190	45,732	32,801	59,445	68,363	68,363	26,263	25,300	28,500
Waste management	18,365	2,972	5,637	490	595	595	2,555	4,500	3,840
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	254,800	192,377	189,321	209,409	211,644	211,644	152,033	137,910	116,734
Funded by:									
National Government	35,100	36,688	81,741	54,293	62,555	62,555	52,299	47,910	37,734
Provincial Government	48,390	1,290	5,036	-	33,843	33,843	13,129	-	9,000
District Municipality	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)	-	53,387	26,098	41,890	195	195	105	-	-
Transfers recognised - capital	83,490	91,365	112,876	96,183	96,594	96,594	65,533	47,910	46,734
Public contributions & donations	23,919	-	18,467	-	-	-	-	-	-
Borrowing	45,443	65,237	34,249	95,214	95,821	95,821	65,400	90,000	70,000
Internally generated funds	101,949	35,775	23,730	18,013	19,230	19,230	21,100	-	-
Total Capital Funding	254,800	192,377	189,321	209,409	211,644	211,644	152,033	137,910	116,734

For 2024/25 an amount of R115.1m has been appropriated for the development of basic services infrastructure which represents 75.71 per cent of the total capital budget of R152.03m. In the outer years this amount totals R118,9m, 86.2 per cent and R86.6m, 74.14 per cent respectively for each of these financial years. Water infrastructure has the second highest allocation at R41,7m in 2024/25 which equates to 36.2 per cent of the basic services infrastructure allocation, followed by waste water management at 22.8 per cent, R26.3m, waste management 2.2 per cent, R2.5m and electricity as the highest allocation at 38.8 per cent, R44,6m. Over the MTREF the capital housing grant expenditure relating to housing infrastructure provision amounts to R22,1 million.

Further detail relating to asset classes and proposed capital expenditure is contained in Table 25 MBRR A9 (Asset Management). In addition to the MBRR Table A9, MBRR Tables SA34a, b, c & e provides a detailed breakdown of the capital programme relating to new assets construction as well as operational repairs and maintenance by asset class. Some of the salient projects to be undertaken during 2024/25 includes, amongst others:

Top 10 Capital Projects

Project Description	Ward	AMOUNT
ELECTRIFICATION OF LOW COST HOUSING AREAS	Overstrand	22,334,000
LOW COST HOUSING SERVICES	Overstrand	13,129,000
UPGRADE HERMANUS WELL FIELDS PHASE 2	Multi-ward Hermanus Area	10,100,000
UPGRADE HAWSTON SPORT COMPLEX	Ward 08	9,900,000
NEW DISINFECTION SYSTEMS AT WASTEWATER TREATMENT	Overstrand	8,000,000
REPLACEMENT OF OVERSTRAND WATER PIPES	Overstrand	7,000,000
UPGRADE STORMWATER INFRASTRUCTURE- PROTEADORP, MOUNTAIN VIEW, EXT 6 & OVERHILLS	Ward 09	6,963,000
REPLACEMENT OF WATER PIPES PROTEADORP	Ward 09	6,800,000
HERMANUS MEDIUM & LOW VOLTAGE UPGRADE REPLACEMENT	Ward 03	5,000,000
NEW STILL STREET 66KV 11KV SUBSTATION	Ward 03	5,000,000

Furthermore, Annexure E contains a detailed breakdown of the capital budget per project over the medium-term.

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

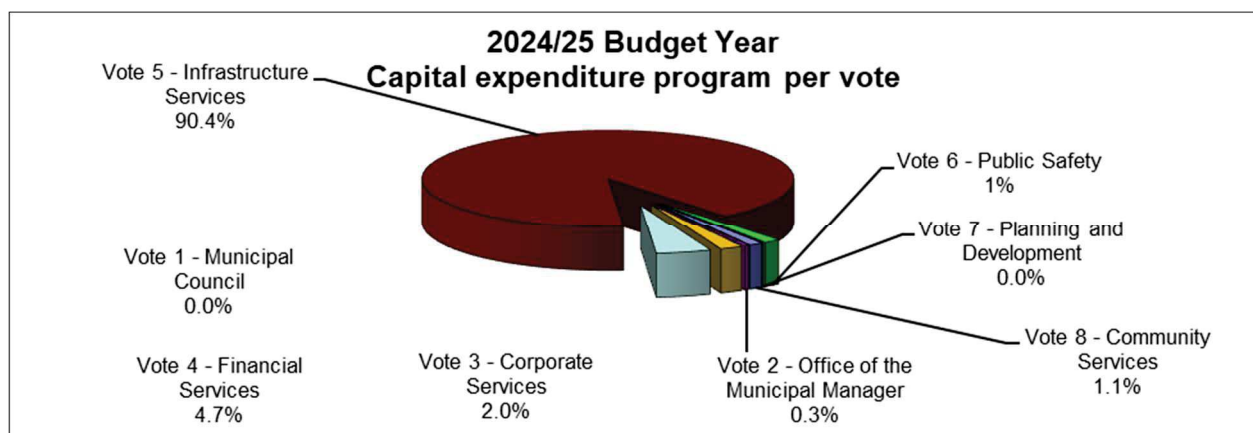


Figure 2 Capital Infrastructure Programme

1.6.1 Future operational cost of new infrastructure

An estimate has been included in Table 58 MBRR SA35. Furthermore, a long-term financial plan implementation policy has been developed to encompass costs over the long term. It needs to be noted that as part of the 2024/25 MTREF, this expenditure has been factored into the two outer years of the operational budget.

1.7 Annual Budget Tables

The following section of the report presents the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2024/25 budget and MTREF to be approved and/or noted by the Council. Each table is accompanied by *explanatory notes* on the facing page.

Table 17 MBRR Table A1 - Budget Summary

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands									
Financial Performance									
Property rates	261,222	278,154	297,101	340,506	340,506	340,506	359,440	381,006	403,866
Service charges	733,197	825,796	840,648	915,383	944,383	944,383	1,040,890	1,103,344	1,169,543
Investment revenue	30,476	31,884	51,751	41,800	41,800	41,800	47,750	48,705	49,679
Transfer and subsidies - Operational	144,199	155,949	172,162	184,953	192,561	192,561	190,068	199,421	210,978
Other own revenue	125,400	184,966	189,234	193,935	213,366	213,366	191,178	153,204	119,953
Total Revenue (excluding capital transfers and contributions)	1,294,494	1,476,750	1,550,896	1,676,577	1,732,615	1,732,615	1,829,326	1,885,680	1,954,019
Employee costs	436,029	452,651	480,939	537,911	549,390	549,390	587,185	609,765	650,443
Remuneration of councillors	11,219	11,538	12,315	12,514	12,898	12,898	13,912	14,488	15,086
Depreciation and amortisation	138,195	147,004	148,321	149,154	149,154	149,154	158,441	167,237	176,574
Interest	48,805	47,584	48,152	49,658	49,658	49,658	49,814	51,810	46,707
Inventory consumed and bulk purchases	343,314	404,258	404,638	492,305	495,166	495,166	545,568	619,145	689,090
Transfers and subsidies	8,651	12,750	16,086	16,380	16,580	16,580	17,755	17,154	17,993
Other expenditure	335,597	422,908	460,551	484,290	575,513	575,513	571,572	563,386	555,268
Total Expenditure	1,321,810	1,498,694	1,571,001	1,742,212	1,848,360	1,848,360	1,944,247	2,042,985	2,151,161
Surplus/(Deficit)	(27,316)	(21,944)	(20,106)	(65,635)	(115,745)	(115,745)	(114,921)	(157,305)	(197,142)
Transfers and subsidies - capital (monetary allocations)	42,381	40,274	125,273	54,293	95,704	95,704	65,533	47,910	46,734
Transfers and subsidies - capital (in-kind)	18,757	2,060	6,130	-	890	890	-	-	-
Surplus/(Deficit) after capital transfers & contributions	33,821	20,390	111,298	(11,342)	(19,151)	(19,151)	(49,388)	(109,395)	(150,408)
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	33,821	20,390	111,298	(11,342)	(19,151)	(19,151)	(49,388)	(109,395)	(150,408)
Capital expenditure & funds sources									
Capital expenditure	254,800	192,377	189,321	209,409	211,644	211,644	152,033	137,910	116,734
Transfers recognised - capital	83,490	91,365	112,876	96,183	96,594	96,594	65,533	47,910	46,734
Borrowing	45,443	65,237	34,249	95,214	95,821	95,821	65,400	90,000	70,000
Internally generated funds	101,949	35,775	23,730	18,013	19,230	19,230	21,100	-	-
Total sources of capital funds	230,881	192,377	170,854	209,409	211,644	211,644	152,033	137,910	116,734
Financial position									
Total current assets	769,692	789,523	842,270	683,321	847,396	847,396	853,646	844,102	796,381
Total non current assets	3,921,776	3,946,923	4,005,409	4,195,837	4,198,072	4,198,072	4,201,789	4,091,491	4,035,151
Total current liabilities	311,695	309,129	305,142	349,426	353,469	353,469	434,780	349,928	361,657
Total non current liabilities	678,212	703,137	707,060	731,737	728,589	728,589	661,193	712,168	734,146
Community wealth/Equity	3,701,561	3,724,180	3,835,478	3,797,994	3,963,410	3,963,410	3,959,462	3,873,496	3,735,729
Cash flows									
Net cash from (used) operating	208,994	197,999	213,466	193,672	248,628	248,628	141,987	103,984	59,430
Net cash from (used) investing	(258,765)	(191,549)	(184,495)	(214,389)	(216,624)	(216,624)	(157,013)	(50,128)	(116,734)
Net cash from (used) financing	8,680	(2,893)	1,285	13,755	13,755	13,755	7,795	(66,566)	6,830
Cash/cash equivalents at the year end	612,723	616,280	646,535	516,302	692,294	692,294	685,063	672,353	621,880
Cash backing/surplus reconciliation									
Cash and investments available	667,001	676,792	714,746	594,148	770,140	770,140	769,534	672,353	621,880
Application of cash and investments	254,342	196,772	203,260	262,623	269,572	269,572	218,103	144,723	145,979
Balance - surplus (shortfall)	412,659	480,020	511,486	331,525	500,568	500,568	551,431	527,630	475,901
Asset management									
Asset register summary (WDV)	3,867,498	3,886,411	3,937,199	4,117,991	4,120,226	4,120,226	4,117,318	4,091,490	4,035,150
Depreciation	138,195	147,004	148,321	149,087	149,087	149,087	158,373	167,170	176,506
Renewal and Upgrading of Existing Assets	55,281	72,662	56,518	68,960	81,111	81,111	43,250	80,041	65,843
Repairs and Maintenance	211,518	245,386	249,505	293,296	300,793	300,793	295,474	316,378	331,260
Free services									
Cost of Free Basic Services provided	30,628	30,760	35,111	37,788	34,324	39,907	35,892	38,045	40,328
Revenue cost of free services provided	-	-	-	-	-	-	84,448	89,515	94,886
Households below minimum service level									
Water:	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	4	4	3	3	3	3	4	5	5
Energy:	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-

Explanatory notes to MBRR Table A1 - Budget Summary

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

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

Functional Classification Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue - Functional									
Governance and administration	362,831	393,791	462,846	460,614	497,521	497,521	527,064	553,214	584,008
Executive and council	38,681	53,624	73,092	52,832	85,529	85,529	91,905	98,093	104,335
Finance and administration	324,150	340,167	389,754	407,781	411,992	411,992	435,159	455,121	479,673
Internal audit	-	-	-	-	-	-	-	-	-
Community and public safety	125,463	164,894	182,416	177,203	226,381	226,381	193,553	150,336	124,399
Community and social services	8,291	9,726	9,270	8,785	9,246	9,246	9,154	9,349	9,622
Sport and recreation	29,089	15,568	14,939	16,689	14,979	14,979	24,504	30,977	31,026
Public safety	16,193	48,216	76,056	38,275	63,092	63,092	61,852	62,906	63,896
Housing	71,891	91,383	82,150	113,454	139,063	139,063	98,043	47,104	19,856
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	16,035	24,301	34,098	20,693	22,172	22,172	13,907	14,865	18,350
Planning and development	11,638	17,461	19,181	15,360	15,341	15,341	12,358	11,084	11,525
Road transport	4,365	6,342	14,877	5,290	6,790	6,790	1,502	3,732	6,773
Environmental protection	32	498	40	42	42	42	46	49	52
Trading services	847,454	936,098	1,002,939	1,072,360	1,083,135	1,083,135	1,160,336	1,215,175	1,273,995
Energy sources	481,695	557,894	576,269	654,236	636,972	636,972	689,348	720,115	762,379
Water management	153,115	156,426	182,255	169,924	191,372	191,372	204,493	213,075	213,139
Waste water management	117,987	123,924	141,829	143,566	143,375	143,375	142,748	150,926	159,554
Waste management	94,657	97,854	102,585	104,634	111,415	111,415	123,746	131,060	138,923
Other	-	-	0	-	-	-	-	-	-
Total Revenue - Functional	1,351,784	1,519,084	1,682,299	1,730,869	1,829,209	1,829,209	1,894,859	1,933,590	2,000,753
Expenditure - Functional									
Governance and administration	258,657	298,050	279,049	334,581	336,109	336,109	358,132	378,467	402,249
Executive and council	69,529	65,261	60,364	80,395	80,857	80,857	88,511	95,467	101,163
Finance and administration	186,367	229,891	215,535	249,820	250,898	250,898	264,475	278,182	295,935
Internal audit	2,761	2,898	3,150	4,366	4,354	4,354	5,145	4,817	5,151
Community and public safety	192,423	247,198	297,737	297,549	363,710	363,710	356,028	333,169	306,346
Community and social services	22,122	20,500	22,970	23,853	23,366	23,366	25,282	27,392	27,709
Sport and recreation	52,169	53,049	57,811	63,849	65,752	65,752	69,335	73,307	73,980
Public safety	87,169	126,920	156,969	132,228	163,071	163,071	169,928	178,600	186,668
Housing	30,963	46,729	59,987	77,620	111,520	111,520	91,482	53,870	17,989
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	170,202	183,133	179,614	210,462	213,673	213,673	223,538	234,659	249,510
Planning and development	43,396	47,152	47,425	56,507	54,222	54,222	58,410	57,753	61,055
Road transport	110,465	114,891	107,694	129,394	134,819	134,819	139,911	158,178	168,604
Environmental protection	16,340	21,090	24,496	24,561	24,632	24,632	25,218	18,727	19,851
Trading services	696,761	767,390	810,879	895,516	930,663	930,663	1,002,626	1,092,563	1,188,639
Energy sources	384,141	438,281	439,681	527,575	531,852	531,852	585,410	650,372	723,547
Water management	120,612	131,792	139,629	149,901	153,477	153,477	160,282	170,954	179,286
Waste water management	95,785	110,529	134,709	122,166	137,749	137,749	144,301	151,691	157,848
Waste management	96,223	86,788	96,861	95,874	107,586	107,586	112,633	119,547	127,958
Other	2,893	2,923	3,722	4,104	4,204	4,204	3,923	4,127	4,418
Total Expenditure - Functional	1,320,935	1,498,694	1,571,001	1,742,212	1,848,360	1,848,360	1,944,247	2,042,985	2,151,161
Surplus/(Deficit) for the year	30,848	20,390	111,298	(11,342)	(19,151)	(19,151)	(49,388)	(109,395)	(150,408)

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

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

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

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

Vote Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand									
Revenue by Vote									
Vote 1 - Municipal Council	43,170	53,270	74,415	52,697	85,394	85,394	91,820	98,003	104,240
Vote 2 - Office of the Municipal Manager	6	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services	2,564	3,603	1,496	956	956	956	1,002	1,062	1,126
Vote 4 - Financial Services	308,361	326,602	370,122	400,540	404,740	404,740	429,791	449,647	474,085
Vote 5 - Infrastructure Services	925,632	1,034,384	1,103,382	1,190,661	1,228,554	1,228,554	1,259,715	1,265,982	1,300,423
Vote 6 - Public Safety	16,277	48,857	76,056	38,275	63,092	63,092	61,852	62,906	63,896
Vote 7 - Planning and Development	35,709	25,229	32,033	20,463	20,534	20,534	15,707	14,572	15,080
Vote 8 - Community Services	23,913	27,139	24,795	27,278	25,939	25,939	34,972	41,418	41,902
Vote 9 - Costing Services	-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	1,355,632	1,519,084	1,682,299	1,730,869	1,829,209	1,829,209	1,894,859	1,933,590	2,000,753
Expenditure by Vote to be appropriated									
Vote 1 - Municipal Council	56,584	36,404	46,177	49,457	50,268	50,268	54,329	56,054	59,045
Vote 2 - Office of the Municipal Manager	10,436	10,117	9,709	12,801	13,005	13,005	25,593	18,885	20,025
Vote 3 - Corporate Services	51,227	54,553	58,075	65,270	64,956	64,956	72,318	75,155	80,087
Vote 4 - Financial Services	107,851	137,823	140,078	123,069	129,298	129,298	139,267	148,756	158,245
Vote 5 - Infrastructure Services	806,013	893,615	942,227	1,078,055	1,149,785	1,149,785	1,210,645	1,277,355	1,346,271
Vote 6 - Public Safety	91,326	123,167	153,723	137,515	167,686	167,686	175,704	184,344	192,352
Vote 7 - Planning and Development	50,731	90,848	63,185	72,004	69,991	69,991	73,840	67,011	70,946
Vote 8 - Community Services	147,643	152,166	157,827	204,040	203,371	203,371	192,551	215,425	224,189
Vote 9 - Costing Services	-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	1,321,810	1,498,694	1,571,001	1,742,212	1,848,360	1,848,360	1,944,247	2,042,985	2,151,161
Surplus/(Deficit) for the year	33,821	20,390	111,298	(11,342)	(19,151)	(19,151)	(49,388)	(109,395)	(150,408)

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

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

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

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand									
Revenue									
Exchange Revenue									
Service charges - Electricity	442,792	512,750	495,999	577,969	577,969	577,969	636,747	674,952	715,449
Service charges - Water	131,113	142,917	158,070	147,269	164,269	164,269	176,718	187,321	198,560
Service charges - Waste Water Management	87,094	93,177	100,655	104,715	104,715	104,715	118,479	125,588	133,123
Service charges - Waste Management	72,198	76,951	85,923	85,430	97,430	97,430	108,946	115,482	122,411
Sale of Goods and Rendering of Services	86,171	114,179	80,449	131,673	123,604	123,604	102,760	66,165	31,109
Agency services	6,189	6,880	7,140	8,319	6,719	6,719	7,103	7,529	7,981
Interest	28	24	33	0	0	0	0	0	0
Interest earned from Receivables	3,257	3,370	5,796	6,400	9,900	9,900	9,400	9,964	10,562
Interest earned from Current and Non Current Assets	30,476	31,884	51,751	41,800	41,800	41,800	47,750	48,705	49,679
Dividends	-	-	-	-	-	-	-	-	-
Rent on Land	966	1,650	1,401	1,127	1,127	1,127	1,889	2,001	2,120
Rental from Fixed Assets	4,068	5,042	5,346	5,646	5,646	5,646	5,676	6,015	6,375
Licence and permits	626	1,002	1,143	964	864	864	779	826	875
Operational Revenue	9,019	7,497	11,572	8,242	8,242	8,242	6,921	7,314	7,730
Non-Exchange Revenue									
Property rates	261,222	278,154	297,101	340,506	340,506	340,506	359,440	381,006	403,866
Surcharges and Taxes	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	1,095	35,124	58,043	20,421	45,421	45,421	44,889	44,983	45,083
Licences or permits	1,601	1,778	1,834	1,943	1,943	1,943	2,000	2,120	2,247
Transfer and subsidies - Operational	144,199	155,949	172,162	184,953	192,561	192,561	190,068	199,421	210,978
Interest	987	851	1,294	1,300	2,000	2,000	2,110	2,237	2,371
Fuel Levy	-	-	-	-	-	-	-	-	-
Operational Revenue	3,848	-	-	-	-	-	-	-	-
Gains on disposal of Assets	-	-	904	-	-	-	-	-	-
Other Gains	7,545	7,570	14,279	7,900	7,900	7,900	7,650	4,050	3,500
Discontinued Operations	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	1,294,494	1,476,750	1,550,896	1,676,577	1,732,615	1,732,615	1,829,326	1,885,680	1,954,019
Expenditure									
Employee related costs	436,029	452,651	480,939	537,911	549,390	549,390	587,185	609,765	650,443
Remuneration of councillors	11,219	11,538	12,315	12,514	12,898	12,898	13,912	14,488	15,086
Bulk purchases - electricity	298,272	351,600	346,418	429,805	429,805	429,805	484,477	546,102	615,566
Inventory consumed	45,042	52,658	58,220	62,499	65,360	65,360	61,092	73,043	73,524
Debt impairment	9,494	28,248	52,100	19,414	50,372	50,372	53,394	56,598	59,994
Depreciation and amortisation	138,195	147,004	148,321	149,154	149,154	149,154	158,441	167,237	176,574
Interest	48,805	47,584	48,152	49,658	49,658	49,658	49,814	51,810	46,707
Contracted services	208,095	237,081	257,088	300,624	305,174	305,174	316,048	334,743	351,451
Transfers and subsidies	8,651	12,750	16,086	16,380	16,580	16,580	17,755	17,154	17,993
Irrecoverable debts written off	4,559	5,258	10,206	-	10,709	10,709	10,709	10,709	10,709
Operational costs	112,270	118,256	141,085	164,252	209,258	209,258	191,421	161,335	133,113
Losses on disposal of Assets	144	33,873	-	-	-	-	-	-	-
Other Losses	1,034	192	72	-	-	-	-	-	-
Total Expenditure	1,321,810	1,498,694	1,571,001	1,742,212	1,848,360	1,848,360	1,944,247	2,042,985	2,151,161
Surplus/(Deficit)	(27,316)	(21,944)	(20,106)	(65,635)	(115,745)	(115,745)	(114,921)	(157,305)	(197,142)
Transfers and subsidies - capital (monetary allocations)	42,381	40,274	125,273	54,293	95,704	95,704	65,533	47,910	46,734
Transfers and subsidies - capital (in-kind)	18,757	2,060	6,130	-	890	890	-	-	-
Surplus/(Deficit) after capital transfers & contributions	33,821	20,390	111,298	(11,342)	(19,151)	(19,151)	(49,388)	(109,395)	(150,408)
Income Tax	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax	33,821	20,390	111,298	(11,342)	(19,151)	(19,151)	(49,388)	(109,395)	(150,408)
Share of Surplus/Deficit attributable to Joint Venture	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	33,821	20,390	111,298	(11,342)	(19,151)	(19,151)	(49,388)	(109,395)	(150,408)
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	33,821	20,390	111,298	(11,342)	(19,151)	(19,151)	(49,388)	(109,395)	(150,408)

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

1. Total operating revenue is R1,732 billion in 2023/24 and indicates an increase to R1,829 billion in 2024/25.
2. Revenue to be generated from property rates is R340,5 million in the 2023/24 financial year and increases to R359,4 million by 2024/25 which represents 19,65 per cent of the operating revenue base of the Municipality and therefore remains a significant funding source for the municipality.
3. Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket of the Municipality totalling R944,4 million for the 2023/24 financial year and indicates an increase to R1040,9 billion by 2024/25. For the 2024/25 financial year services charges amount to 56,9 per cent of the operating revenue base.
4. Transfers recognised – operating grants includes the local government equitable share and other operating grants from national and provincial government.
5. The following graph illustrates the major expenditure items per type.

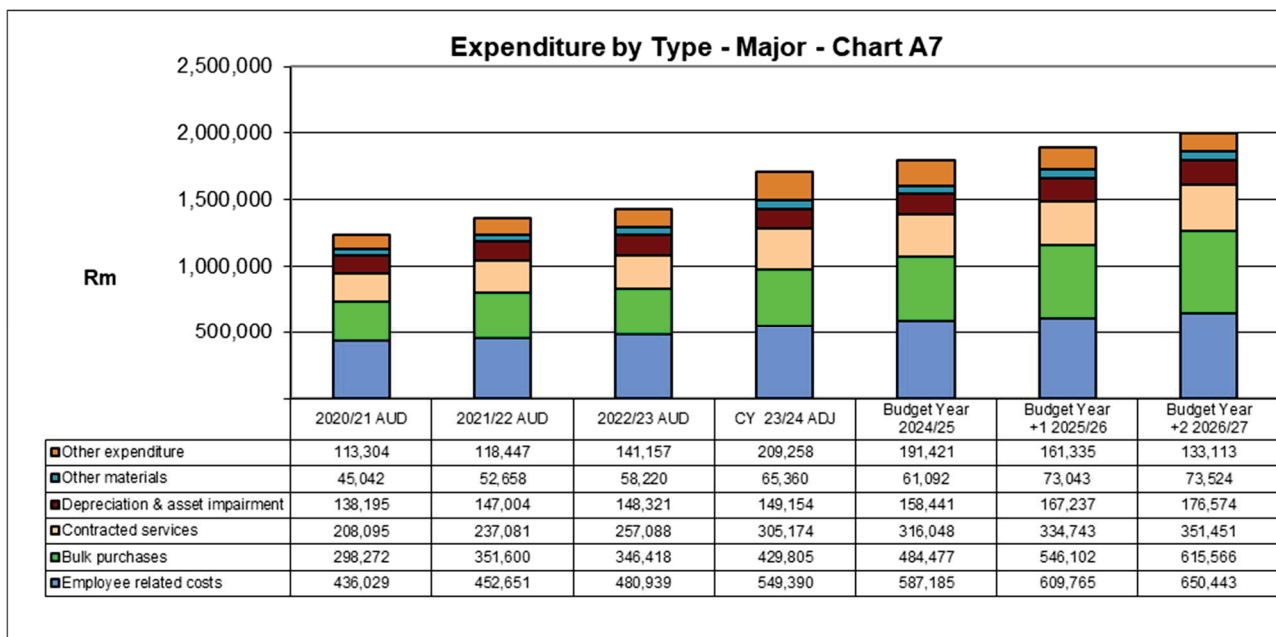


Figure 3 Expenditure by major type

6. Bulk purchases have significantly increased over the 2020/21 to 2026/27 period escalating from R298,3 million to R615,6 million. These increases can be attributed to the substantial increase in the cost of bulk electricity from Eskom over the past years. The change in the trend for contracted services also relates to the reclassification of expenditure resulting from mSCOA implementation.
7. Employee related costs and bulk purchases are the main cost drivers within the municipality and alternative operational gains and efficiencies will have to be identified to lessen the impact of wage and bulk tariff increases in future years.

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

Vote Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand									
Capital expenditure - Vote									
Multi-year expenditure to be appropriated									
Vote 1 - Municipal Council	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager	-	-	-	5,000	-	-	-	-	-
Vote 3 - Corporate Services	-	3,250	-	2,215	1,533	1,533	765	-	-
Vote 4 - Financial Services	-	42	-	60	10	10	1,560	-	-
Vote 5 - Infrastructure Services	109,765	146,819	4,059	196,210	185,204	185,204	124,361	137,910	109,734
Vote 6 - Public Safety	-	2,117	-	300	1,300	1,300	300	-	-
Vote 7 - Planning and Development	-	100	-	45	45	45	30	-	-
Vote 8 - Community Services	-	6,417	-	735	735	735	735	-	-
Vote 9 - Costing Services	-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	109,765	158,744	4,059	204,565	188,827	188,827	127,751	137,910	109,734
Single-year expenditure to be appropriated									
Vote 1 - Municipal Council	352	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager	-	-	-	-	-	-	465	-	-
Vote 3 - Corporate Services	2,288	-	1,812	1,800	3,128	3,128	2,200	-	-
Vote 4 - Financial Services	57	-	57	-	2,627	2,627	5,650	-	-
Vote 5 - Infrastructure Services	91,580	26,219	163,637	1,938	14,659	14,659	13,117	-	7,000
Vote 6 - Public Safety	8,160	4,989	5,007	600	2,150	2,150	1,850	-	-
Vote 7 - Planning and Development	498	965	2,365	-	223	223	-	-	-
Vote 8 - Community Services	42,100	1,458	12,384	506	30	30	1,000	-	-
Vote 9 - Costing Services	-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	145,035	33,633	185,262	4,844	22,817	22,817	24,282	-	7,000
Total Capital Expenditure - Vote	254,800	192,377	189,321	209,409	211,644	211,644	152,033	137,910	116,734
Capital Expenditure - Functional									
Governance and administration	7,054	3,761	2,228	9,075	5,162	5,162	3,490	-	-
Executive and council	355	3	5	5,005	5	5	520	-	-
Finance and administration	6,699	3,759	2,223	4,070	5,157	5,157	2,970	-	-
Internal audit	-	-	-	-	-	-	-	-	-
Community and public safety	96,981	63,534	40,838	49,161	42,325	42,325	30,164	16,029	24,183
Community and social services	16,072	1,458	3,890	1,330	1,360	1,360	2,235	-	-
Sport and recreation	22,886	5,047	3,318	5,041	3,837	3,837	11,850	16,029	15,183
Public safety	8,425	7,998	5,007	900	3,450	3,450	2,950	-	-
Housing	49,598	49,031	28,623	41,890	33,678	33,678	13,129	-	9,000
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	29,200	11,405	20,518	5,748	5,825	5,825	3,277	2,981	6,000
Planning and development	8,466	2,656	3,719	1,108	825	825	975	-	-
Road transport	20,734	8,748	16,799	4,640	5,000	5,000	2,302	2,981	6,000
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	121,565	113,677	125,737	145,425	158,332	158,332	115,102	118,900	86,551
Energy sources	10,436	28,253	55,692	59,526	58,249	58,249	44,584	46,900	37,551
Water management	35,574	36,721	31,608	25,963	31,124	31,124	41,700	42,200	16,660
Waste water management	57,190	45,732	32,801	59,445	68,363	68,363	26,263	25,300	28,500
Waste management	18,365	2,972	5,637	490	595	595	2,555	4,500	3,840
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	254,800	192,377	189,321	209,409	211,644	211,644	152,033	137,910	116,734
Funded by:									
National Government	35,100	36,688	81,741	54,293	62,555	62,555	52,299	47,910	37,734
Provincial Government	48,390	1,290	5,036	-	33,843	33,843	13,129	-	9,000
District Municipality	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatbns, Higher Educ Institutions)	-	53,387	26,098	41,890	195	195	105	-	-
Transfers recognised - capital	83,490	91,365	112,876	96,183	96,594	96,594	65,533	47,910	46,734
Public contributions & donations	23,919	-	18,467	-	-	-	-	-	-
Borrowing	45,443	65,237	34,249	95,214	95,821	95,821	65,400	90,000	70,000
Internally generated funds	101,949	35,775	23,730	18,013	19,230	19,230	21,100	-	-
Total Capital Funding	254,800	192,377	189,321	209,409	211,644	211,644	152,033	137,910	116,734

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

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by functional classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. The capital expenditure amounts to R152,03 million in 2024/25.
3. Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialized tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the Municipality.
4. The capital programme is funded from national and provincial grants and transfers, public contributions and donations, borrowing and internally generated funds from previous year surpluses. For 2024/25, capital transfers total R65,5 million. Borrowing has been provided at R65,4 million (inclusive of roll-over borrowing), finance leases (nil) and internally generated funding totaling R21,1 million. These funding sources are further discussed in detail in paragraph 2.6 (Overview of Budget Funding).
5. Rolled over borrowing amounts to R0.4m.

Table 22 MBRR Table A6 - Budgeted Financial Position

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand									
ASSETS									
Current assets									
Cash and cash equivalents	612,723	616,280	646,535	516,302	692,294	692,294	685,063	672,353	621,880
Trade and other receivables from exchange transactions	81,353	96,422	111,871	88,033	76,975	76,975	76,723	75,187	74,190
Receivables from non-exchange transactions	45,341	52,678	57,923	34,822	33,963	33,963	33,790	34,687	34,550
Current portion of non-current receivables	-	-	-	-	-	-	-	-	-
Inventory	12,736	10,938	11,594	11,054	11,054	11,054	11,199	11,170	11,153
VAT	16,822	12,472	13,604	1,063	1,063	1,063	1,783	2,577	3,441
Other current assets	717	733	743	32,047	32,047	32,047	45,087	48,127	51,167
Total current assets	769,692	789,523	842,270	683,321	847,396	847,396	853,646	844,102	796,381
Non current assets									
Investments	54,278	60,512	68,211	77,846	77,846	77,846	84,471	-	-
Investment property	127,538	131,248	141,336	138,346	146,836	146,836	150,336	153,836	157,336
Property, plant and equipment	3,601,762	3,633,488	3,672,579	3,859,136	3,850,952	3,850,952	3,844,183	3,815,214	3,755,752
Biological assets	-	-	-	-	-	-	-	-	-
Living and non-living resources	677	610	542	474	474	474	1,106	1,039	971
Heritage assets	128,528	112,126	114,055	112,126	114,055	114,055	114,055	114,055	114,055
Intangible assets	8,993	8,940	8,687	7,909	7,909	7,909	7,637	7,347	7,036
Trade and other receivables from exchange transactions	-	-	-	-	-	-	-	-	-
Non-current receivables from non-exchange transactions	-	-	-	-	-	-	-	-	-
Other non-current assets	-	-	-	-	-	-	-	-	-
Total non current assets	3,921,776	3,946,923	4,005,409	4,195,837	4,198,072	4,198,072	4,201,789	4,091,491	4,035,151
TOTAL ASSETS	4,691,468	4,736,446	4,847,680	4,879,158	5,045,468	5,045,468	5,055,435	4,935,592	4,831,531
LIABILITIES									
Current liabilities									
Bank overdraft	-	-	-	-	-	-	-	-	-
Financial liabilities	53,957	50,494	57,949	50,907	50,907	50,907	154,566	61,170	71,979
Consumer deposits	42,248	43,312	45,091	65,312	65,312	65,312	58,712	56,712	54,712
Trade and other payables from exchange transactions	141,475	142,157	146,449	182,222	182,223	182,223	158,403	164,536	163,208
Trade and other payables from non-exchange transactions	24,030	26,309	6,206	-	-	-	-	-	-
Provision	49,986	41,443	43,365	42,971	46,488	46,488	53,093	56,205	59,078
VAT	-	-	-	2,111	2,183	2,183	3,362	4,364	5,426
Other current liabilities	-	5,414	6,083	5,904	6,357	6,357	6,643	6,942	7,254
Total current liabilities	311,695	309,129	305,142	349,426	353,469	353,469	434,780	349,928	361,657
Non current liabilities									
Financial liabilities	430,400	429,906	421,957	420,625	420,625	420,625	331,786	360,616	358,637
Provision	139,279	157,026	170,841	167,099	181,162	181,162	188,240	196,094	204,798
Long term portion of trade payables	-	-	-	-	-	-	-	-	-
Other non-current liabilities	108,533	116,205	114,262	144,013	126,802	126,802	141,167	155,458	170,710
Total non current liabilities	678,212	703,137	707,060	731,737	728,589	728,589	661,193	712,168	734,146
TOTAL LIABILITIES	989,907	1,012,266	1,012,202	1,081,163	1,082,058	1,082,058	1,095,973	1,062,096	1,095,803
NET ASSETS	3,701,561	3,724,180	3,835,478	3,797,994	3,963,410	3,963,410	3,959,462	3,873,496	3,735,729
COMMUNITY WEALTH/EQUITY									
Accumulated surplus/(deficit)	3,698,333	3,720,952	3,832,250	3,794,766	3,960,181	3,960,181	3,956,233	3,870,267	3,732,499
Reserves and funds	3,227	3,228	3,228	3,229	3,229	3,229	3,230	3,230	3,230
Other	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	3,701,561	3,724,180	3,835,478	3,797,994	3,963,410	3,963,410	3,959,462	3,873,496	3,735,729

Explanatory notes to Table A6 - Budgeted Financial Position

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

Table 23 MBRR Table A7 - Budgeted Cash Flow Statement

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	262,273	277,452	292,203	335,688	335,688	335,688	355,619	377,527	400,179
Service charges	735,694	813,102	812,299	904,949	933,397	933,397	1,032,048	1,095,854	1,161,604
Other revenue	131,363	88,928	114,267	171,788	162,021	162,021	118,762	89,631	54,616
Transfers and Subsidies - Operational	147,186	145,075	172,032	184,953	192,561	192,561	190,068	199,421	210,978
Transfers and Subsidies - Capital	28,987	96,836	105,269	54,293	96,594	96,594	65,533	47,910	46,734
Interest	34,748	36,128	58,874	41,800	41,800	41,800	47,750	48,705	49,679
Dividends	-	-	-	-	-	-	-	-	-
Payments									
Suppliers and employees	(1,073,734)	(1,199,126)	(1,278,460)	(1,433,760)	(1,447,194)	(1,447,194)	(1,600,224)	(1,686,101)	(1,799,659)
Interest	(48,813)	(47,584)	(48,152)	(49,658)	(49,658)	(49,658)	(49,814)	(51,810)	(46,707)
Transfers and Subsidies	(8,710)	(12,813)	(14,865)	(16,380)	(16,580)	(16,580)	(17,755)	(17,154)	(17,993)
NET CASH FROM/(USED) OPERATING ACTIVITIES	208,994	197,999	213,466	193,672	248,628	248,628	141,987	103,984	59,430
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	1,138	3,813	3,676	-	-	-	-	-	-
Decrease (increase) in non-current receivables	4	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	(4,878)	(4,980)	(4,980)	(4,980)	(4,980)	(4,980)	(4,980)	87,782	-
Payments									
Capital assets	(255,029)	(190,382)	(183,191)	(209,409)	(211,644)	(211,644)	(152,033)	(137,910)	(116,734)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(258,765)	(191,549)	(184,495)	(214,389)	(216,624)	(216,624)	(157,013)	(50,128)	(116,734)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	54,000	50,000	50,000	50,000	50,000	50,000	65,000	90,000	70,000
Increase (decrease) in consumer deposits	1,256	1,064	1,779	22,000	22,000	22,000	(6,600)	(2,000)	(2,000)
Payments									
Repayment of borrowing	(46,576)	(53,957)	(50,494)	(58,245)	(58,245)	(58,245)	(50,605)	(154,566)	(61,170)
NET CASH FROM/(USED) FINANCING ACTIVITIES	8,680	(2,893)	1,285	13,755	13,755	13,755	7,795	(66,566)	6,830
NET INCREASE/ (DECREASE) IN CASH HELD	(41,091)	3,557	30,255	(6,962)	45,759	45,759	(7,231)	(12,710)	(50,473)
Cash/cash equivalents at the year begin:	653,813	612,723	616,280	523,264	646,535	646,535	692,294	685,063	672,353
Cash/cash equivalents at the year end:	612,723	616,280	646,535	516,302	692,294	692,294	685,063	672,353	621,880

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. It can be seen that the expected cash levels of the Municipality indicates an increase over the 2024/25 MTREF.
4. The 2024/25 MTREF has been informed by the planning principle of ensuring adequate cash over the medium-term.
5. Cash and cash equivalents totals R685,06 million as at the end of the 2024/25 financial year and is estimated to decrease to R621,8 million by 2026/27.

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

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand									
Cash and investments available									
Cash/cash equivalents at the year end	612,723	616,280	646,535	516,302	692,294	692,294	685,063	672,353	621,880
Other current investments > 90 days	0	0	(0)	0	0	0	-	-	-
Non current Investments	54,278	60,512	68,211	77,846	77,846	77,846	84,471	-	-
Cash and investments available:	667,001	676,792	714,746	594,148	770,140	770,140	769,534	672,353	621,880
Application of cash and investments									
Trade payables from Non-exchange transactions: Unspent	24,030	26,309	6,206	-	-	-	-	-	-
Unspent borrowing	44,066	-	22,033	45,214	45,214	45,214	-	-	-
Statutory requirements	16,822	12,472	13,604	1,063	1,063	1,063	1,783	2,577	3,441
Other working capital requirements	83,371	80,936	79,908	129,226	136,175	136,175	112,609	119,285	118,915
Other provisions	28,547	13,315	10,070	6,045	6,045	6,045	16,010	19,632	20,393
Long term investments committed	54,278	60,512	68,211	77,846	77,846	77,846	84,471	-	-
Reserves to be backed by cash/investments	3,227	3,228	3,228	3,229	3,229	3,229	3,230	3,230	3,230
Total Application of cash and investments:	254,342	196,772	203,260	262,623	269,572	269,572	218,103	144,723	145,979
Surplus(shortfall)	412,659	480,020	511,486	331,525	500,568	500,568	551,431	527,630	475,901

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

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be “funded”.
4. As part of the budgeting and planning guidelines that informs the compilation of the 2024/25 MTREF the end objective of the medium-term framework is to ensure the budget is funded and aligned to section 18 of the MFMA.
5. As can be seen the budget has been modelled to ensure that the budget is funded.

Table 25 MBRR Table A9 - Asset Management

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand									
CAPITAL EXPENDITURE									
Total New Assets	199,520	119,714	132,803	140,449	130,534	130,534	108,783	57,869	50,891
<i>Roads Infrastructure</i>	20,553	7,714	16,799	4,640	5,080	5,080	952	2,981	6,000
<i>Storm water Infrastructure</i>	14,169	4,724	1,113	12,358	7,420	7,420	10,213	-	-
<i>Electrical Infrastructure</i>	9,392	18,244	53,049	48,795	47,518	47,518	30,334	24,900	22,551
<i>Water Supply Infrastructure</i>	22,404	3,171	9,484	11,313	14,609	14,609	24,900	20,700	-
<i>Sanitation Infrastructure</i>	12,940	8,923	3,956	7,500	6,734	6,734	8,500	1,500	4,500
<i>Solid Waste Infrastructure</i>	12,254	2,972	1,226	400	505	505	565	500	840
<i>Rail Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>	-	-	-	-	-	-	-	-	-
Infrastructure	91,712	45,748	85,627	85,007	81,866	81,866	75,464	50,581	33,891
<i>Community Facilities</i>	10,999	4,140	2,674	6,213	707	707	3,350	-	-
<i>Sport and Recreation Facilities</i>	15,000	5,047	5,068	1,139	1,645	1,645	1,400	5,788	8,000
Community Assets	25,999	9,187	7,742	7,352	2,352	2,352	4,750	5,788	8,000
Heritage Assets	-	-	-	-	-	-	-	-	-
<i>Revenue Generating</i>	-	-	-	-	-	-	-	-	-
<i>Non-revenue Generating</i>	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
<i>Operational Buildings</i>	4,581	1,410	2,211	100	1,073	1,073	2,250	1,500	-
<i>Housing</i>	49,598	49,031	26,523	41,890	33,678	33,678	13,129	-	9,000
Other Assets	54,179	50,440	28,734	41,990	34,751	34,751	15,379	1,500	9,000
Biological or Cultivated Assets	-	21	-	-	-	-	700	-	-
<i>Servitudes</i>	-	-	-	-	-	-	-	-	-
<i>Licences and Rights</i>	-	-	-	-	71	71	-	-	-
Intangible Assets	-	-	-	-	71	71	-	-	-
<i>Computer Equipment</i>	5,152	3,240	2,212	4,000	4,575	4,575	3,250	-	-
<i>Furniture and Office Equipment</i>	802	2,910	715	765	745	745	865	-	-
<i>Machinery and Equipment</i>	486	1,363	729	1,335	1,745	1,745	1,225	-	-
<i>Transport Assets</i>	21,189	6,806	7,043	-	4,427	4,427	7,150	-	-
<i>Land</i>	-	-	-	-	-	-	-	-	-
<i>Zoo's, Marine and Non-biological Animals</i>	-	-	-	-	-	-	-	-	-
<i>Mature</i>	-	-	-	-	-	-	-	-	-
<i>Immature</i>	-	-	-	-	-	-	-	-	-
<i>Living Resources</i>	-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	15,499	30,964	17,393	16,300	18,765	18,765	17,500	27,700	19,160
<i>Roads Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Storm water Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>	915	1,000	1,042	1,500	1,500	1,500	1,500	2,000	-
<i>Water Supply Infrastructure</i>	11,297	29,964	15,725	14,100	15,965	15,965	15,300	21,000	16,160
<i>Sanitation Infrastructure</i>	3,287	-	626	700	1,300	1,300	700	700	-
<i>Solid Waste Infrastructure</i>	-	-	-	-	-	-	-	4,000	3,000
<i>Rail Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>	-	-	-	-	-	-	-	-	-
Infrastructure	15,499	30,964	17,393	16,300	18,765	18,765	17,500	27,700	19,160
<i>Community Facilities</i>	-	-	-	-	-	-	-	-	-
<i>Sport and Recreation Facilities</i>	-	-	-	-	-	-	-	-	-
Community Assets	-	-	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
<i>Computer Equipment</i>	-	-	-	-	-	-	-	-	-
<i>Furniture and Office Equipment</i>	-	-	-	-	-	-	-	-	-
<i>Machinery and Equipment</i>	-	-	-	-	-	-	-	-	-
<i>Transport Assets</i>	-	-	-	-	-	-	-	-	-
<i>Land</i>	-	-	-	-	-	-	-	-	-
<i>Zoo's, Marine and Non-biological Animals</i>	-	-	-	-	-	-	-	-	-
<i>Living Resources</i>	-	-	-	-	-	-	-	-	-

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand									
Total Upgrading of Existing Assets	39,781	41,698	39,125	52,660	62,346	62,346	25,750	52,341	46,683
Roads Infrastructure	181	-	-	-	-	-	-	-	-
Storm water Infrastructure	12,258	-	-	-	-	-	-	-	-
Electrical Infrastructure	120	7,173	1,600	9,231	9,231	9,231	9,000	18,500	15,000
Water Supply Infrastructure	1,873	3,586	6,928	550	550	550	500	500	500
Sanitation Infrastructure	14,286	30,939	28,219	38,887	50,283	50,283	6,350	23,100	24,000
Solid Waste Infrastructure	3,262	-	1,859	90	90	90	-	-	-
Rail Infrastructure	-	-	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-
Infrastructure	31,980	41,698	38,606	48,758	60,154	60,154	15,850	42,100	39,500
Community Facilities	830	-	319	-	-	-	-	-	-
Sport and Recreation Facilities	6,971	-	200	3,902	2,192	2,192	9,900	10,241	7,183
Community Assets	7,801	-	519	3,902	2,192	2,192	9,900	10,241	7,183
Heritage Assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Living Resources	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	254,800	192,377	189,321	209,409	211,644	211,644	152,033	137,910	116,734
Roads Infrastructure	20,734	7,714	16,799	4,640	5,080	5,080	952	2,981	6,000
Storm water Infrastructure	26,427	4,724	1,113	12,358	7,420	7,420	10,213	-	-
Electrical Infrastructure	10,427	26,417	55,692	59,526	58,249	58,249	40,834	45,400	37,551
Water Supply Infrastructure	35,574	36,721	32,137	25,963	31,124	31,124	40,700	42,200	16,660
Sanitation Infrastructure	30,513	39,862	32,801	47,087	58,317	58,317	15,550	25,300	28,500
Solid Waste Infrastructure	15,517	2,972	3,085	490	595	595	565	4,500	3,840
Rail Infrastructure	-	-	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-
Infrastructure	139,192	118,410	141,626	150,065	160,785	160,785	108,814	120,381	92,551
Community Facilities	11,829	4,140	2,994	6,213	707	707	3,350	-	-
Sport and Recreation Facilities	21,971	5,047	5,268	5,041	3,837	3,837	11,300	16,029	15,183
Community Assets	33,801	9,187	8,261	11,254	4,544	4,544	14,650	16,029	15,183
Heritage Assets	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Operational Buildings	4,581	1,410	2,211	100	1,073	1,073	2,250	1,500	-
Housing	49,598	49,031	26,523	41,890	33,678	33,678	13,129	-	9,000
Other Assets	54,179	50,440	28,734	41,990	34,751	34,751	15,379	1,500	9,000
Biological or Cultivated Assets	-	21	-	-	-	-	700	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	71	71	-	-	-
Intangible Assets	-	-	-	-	71	71	-	-	-
Computer Equipment	5,152	3,240	2,212	4,000	4,575	4,575	3,250	-	-
Furniture and Office Equipment	802	2,910	715	765	745	745	865	-	-
Machinery and Equipment	486	1,363	729	1,335	1,745	1,745	1,225	-	-
Transport Assets	21,189	6,806	7,043	-	4,427	4,427	7,150	-	-
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Mature	-	-	-	-	-	-	-	-	-
Immature	-	-	-	-	-	-	-	-	-
Living Resources	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	254,800	192,377	189,321	209,409	211,644	211,644	152,033	137,910	116,734

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand									
ASSET REGISTER SUMMARY - PPE (WDV)	3,867,498	3,886,411	3,937,199	4,117,991	4,120,226	4,120,226	4,117,318	4,091,490	4,035,150
<i>Roads Infrastructure</i>	1,092,468	1,051,629	1,030,337	919,844	920,284	920,284	875,222	828,508	780,837
<i>Storm water Infrastructure</i>	234,040	249,628	247,788	244,723	245,246	245,246	246,734	237,834	228,757
<i>Electrical Infrastructure</i>	503,933	503,466	533,162	581,070	579,792	579,792	592,983	610,187	618,977
<i>Water Supply Infrastructure</i>	481,783	502,684	512,678	531,445	536,606	536,606	552,256	568,405	557,971
<i>Sanitation Infrastructure</i>	410,765	449,610	468,023	484,553	490,321	490,321	484,370	487,093	491,887
<i>Solid Waste Infrastructure</i>	40,153	40,054	39,805	46,852	46,958	46,958	44,215	45,293	45,676
<i>Rail Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>	-	-	-	-	-	-	-	-	-
Infrastructure	2,763,142	2,797,071	2,831,793	2,808,488	2,819,208	2,819,208	2,795,780	2,777,319	2,724,105
Community Assets	-	-	-	-	-	-	-	-	-
Heritage Assets	130,928	112,126	114,055	112,126	114,055	114,055	114,055	114,055	114,055
Investment properties	127,538	131,248	141,336	138,346	146,836	146,836	150,336	153,836	157,336
Other Assets	720,913	716,717	718,720	933,820	909,451	909,451	922,125	920,917	924,842
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	8,993	8,940	8,687	7,909	7,980	7,980	7,709	7,418	7,108
Computer Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	11,016	12,199	12,260	17,932	18,487	18,487	20,287	17,739	14,937
Machinery and Equipment	8,693	9,932	10,584	5,464	5,874	5,874	5,626	4,005	2,223
Transport Assets	95,597	97,568	99,221	93,432	97,859	97,859	100,294	95,162	89,575
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Living Resources	677	610	542	474	474	474	1,106	1,039	971
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	3,867,498	3,886,411	3,937,199	4,117,991	4,120,226	4,120,226	4,117,318	4,091,490	4,035,150
EXPENDITURE OTHER ITEMS									
Depreciation	138,195	147,004	148,321	149,087	149,087	149,087	158,373	167,170	176,506
Repairs and Maintenance by Asset Class	211,518	245,386	249,505	293,296	300,793	300,793	295,474	316,378	331,260
<i>Roads Infrastructure</i>	67,439	64,340	54,418	75,266	80,631	80,631	78,469	92,481	98,202
<i>Storm water Infrastructure</i>	5,584	6,870	6,157	6,469	6,265	6,265	6,361	6,573	6,943
<i>Electrical Infrastructure</i>	31,045	30,721	35,380	41,404	41,590	41,590	40,144	42,117	45,114
<i>Water Supply Infrastructure</i>	21,046	21,088	20,432	23,527	21,800	21,800	24,954	26,031	27,625
<i>Sanitation Infrastructure</i>	12,980	11,710	12,634	13,718	14,008	14,008	14,322	14,738	15,395
<i>Solid Waste Infrastructure</i>	2,535	6,351	8,650	7,697	8,432	8,432	8,620	9,081	9,717
<i>Rail Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>	110	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>	1	-	-	-	-	-	-	-	-
Infrastructure	140,742	141,079	137,671	168,080	172,726	172,726	172,870	191,021	202,996
Community Facilities	37,364	37,455	40,568	47,427	48,358	48,358	49,396	52,852	55,009
Sport and Recreation Facilities	7,007	12,921	12,919	14,649	14,295	14,295	17,042	19,622	17,192
Community Assets	44,371	50,376	53,486	62,076	62,653	62,653	66,438	72,474	72,201
Heritage Assets	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Operational Buildings	2,136	15,056	16,833	18,438	14,949	14,949	13,758	8,069	8,381
Housing	1	-	-	-	-	-	-	-	-
Other Assets	2,137	15,056	16,833	18,438	14,949	14,949	13,758	8,069	8,381
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	5,672	5,915	6,829	8,331	8,073	8,073	8,967	9,720	10,707
Intangible Assets	5,672	5,915	6,829	8,331	8,073	8,073	8,967	9,720	10,707
Computer Equipment	1,947	2,490	2,157	2,423	2,423	2,423	2,566	2,717	2,878
Furniture and Office Equipment	1,128	5,004	8,206	11,697	13,872	13,872	7,747	7,935	8,389
Machinery and Equipment	-	4,059	4,163	6,036	7,656	7,656	5,983	6,310	6,530
Transport Assets	15,521	21,406	20,160	16,214	18,441	18,441	17,145	18,132	19,178
Libraries	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Mature	-	-	-	-	-	-	-	-	-
Immature	-	-	-	-	-	-	-	-	-
Living Resources	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS	349,713	392,390	397,826	442,382	449,880	449,880	453,848	483,548	507,767
Renewal and upgrading of Existing Assets as % of total capital expenditure	21.7%	37.8%	29.9%	32.9%	38.3%	38.3%	28.4%	58.0%	56.4%
Renewal and upgrading of Existing Assets as % of depreciation	40.0%	49.4%	38.1%	46.3%	54.4%	54.4%	27.3%	47.9%	37.3%
R&M as a % of PPE & Investment Property	5.5%	6.4%	6.4%	7.1%	7.3%	7.3%	7.2%	7.7%	8.2%
Renewal and upgrading and R&M as a % of PPE and Investment Property	7.0%	8.3%	7.8%	8.9%	9.4%	9.4%	8.3%	9.7%	9.9%

Explanatory notes to Table A9 - Asset Management

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

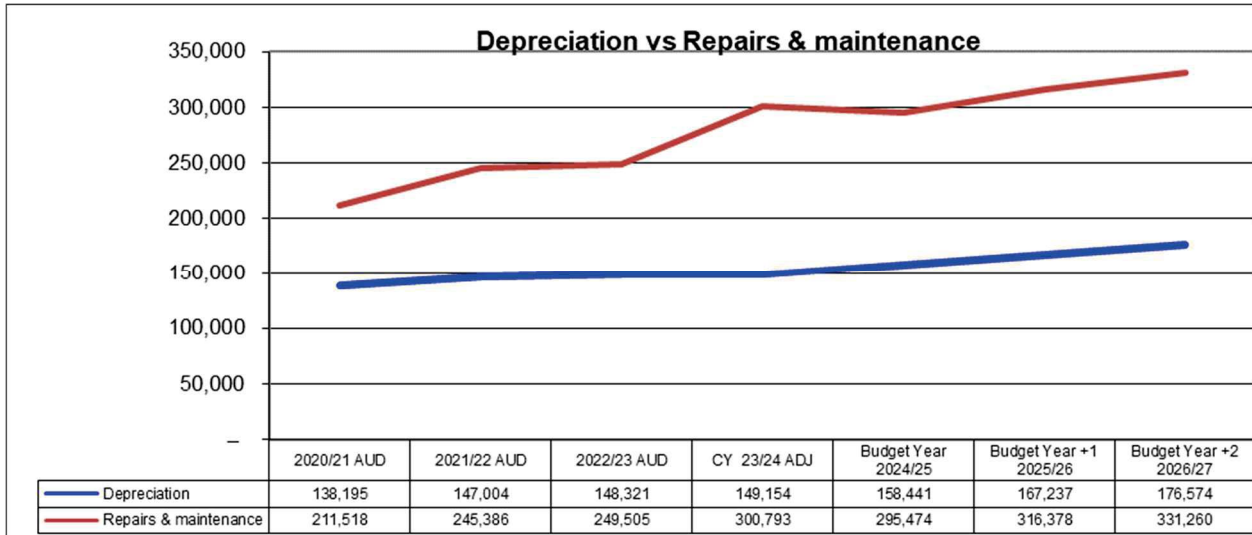


Figure 4 Depreciation in relation to repairs and maintenance over the MTREF

Table 26 MBRR Table A10 - Basic Service Delivery Measurement

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Household service targets									
Water:									
Piped water inside dwelling	30,111	30,990	31,829	31,324	31,324	31,324	32,466	33,115	33,777
Piped water inside yard (but not in dwelling)	-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	3,775	3,536	3,242	3,242	3,242	3,242	3,536	4,650	4,900
Other water supply (at least min.service level)	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	33,886	34,526	35,071	34,566	34,566	34,566	36,002	37,765	38,677
Using public tap (< min.service level)	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
No water supply	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Total number of households	33,886	34,526	35,071	34,566	34,566	34,566	36,002	37,765	38,677
Sanitation/sewerage:									
Flush toilet (connected to sewerage)	30,420	31,394	32,323	31,646	31,646	31,646	32,969	33,629	34,301
Flush toilet (with septic tank)	-	-	-	-	-	-	-	-	-
Chemical toilet	-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)	-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	30,420	31,394	32,323	31,646	31,646	31,646	32,969	33,629	34,301
Bucket toilet	-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)	3,779	3,536	3,242	3,242	3,242	3,242	3,536	4,650	4,900
No toilet provisions	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	3,779	3,536	3,242	3,242	3,242	3,242	3,536	4,650	4,900
Total number of households	34,199	34,930	35,565	34,888	34,888	34,888	36,505	38,279	39,201
Energy:									
Electricity (at least min.service level)	5,826	5,618	5,502	5,415	5,415	5,415	5,278	5,141	5,004
Electricity - prepaid (min.service level)	20,146	20,821	21,854	22,382	22,382	22,382	23,127	23,872	24,617
<i>Minimum Service Level and Above sub-total</i>	25,972	26,439	27,356	27,797	27,797	27,797	28,405	29,013	29,621
Electricity (< min.service level)	-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
Other energy sources	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Total number of households	25,972	26,439	27,356	27,797	27,797	27,797	28,405	29,013	29,621
Refuse:									
Removed at least once a week	33,895	34,819	35,601	35,261	35,261	35,261	36,313	37,039	37,780
<i>Minimum Service Level and Above sub-total</i>	33,895	34,819	35,601	35,261	35,261	35,261	36,313	37,039	37,780
Removed less frequently than once a week	-	-	-	-	-	-	-	-	-
Using communal refuse dump	-	-	-	-	-	-	-	-	-
Using own refuse dump	-	-	-	-	-	-	-	-	-
Other rubbish disposal	-	-	-	-	-	-	-	-	-
No rubbish disposal	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Total number of households	33,895	34,819	35,601	35,261	35,261	35,261	36,313	37,039	37,780
Households receiving Free Basic Service									
Water (6 kilolitres per household per month)	7,595	7,278	7,400	7,400	7,400	7,400	4,800	4,800	4,800
Sanitation (free minimum level service)	7,595	7,278	7,400	7,400	7,400	7,400	4,800	4,800	4,800
Electricity/other energy (50kwh per household per month)	7,595	7,278	7,400	7,400	7,400	7,400	4,800	4,800	4,800
Refuse (removed at least once a week)	7,595	7,278	7,400	7,400	7,400	7,400	4,800	4,800	4,800
Informal Settlements	-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Formal Settlements (R'000)									
Water (6 kilolitres per indigent household per month)	3,062	3,065	3,214	3,214	5,224	3,432	5,907	6,261	6,637
Sanitation (free sanitation service to indigent households)	5,244	5,253	9,132	9,132	6,729	9,814	7,330	7,770	8,236
Electricity/other energy (50kwh per indigent household per month)	5,416	5,513	4,832	7,509	7,509	7,509	8,077	8,562	9,076
Refuse (removed once a week for indigent households)	16,906	16,929	17,933	17,933	14,861	19,152	14,577	15,452	16,379
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)	-	-	-	-	-	-	-	-	-
Total cost of FBS provided	30,628	30,760	35,111	37,788	34,324	39,907	35,892	38,045	40,328
Highest level of free service provided per household									
Property rates (R value threshold)	220,000	220,000	-	-	-	-	-	-	-
Water (kilolitres per household per month)	6	6	6	10	10	10	10	10	10
Sanitation (kilolitres per household per month)	4	4	4	7	7	7	7	7	7
Sanitation (Rand per household per month)	127	132	138	148	148	148	161	171	181
Electricity (kwh per household per month)	50	50	50	50	50	50	70	70	70
Refuse (average litres per week)	210	210	210	210	210	210	210	210	210
Revenue cost of subsidised services provided (R'000)									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)	-	-	-	-	-	-	-	-	-
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA	-	-	-	-	-	-	75,796	80,344	85,164
Water (in excess of 6 kilolitres per indigent household per month)	-	-	-	-	-	-	3,412	3,617	3,834
Sanitation (in excess of free sanitation service to indigent households)	-	-	-	-	-	-	2,932	3,108	3,294
Electricity/other energy (in excess of 50 kwh per indigent household per month)	-	-	-	-	-	-	2,308	2,446	2,593
Refuse (in excess of one removal a week for indigent households)	-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates	-	-	-	-	-	-	-	-	-
Housing - top structure subsidies	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total revenue cost of subsidised services provided	-	-	-	-	-	-	84,448	89,515	94,886

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

Explanatory notes to Table A10 - Basic Service Delivery Measurement

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.
2. Good progress is being made with the eradication of current services backlogs. Housing remains a challenge.
 - a. Electricity services – the current backlog has provisionally been eliminated.
3. The budget provides for 4 800 households to be registered as indigent in 2024/25, and therefore entitled to receiving Free Basic Services. The number is set to increase over the MTREF, especially by poor people seeking economic opportunities.
4. It is anticipated that the cost of these Free Basic Services will amount to R77.07m in 2024/25. This is covered by the municipality's equitable share allocation from national government.
5. In addition to the Free Basic Services, other rates rebates also apply to households.

Part 2 – Supporting Documentation

2.1 Overview of the annual budget process

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

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

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

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

2.1.1 Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2023) a time schedule that sets out the process to prepare the IDP and prepare the budget.

The Mayor tabled in Council the required IDP and budget time schedule on 30 August 2023. Key dates applicable to the process are as follows:

- **August 2023** – Budget Office submits current 3-year Capital Budget to the Strategic Office.
- **11-15 September 2023** - Ward committees met to review and reprioritise their ward priorities for 2024/25
- **30 October 2023** - Top management meeting to discuss budget proposals and affordability
- **01 November 2022** – Budget Initiation Meeting;
- **13 - 17 November 2023** - Public ward feedback meetings- ward committees obtained public input on their reviewed ward priorities for 2024/25.
- **November/December 2023** – Various Budget Steering Committee and Management meetings relating to draft Capex and Opex budgets;
- **November 2023**– Submission of tariff proposals;
- **November 2023/February 2024**– Review of all budget related policies;
- **December 2023** – Mid-year review by the BSC of the 2023/24 progress and review of 2024/2027 draft operational expenditure including financial forecasting and scenario considerations;
- **January/February 2024** – Tariff finalisation, consider budget related policies changes and overview of draft 2024/25 Capex & Opex;
- **January 2024**- Council considered the 2023/24 Mid-year Review;
- **January 2024** – Finalisation of adjustments budget;
- **February/March 2024** – Final tariffs and adjustments budget review;
- **February/March 2024** – BSC review/finalises draft Capex/Opex;
- **26 March 2024** – Budget office finalises budget report;

- **27 March 2024** - Tabling in Council of the draft 2024/25 IDP, SDBIP and 2024/25 MTREF for public consultation;
- **03 April 2024 – 03 May 2024** – Draft Budget available to the public and any other stakeholders for perusal and the submission of comments and representations;
- **03 May 2024** - Closing date for written comments;
- **09 May 2024** – BSC considered all comments received and amendments to the Draft Budget;
- **10-22 May 2024** – Finalisation of the 2024/25 IDP and 2024/25 MTREF, taking into consideration comments received from the public, comments from NT & PT and updated information from the most recent DoRA and financial framework;
- **10-22 May 2024** – Budget Office compiles final report and schedules and final review of budget report and schedules ;
- **27 May 2024** – Final budget distribution; and
- **31 May 2024** - Tabling of the 2024/25 MTREF in Council for consideration and approval.

2.1.2 IDP and Service Delivery and Budget Implementation Plan

For the 2024/25 IDP review the strategic direction (Vision, Mission, Mayor’s 3 C’s and Strategic objectives) of the current 5-year amended Integrated Development Plan (IDP) remains unchanged.

The 2024/25 Draft IDP reflects the wording Overstrand for all in the Mission statement to read: *“Creation of sustainable communities by delivering optimal services to support economic, social and environmental goals in a politically stable environment as an OVERSTRAND FOR ALL.”*

The Mayor’s 3 C priorities of Communication, Crime Prevention & Law Enforcement and Cost and Ease of doing business with Overstrand support the implementation of the current 5 strategic objectives. The 3 C’s priorities – Communication, Crime Prevention & Law Enforcement and Cost and Ease of doing business with Overstrand has an overarching linkage with the existing programmes.

Funding are allocated in this budget for specific projects in this regard, whilst in other instances, the focus on the Cost and Ease of doing business with Overstrand are reflected in the revision of various tariffs relating to before-mentioned, as well as the envisaged promotion of measures/tariff structures already in place, to create awareness in our communities.

The draft IDP (2024/25) will be tabled on 27 March 2024 and the Final Budget to be considered by Council on 31 May 2024 for adoption. The IDP process followed after approval of the IDP/Budget Time Schedule for the 2024/25 MTREF in August 2023.

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

- Ward committees reviewed and reprioritised their community needs;
- Written inputs from the respective directorates for compilation of the draft amended IDP;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the draft Top Layer SDBIP, and
- The review of the performance management and monitoring processes.

2.1.3 Financial Modelling and Key Planning Drivers

Strategic objectives of the compilation of the 2024/25 MTREF include the undertaking of extensive financial modelling to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2024/25 MTREF:

- Municipality growth
- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate (global risks and trends, inflation, Eskom increases, household debt, migration patterns)
- Performance trends
- The approved 2023/24 adjustments budget and performance against the SDBIP
- Cash Flow Management Strategy
- Debtor payment levels
- Loan and investment possibilities
- The need for tariff increases versus the ability of the community to pay for services;
- Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 126 and 128 was taken into consideration in the planning and prioritisation process.

The municipality has expanded on the implementation of Repairs and Maintenance allocated as projects in terms of the mSCOA version 6.8. These allocations are guided by the respective owner departments.

Emphasis is placed on the Municipal Cost Containment Regulations, 2019 as published in June 2019, and which took effect on 1 July 2019. Cost containment has already been implemented across the organisation over the past four years. The measures as per the Cost Containment Circular in place prior to 2021/22, was incorporated to a large extent in existing policies, prior to the existence of the Overstrand Cost Containment Policy.

2.1.4 Community Consultation on the Draft Budget

The draft 2024/25 MTREF will be tabled in Council on 27 March 2024 and will be made available to the community as follows:

Copies of the document could be viewed:

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

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

The Executive Mayor, also MMC for Finance, other full time Councillors, Municipal Manager and Area Managers, all Directors and officials from the Budget Office and Strategic Planning Office, will engage the community at the Draft IDP Review and Draft Budget 2024/25 Public Consultation process during April 2024, to present the draft budget for engagement with the public. These

engagements will be arranged, and the dates, times and other information will be published through the media in the different administrative areas.

The public will have the opportunity to comment, in writing, on Overstrand Municipality's Draft Amended Integrated Development Plan (IDP) for 2024/25 and the Draft Budget for 2024/25 until 03 May 2024.

2.2 Overview of alignment of annual budget with IDP

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

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

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

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2024/25 MTREF and further planning refinements that have directly informed the compilation of the budget:

Table 27 IDP Strategic Objectives

2024/25 MTREF
The provision of democratic, accountable and ethical governance
The provision and maintenance of municipal services
The encouragement of structured community participation in the matters of the municipality
The creation and maintenance of a safe and healthy environment
The promotion of tourism, economic and social development

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

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

SO1 The provision of democratic, accountable and ethical governance

- 1.a Effective co-operative government within the Constitutional Mandate
- 1.b Effective communication and community development
- 1.c Sound municipal administration/ Institutional development
- 1.d Effective Financial Management

SO 2 The provision and maintenance of Municipal Services

- 2.a Effective development of Municipal Infrastructure
- 2.b Promote proactive maintenance of Municipal infrastructure
- 2.c Promote the development, maintenance and management of Public Launching Sites
- 2.d. Street and Storm water maintenance
- 2.e. Replacement of deteriorating fleet items

SO 3 The encouragement of structured community participation in the matters of the municipality

- 3.a Enhance the involvement of Ward Committees in public participation
- 3.b Enhance customer care

SO 4 The creation and maintenance of a safe and healthy environment

- 4.a Enhancement of road safety (Traffic Services)
- 4.b Law enforcement
- 4.c Enhancement of Fire & Disaster Management
- 4.d Environmental Management

SO 5 The promotion of tourism, economic and social development

- 5.a. Development of integrated Human Settlements
- 5.b Spatial Planning
- 5.c Local Economic Development and Tourism
- 5.d. Social development in a municipal context
- 5.e Enhance Sport, Recreation and Culture

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

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

- Developing dormant areas;
- Enforcing hard development lines – so as to direct private investment;
- Maintaining existing urban areas;
- Strengthening key economic clusters;
- Building social cohesion;
- Strong developmental initiatives in relation to the municipal institution as a whole; and
- Sound financial fundamentals.
- Strengthening the analysis and strategic planning processes of the Municipality;
- Initiating zonal planning processes that involve the communities in the analysis and planning processes. More emphasis was placed on area-based interventions, within the overall holistic framework;
- Ensuring better coordination through a programmatic approach and attempting to focus the budgeting process through planning interventions; and
- Strengthening performance management and monitoring systems in ensuring the objectives and deliverables are achieved.

The 2024/25 MTREF is informed by the IDP and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

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

R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
The provision of democratic, accountable and ethical governance	Good Governance	1	366,679	393,791	462,846	460,614	497,521	497,521	527,064	553,214	584,008
The provision and maintenance of municipal services	Basic Service Delivery	2	847,454	936,098	1,002,939	1,072,360	1,083,135	1,083,135	1,160,336	1,215,175	1,273,995
The encouragement of structured community participation in the matters of the municipality	Good Governance	3									
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4	53,573	73,510	100,266	63,749	87,317	87,317	95,510	103,232	104,543
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5	87,926	115,685	116,248	134,147	161,236	161,236	111,950	61,969	38,206
Allocations to other priorities											
Total Revenue (excluding capital transfers and contributions)			1,355,632	1,519,084	1,682,299	1,730,869	1,829,209	1,829,209	1,894,859	1,933,590	2,000,753

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

R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
The provision of democratic, accountable and ethical governance	Good Governance	1	259,035	297,676	278,657	333,851	335,380	335,380	357,373	377,670	401,413
The provision and maintenance of municipal services	Basic Service Delivery	2	696,761	767,390	810,879	895,516	930,663	930,663	1,002,626	1,092,563	1,188,639
The encouragement of structured community participation in the matters of the municipality	Good Governance	3	497	374	393	729	729	729	758	796	836
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4	105,254	120,278	140,768	165,322	200,639	200,639	186,100	154,570	119,678
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5	260,263	312,976	340,304	346,794	380,948	380,948	397,390	417,385	440,595
Allocations to other priorities											
Total Expenditure			1,321,810	1,498,694	1,571,001	1,742,212	1,848,360	1,848,360	1,944,247	2,042,985	2,151,161

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

R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
The provision of democratic, accountable and ethical governance	Good Governance	1	7,054	3,761	2,228	9,075	5,162	5,162	3,040		
The provision and maintenance of municipal services	Basic Service Delivery	2	121,565	113,677	125,737	145,425	158,332	158,332	115,102	118,900	86,551
The encouragement of structured community participation in the matters of the municipality	Good Governance	3							450		
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4	47,383	14,504	12,215	7,271	8,647	8,647	17,035	16,029	15,183
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5	78,798	60,435	49,141	47,638	39,503	39,503	16,406	2,981	15,000
Allocations to other priorities											
Total Capital Expenditure			254,800	192,377	189,321	209,409	211,644	211,644	152,033	137,910	116,734

2.3 Measurable performance objectives and indicators

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

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

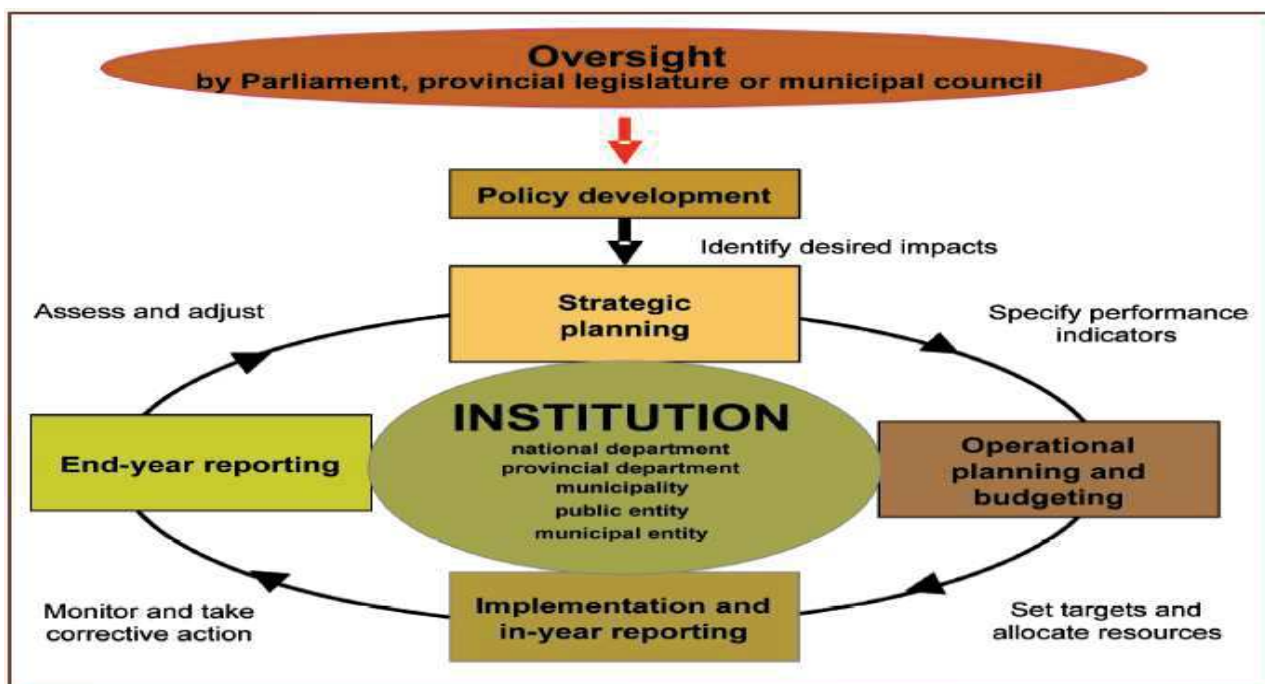


Figure 5 Planning, budgeting and reporting cycle

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

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

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

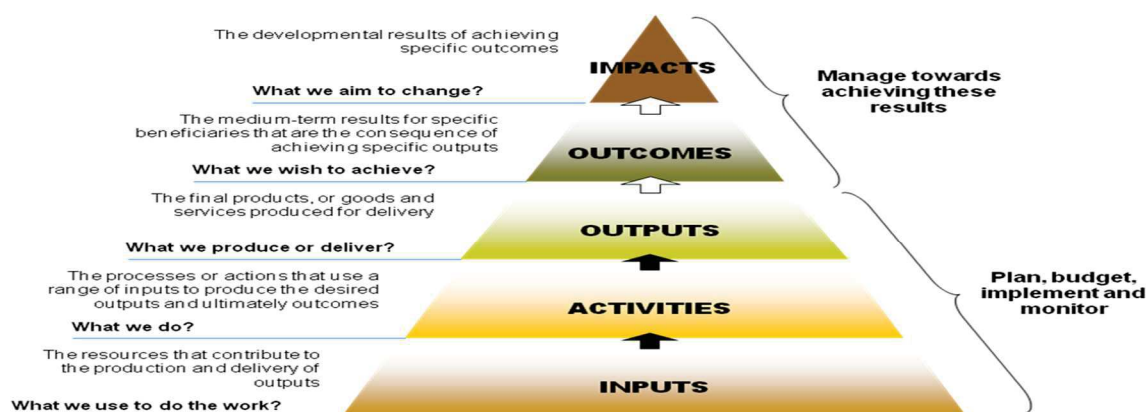


Figure 6 Definition of performance information concepts

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

Table 31 MBRR Table SA7 - Measurable performance objectives

Description	Unit of measurement	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Council and Municipal Municipal										
Office of the Municipal Manager										
Municipal Manager										
Submit four progress reports on the revision of the top 10 risks as a corrective action to the Top Management Team (1 previous financial year & 3 current financial year)	Number of progress reports submitted	4	4	3	4	4	4	4	4	4
Sign section 56 performance agreements with all directors by the end of July 2024	Number of agreements signed	6	6	6	5	5	5	5	6	6
Monitor the implementation of the action plan developed to address all the issues raised in the management letter of the Auditor General and submit three progress reports to Executive Mayor	Number of progress reports monitored and submitted to Executive Mayor	7	4	3	4	4	4	4	4	4
Bi-annual formal performance appraisals of the section 56 appointees for the previous financial period April to June 2024 to be completed by Sept 2024 and the current period October to December 2024 to be completed by February 2025	Number of appraisals	12	12	11	10	10	10	10	12	12
Draft the annual report and submit to the Auditor-General by end August 2024	Draft Annual Report submitted	1	1	1	1	1	1	1	1	1
Percentage of a municipality's capital budget actually spent on capital projects identified for the financial year in terms of the municipality's IDP (Actual amount spent on projects as identified for the year in the IDP/Total amount budgeted on capital projects)x100) (MPPMR Reg 10 (c))	% of the capital budget spent	90.90%	80.90%	89.21%	95%	95%	95%	95%	95%	95%
Ward committee meetings held to facilitate consistent and regular communication with residents	No of ward committee meetings per ward per annum	79	83	112	56	56	56	56	56	56
Corporate Services										
Director: Corporate Services										
Human Resources										
92% of the approved and funded organogram filled ((actual number of posts filled divided by the funded posts budgeted) x100)	% filled	92.1%	91.4%	91%	92%	92%	92%	92%	92%	92%
The percentage of a municipality's budget (training budget) actually spent on implementing its workplace skills plan (MPPMR Reg 10 (f))	% of the training budget spent on implementation of the WSP	100%	99.6%	99.99%	100%	100%	100%	100%	100%	100%
The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan (MPPMR Reg 10 (e))	The number of people from EE target groups employed	71	70	69	75	75	75	75	75	75
Community Services										
Director: Community Services										
Operational Conditional Grant										
100% of the operational conditional grant (Libraries, CDW) spent (Actual expenditure divided by the total grant received)	% of total conditional operational grants spent (Libraries, CDW)	100%	100%	100%	100%	100%	100%	100%	100%	100%
Refuse removal										
Provision of refuse removal, refuse dumps and solid waste disposal to all informal households at least once a week (MPPMR Reg 10 (a))	Number of formal households for which refuse is removed at least once a week	33895	34819	35601	35261	35261	35261	36313	37039	37780
Provision of refuse removal, refuse dumps and solid waste disposal to all informal households at least once a week (MPPMR Reg 10 (a))	Number of weekly removal of refuse in informal households (once per week = 52 weeks per annum)	52	52	52	52	52	52	52	52	52

Description	Unit of measurement	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Infrastructure Services										
Chief Engineer: Infrastructure Services										
Roads maintenance										
m ² of roads patched and resealed according to approved Pavement Management System within available budget	m ² of roads patched and resealed	105067	94665	77662	110000	110000	110000	110000	110000	110000
Water treatment										
Quality of effluent comply 75% with license and/or general limit in terms of the Water Act (Act 36 of 1998)	% compliance	79.6%	80.08%	75.54%	75.0%	75.0%	75.0%	75%	75%	75%
Quality of potable water comply 95% with SANS 241	% compliance with SANS 241	98.83%	97.83%	96.99%	95.0%	95.0%	95.0%	95%	95%	95%
Limit unaccounted water to less than 26% ((Number of kiloliter water purified - Number of kiloliter water sold)/Number of kiloliter purified x 100)	% of water unaccounted for	28.3%	24.04%	24.48%	25%	25%	25%	25%	25%	25%
Report on the implementation of the Water Service Development plan annually by the end of October	Report submitted	1	1	1	1	1	1	1	1	1
Electricity										
Limit electricity losses to 7.5% or less ((Number of Electricity Units Purchased - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated) x 100)	% of electricity unaccounted for	7.35%	7.20%	6.42%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
Provision of Electricity: Number of metered electrical connections in formal areas (Eskom Areas excluded) (Definition: Refers to residential households (RE) and pensioners (PR) as per Finance departments billed households) (MPPMR Reg 10 (a))	Number of formal households that meet agreed service standards	21914	22475	23163	22500	22500	22500	22500	22500	22500
MIG										
100% of the Municipal Infrastructure Grant (MIG) spent by 30 June 2025 (Actual MIG expenditure/Allocation received)	% Expenditure of allocated funds	100%	100%	100%	100%	100%	100%	100%	100%	100%
Water provision										
Provision of cleaned piped water to all formal households within 200 m from households (MPPMR Reg 10 (a))	No of formal households that meet agreed service standards for piped water	30111	30990	31829	31324	31324	31324	32466	33115	33777
Provision of water to informal households (excluding invaded state owned land and private land) based on the standard of 1 water point to 25 households (MPPMR Reg 10 (a))	The number of taps installed in relation to the number of informal households (excluding invaded state owned land and private land)	341	464	658	328	328	328	262	262	262
Provision of water to informal households on invaded land with available funding	The number of taps installed for informal households on invaded land with available funding	80	82	99	80	80	80	80	80	80
("Land Invasion" refers to the illegal occupation of land, with the intention of establishing dwellings / a settlement upon it. An invasion may be by one individual or by hundreds of households).										
Sanitation provision										
Provision of sanitation services to formal residential households (A household is a residential unit being billed for the particular services rendered by way of the financial system (SAMRAS))	No of formal residential households which are billed for sewerage in accordance to the SAMRAS financial system	30420	31394	32323	31646	31646	31646	32969	33629	34301
The provision of sanitation services to informal households (excluding invaded state owned land and private land) based on the standard of 1 toilette to 5 households (MPPMR Reg 10 (a))	The number of toilets provided in relation to the number of informal households (excluding invaded state owned land and private land)	934	983	1107	785	785	785	785	785	785
The provision of sanitation services to informal households on invaded land with available funding	The number of toilets provided for informal households on invaded land with available funding	139	143	171	105	105	105	105	105	105
("Land Invasion" refers to the illegal occupation of land, with the intention of establishing dwellings / a settlement upon it. An invasion may be by one individual or by hundreds of households).										

Description	Unit of measurement	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Municipal Public Safety										
Director: Municipal Public Safety										
Municipal Public Safety										
Annually arrange public awareness sessions on Protection Services by 30 June		103	123	132	120	120	120	130	130	130
Collect R20 000 000 Public Safety Income by 30 June (Actual revenue, excluding the fine impairment amount)	Number of sessions held R-value of public safety collected income (excluding fines impairment amount)	19,716,064	15,882,634	17,614,623	25,000,000	25,000,000	25,000,000	20,000,000	20,000,000	20,000,000
Review Community Safety Plan in three year cycle by end of June 2025 in conjunction with the Department of Community Safety	Plan reviewed	0	1	0	0	0	0	1	0	0
Disaster and Fire Management										
Annually review and submit draft Disaster Management Plan to Council by the end of March	Reviewed plan submitted	1	1	1	1	1	1	1	1	1
Financial Services										
Chief Financial Officer (CFO)										
Finance										
Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure) (MPPMR Reg 10 (g))	Ratio achieved	6.27	5.73	5.7	4.6	4.6	4.6	4.6	4.6	4.6
Financial viability measured in terms of the municipality's ability to meet it's service debt obligations ((Total operating revenue-operating grants received)/debt service payments due within the year) (MPPMR Reg 10 (g))	Ratio achieved	23.56%	27.78%	28.63%	16.0%	16.0%	16.0%	16.0%	16.0%	16.0%
Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors' revenue received for services) (MPPMR Reg 10 (g))	% achieved	11.37%	11.39%	13.6%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%
Submit a reviewed long term financial plan to the CFO by the end of October 2024	Reviewed long term financial plan submitted	1	1	1	1	1	1	1	1	1
Financial statements submitted to the Auditor General by end August 2023	Financial statements submitted	1	1	1	1	1	1	1	1	1
Provision of free basic electricity, refuse removal, sanitation and water in terms of the equitable share requirements (MPPMR Reg 10 (b))	Number of indigent households	7278	7367	1491	7000	4500	4500	4800	4800	4800
Achieve a debt recovery rate not less than 98% (Receipts/total billed for 12 months period x 100)	% Recovered	100.15%	98.89%	98.96%	98%	98%	98%	98%	98%	98%
Planning and Development										
Director: Planning and Development										
Local Economic Development										
Support 180 SMME's in terms of the SMME Development Programme by 30 June	Number of SMME's supported	172	134	185	180	180	180	180	180	180
EPWP										
The number of job opportunities created through the EPWP programme and as per set targets (business plan as per grant agreement - FTEs, translates to 1079 work opportunities)	Number of temporary jobs created	1238	837	1059	1079	1079	1079	1079	1079	1079

The following table sets out the municipality's main performance objectives and benchmarks for the 2024/25 MTREF.

Table 32 MBRR Table SA8 - Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Borrowing Management										
Credit Rating										
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	14.0%	13.4%	12.7%	11.9%	11.2%	11.2%	10.8%	15.8%	11.1%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	17.9%	16.8%	15.9%	15.5%	14.9%	14.9%	14.2%	21.4%	15.3%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	36.6%	49.5%	86.2%	44.2%	43.5%	43.5%	75.1%	100.0%	100.0%
Safety of Capital										
Gearing	Long Term Borrowing/ Funds & Reserves	13335.9%	13319.7%	13072.6%	13028.5%	13028.5%	13028.5%	10273.6%	11166.3%	11105.0%
Liquidity										
Current Ratio	Current assets/current liabilities	2.5	2.6	2.8	2.0	2.4	2.4	2.0	2.4	2.2
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	2.5	2.6	2.8	2.0	2.4	2.4	2.0	2.4	2.2
Liquidity Ratio	Monetary Assets/Current Liabilities	2.2	2.3	2.5	1.7	2.2	2.2	1.8	2.1	1.9
Revenue Management										
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current Debtors Collection Rate (Cash receipts % of Ratespayer & Other revenue)		121.8%	116.0%	119.9%	118.5%	118.8%	118.8%	121.3%	126.0%	130.1%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	8.7%	8.4%	8.9%	7.4%	7.1%	7.1%	7.1%	2.4%	2.3%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Creditors Management										
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA' s 65(e))	99.6%	98.2%	99.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Creditors to Cash and Investments		12.3%	12.7%	12.2%	19.5%	14.5%	14.5%	15.5%	16.7%	19.1%
Other Indicators										
	Total Volume Losses (kW)	18,855,038	18,502,897	14,272,642	13,227,018	13,227,018	13,227,018	14,834,382	14,734,382	14,634,382
	Total Volume Losses (kW) non technical									
Electricity Distribution Losses (2)	Total Cost of Losses (Rand '000)	17,145,565	19,835,602	16,846,054	13,623,571	13,623,571	13,623,571	20,484,237	20,346,151	20,208,065
	% Volume (units purchased and generated less units sold)/units purchased and generated	7.35%	7.20%	6.43%	6.00%	6.00%	6.00%	6.49%	6.00%	6.00%
Water Volumes :System input	Bulk Purchase Water treatment works Natural sources Total Volume Losses (kℓ)	2,077,312	1,768,177	1,840,996	1,662,086	1,662,086	1,662,086	1,761,812	1,691,812	1,641,812
Water Distribution Losses (2)	Total Cost of Losses (Rand '000)	2,616,008	3,062,156	4,637,635	3,245,885	3,245,885	3,245,885	4,404,529	4,229,529	4,104,529
	% Volume (units purchased and generated less units sold)/units purchased and generated	28.25%	24.04%	24.47%	24.00%	24.00%	24.00%	25.04%	24.75%	24.30%
Employee costs	Employee costs/(Total Revenue - capital revenue)	33.7%	30.7%	31.0%	32.1%	31.7%	31.7%	32.1%	32.3%	33.3%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	34.6%	31.4%	31.8%	32.8%	32.5%	32.5%	32.9%	33.1%	34.1%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	16.3%	16.6%	16.1%	17.5%	17.4%	17.4%	16.2%	16.8%	17.0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	11.4%	11.9%	12.9%	10.1%	11.5%	11.5%	11.6%	11.9%	12.1%
IDP regulation financial viability indicators										
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	11.5	11.0	12.5	13.4	13.4	13.4	7.2	13.6	14.0
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	7.0%	6.7%	7.5%	4.3%	4.2%	4.2%	3.9%	3.9%	3.8%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	5.8	5.4	5.3	3.7	4.8	4.8	4.5	4.4	3.7

2.3.1 Performance indicators and benchmarks

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

National Treasury previously requested information based on the ratios and norms in respect of the 2019/20 and 2020/21 and 2021/22 audit outcomes. This, and information relating to the current financial year (2023/24) and two years of the 2024/25 MTREF has been compiled and is included in Annexure H of this report.

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

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

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

For the 2024/25 financial year 4 800 indigents have been provided for in the budget. In terms of the municipality's indigent policy, registered households are entitled to 10kℓ free water, 70 kWh of electricity on qualifying in terms of the particular Indigent Policy requirements, weekly refuse removal and, where applicable, sewer services which includes sewage output based on 70% of the water consumption and the latest infrastructure levy for water and wastewater. Further subsidies are capped at the full revenue cost of the basic services provided above. Households with a property valuation of R220 000 were phased out and are offered the opportunity to apply for full indigent status from 2022/23.

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

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

2.3.3 Providing clean water and managing wastewater

The Department of Water and Sanitation conducts performance rating of water and sewage treatment works, presenting a Blue Drop or Green Drop award (2014/15 most recent for water and 2022 most recent for sanitation) respectively to potable water treatment works and wastewater treatment works that meet certain criteria of excellence.

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

The following is briefly the challenges facing the municipality:

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

2.4 Overview of budget related-policies

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

2.4.1 Customer Care, Credit Control and Debt Collection Policy

The 2024/25 MTREF has been prepared on the basis of achieving an average debtors' collection rate of 98 per cent on current billings year to date. In addition the collection of debt in excess of 90 days has been prioritised, as well as an incentive for debt older than two years paid, where interest could be waived, subject to a signed agreement for the remainder of the debt.

2.4.2 Asset Management Policy

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

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

2.4.3 Budget Policy

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

2.4.4 Supply Chain Management Policy & Preferential Procurement Policy

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

The municipality approved the Preferential Procurement Policy on 14 December 2022 as a separate policy, effective from 16 January 2023. The policy will also be continually revised to incorporate amending legislation.

2.4.5 Virement Policy

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

2.4.6 Investment, Liquidity & Cash Management Policy

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

2.4.7 Tariff Policy

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

2.4.8 Long term Financial Planning & Implementation Policy

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

2.4.9 Contract Management Policy

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

2.4.10 Pay Day Policy

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

The following policies among others have also been subject to review:

- Property Rates Policy;
- Tariff Policy
- Customer Care, Credit Control, Debt Collection Policy
- Indigent Policy
- Funding and Reserves Policy;
- Borrowing Policy;
- Indigent Policy;
- Travelling & Subsistence;
- Petty Cash
- Special rating Area Policy
- Unauthorised, Irregular and Fruitless & Wasteful Expenditure Policy
- Cost Containment Policy

2.5 Overview of budget assumptions

2.5.1 External factors

Economic and Fiscal Environment - For more than ten years, the South Africa's economy has experienced slow growth. Since 2012, the GDP has averaged just 0.8 per cent annually, further entrenching the country's high rates of unemployment and poverty.

South Africa's economy is predicted to expand at an average rate of 1.6 per cent during the next three years, which signifies marginal improvement over the 1.4 per cent average predicted at the time of the 2023 National MTBPS. The forecast is bolstered by anticipated increases in energy-related fixed investments and a rebound in consumer expenditure as inflation drops.

Power outages and issues with freight train and port operations continue to hinder economic activity and reduce the nation's export potential. Though it may take some time to see development rebound, these sectors are undergoing extensive reforms. High living expenses are putting pressure on household consumption, while limited investment is the result of low confidence and difficult business environment brought on by structural limitations.

2.5.2 General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2024/25 MTREF:

- National Government macro-economic targets;
- The general inflationary outlook and the impact on Municipality's residents and businesses;
- The impact of municipal cost drivers;

- The increase in prices for bulk electricity and fuel;
- The negative impact of loadshedding - loss of income from unserved energy due to loadshedding and impact of loadshedding on WWTW facilities and water purification plants, costs for the use of back-up power (gensets) and additional costs for distribution network maintenance;
- The increase in the cost of remuneration. Employee related costs comprise 30,2 per cent of total operating expenditure in the 2024/25 MTREF and therefore increases above inflation places a disproportionate upward pressure on the expenditure budget.

2.5.3 Interest rates for borrowing and investment of funds

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

2.5.4 Collection rate for revenue services

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

The revenue collection rate is currently expressed as a percentage (95.79%) of annual billings up to February 2024. Before-mentioned is due to the change in the Indigent Policy in phasing out automatic allocation of benefits to households in properties with a value below R220 000, as well as the ongoing slow economic recovery.

2.5.5 Growth or decline in tax base of the municipality

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

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

2.5.6 Salary increases

The South African Local Government Bargaining Council (SALGBC) Salary and Wage Collective Agreement for municipalities for the period 01 July 2021 to 30 June 2024 was signed in 2021 and must be implemented by all municipalities on a national level.

The proposed increase in the salary budget is 5,7%, and notch increases, which average 2% have also been budgeted for in view signing of the multi-year agreement.

2.5.7 Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and in this regard various measures were implemented to align IDPs,

provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

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

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

It is estimated that a spending rate of 99 per cent could be achieved on operating expenditure and 95 per cent on the capital programme for the 2024/25 MTREF.

2.6 Overview of budget funding

2.6.1 Medium-term outlook: operating revenue

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

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

Description	2024/25 Medium Term Revenue & Expenditure Framework		
	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand			
Revenue			
Exchange Revenue			
Service charges - Electricity	636,747	674,952	715,449
Service charges - Water	176,718	187,321	198,560
Service charges - Waste Water Management	118,479	125,588	133,123
Service charges - Waste Management	108,946	115,482	122,411
Sale of Goods and Rendering of Services	102,760	66,165	31,109
Agency services	7,103	7,529	7,981
Interest earned from Receivables	9,400	9,964	10,562
Interest earned from Current and Non Current Assets	47,750	48,705	49,679
Rent on Land	1,889	2,001	2,120
Rental from Fixed Assets	5,676	6,015	6,375
Licence and permits	779	826	875
Operational Revenue	6,921	7,314	7,730
Non-Exchange Revenue			
Property rates	359,440	381,006	403,866
Fines, penalties and forfeits	44,889	44,983	45,083
Licences or permits	2,000	2,120	2,247
Transfer and subsidies - Operational	190,068	199,421	210,978
Interest	2,110	2,237	2,371
Other Gains	7,650	4,050	3,500
Total Revenue (excluding capital transfers and contributions)	1,829,326	1,885,680	1,954,019

The following graph is a breakdown of the operational revenue per main category for the 2024/25 financial year.

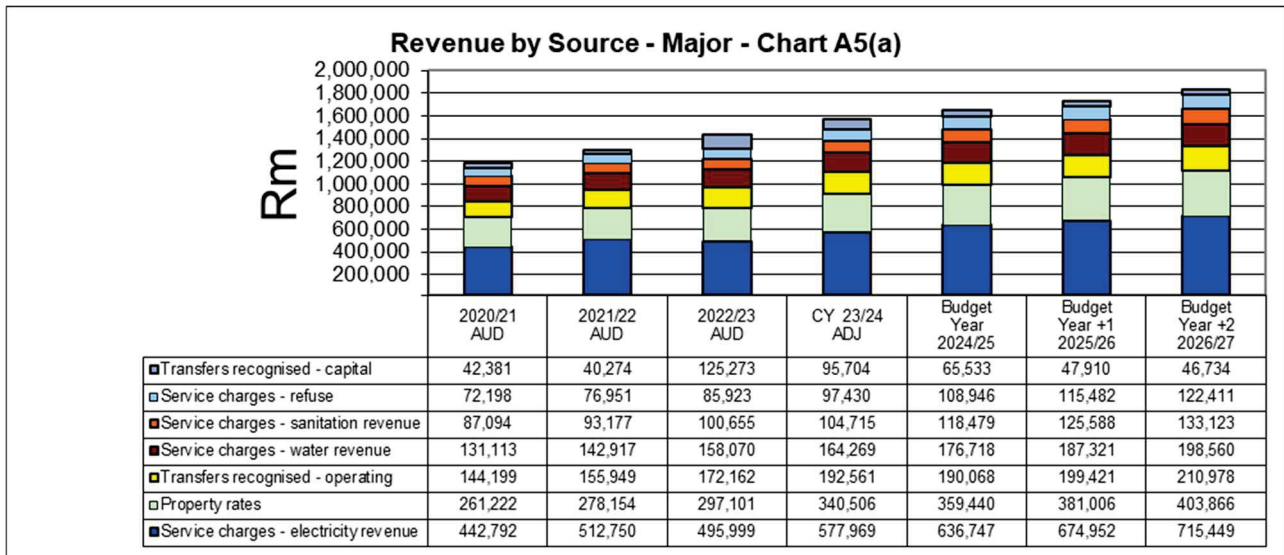


Figure 7 Breakdown of operating revenue over the 2024/25 MTREF

The following grants have been published in the DORA:

DORA & PROVINCIAL ALLOCATIONS			
	2024/2025 MTREF		
	2024/2025	2025/2026	2026/2027
NATIONAL			
EQUITABLE SHARE	168,794,000	179,596,000	190,729,000
FMG	1,700,000	1,800,000	1,900,000
EPWP	1,898,000		
MIG	25,165,000	26,220,000	28,183,000
INEP	19,334,000	9,900,000	9,551,000
ENERGY EFFICIENCY & DEMAND-SIDE MANAGEMENT			
WATER INFRASTRUCTURE GRANT	8,000,000	12,000,000	
MUNICIPAL DISASTER RESPONSE GRANT			
	224,891,000	229,516,000	230,363,000
PROVINCIAL			
RESOURCE FUNDING FOR ESTABLISH & SUPPORT OF K9 UNIT	3,772,000	4,100,000	4,220,000
LE REACTION UNIT	4,223,000	4,317,000	4,516,000
HUMAN SETTLEMENTS DEVELOPMENT GRANT	90,110,000	46,719,000	18,500,000
INFORMAL SETTLEMENTS UPGRADING PARTNERSHIP GRANT	7,429,000		1,000,000
ACCELERATION OF HOUSING DELIVERY GRANT			
CONSTRUCTION OF TRANSPORT INFRASTRUCTURE	450,000	500,000	523,000
PROVINCIAL LIBRARY SERVICES GRANT	8,608,000	8,627,000	9,014,000
THUSONG SERVICES CENTRES GRANT		146,000	
COMMUNITY DEVELOPMENT WORKERS	76,000	76,000	76,000
WESTERN CAPE FINANCIAL MANAGEMENT CAPABILITY GRANT	160,000		
TITLE DEEDS RESTORATION GRANT	187,000	49,000	
	115,015,000	64,534,000	37,849,000
	339,906,000	294,050,000	268,212,000

Note 4: INFORMAL SETTLEMENTS UPGRADING PARTNERSHIP GRANT: PROVINCES (BENEFICIARIES)

From the above, the Department plans to spend the following amounts per Municipality

Demarcation Code	Municipality	2024/25 Allocation (R'000)	2024/25 Spend by Department Allocations (R'000)	2024/25 Municipality Allocations (R'000)
METRO	City of Cape Town	112 223	112 223	-
WC032	Overstrand	23 429	16 000	7 429
WC044	George	23 000	13 000	10 000
Total Allocated		158 652	141 223	17 429

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

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

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

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

Table 34 Proposed tariff increases for 2024/25

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework			
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25 % incr.	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Rand/cent										
Monthly Account for Household - 'Middle Income Range'										
Rates and services charges:										
Property rates	258.27	268.67	284.70	182.43	182.43	182.43	8.0%	197.02	206.91	219.33
Electricity: Basic levy	356.20	408.17	438.66	504.46	504.46	504.46	22.0%	615.50	652.43	691.58
Electricity: Consumption	1,862.96	2,134.79	2,294.26	2,638.39	2,638.39	2,638.39	5.9%	2,793.28	2,960.88	3,138.53
Water: Basic levy	142.64	148.35	155.62	165.74	165.74	165.74	6.0%	175.68	186.22	197.39
Water: Consumption	419.04	435.81	449.88	559.86	559.86	559.86	6.0%	593.46	629.07	666.81
Sanitation	427.84	444.89	464.01	497.89	497.89	497.89	9.1%	543.19	575.78	610.33
Refuse removal	193.84	201.59	213.48	228.00	228.00	228.00	11.0%	253.08	268.26	284.36
Other	53.54	53.54	53.54	53.54	53.54	53.54	-	53.54	53.54	53.54
sub-total	3,714.33	4,095.81	4,354.15	4,830.31	4,830.31	4,830.31	8.2%	5,224.75	5,533.09	5,861.87
VAT on Services	518.41	574.07	610.42	697.18	697.18	697.18	8.2%	754.16	798.93	846.38
Total large household bill:	4,232.74	4,669.88	4,964.57	5,527.49	5,527.49	5,527.49	8.2%	5,978.91	6,332.02	6,708.25
% increase/-decrease		10.3%	6.3%	11.3%	-	-		8.2%	5.9%	5.9%

Refer to Annexure C for Tariffs increases

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

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

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

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

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

Table 35 MBRR SA15 – Detail Investment Information

Investment type	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand									
Parent municipality									
Securities - National Government									
Listed Corporate Bonds									
Deposits - Bank	410,241	410,251	410,280	400,000	400,000	400,000	400,000	400,000	400,000
Deposits - Public Investment Commissioners									
Deposits - Corporation for Public Deposits									
Bankers Acceptance Certificates									
Negotiable Certificates of Deposit - Banks									
Guaranteed Endowment Policies (sinking)	54,278	60,512	68,211	77,846	77,846	77,846	84,471	-	-
Repurchase Agreements - Banks									
Municipal Bonds									
Municipality sub-total	464,519	470,763	478,491	477,846	477,846	477,846	484,471	400,000	400,000
Consolidated total:	464,519	470,763	478,491	477,846	477,846	477,846	484,471	400,000	400,000

Table 36 MBRR SA16 – Investment particulars by maturity

Investments by Maturity	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
	Yrs/Months										
Parent municipality											
LIBERTY 15934476	15 Years	Policy	Yes	Variable	Fair Value Adjustment	01/09/2025	23,486,626	1,275,272		1,500,000	26,261,898
LIBERTY 21196964	14 Years	Policy	Yes	Variable	Fair Value Adjustment	30/06/2025	41,558,600	1,539,569		3,120,000	46,218,169
MOMENTUM 3853776	15 Years	Policy	Yes	Variable	Fair Value Adjustment	01/07/2026	4,960,109	45,933		360,000	5,366,042
Deposits - Bank		Bank investments	Yes	Fixed		30/06/2024	410,280,488	43,573,375	-953,853,863	900,000,000	400,000,000
Municipality sub-total							480,285,823		-953,853,863	904,980,000	477,846,109
TOTAL INVESTMENTS AND INTEREST							480,285,823		-953,853,863	904,980,000	477,846,109

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

2.6.2 Medium-term outlook: capital revenue

The following table is a breakdown of the funding composition of the 2023/24 medium-term capital programme:

Table 37 Sources of capital revenue over the MTREF

Vote Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand									
Funded by:									
National Government	35,100	36,688	81,741	54,293	62,555	62,555	52,299	47,910	37,734
Provincial Government	48,390	1,290	5,036	-	33,843	33,843	13,129	-	9,000
District Municipality	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)	-	53,387	26,098	41,890	195	195	105	-	-
Transfers recognised - capital	83,490	91,365	112,876	96,183	96,594	96,594	65,533	47,910	46,734
Public contributions & donations	23,919	-	18,467	-	-	-	-	-	-
Borrowing	45,443	65,237	34,249	95,214	95,821	95,821	65,400	90,000	70,000
Internally generated funds	101,949	35,775	23,730	18,013	19,230	19,230	21,100	-	-
Total Capital Funding	254,800	192,377	189,321	209,409	211,644	211,644	152,033	137,910	116,734

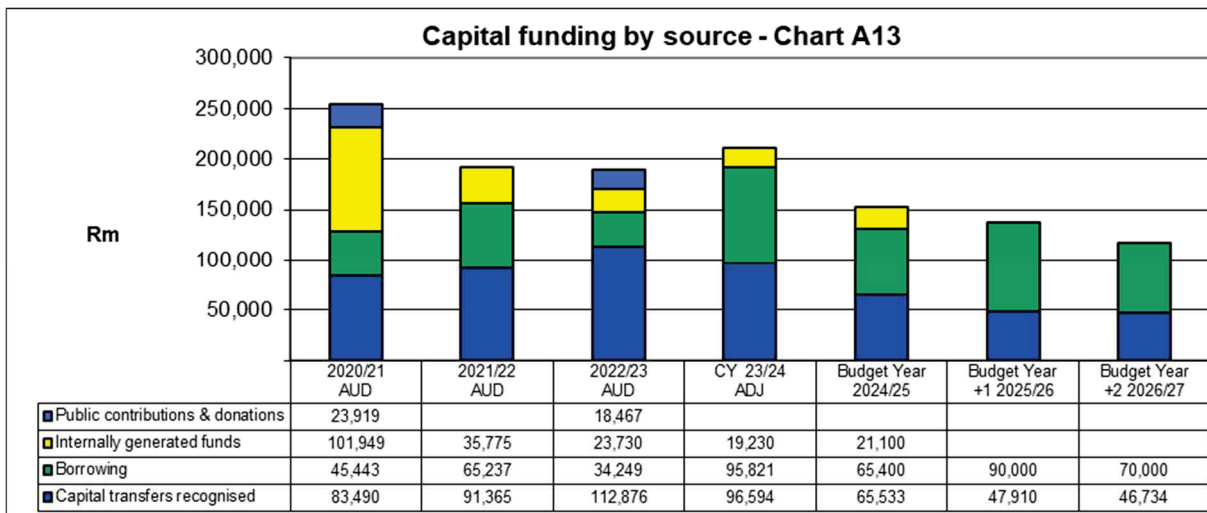


Figure 8 Sources of capital revenue for the 2024/25 financial year

Capital grants and receipts equates to 43,10 per cent of the total funding source which represents R65,5 million for the 2024/25 financial year.

Table 38 MBRR Table SA18 - Capital transfers and grant receipts

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
RECEIPTS:									
Capital Transfers and Grants									
National Government:	27,618	44,754	74,675	54,293	61,755	61,755	52,299	47,910	37,734
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	6,000	18,519	27,331	24,380	23,000	23,000	19,334	9,900	9,551
Municipal Infrastructure Grant [Schedule 5B]	21,618	21,053	23,484	24,913	23,203	23,203	24,965	26,010	28,183
Water Services Infrastructure Grant [Schedule 5B]	-	5,182	23,860	5,000	4,500	4,500	8,000	12,000	-
Municipal Disaster Relief Grant	-	-	-	-	11,053	11,053	-	-	-
Provincial Government:	732	48,419	28,166	41,890	33,708	33,708	13,129	-	9,000
Capacity Building	732	-	-	-	-	-	-	-	-
Municipal Service Delivery & Capacity Building Grant	-	-	1,250	-	-	-	-	-	-
Disaster and Emergency Services	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Human Settlements Dev & Informal Settlement Upgrading Partnership Grant	-	47,819	26,666	41,890	33,678	33,678	13,129	-	9,000
Infrastructure	-	-	-	-	-	-	-	-	-
Library Service Replacement Funding	-	-	-	-	30	30	-	-	-
Municipal Intervention Grant	-	-	250	-	-	-	-	-	-
Sports and Recreation	-	600	-	-	-	-	-	-	-
District Municipality:	-	-	-	-	-	-	-	-	-
All Grants	-	-	-	-	-	-	-	-	-
Other Grant Providers:	-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	28,350	93,173	102,841	96,183	95,463	95,463	65,428	47,910	46,734

Borrowing still remains a significant funding source (one-third) for the own capital programme over the medium-term with an estimated R225 million new borrowing.

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

Table 39 MBRR Table SA17 - Detail of borrowings

Borrowing - Categorized by type R thousand	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Parent municipality									
Annuity and Bullet Loans	330,400	329,906	379,906	321,352	321,352	321,352	231,786	360,616	358,637
Long-Term Loans (non-annuity)	100,000	100,000	100,000	100,000	100,000	100,000	100,000	-	-
Municipality sub-total	430,400	429,906	479,906	421,352	421,352	421,352	331,786	360,616	358,637
Total Borrowing	430,400	429,906	479,906	421,352	421,352	421,352	331,786	360,616	358,637
Unspent Borrowing - Categorized by type									
Parent municipality									
Long-Term Loans (annuity/reducing balance)	44,066	-	22,033	45,214	45,214	45,214	-	-	-
Municipality sub-total	44,066	-	22,033	45,214	45,214	45,214	-	-	-
Total Unspent Borrowing	44,066	-	22,033	45,214	45,214	45,214	-	-	-

Internally generated funds consist of a mixture between surpluses generated on the operating statement of financial performance, cash backed reserves and proceeds on land sales. In determining the credibility of this funding source it becomes necessary to review the cash flow budget as well as the cash backed reserves and accumulated funds reconciliation, as discussed below.

It should be noted that the level of borrowings increases over the MTREF, from R65.4m in 2024/25 to R90m in 2025/26 and R70m in 2026/27.

The following graph illustrates the growth in outstanding borrowing for the 2020/21 to 2026/27 period.

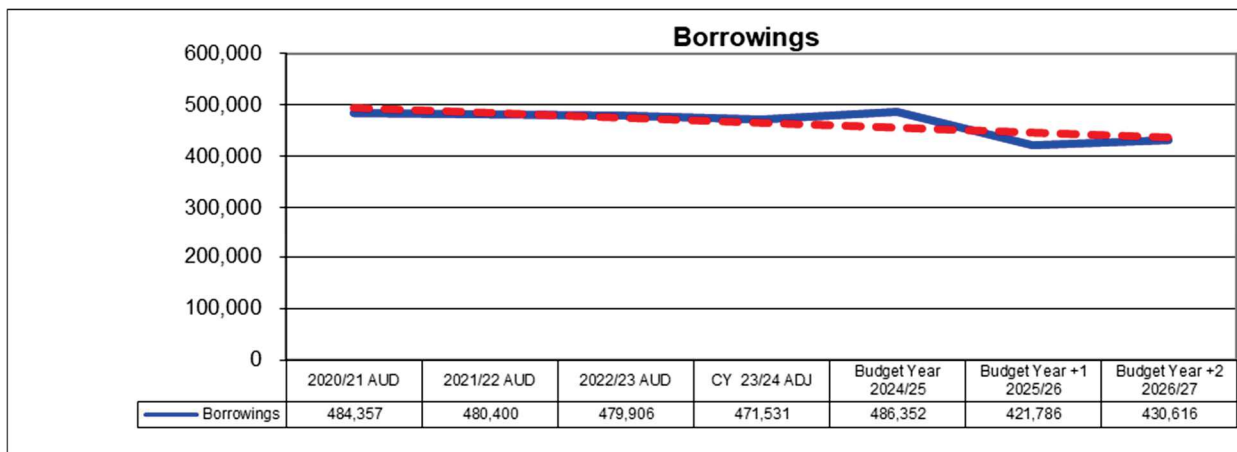


Figure 9 Growth in outstanding borrowing (long-term liabilities)

Cash Flow Management

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

Table 40 MBRR Table A7 - Budgeted cash flow statement

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	262,273	277,452	292,203	335,688	335,688	335,688	355,619	377,527	400,179
Service charges	735,694	813,102	812,299	904,949	933,397	933,397	1,032,048	1,095,854	1,161,604
Other revenue	131,363	88,928	114,267	171,788	162,021	162,021	118,762	89,631	54,616
Transfers and Subsidies - Operational	147,186	145,075	172,032	184,953	192,561	192,561	190,068	199,421	210,978
Transfers and Subsidies - Capital	28,987	96,836	105,269	54,293	96,594	96,594	65,533	47,910	46,734
Interest	34,748	36,128	58,874	41,800	41,800	41,800	47,750	48,705	49,679
Dividends	-	-	-	-	-	-	-	-	-
Payments									
Suppliers and employees	(1,073,734)	(1,199,126)	(1,278,460)	(1,433,760)	(1,447,194)	(1,447,194)	(1,600,224)	(1,686,101)	(1,799,659)
Interest	(48,813)	(47,584)	(48,152)	(49,658)	(49,658)	(49,658)	(49,814)	(51,810)	(46,707)
Transfers and Subsidies	(8,710)	(12,813)	(14,865)	(16,380)	(16,580)	(16,580)	(17,755)	(17,154)	(17,993)
NET CASH FROM/(USED) OPERATING ACTIVITIES	208,994	197,999	213,466	193,672	248,628	248,628	141,987	103,984	59,430
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	1,138	3,813	3,676	-	-	-	-	-	-
Decrease (increase) in non-current receivables	4	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	(4,878)	(4,980)	(4,980)	(4,980)	(4,980)	(4,980)	(4,980)	87,782	-
Payments									
Capital assets	(255,029)	(190,382)	(183,191)	(209,409)	(211,644)	(211,644)	(152,033)	(137,910)	(116,734)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(258,765)	(191,549)	(184,495)	(214,389)	(216,624)	(216,624)	(157,013)	(50,128)	(116,734)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	54,000	50,000	50,000	50,000	50,000	50,000	65,000	90,000	70,000
Increase (decrease) in consumer deposits	1,256	1,064	1,779	22,000	22,000	22,000	(6,600)	(2,000)	(2,000)
Payments									
Repayment of borrowing	(46,576)	(53,957)	(50,494)	(58,245)	(58,245)	(58,245)	(50,605)	(154,566)	(61,170)
NET CASH FROM/(USED) FINANCING ACTIVITIES	8,680	(2,893)	1,285	13,755	13,755	13,755	7,795	(66,566)	6,830
NET INCREASE/ (DECREASE) IN CASH HELD	(41,091)	3,557	30,255	(6,962)	45,759	45,759	(7,231)	(12,710)	(50,473)
Cash/cash equivalents at the year begin:	653,813	612,723	616,280	523,264	646,535	646,535	692,294	685,063	672,353
Cash/cash equivalents at the year end:	612,723	616,280	646,535	516,302	692,294	692,294	685,063	672,353	621,880

The above table shows the cash and cash equivalents of the Municipality from the 2020/21 to 2026/27 financial years. For the 2024/25 MTREF the budget has been prepared to ensure acceptable levels of cash and cash equivalents over the medium-term with cash levels anticipated to slightly decline.

2.6.3 Cash Backed Reserves/Accumulated Surplus Reconciliation

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

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

A surplus would indicate the cash-backed accumulated surplus that is available. A shortfall (applications > cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality’s budget must be ‘funded’ It is also important to analyse trends to understand the consequences. The working capital has to be optimally managed.

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

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand									
Cash and investments available									
Cash/cash equivalents at the year end	612,723	616,280	646,535	516,302	692,294	692,294	685,063	672,353	621,880
Other current investments > 90 days	0	0	(0)	0	0	0	-	-	-
Non current Investments	54,278	60,512	68,211	77,846	77,846	77,846	84,471	-	-
Cash and investments available:	667,001	676,792	714,746	594,148	770,140	770,140	769,534	672,353	621,880
Application of cash and investments									
Trade payables from Non-exchange transactions: Unspent	24,030	26,309	6,206	-	-	-	-	-	-
Unspent borrowing	44,066	-	22,033	45,214	45,214	45,214	-	-	-
Statutory requirements	16,822	12,472	13,604	1,063	1,063	1,063	1,783	2,577	3,441
Other working capital requirements	83,371	80,936	79,908	129,226	136,175	136,175	112,609	119,285	118,915
Other provisions	28,547	13,315	10,070	6,045	6,045	6,045	16,010	19,632	20,393
Long term investments committed	54,278	60,512	68,211	77,846	77,846	77,846	84,471	-	-
Reserves to be backed by cash/investments	3,227	3,228	3,228	3,229	3,229	3,229	3,230	3,230	3,230
Total Application of cash and investments:	254,342	196,772	203,260	262,623	269,572	269,572	218,103	144,723	145,979
Surplus(shortfall)	412,659	480,020	511,486	331,525	500,568	500,568	551,431	527,630	475,901

From the above table it can be seen that the cash and investments total R770.1 million in the 2023/24 financial year and R769.5 million in 2024/25, including the projected cash and cash equivalents as determined in the cash flow forecast. The following is a breakdown of the application of this funding:

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

When considering the funding requirements of section 18 and 19 of the MFMA, it needs to be noted that for all practical purposes the 2024/25 MTREF is funded, from a pure cash flow perspective (cash out flow versus cash inflow) and is therefore credible. The challenge for the Municipality will be to ensure that the underlying planning and cash flow assumptions are meticulously managed, especially the performance against the collection rate.

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

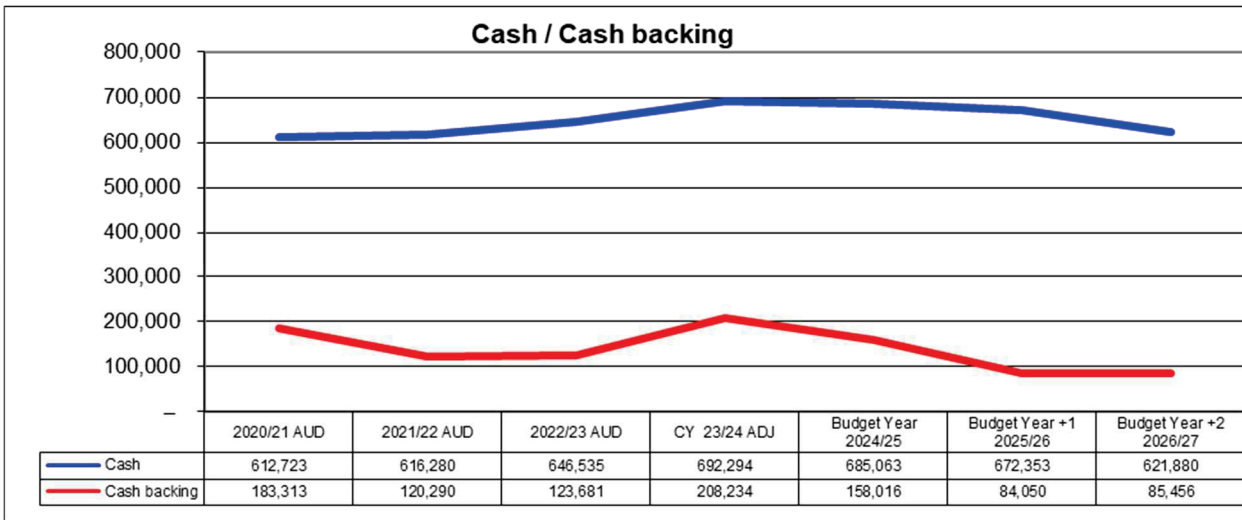


Figure 10 Cash and cash equivalents / Cash backed reserves and accumulated funds

2.6.4 Funding compliance measurement

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

2.7 Expenditure on grants and reconciliations of unspent funds

Table 43 MBRR SA19 - Expenditure on transfers and grant programmes

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
EXPENDITURE:									
Operating expenditure of Transfers and Grants									
National Government:	14,184	5,080	11,665	9,967	11,388	11,388	3,798	2,010	1,900
Operational Revenue:General Revenue:Equitable Share	10,134	-	-	-	-	-	-	-	-
Energy Efficiency and Demand-side [Schedule 5B]	-	-	2,799	4,200	4,401	4,401	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	2,500	2,530	2,593	3,565	3,366	3,366	1,898	-	-
Local Government Financial Management Grant [Schedule 5B]	1,550	1,550	1,550	1,550	1,550	1,550	1,700	1,800	1,900
Municipal Disaster Grant [Schedule 5B]	-	-	-	-	1,419	1,419	-	-	-
Municipal Infrastructure Grant [Schedule 5B]	-	1,000	1,144	652	652	652	200	210	-
Water Services Infrastructure Grant	-	-	3,579	-	-	-	-	-	-
Provincial Government:	33,402	57,002	73,992	87,519	127,526	127,526	101,886	64,534	28,849
Capacity Building	1,597	-	-	-	-	-	-	-	-
Community Library Services Grant	7,651	6,580	8,258	8,399	8,398	8,398	8,608	8,627	9,014
Library Support Grant	-	2,222	-	-	-	-	-	-	-
Thusong Services Centres Grant	-	-	60	-	90	90	-	146	-
Resource funding for the establish & support of K9 Unit	-	3,059	2,420	3,345	3,345	3,345	3,772	4,100	4,220
Municipal Electricity Masterplan Grant	-	1,000	-	-	-	-	-	-	-
Financial Management Capacity Building Grant	-	676	24	-	-	-	-	-	-
Community Development Workers	-	76	75	76	76	76	76	76	76
Municipal Energy Resilience Grant	-	650	-	-	-	-	-	-	-
LG Public Employment Grant	-	1,300	-	-	-	-	-	-	-
Maintenance & Construction of Transport Infrastructure	145	145	140	400	400	400	450	500	523
Financial Management Capability Grant	-	-	450	-	200	200	160	-	-
Municipal Service Delivery & Capacity Building Grant	-	181	121	-	679	679	-	-	-
Municipal Intervention Grant	-	-	200	-	-	-	-	-	-
Resource funding for the est of Law Enforcement Reaction Unit	-	400	4,745	4,065	4,282	4,282	4,223	4,317	4,516
Emergency Municipal Load-shedding relief grant	-	-	2,042	-	4,658	4,658	-	-	-
Human Settlements Dev & Informal Settlement Upgrading Partnership Grant	24,009	40,713	55,457	70,468	104,289	104,289	84,410	46,719	10,500
Title Deeds Restroration Grant	-	-	-	766	766	766	187	49	-
Library Service Replacement Funding	-	-	-	-	342	342	-	-	-
District Municipality:	-	90	35	-	-	-	-	-	-
<i>All Grants</i>	-	90	35	-	-	-	-	-	-
Other Grant Providers:	-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:	47,586	62,172	85,692	97,486	138,914	138,914	105,684	66,544	30,749
Capital expenditure of Transfers and Grants									
National Government:	35,100	36,688	81,741	54,293	61,755	61,755	52,299	47,910	37,734
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	6,000	11,453	34,397	24,380	23,000	23,000	19,334	9,900	9,551
Municipal Infrastructure Grant [Schedule 5B]	29,100	20,053	23,484	24,913	23,203	23,203	24,965	26,010	28,183
Water Services Infrastructure Grant [Schedule 5B]	-	5,182	23,860	5,000	4,500	4,500	8,000	12,000	-
Municipal Disaster Relief Grant	-	-	-	-	11,053	11,053	-	-	-
Provincial Government:	48,390	50,581	31,195	41,890	33,843	33,843	13,129	-	9,000
Capacity Building	-	-	-	-	-	-	-	-	-
Municipal Service Delivery & Capacity Building Grant	-	63	1,194	-	56	56	-	-	-
Human Settlements Dev & Informal Settlement Upgrading Partnership Grant	46,271	49,292	26,098	41,890	33,678	33,678	13,129	-	9,000
Infrastructure	2,119	-	-	-	-	-	-	-	-
Library Service Replacement Funding	-	-	-	-	30	30	-	-	-
Municipal Intervention Grant	-	-	171	-	79	79	-	-	-
Resource funding for the establish & support of K9 Unit	-	603	-	-	-	-	-	-	-
Resource funding for the est of Law Enforcement Reaction Unit	-	624	3,132	-	-	-	-	-	-
Sports and Recreation	-	-	600	-	-	-	-	-	-
District Municipality:	-	-	-	-	-	-	-	-	-
<i>All Grants</i>	-	-	-	-	-	-	-	-	-
Other Grant Providers:	-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants	83,490	87,270	112,936	96,183	95,599	95,599	65,428	47,910	46,734
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	131,076	149,442	198,628	193,669	234,513	234,513	171,112	114,454	77,483

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

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand									
Operating transfers and grants:									
National Government:									
Balance unspent at beginning of the year	-	(6,870)	(4,017)	-	-	-	-	-	-
Current year receipts	(10,920)	(4,080)	15,573	167,902	169,123	169,123	172,592	181,606	192,629
Conditions met - transferred to revenue	4,050	10,627	(15,774)	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities	-	-	323	-	-	-	-	-	-
Closing Balance	(6,870)	(323)	(3,895)	167,902	169,123	169,123	172,592	181,606	192,629
Provincial Government:									
Balance unspent at beginning of the year	(2,814)	(2,235)	(5,552)	-	-	-	-	-	-
Current year receipts	(11,103)	(21,344)	(21,651)	95,126	122,381	122,381	101,886	64,534	28,849
Conditions met - transferred to revenue	10,762	17,578	18,395	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities	920	309	3,663	-	5,346	5,346	-	-	-
Closing Balance	(2,235)	(5,692)	(5,145)	95,126	127,727	127,727	101,886	64,534	28,849
District Municipality:									
Balance unspent at beginning of the year	-	-	-	-	-	-	-	-	-
Current year receipts	-	-	(35)	-	-	-	-	-	-
Conditions met - transferred to revenue	-	-	35	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-	-	-	-
Closing Balance	-	-	-	-	-	-	-	-	-
Other grant providers:									
Balance unspent at beginning of the year	(187)	(187)	(187)	-	-	-	-	-	-
Current year receipts	-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue	-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-	-	-	-
Closing Balance	(187)	(187)	(187)	-	-	-	-	-	-
Total operating transfers and grants revenue	14,812	28,205	2,655	263,028	296,849	296,849	274,478	246,140	221,478
Total operating transfers and grants - CTBM	-	-	-	-	-	-	-	-	-
Capital transfers and grants:									
National Government:									
Balance unspent at beginning of the year	(7,482)	-	(7,066)	-	-	-	-	-	-
Current year receipts	(27,618)	(44,754)	(102,114)	54,293	61,755	61,755	52,299	47,910	37,734
Conditions met - transferred to revenue	35,100	37,688	109,180	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-	-	-	-
Closing Balance	-	(7,066)	-	54,293	61,755	61,755	52,299	47,910	37,734
Provincial Government:									
Balance unspent at beginning of the year	(750)	-	(600)	-	-	-	-	-	-
Current year receipts	-	(600)	(335,231)	41,890	34,598	34,598	13,129	-	9,000
Conditions met - transferred to revenue	750	-	338,562	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities	-	-	(3,300)	-	135	135	-	-	-
Closing Balance	-	(600)	(569)	41,890	34,734	34,734	13,129	-	9,000
District Municipality:									
Balance unspent at beginning of the year	-	-	-	-	-	-	-	-	-
Current year receipts	-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue	-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-	-	-	-
Closing Balance	-	-	-	-	-	-	-	-	-
Other grant providers:									
Balance unspent at beginning of the year	(19,900)	(14,738)	(12,442)	-	-	-	105	-	-
Current year receipts	-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue	5,162	2,296	12,337	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities	-	-	-	-	105	105	-	-	-
Closing Balance	(14,738)	(12,442)	(105)	-	105	105	105	-	-
Total capital transfers and grants revenue	41,012	39,984	460,079	96,183	96,594	96,594	65,533	47,910	46,734
Total capital transfers and grants - CTBM	(14,738)	(20,108)	(674)	96,183	96,594	96,594	65,533	47,910	46,734
TOTAL TRANSFERS AND GRANTS REVENUE	55,824	68,190	462,734	359,211	393,444	393,444	340,011	294,050	268,212
TOTAL TRANSFERS AND GRANTS - CTBM	(14,738)	(20,108)	(674)	96,183	96,594	96,594	65,533	47,910	46,734

2.8 Councillor and employee benefits

Table 45 MBRR SA22 - Summary of councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	10,116	10,454	10,979	11,360	11,744	11,744	12,643	13,219	13,817
Pension and UIF Contributions	-	-	-	-	-	-	-	-	-
Medical Aid Contributions	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	-	-	-	-	-	-	-	-	-
Cellphone Allowance	1,102	1,085	1,336	1,154	1,154	1,154	1,269	1,269	1,269
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	-	-	-	-	-	-	-	-	-
Sub Total - Councillors	11,219	11,538	12,315	12,514	12,898	12,898	13,912	14,488	15,086
Senior Managers of the Municipality									
Basic Salaries and Wages	12,036	12,317	12,034	13,498	13,498	13,498	13,713	14,751	15,544
Pension and UIF Contributions	-	-	-	-	-	-	-	-	-
Medical Aid Contributions	-	-	-	-	-	-	-	-	-
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	139	96	162	101	101	101	167	172	177
Motor Vehicle Allowance	-	-	-	-	-	-	-	-	-
Cellphone Allowance	183	182	179	194	194	194	212	212	212
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	-	-	-	-	-	-	-	-	-
Payments in lieu of leave	-	-	-	-	-	-	-	-	-
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Scarcity	-	-	-	-	-	-	-	-	-
Acting and post related allowance	-	-	-	-	-	-	-	-	-
In kind benefits	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality	12,358	12,595	12,376	13,793	13,793	13,793	14,092	15,135	15,933
Other Municipal Staff									
Basic Salaries and Wages	254,435	266,765	283,550	318,415	325,327	325,327	352,682	365,184	391,173
Pension and UIF Contributions	42,603	45,123	47,755	55,933	56,158	56,158	60,975	63,401	68,163
Medical Aid Contributions	13,951	14,510	15,638	18,074	18,047	18,047	19,643	20,423	21,959
Overtime	30,532	35,197	42,829	33,330	36,195	36,195	35,047	36,765	38,566
Performance Bonus	19,090	20,532	21,761	25,233	25,468	25,468	27,546	28,680	30,830
Motor Vehicle Allowance	8,115	8,136	7,976	8,869	8,939	8,939	8,869	8,869	8,869
Cellphone Allowance	1,967	2,003	1,976	2,299	2,370	2,370	2,373	2,377	2,379
Housing Allowances	2,741	1,707	1,774	1,985	2,006	2,006	2,000	2,001	2,001
Other benefits and allowances	19,489	24,133	29,364	27,863	29,050	29,050	29,900	30,961	32,324
Payments in lieu of leave	-	-	-	-	-	-	-	-	-
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	25,495	16,302	10,362	25,807	25,698	25,698	27,240	28,874	30,606
Entertainment	-	-	-	-	-	-	-	-	-
Scarcity	3,121	3,575	3,796	4,061	4,061	4,061	4,367	4,545	4,894
Acting and post related allowance	2,131	2,074	1,781	2,249	2,279	2,279	2,450	2,550	2,745
In kind benefits	-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff	423,671	440,056	468,563	524,118	535,597	535,597	573,093	594,630	634,510
Total Parent Municipality	447,248	464,190	493,254	550,425	562,288	562,288	601,097	624,253	665,529
TOTAL SALARY, ALLOWANCES & BENEFITS	447,248	464,190	493,254	550,425	562,288	562,288	601,097	624,253	665,529
TOTAL MANAGERS AND STAFF	436,029	452,651	480,939	537,911	549,390	549,390	587,185	609,765	650,443

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

Disclosure of Salaries, Allowances & Benefits 1.	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum			1.				2.
Councillors							
Speaker	1	820,300	–	47,004	–	–	867,304
Chief Whip	–	–	–	–	–	–	–
Executive Mayor	1	1,011,550	–	47,004	–	–	1,058,554
Deputy Executive Mayor	1	808,256	–	47,004	–	–	855,260
Executive Committee	5	3,793,321	–	235,020	–	–	4,028,341
Total for all other councillors	19	6,209,138	–	893,076	–	–	7,102,214
Total Councillors	27	12,642,565	–	1,269,108			13,911,673
Senior Managers of the Municipality							
Municipal Manager (MM)	1	2,216,996	–	47,004	167,307	–	2,431,307
Chief Finance Officer	1	2,108,386	–	25,920	–	–	2,134,306
Corporate Services	1	2,007,837	–	25,920	–	–	2,033,757
Infrastructure services	1	2,099,334	–	28,980	–	–	2,128,314
Public Safety	1	1,925,641	–	28,980	–	–	1,954,621
Planning & Development	1	1,962,271	–	25,920	–	–	1,988,191
Community Services	1	1,392,149	–	28,980	–	–	1,421,129
Total Senior Managers of the Municipality	7	13,712,614	–	211,704	167,307		14,091,625
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	34	26,355,179	–	1,480,812	167,307		28,003,298

Table 47 MBRR SA24 – Summary of personnel numbers

Summary of Personnel Numbers	2022/23			Current Year 2023/24			Budget Year 2024/25		
	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)	27	7	–	27	7	–	27	8	–
Board Members of municipal entities	–	–	–	–	–	–	–	–	–
Municipal employees									
Municipal Manager and Senior Managers	7	7	–	7	6	–	7	6	–
Other Managers	52	49	–	52	47	–	53	47	–
Professionals	30	22	13	30	24	123	30	25	99
Finance	24	17	5	24	19	13	24	21	5
Spatial/town planning	2	2	2	2	2	3	2	2	–
Information Technology	1	1	–	1	1	–	1	1	–
Roads	–	–	–	–	–	–	–	–	–
Electricity	–	–	–	–	–	–	–	–	–
Water	–	–	–	–	–	–	–	–	–
Sanitation	–	–	–	–	–	–	–	–	–
Refuse	–	–	–	–	–	–	–	–	–
Other	3	2	6	3	2	107	3	1	94
Technicians	198	176	3	186	177	4	197	181	6
Finance	–	–	–	–	–	–	–	–	5
Spatial/town planning	11	11	2	11	10	–	11	11	–
Information Technology	6	5	1	6	5	1	6	4	1
Roads	10	10	–	10	10	2	10	10	–
Electricity	30	26	–	30	27	–	30	28	–
Water	21	18	–	21	18	–	20	18	–
Sanitation	2	2	–	2	2	–	1	1	–
Refuse	5	5	–	5	4	–	5	5	–
Other	113	99	–	101	101	1	114	104	–
Clerks (Clerical and administrative)	279	243	–	277	245	–	279	250	–
Service and sales workers	143	125	–	150	129	–	148	128	–
Skilled agricultural and fishery workers	–	–	–	–	–	–	–	–	–
Craft and related trades	–	–	–	–	–	–	–	–	–
Plant and Machine Operators	60	60	–	62	54	–	62	56	–
Elementary Occupations	428	406	–	424	403	–	424	402	–
TOTAL PERSONNEL NUMBERS	1,224	1,095	16	1,215	1,092	127	1,227	1,103	105
% increase				(0.7%)	(0.3%)	693.8%	1.0%	1.0%	(17.3%)
Total municipal employees headcount	1,199	1,095		1,200	1,085		1,200	1,095	
Finance personnel headcount	114	101		114	101		114	103	
Human Resources personnel headcount	22	17		20	17		20	19	

2.9 Monthly targets for revenue, expenditure and cash flow

Table 48 MBRR SA25 - Budgeted monthly revenue and expenditure

Description	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand															
Revenue															
Exchange Revenue															
Service charges - Electricity	53,062	53,062	53,062	53,062	53,062	53,062	53,062	53,062	53,062	53,062	53,062	53,062	636,747	674,952	715,449
Service charges - Water	14,727	14,727	14,727	14,727	14,727	14,727	14,727	14,727	14,727	14,727	14,727	14,727	176,718	187,321	198,560
Service charges - Waste Water Management	9,873	9,873	9,873	9,873	9,873	9,873	9,873	9,873	9,873	9,873	9,873	9,873	118,479	125,588	133,123
Service charges - Waste Management	9,079	9,079	9,079	9,079	9,079	9,079	9,079	9,079	9,079	9,079	9,079	9,079	108,946	115,482	122,411
Sale of Goods and Rendering of Services	8,563	8,563	8,563	8,563	8,563	8,563	8,563	8,563	8,563	8,563	8,563	8,564	102,760	66,165	31,109
Agency services	592	592	592	592	592	592	592	592	592	592	592	592	7,103	7,529	7,981
Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest earned from Receivables	783	783	783	783	783	783	783	783	783	783	783	783	9,400	9,964	10,562
Interest earned from Current and Non Current Assets	3,979	3,979	3,979	3,979	3,979	3,979	3,979	3,979	3,979	3,979	3,979	3,979	47,750	48,705	49,679
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent on Land	157	157	157	157	157	157	157	157	157	157	157	157	1,889	2,001	2,120
Rental from Fixed Assets	473	473	473	473	473	473	473	473	473	473	473	473	5,676	6,015	6,375
Licence and permits	65	65	65	65	65	65	65	65	65	65	65	65	779	826	875
Operational Revenue	577	577	577	577	577	577	577	577	577	577	577	577	6,921	7,314	7,730
Non-Exchange Revenue															
Property rates	29,953	29,953	29,953	29,953	29,953	29,953	29,953	29,953	29,953	29,953	29,953	29,953	359,440	381,006	403,866
Surcharges and Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	3,741	3,741	3,741	3,741	3,741	3,741	3,741	3,741	3,741	3,741	3,741	3,741	44,889	44,983	45,083
Licences or permits	167	167	167	167	167	167	167	167	167	167	167	167	2,000	2,120	2,247
Transfer and subsidies - Operational	15,839	15,839	15,839	15,839	15,839	15,839	15,839	15,839	15,839	15,839	15,839	15,839	190,068	199,421	210,978
Interest	176	176	176	176	176	176	176	176	176	176	176	176	2,110	2,237	2,371
Fuel Levy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Gains	-	-	-	-	-	-	-	-	-	-	-	7,650	7,650	4,050	3,500
Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	151,806	151,806	151,806	151,806	151,806	151,806	151,806	151,806	151,806	151,806	151,806	159,457	1,829,326	1,885,680	1,954,019
Expenditure															
Employee related costs	48,932	48,932	48,932	48,932	48,932	48,932	48,932	48,932	48,932	48,932	48,932	48,932	587,185	609,765	650,443
Remuneration of councillors	1,159	1,159	1,159	1,159	1,159	1,159	1,159	1,159	1,159	1,159	1,159	1,159	13,912	14,488	15,086
Bulk purchases - electricity	40,373	40,373	40,373	40,373	40,373	40,373	40,373	40,373	40,373	40,373	40,373	40,373	484,477	546,102	615,566
Inventory consumed	4,494	4,494	6,286	4,494	4,494	6,286	4,494	4,494	6,286	4,494	4,494	6,287	61,092	73,043	73,524
Debt impairment	-	-	-	-	-	-	-	-	-	-	-	53,394	53,394	56,598	59,994
Depreciation and amortisation	13,203	13,203	13,203	13,203	13,203	13,203	13,203	13,203	13,203	13,203	13,203	13,205	158,441	167,237	176,574
Interest	-	-	-	-	-	24,907	-	-	-	-	-	24,907	49,814	51,810	46,707
Contracted services	24,103	24,103	30,806	24,103	24,103	30,806	24,103	24,103	30,806	24,103	24,103	30,808	316,048	334,743	351,451
Transfers and subsidies	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	17,755	17,154	17,993
Irrecoverable debts written off	892	892	892	892	892	892	892	892	892	892	892	892	10,709	10,709	10,709
Operational costs	15,952	15,952	15,952	15,952	15,952	15,952	15,952	15,952	15,952	15,952	15,952	15,954	191,421	161,335	133,113
Losses on disposal of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Losses	3,812	3,812	3,812	3,812	3,812	3,812	3,812	3,812	3,812	3,812	3,812	(41,932)	-	-	-
Total Expenditure	154,400	154,400	162,894	154,400	154,400	187,802	154,400	154,400	162,894	154,400	154,400	195,458	1,944,247	2,042,985	2,151,161
Surplus/(Deficit)	(2,593)	(2,593)	(11,088)	(2,593)	(2,593)	(35,995)	(2,593)	(2,593)	(11,088)	(2,593)	(2,593)	(36,001)	(114,921)	(157,305)	(197,142)
Transfers and subsidies - capital (monetary allocations)	5,461	5,461	5,461	5,461	5,461	5,461	5,461	5,461	5,461	5,461	5,461	5,461	65,533	47,910	46,734
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	-	-	-	-	-	-	-	-	-	-	(49,388)	(49,388)	(109,395)	(150,408)
Income Tax	2,868	2,868	(5,627)	2,868	2,868	(30,534)	2,868	2,868	(5,627)	2,868	2,868	(79,928)	(98,775)	(218,790)	(300,817)
Surplus/(Deficit) after income tax	-	-	-	-	-	-	-	-	-	-	-	(49,388)	(49,388)	(109,395)	(150,408)
Surplus/(Deficit) attributable to municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	2,868	2,868	(5,627)	2,868	2,868	(30,534)	2,868	2,868	(5,627)	2,868	2,868	(30,540)	(49,388)	(109,395)	(150,408)

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

Description	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand															
Revenue by Vote															
Vote 1 - Municipal Council	7,652	7,652	7,652	7,652	7,652	7,652	7,652	7,652	7,652	7,652	7,652	7,652	91,820	98,003	104,240
Vote 2 - Office of the Municipal Manager	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services	84	84	84	84	84	84	84	84	84	84	84	84	1,002	1,062	1,126
Vote 4 - Financial Services	35,816	35,816	35,816	35,816	35,816	35,816	35,816	35,816	35,816	35,816	35,816	35,816	429,791	449,647	474,085
Vote 5 - Infrastructure Services	104,976	104,976	104,976	104,976	104,976	104,976	104,976	104,976	104,976	104,976	104,976	104,976	1,259,715	1,265,982	1,300,423
Vote 6 - Public Safety	5,154	5,154	5,154	5,154	5,154	5,154	5,154	5,154	5,154	5,154	5,154	5,154	61,852	62,906	63,896
Vote 7 - Planning and Development	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309	15,707	14,572	15,080
Vote 8 - Community Services	2,914	2,914	2,914	2,914	2,914	2,914	2,914	2,914	2,914	2,914	2,914	2,914	34,972	41,418	41,902
Vote 9 - Costing Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	157,905	157,905	157,905	157,905	157,905	157,905	157,905	157,905	157,905	157,905	157,905	157,906	1,894,859	1,933,590	2,000,753
Expenditure by Vote to be appropriated															
Vote 1 - Municipal Council	4,527	4,527	4,527	4,527	4,527	4,527	4,527	4,527	4,527	4,527	4,527	4,527	54,329	56,054	59,045
Vote 2 - Office of the Municipal Manager	2,133	2,133	2,133	2,133	2,133	2,133	2,133	2,133	2,133	2,133	2,133	2,133	25,593	25,992	27,622
Vote 3 - Corporate Services	5,917	5,917	6,246	5,917	5,917	6,246	5,917	5,917	6,246	5,917	5,917	6,246	72,318	75,155	80,087
Vote 4 - Financial Services	10,085	10,085	13,513	10,085	10,085	13,516	10,085	10,085	13,513	10,085	10,085	18,041	139,267	145,940	155,204
Vote 5 - Infrastructure Services	95,925	95,925	98,365	95,925	95,925	123,257	95,925	95,925	98,365	95,925	95,925	123,259	1,210,645	1,280,182	1,349,304
Vote 6 - Public Safety	14,383	14,383	15,160	14,383	14,383	15,160	14,383	14,383	15,160	14,383	14,383	15,161	175,704	184,344	192,352
Vote 7 - Planning and Development	5,921	5,921	6,617	5,921	5,921	6,617	5,921	5,921	6,617	5,921	5,921	6,618	73,840	67,011	70,946
Vote 8 - Community Services	15,769	15,769	16,593	15,769	15,769	16,606	15,769	15,769	16,593	15,769	15,769	16,608	192,551	208,306	216,600
Vote 9 - Costing Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	154,660	154,660	163,155	154,660	154,660	188,062	154,660	154,660	163,155	154,660	154,660	192,593	1,944,247	2,042,985	2,151,161
Surplus/(Deficit) before assoc.	3,245	3,245	(5,250)	3,245	3,245	(30,157)	3,245	3,245	(5,250)	3,245	3,245	(34,687)	(49,388)	(109,395)	(150,408)
Surplus/(Deficit) after income tax	-	-	-	-	-	-	-	-	-	-	-	(49,388)	(49,388)	(109,395)	(150,408)
Surplus/(Deficit) attributable to municipality	-	-	-	-	-	-	-	-	-	-	-	(49,388)	(49,388)	(109,395)	(150,408)
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	3,245	3,245	(5,250)	3,245	3,245	(30,157)	3,245	3,245	(5,250)	3,245	3,245	(34,687)	(49,388)	(109,395)	(150,408)

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

Description	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue - Functional															
<i>Governance and administration</i>	43,922	43,922	43,922	43,922	43,922	43,922	43,922	43,922	43,922	43,922	43,922	43,922	527,064	553,214	584,008
Executive and council	7,659	7,659	7,659	7,659	7,659	7,659	7,659	7,659	7,659	7,659	7,659	7,659	91,905	98,093	104,335
Finance and administration	36,263	36,263	36,263	36,263	36,263	36,263	36,263	36,263	36,263	36,263	36,263	36,263	435,159	455,121	479,673
Internal audit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>	16,129	16,129	16,129	16,129	16,129	16,129	16,129	16,129	16,129	16,129	16,129	16,130	193,553	150,336	124,399
Community and social services	763	763	763	763	763	763	763	763	763	763	763	763	9,154	9,349	9,622
Sport and recreation	2,042	2,042	2,042	2,042	2,042	2,042	2,042	2,042	2,042	2,042	2,042	2,042	24,504	30,977	31,026
Public safety	5,154	5,154	5,154	5,154	5,154	5,154	5,154	5,154	5,154	5,154	5,154	5,154	61,852	62,906	63,896
Housing	8,170	8,170	8,170	8,170	8,170	8,170	8,170	8,170	8,170	8,170	8,170	8,170	98,043	47,104	19,856
Health	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	1,159	1,159	1,159	1,159	1,159	1,159	1,159	1,159	1,159	1,159	1,159	1,159	13,907	14,865	18,350
Planning and development	1,030	1,030	1,030	1,030	1,030	1,030	1,030	1,030	1,030	1,030	1,030	1,030	12,358	11,084	11,525
Road transport	125	125	125	125	125	125	125	125	125	125	125	125	1,502	3,732	6,773
Environmental protection	4	4	4	4	4	4	4	4	4	4	4	4	46	49	52
<i>Trading services</i>	96,695	96,695	96,695	96,695	96,695	96,695	96,695	96,695	96,695	96,695	96,695	96,695	1,160,336	1,215,175	1,273,995
Energy sources	57,446	57,446	57,446	57,446	57,446	57,446	57,446	57,446	57,446	57,446	57,446	57,446	689,348	720,115	762,379
Water management	17,041	17,041	17,041	17,041	17,041	17,041	17,041	17,041	17,041	17,041	17,041	17,041	204,493	213,075	213,139
Waste water management	11,896	11,896	11,896	11,896	11,896	11,896	11,896	11,896	11,896	11,896	11,896	11,896	142,748	150,926	159,554
Waste management	10,312	10,312	10,312	10,312	10,312	10,312	10,312	10,312	10,312	10,312	10,312	10,312	123,746	131,060	138,923
<i>Other</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	157,905	157,905	157,905	157,905	157,905	157,905	157,905	157,905	157,905	157,905	157,905	157,906	1,894,859	1,933,590	2,000,753
Expenditure - Functional															
<i>Governance and administration</i>	29,108	29,108	30,184	29,108	29,108	30,186	29,108	29,108	30,184	29,108	29,108	34,713	358,132	378,467	402,249
Executive and council	7,376	7,376	7,376	7,376	7,376	7,376	7,376	7,376	7,376	7,376	7,376	7,376	88,511	95,467	101,163
Finance and administration	21,304	21,304	22,379	21,304	21,304	22,382	21,304	21,304	22,379	21,304	21,304	26,908	264,475	278,182	295,935
Internal audit	429	429	429	429	429	429	429	429	429	429	429	429	5,145	4,817	5,151
<i>Community and public safety</i>	29,173	29,173	30,655	29,173	29,173	30,667	29,173	29,173	30,655	29,173	29,173	30,669	356,028	333,169	306,346
Community and social services	2,011	2,011	2,297	2,011	2,011	2,297	2,011	2,011	2,297	2,011	2,011	2,298	25,282	27,392	27,709
Sport and recreation	5,734	5,734	5,859	5,734	5,734	5,872	5,734	5,734	5,859	5,734	5,734	5,872	69,335	73,307	73,980
Public safety	13,804	13,804	14,875	13,804	13,804	14,875	13,804	13,804	14,875	13,804	13,804	14,875	169,928	178,600	186,668
Housing	7,624	7,624	7,624	7,624	7,624	7,624	7,624	7,624	7,624	7,624	7,624	7,624	91,482	53,870	17,989
Health	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	18,015	18,015	19,804	18,015	18,015	19,907	18,015	18,015	19,804	18,015	18,015	19,907	223,538	234,659	249,510
Planning and development	4,788	4,788	5,027	4,788	4,788	5,027	4,788	4,788	5,027	4,788	4,788	5,028	58,410	57,753	61,055
Road transport	11,281	11,281	12,365	11,281	11,281	12,468	11,281	11,281	12,365	11,281	11,281	12,468	139,911	158,178	168,604
Environmental protection	1,946	1,946	2,411	1,946	1,946	2,411	1,946	1,946	2,411	1,946	1,946	2,412	25,218	18,727	19,851
<i>Trading services</i>	78,038	78,038	82,185	78,038	78,038	106,975	78,038	78,038	82,185	78,038	78,038	106,977	1,002,626	1,092,563	1,188,639
Energy sources	47,157	47,157	48,454	47,157	47,157	55,624	47,157	47,157	48,454	47,157	47,157	55,625	585,410	650,372	723,547
Water management	11,392	11,392	12,371	11,392	11,392	22,203	11,392	11,392	12,371	11,392	11,392	22,204	160,282	170,954	179,286
Waste water management	10,468	10,468	11,305	10,468	10,468	18,973	10,468	10,468	11,305	10,468	10,468	18,973	144,301	151,691	157,848
Waste management	9,021	9,021	10,056	9,021	9,021	10,175	9,021	9,021	10,056	9,021	9,021	10,175	112,633	119,547	127,958
<i>Other</i>	327	327	327	327	327	327	327	327	327	327	327	327	3,923	4,127	4,418
Total Expenditure - Functional	154,660	154,660	163,155	154,660	154,660	188,062	154,660	154,660	163,155	154,660	154,660	192,593	1,944,247	2,042,985	2,151,161
Surplus/(Deficit) before assoc.	3,245	3,245	(5,250)	3,245	3,245	(30,157)	3,245	3,245	(5,250)	3,245	3,245	(34,687)	(49,388)	(109,395)	(150,408)
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	3,245	3,245	(5,250)	3,245	3,245	(30,157)	3,245	3,245	(5,250)	3,245	3,245	(34,687)	(49,388)	(109,395)	(150,408)

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

Description	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand															
Multi-year expenditure to be appropriated															
Vote 1 - Municipal Council	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services	55	-	-	500	-	83	-	-	100	-	-	28	765	-	-
Vote 4 - Financial Services	-	-	125	-	-	655	-	-	125	-	-	655	1,560	-	-
Vote 5 - Infrastructure Services	150	500	13,185	10,100	7,950	24,060	5,500	9,900	18,585	6,000	6,563	21,870	124,361	137,910	109,734
Vote 6 - Public Safety	-	-	-	-	-	150	-	-	-	-	-	150	300	-	-
Vote 7 - Planning and Development	-	-	8	-	-	8	-	-	8	-	-	8	30	-	-
Vote 8 - Community Services	-	-	-	-	35	350	-	-	-	350	-	-	735	-	-
Vote 9 - Costing Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	205	500	13,317	10,600	7,985	25,305	5,500	9,900	18,817	6,350	6,563	22,710	127,751	137,910	109,734
Single-year expenditure to be appropriated															
Vote 1 - Municipal Council	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager	-	-	4	-	-	229	-	-	4	-	-	229	465	-	-
Vote 3 - Corporate Services	-	-	200	-	-	-	500	500	500	500	-	-	2,200	-	-
Vote 4 - Financial Services	200	-	2,500	-	900	950	500	250	100	-	-	250	5,650	-	-
Vote 5 - Infrastructure Services	-	90	307	400	-	3,407	3,000	-	307	-	3,000	2,607	13,117	-	7,000
Vote 6 - Public Safety	-	-	188	-	-	738	-	-	188	-	-	738	1,850	-	-
Vote 7 - Planning and Development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Community Services	-	-	250	-	-	250	-	-	250	-	-	250	1,000	-	-
Vote 9 - Costing Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	200	90	3,448	400	900	5,573	4,000	750	1,348	500	3,000	4,073	24,282	-	7,000
Total Capital Expenditure	405	590	16,765	11,000	8,885	30,878	9,500	10,650	20,165	6,850	9,563	26,783	152,033	137,910	116,734

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

Description	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital Expenditure - Functional															
<i>Governance and administration</i>	55	-	204	500	-	341	500	500	604	500	-	286	3,490	-	-
Executive and council	-	-	4	-	-	256	-	-	4	-	-	256	520	-	-
Finance and administration	55	-	200	500	-	85	500	500	600	500	-	30	2,970	-	-
Internal audit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>	200	-	3,857	3,000	635	6,307	-	-	6,857	350	3,000	5,957	30,164	16,029	24,183
Community and social services	-	-	250	-	35	850	-	-	250	350	-	500	2,235	-	-
Sport and recreation	-	-	138	3,000	-	1,288	-	-	3,138	-	3,000	1,288	11,850	16,029	15,183
Public safety	200	-	188	-	600	888	-	-	188	-	-	888	2,950	-	-
Housing	-	-	3,282	-	-	3,282	-	-	3,282	-	-	3,282	13,129	-	9,000
Health	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	-	-	246	-	250	1,093	-	250	346	-	-	1,093	3,277	2,981	6,000
Planning and development	-	-	8	-	250	180	-	250	108	-	-	180	975	-	-
Road transport	-	-	238	-	-	913	-	-	238	-	-	913	2,302	2,981	6,000
Environmental protection	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	150	590	12,459	7,500	8,000	23,136	9,000	9,900	12,359	6,000	6,563	19,446	115,102	118,900	86,551
Energy sources	-	-	8,334	1,000	1,050	7,534	2,500	4,500	5,834	3,000	2,500	8,334	44,584	46,900	37,551
Water management	150	500	1,350	3,400	5,850	8,150	5,500	1,300	3,250	500	3,000	8,750	41,700	42,200	16,660
Waste water management	-	-	2,275	3,000	1,100	6,500	500	4,000	3,275	2,500	963	2,150	26,263	25,300	28,500
Waste management	-	90	500	100	-	953	500	100	-	-	100	213	2,555	4,500	3,840
<i>Other</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	405	590	16,765	11,000	8,885	30,878	9,500	10,650	20,165	6,850	9,563	26,783	152,033	137,910	116,734
Funded by:															
National Government	-	-	5,034	6,400	-	12,134	3,000	1,000	8,034	-	6,963	9,734	52,299	47,910	37,734
Provincial Government	-	-	3,282	-	-	3,282	-	-	3,282	-	-	3,282	13,129	-	9,000
District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other transfers and grants	-	-	-	-	-	53	-	-	-	-	-	53	105	-	-
Transfers recognised - capital	-	-	8,316	6,400	-	15,469	3,000	1,000	11,316	-	6,963	13,069	65,533	47,910	46,734
Public contributions & donations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing	150	590	5,000	4,100	7,950	8,900	5,500	8,900	7,400	6,000	2,600	8,310	65,400	90,000	70,000
Internally generated funds	255	-	3,449	500	935	6,509	1,000	750	1,449	850	-	5,404	21,100	-	-
Total Capital Funding	405	590	16,765	11,000	8,885	30,878	9,500	10,650	20,165	6,850	9,563	26,783	152,033	137,910	116,734

Table 53 MBRR SA30 - Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Cash Receipts By Source														1		
Property rates	29,635	29,635	29,635	29,635	29,635	29,635	29,635	29,635	29,635	29,635	29,635	29,635	29,635	355,619	377,527	400,179
Service charges - electricity revenue	52,961	52,961	52,961	52,961	52,961	52,961	52,961	52,961	52,961	52,961	52,961	52,961	52,961	635,529	674,809	715,297
Service charges - water revenue	14,451	14,451	14,451	14,451	14,451	14,451	14,451	14,451	14,451	14,451	14,451	14,451	14,451	173,408	184,131	195,179
Service charges - sanitation revenue	9,686	9,686	9,686	9,686	9,686	9,686	9,686	9,686	9,686	9,686	9,686	9,686	9,686	116,232	122,943	130,351
Service charges - refuse revenue	8,907	8,907	8,907	8,907	8,907	8,907	8,907	8,907	8,907	8,907	8,907	8,907	8,907	106,878	113,970	120,777
Rental of facilities and equipment	630	630	630	630	630	630	630	630	630	630	630	630	631	7,565	8,016	8,494
Interest earned - external investments	3,979	3,979	3,979	3,979	3,979	3,979	3,979	3,979	3,979	3,979	3,979	3,979	3,979	47,750	48,705	49,679
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	207	207	207	207	207	207	207	207	207	207	207	207	207	2,489	39	(2,558)
Licences and permits	232	232	232	232	232	232	232	232	232	232	232	232	232	2,779	2,946	3,122
Agency services	592	592	592	592	592	592	592	592	592	592	592	592	592	7,103	7,529	7,981
Transfers and Subsidies - Operational	15,839	15,839	15,839	15,839	15,839	15,839	15,839	15,839	15,839	15,839	15,839	15,839	15,839	190,068	199,421	210,978
Other revenue	8,235	8,235	8,235	8,235	8,235	8,235	8,235	8,235	8,235	8,235	8,235	8,235	8,236	98,826	71,101	37,576
Cash Receipts by Source	145,354	145,354	145,354	145,354	145,354	145,354	145,354	145,354	145,354	145,354	145,354	145,355	1,744,247	1,811,139	1,877,056	
Other Cash Flows by Source																
Transfers and subsidies - capital (monetary allocations)	5,461	5,461	5,461	5,461	5,461	5,461	5,461	5,461	5,461	5,461	5,461	5,461	5,461	65,533	47,910	46,734
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	65,000	65,000	90,000	70,000
Increase (decrease) in consumer deposits	(550)	(550)	(550)	(550)	(550)	(550)	(550)	(550)	(550)	(550)	(550)	(550)	(6,600)	(2,000)	(2,000)	
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	(415)	(415)	(415)	(415)	(415)	(415)	(415)	(415)	(415)	(415)	(415)	(415)	(4,980)	87,782	-	
Total Cash Receipts by Source	149,850	149,850	149,850	149,850	149,850	149,850	149,850	149,850	149,850	149,850	149,850	214,851	1,863,200	2,034,831	1,991,790	
Cash Payments by Type																
Employee related costs	(47,711)	(47,711)	(47,711)	(47,711)	(47,711)	(47,711)	(47,711)	(47,711)	(47,711)	(47,711)	(47,711)	(47,711)	(47,711)	(572,534)	(595,175)	(634,879)
Remuneration of councillors	(1,159)	(1,159)	(1,159)	(1,159)	(1,159)	(1,159)	(1,159)	(1,159)	(1,159)	(1,159)	(1,159)	(1,159)	(1,159)	(13,912)	(14,488)	(15,086)
Finance charges	-	-	-	-	-	(24,907)	-	-	-	-	-	-	(24,907)	(49,814)	(51,810)	(46,707)
Bulk purchases - Electricity	(40,373)	(40,373)	(40,373)	(40,373)	(40,373)	(40,373)	(40,373)	(40,373)	(40,373)	(40,373)	(40,373)	(40,373)	(40,373)	(484,477)	(546,102)	(615,566)
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	(5,091)	(5,091)	(5,091)	(5,091)	(5,091)	(5,091)	(5,091)	(5,091)	(5,091)	(5,091)	(5,091)	(5,091)	(5,091)	(61,092)	(73,043)	(73,524)
Contracted services	(24,103)	(24,103)	(30,806)	(24,103)	(24,103)	(30,806)	(24,103)	(24,103)	(30,806)	(24,103)	(24,103)	(30,808)	(316,048)	(334,743)	(351,451)	
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	(1,480)	(1,480)	(1,480)	(1,480)	(1,480)	(1,480)	(1,480)	(1,480)	(1,480)	(1,480)	(1,480)	(1,480)	(1,480)	(17,755)	(17,154)	(17,993)
Other expenditure	(12,680)	(12,680)	(12,680)	(12,680)	(12,680)	(12,680)	(12,680)	(12,680)	(12,680)	(12,680)	(12,680)	(12,680)	(12,682)	(152,163)	(122,549)	(109,154)
Cash Payments by Type	(132,597)	(132,597)	(139,300)	(132,597)	(132,597)	(164,207)	(132,597)	(132,597)	(132,597)	(139,300)	(132,597)	(132,597)	(164,211)	(1,667,793)	(1,755,065)	(1,864,359)
Other Cash Flows/Payments by Type																
Capital assets	(405)	(590)	(16,765)	(11,000)	(8,885)	(30,878)	(9,500)	(10,650)	(20,165)	(6,850)	(9,563)	(26,783)	(152,033)	(137,910)	(116,734)	
Repayment of borrowing	-	-	(2,848)	(4,403)	(1,368)	(18,149)	-	(1,343)	(1,698)	-	(1,439)	(19,358)	(50,605)	(154,566)	(61,170)	
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	(133,002)	(133,187)	(158,913)	(148,000)	(142,500)	(213,233)	(142,097)	(144,590)	(161,163)	(139,447)	(143,599)	(210,351)	(1,870,431)	(2,047,541)	(2,042,263)	
NET INCREASE/(DECREASE) IN CASH HELD	16,848	16,663	(9,063)	1,850	7,000	(63,383)	7,753	5,260	(11,313)	10,403	6,251	4,500	(7,231)	(12,710)	(50,473)	
Cash/cash equivalents at the month/year begin:	692,294	709,142	725,805	716,742	718,592	725,592	662,209	669,962	675,222	663,909	674,312	680,563	692,294	685,063	672,353	
Cash/cash equivalents at the month/year end:	709,142	725,805	716,742	718,592	725,592	662,209	669,962	675,222	663,909	674,312	680,563	685,063	685,063	672,353	621,880	

2.10 Annual budgets and SDBIP

The draft SDBIP for 2024/25 will be tabled as a separate item at the Council meeting on 27 March 2024.

2.11 Contracts having future budgetary implications

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

2.12 Capital expenditure details

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

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

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand									
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	91,712	45,748	85,627	85,007	81,866	81,866	75,464	50,581	33,891
Roads Infrastructure	20,553	7,714	16,799	4,640	5,080	5,080	952	2,981	6,000
Roads	20,553	7,714	16,799	4,640	5,080	5,080	952	2,981	6,000
Storm water Infrastructure	14,169	4,724	1,113	12,358	7,420	7,420	10,213	-	-
Drainage Collection	557	-	-	-	-	-	-	-	-
Storm water Conveyance	13,612	4,724	1,113	12,358	7,420	7,420	10,213	-	-
Electrical Infrastructure	9,392	18,244	53,049	48,795	47,518	47,518	30,334	24,900	22,551
MV Substations	693	16,453	32,685	21,415	21,383	21,383	5,000	14,900	15,551
MV Networks	8,699	1,791	20,365	27,380	26,135	26,135	25,334	10,000	7,000
Water Supply Infrastructure	22,404	3,171	9,484	11,313	14,609	14,609	24,900	20,700	-
Dams and Weirs	-	-	-	-	-	-	-	-	-
Boreholes	3,808	2,180	3,961	7,000	7,107	7,107	10,100	14,700	-
Reservoirs	15,728	-	-	360	360	360	-	-	-
Pump Stations	-	-	5,431	-	70	70	-	-	-
Water Treatment Works	-	-	-	3,000	1,135	1,135	8,000	6,000	-
Bulk Mains	-	-	-	-	-	-	-	-	-
Distribution	2,868	991	92	953	5,937	5,937	6,800	-	-
Sanitation Infrastructure	12,940	8,923	3,956	7,500	6,734	6,734	8,500	1,500	4,500
Pump Station	-	-	-	-	-	-	-	-	-
Reticulation	12,940	8,923	3,956	-	5,769	5,769	500	200	4,200
Waste Water Treatment Works	-	-	-	7,500	966	966	8,000	1,300	300
Solid Waste Infrastructure	12,254	2,972	1,226	400	505	505	565	500	840
Landfill Sites	-	-	-	-	-	-	-	-	840
Waste Transfer Stations	-	2,972	1,226	400	505	505	505	500	-
Waste Processing Facilities	12,254	-	-	-	-	-	-	-	-
Community Assets	25,999	9,187	7,742	7,352	2,352	2,352	4,750	5,788	8,000
Community Facilities	10,999	4,140	2,674	6,213	707	707	3,350	-	-
Halls	4,759	1,564	-	-	-	-	1,450	-	-
Testing Stations	-	1,046	-	-	-	-	-	-	-
Libraries	295	-	914	-	-	-	-	-	-
Cemeteries/Crematoria	1,232	-	-	-	-	-	-	-	-
Parks	49	-	86	-	-	-	550	-	-
Public Open Space	3,902	206	1,079	5,618	112	112	-	-	-
Public Ablution Facilities	140	918	595	595	595	595	-	-	-
Stalls	278	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	345	406	-	-	-	-	1,350	-	-
Sport and Recreation Facilities	15,000	5,047	5,068	1,139	1,645	1,645	1,400	5,788	8,000
Outdoor Facilities	15,000	5,047	5,068	1,139	1,645	1,645	1,400	5,788	8,000
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	54,179	50,440	28,734	41,990	34,751	34,751	15,379	1,500	9,000
Operational Buildings	4,581	1,410	2,211	100	1,073	1,073	2,250	1,500	-
Municipal Offices	4,581	1,410	2,211	100	1,073	1,073	750	-	-
Workshops	-	-	-	-	-	-	1,500	1,500	-
Housing	49,598	49,031	26,523	41,890	33,678	33,678	13,129	-	9,000
Social Housing	49,598	49,031	26,523	41,890	33,678	33,678	13,129	-	9,000
Biological or Cultivated Assets	-	21	-	-	-	-	700	-	-
Biological or Cultivated Assets	-	21	-	-	-	-	700	-	-
Intangible Assets	-	-	-	-	71	71	-	-	-
Licences and Rights	-	-	-	-	71	71	-	-	-
Computer Software and Applications	-	-	-	-	71	71	-	-	-
Computer Equipment	5,152	3,240	2,212	4,000	4,575	4,575	3,250	-	-
Computer Equipment	5,152	3,240	2,212	4,000	4,575	4,575	3,250	-	-
Furniture and Office Equipment	802	2,910	715	765	745	745	865	-	-
Furniture and Office Equipment	802	2,910	715	765	745	745	865	-	-
Machinery and Equipment	486	1,363	729	1,335	1,745	1,745	1,225	-	-
Machinery and Equipment	486	1,363	729	1,335	1,745	1,745	1,225	-	-
Transport Assets	21,189	6,806	7,043	-	4,427	4,427	7,150	-	-
Transport Assets	21,189	6,806	7,043	-	4,427	4,427	7,150	-	-
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Living resources	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	199,520	119,714	132,803	140,449	130,534	130,534	108,783	57,869	50,891

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

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure	15,499	30,964	17,393	16,300	18,765	18,765	17,500	27,700	19,160
Roads Infrastructure	-	-	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	915	1,000	1,042	1,500	1,500	1,500	1,500	2,000	-
<i>MV Switching Stations</i>	915	1,000	1,042	1,500	1,500	1,500	1,500	2,000	-
Water Supply Infrastructure	11,297	29,964	15,725	14,100	15,965	15,965	15,300	21,000	16,160
<i>Pump Stations</i>	1,327	-	1,262	500	500	500	500	500	500
<i>Water Treatment Works</i>	-	9,309	-	-	-	-	-	-	-
<i>Distribution</i>	9,970	20,655	14,462	13,600	15,465	15,465	14,800	20,500	15,660
Sanitation Infrastructure	3,287	-	626	700	1,300	1,300	700	700	-
<i>Pump Station</i>	-	-	626	700	1,300	1,300	700	700	-
<i>Outfall Sewers</i>	3,287	-	-	-	-	-	-	-	-
Solid Waste Infrastructure	-	-	-	-	-	-	-	4,000	3,000
<i>Landfill Sites</i>	-	-	-	-	-	-	-	4,000	3,000
Community Assets	-	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
<i>Indoor Facilities</i>	-	-	-	-	-	-	-	-	-
<i>Outdoor Facilities</i>	-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-
<i>Municipal Offices</i>	-	-	-	-	-	-	-	-	-
<i>Pay/Enquiry Points</i>	-	-	-	-	-	-	-	-	-
<i>Building Plan Offices</i>	-	-	-	-	-	-	-	-	-
<i>Workshops</i>	-	-	-	-	-	-	-	-	-
<i>Yards</i>	-	-	-	-	-	-	-	-	-
<i>Stores</i>	-	-	-	-	-	-	-	-	-
<i>Laboratories</i>	-	-	-	-	-	-	-	-	-
<i>Training Centres</i>	-	-	-	-	-	-	-	-	-
<i>Manufacturing Plant</i>	-	-	-	-	-	-	-	-	-
<i>Depots</i>	-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
<i>Staff Housing</i>	-	-	-	-	-	-	-	-	-
<i>Social Housing</i>	-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Living resources	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing assets	15,499	30,964	17,393	16,300	18,765	18,765	17,500	27,700	19,160
Renewal of Existing Assets as % of total capex	39.0%	16.1%	9.2%	7.8%	8.9%	8.9%	11.5%	20.1%	16.4%
Renewal of Existing Assets as % of deprecn"	11.2%	21.1%	11.7%	10.9%	12.6%	12.6%	11.0%	16.6%	10.9%

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

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand									
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	140,742	141,079	137,671	168,080	172,726	172,726	172,870	191,021	202,996
Roads Infrastructure	67,439	64,340	54,418	75,266	80,631	80,631	78,469	92,481	98,202
Roads	64,190	64,340	54,418	75,266	80,631	80,631	78,469	92,481	98,202
Road Structures	3,249	-	-	-	-	-	-	-	-
Storm water Infrastructure	5,584	6,870	6,157	6,469	6,265	6,265	6,361	6,573	6,943
Drainage Collection	2,515	-	-	-	-	-	-	-	-
Storm water Conveyance	3,069	6,870	6,157	6,469	6,265	6,265	6,361	6,573	6,943
Electrical Infrastructure	31,045	30,721	35,380	41,404	41,590	41,590	40,144	42,117	45,114
Power Plants	436	-	-	-	-	-	-	-	-
HV Transmission Conductors	25	-	-	-	-	-	-	-	-
MV Networks	28,149	-	-	-	-	-	-	-	-
LV Networks	2,435	30,721	35,380	41,404	41,590	41,590	40,144	42,117	45,114
Water Supply Infrastructure	21,046	21,088	20,432	23,527	21,800	21,800	24,954	26,031	27,625
Water Treatment Works	-	272	33	312	312	312	331	346	367
Distribution	21,046	18,916	18,708	20,317	18,590	18,590	21,542	22,460	23,826
Distribution Points	-	1,900	1,691	2,898	2,898	2,898	3,081	3,224	3,431
Sanitation Infrastructure	12,980	11,710	12,634	13,718	14,008	14,008	14,322	14,738	15,395
Reticulation	-	6,507	6,759	7,815	7,815	7,815	8,338	8,693	9,285
Waste Water Treatment Works	12,980	5,203	5,875	5,903	6,193	6,193	5,984	6,046	6,110
Solid Waste Infrastructure	2,535	6,351	8,650	7,697	8,432	8,432	8,620	9,081	9,717
Landfill Sites	61	-	-	-	-	-	-	-	-
Waste Transfer Stations	1,186	-	-	-	-	-	-	-	-
Waste Processing Facilities	272	1,574	2,662	2,517	2,517	2,517	3,100	3,333	3,583
Waste Drop-off Points	1,009	4,777	5,988	5,180	5,915	5,915	5,520	5,748	6,134
Waste Separation Facilities	7	-	-	-	-	-	-	-	-
Community Assets	44,371	50,376	53,486	62,076	62,653	62,653	66,438	72,474	72,201
Community Facilities	37,364	37,455	40,568	47,427	48,358	48,358	49,396	52,852	55,009
Halls	5,332	4,464	5,950	7,463	6,555	6,555	7,405	9,210	8,716
Centres	67	-	-	-	-	-	-	-	-
Fire/Ambulance Stations	440	-	-	-	-	-	-	-	-
Testing Stations	54	-	-	-	-	-	-	-	-
Libraries	121	-	14	1,785	1,785	1,785	1,800	2,001	2,121
Cemeteries/Crematoria	967	1,037	943	948	902	902	994	1,025	1,079
Police	358	-	-	-	-	-	-	-	-
Parks	25,542	27,586	28,619	32,063	33,950	33,950	33,755	34,981	37,156
Public Open Space	4,304	3,886	4,553	4,187	4,185	4,185	4,401	4,557	4,793
Public Ablution Facilities	178	482	488	982	982	982	1,041	1,078	1,145
Sport and Recreation Facilities	7,007	12,921	12,919	14,649	14,295	14,295	17,042	19,622	17,192
Outdoor Facilities	7,007	12,921	12,919	14,649	14,295	14,295	17,042	19,622	17,192
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	2,137	15,056	16,833	18,438	14,949	14,949	13,758	8,069	8,381
Operational Buildings	2,136	15,056	16,833	18,438	14,949	14,949	13,758	8,069	8,381
Municipal Offices	2,086	15,048	16,773	18,400	14,872	14,872	13,720	8,031	8,343
Building Plan Offices	35	-	25	-	39	39	-	-	-
Depots	16	8	34	38	38	38	38	38	38
Housing	1	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	5,672	5,915	6,829	8,331	8,073	8,073	8,967	9,720	10,707
Licences and Rights	5,672	5,915	6,829	8,331	8,073	8,073	8,967	9,720	10,707
Computer Software and Applications	5,672	5,915	6,829	8,331	8,073	8,073	8,967	9,720	10,707
Computer Equipment	1,947	2,490	2,157	2,423	2,423	2,423	2,566	2,717	2,878
Computer Equipment	1,947	2,490	2,157	2,423	2,423	2,423	2,566	2,717	2,878
Furniture and Office Equipment	1,128	5,004	8,206	11,697	13,872	13,872	7,747	7,935	8,389
Furniture and Office Equipment	1,128	5,004	8,206	11,697	13,872	13,872	7,747	7,935	8,389
Machinery and Equipment	-	4,059	4,163	6,036	7,656	7,656	5,983	6,310	6,530
Machinery and Equipment	-	4,059	4,163	6,036	7,656	7,656	5,983	6,310	6,530
Transport Assets	15,521	21,406	20,160	16,214	18,441	18,441	17,145	18,132	19,178
Transport Assets	15,521	21,406	20,160	16,214	18,441	18,441	17,145	18,132	19,178
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Living resources	-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	211,518	245,386	249,505	293,296	300,793	300,793	295,474	316,378	331,260

Table 57 MBRR SA34d – Depreciation by asset class

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand									
Depreciation by Asset Class/Sub-class									
Infrastructure	102,449	123,129	122,707	123,442	123,442	123,442	132,242	138,843	145,765
Roads Infrastructure	34,090	36,312	39,206	39,180	39,180	39,180	46,014	49,695	53,671
Roads	34,090	36,312	39,206	39,180	39,180	39,180	46,014	49,695	53,671
Storm water Infrastructure	6,781	7,231	8,446	8,480	8,480	8,480	8,725	8,899	9,077
Drainage Collection	6,781	7,231	8,446	8,480	8,480	8,480	8,725	8,899	9,077
Electrical Infrastructure	12,375	28,582	26,923	27,408	27,408	27,408	27,643	28,196	28,760
Power Plants	-	-	-	-	-	-	-	-	-
MV Networks	-	-	-	-	-	-	-	-	-
LV Networks	11,939	26,305	26,420	27,408	27,408	27,408	27,643	28,196	28,760
Capital Spares	436	2,277	503	-	-	-	-	-	-
Water Supply Infrastructure	28,367	28,222	24,404	24,455	24,455	24,455	25,050	26,052	27,094
Dams and Weirs	-	-	-	-	-	-	-	-	-
Distribution	28,367	27,021	24,055	24,455	24,455	24,455	25,050	26,052	27,094
Capital Spares	-	1,201	349	-	-	-	-	-	-
Sanitation Infrastructure	17,989	19,712	20,394	20,619	20,619	20,619	21,502	22,577	23,706
Pump Station	-	-	-	-	-	-	-	-	-
Waste Water Treatment Works	17,989	19,448	20,389	20,619	20,619	20,619	21,502	22,577	23,706
Capital Spares	-	264	5	-	-	-	-	-	-
Solid Waste Infrastructure	2,846	3,070	3,334	3,301	3,301	3,301	3,307	3,423	3,457
Landfill Sites	2,846	2,898	3,280	3,301	3,301	3,301	3,307	3,423	3,457
Capital Spares	-	172	54	-	-	-	-	-	-
Community Assets	10,055	10,888	13,075	-	-	-	13,817	15,199	16,720
Community Facilities	10,055	10,888	13,075	-	-	-	13,817	15,199	16,720
Halls	-	10,888	13,075	-	-	-	13,817	15,199	16,720
Centres	10,055	-	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Other assets	3,628	3,567	3,526	16,874	16,874	16,874	3,538	3,538	3,538
Operational Buildings	3,628	3,567	3,526	16,874	16,874	16,874	3,538	3,538	3,538
Municipal Offices	3,628	3,567	3,526	16,874	16,874	16,874	3,538	3,538	3,538
Staff Housing	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	68	68	-	-	-	-	-	-
Biological or Cultivated Assets	-	68	68	-	-	-	-	-	-
Intangible Assets	431	290	253	294	294	294	271	290	311
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	431	290	253	294	294	294	271	290	311
Water Rights	-	-	-	-	-	-	-	-	-
Computer Software and Applications	431	290	253	294	294	294	271	290	311
Computer Equipment	-	22	100	-	-	-	-	-	-
Computer Equipment	-	22	100	-	-	-	-	-	-
Furniture and Office Equipment	2,060	2,067	2,207	2,610	2,610	2,610	2,316	2,547	2,802
Furniture and Office Equipment	2,060	2,067	2,207	2,610	2,610	2,610	2,316	2,547	2,802
Machinery and Equipment	15,524	925	1,314	1,188	1,188	1,188	1,473	1,621	1,783
Machinery and Equipment	15,524	925	1,314	1,188	1,188	1,188	1,473	1,621	1,783
Transport Assets	4,049	6,048	5,071	4,679	4,679	4,679	4,716	5,131	5,587
Transport Assets	4,049	6,048	5,071	4,679	4,679	4,679	4,716	5,131	5,587
Land	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Living resources	-	-	-	68	68	68	68	68	68
Mature	-	-	-	68	68	68	68	68	68
Policing and Protection	-	-	-	68	68	68	68	68	68
Total Depreciation	138,195	147,004	148,321	149,087	149,087	149,087	158,373	167,170	176,506

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

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand									
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class									
Infrastructure	31,980	41,698	38,606	48,758	60,154	60,154	15,850	42,100	39,500
Roads Infrastructure	181	-	-	-	-	-	-	-	-
Roads	181	-	-	-	-	-	-	-	-
Storm water Infrastructure	12,258	-	-	-	-	-	-	-	-
Storm water Conveyance	12,258	-	-	-	-	-	-	-	-
Electrical Infrastructure	120	7,173	1,600	9,231	9,231	9,231	9,000	18,500	15,000
MV Networks	120	7,173	1,600	9,231	9,231	9,231	9,000	18,500	15,000
Water Supply Infrastructure	1,873	3,586	6,928	550	550	550	500	500	500
Pump Stations	-	-	1,000	-	-	-	-	-	-
Distribution	1,873	3,586	5,928	550	550	550	500	500	500
Sanitation Infrastructure	14,286	30,939	28,219	38,887	50,283	50,283	6,350	23,100	24,000
Pump Station	5,074	23,626	17,291	4,800	11,334	11,334	2,550	10,000	7,000
Reticulation	8,802	4,790	350	800	200	200	600	600	-
Waste Water Treatment Works	410	2,524	10,578	33,287	38,748	38,748	3,200	12,500	17,000
Solid Waste Infrastructure	3,262	-	1,859	90	90	90	-	-	-
Landfill Sites	1,851	-	-	-	-	-	-	-	-
Waste Transfer Stations	1,412	-	1,859	-	-	-	-	-	-
Waste Processing Facilities	-	-	-	-	-	-	-	-	-
Waste Drop-off Points	-	-	-	90	90	90	-	-	-
Community Assets	7,801	-	519	3,902	2,192	2,192	9,900	10,241	7,183
Community Facilities	830	-	319	-	-	-	-	-	-
Parks	322	-	-	-	-	-	-	-	-
Public Open Space	482	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	26	-	319	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	6,971	-	200	3,902	2,192	2,192	9,900	10,241	7,183
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	6,971	-	200	3,902	2,192	2,192	9,900	10,241	7,183
Capital Spares	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-
Municipal Offices	-	-	-	-	-	-	-	-	-
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-
Building Plan Offices	-	-	-	-	-	-	-	-	-
Workshops	-	-	-	-	-	-	-	-	-
Yards	-	-	-	-	-	-	-	-	-
Stores	-	-	-	-	-	-	-	-	-
Laboratories	-	-	-	-	-	-	-	-	-
Training Centres	-	-	-	-	-	-	-	-	-
Manufacturing Plant	-	-	-	-	-	-	-	-	-
Depots	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Living resources	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on upgrading of existing assets	39,781	41,698	39,125	52,660	62,346	62,346	25,750	52,341	46,683

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

Vote Description	2024/25 Medium Term Revenue & Expenditure Framework			Forecasts			
	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Present value
R thousand							
Capital expenditure							
Vote 1 - Municipal Council	-	-	-				
Vote 2 - Office of the Municipal Manager	465	-	-				
Vote 3 - Corporate Services	2,965	-	-				
Vote 4 - Financial Services	7,210	-	-				
Vote 5 - Infrastructure Services	137,478	137,910	116,734	123,738	131,162	139,032	147,374
Vote 6 - Public Safety	2,150	-	-				
Vote 7 - Planning and Development	30	-	-				
Vote 8 - Community Services	1,735	-	-				
Vote 9 - Costing Services	-	-	-				
Vote 10 - Main Ledger Services	-	-	-				
<i>List entity summary if applicable</i>							
Total Capital Expenditure	152,033	137,910	116,734	123,738	131,162	139,032	147,374
Future operational costs by vote							
Vote 1 - Municipal Council	54,329	56,054	59,045	62,588	66,343	70,324	74,543
Vote 2 - Office of the Municipal Manager	18,264	18,885	20,025	21,226	22,500	23,850	25,281
Vote 3 - Corporate Services	69,353	75,155	80,087	84,893	89,986	95,385	101,109
Vote 4 - Financial Services	134,777	148,756	158,245	167,740	177,804	188,472	199,781
Vote 5 - Infrastructure Services	1,070,451	1,139,445	1,229,537	1,303,309	1,381,507	1,464,398	1,552,262
Vote 6 - Public Safety	173,554	184,344	192,352	203,893	216,127	229,094	242,840
Vote 7 - Planning and Development	73,810	67,011	70,946	75,203	79,715	84,498	89,568
Vote 8 - Community Services	197,676	215,425	224,189	237,641	251,899	267,013	283,034
Vote 9 - Costing Services							
Vote 10 - Main Ledger Services							
<i>List entity summary if applicable</i>							
Total future operational costs	1,792,214	1,905,075	2,034,427	2,156,493	2,285,882	2,423,035	2,568,417
Future revenue by source							
Exchange Revenue	134,610	674,952	715,449	758,375	803,878	852,111	903,237
Service charges - Electricity	636,747	674,952	715,449	758,375	803,878	852,111	903,237
Service charges - Water	176,718	187,321	198,560	210,474	223,102	236,488	250,678
Service charges - Waste Water Management	118,479	125,588	133,123	141,110	149,577	158,552	168,065
Service charges - Waste Management	108,946	115,482	122,411	129,756	137,541	145,794	154,541
Agency services	7,103	7,529	7,981	8,460	8,967	9,505	10,076
<i>List other revenues sources if applicable</i>							
<i>List entity summary if applicable</i>							
Total future revenue	1,182,604	1,785,825	1,892,973	2,006,551	2,126,944	2,254,561	2,389,834
Net Financial Implications	761,643	257,160	258,189	273,680	290,101	307,507	325,957

Table 60 MBRR SA36 - Detailed capital budget per municipal vote

R thousand	Function	Project Description	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	2024/25 Medium Term Revenue & Expenditure Framework					
												Audited Outcome 2022/23	Current Year 2023/24 Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	
Parent municipality: List all capital projects grouped by Function																	
EXECUTIVE & COUNCIL													5	5			
	MINOR ASSETS COUNCIL	New	A capable, ethical and developmental state	Governance	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			55				
	COMMUNITY PROJECTS	New	A capable, ethical and developmental state	Governance	1	Community Facilities	Other	Overstrand	Overstrand	Overstrand			450				
	MINOR ASSETS-OFFICE OF THE MUNICIPAL MANAGER	New	A capable, ethical and developmental state	Governance	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			15				
FINANCE AND ADMINISTRATION													2,223	5,077			
	DELL EMC STARAAGE ARRAY REPLACEMENT - EOL	New	A capable, ethical and developmental state	Governance	1	Computer Equipment	Other	Overstrand	Overstrand	Overstrand			2,200				
	MINOR ASSETS FINANCIAL SERVICES	New	A capable, ethical and developmental state	Governance	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			60				
	MINOR ASSETS CORPORATE SERVICES	New	A capable, ethical and developmental state	Governance	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			60				
	MINOR ASSETS ICT ORGANIZATION WIDE	New	A capable, ethical and developmental state	Governance	1	Computer Equipment	Other	Overstrand	Overstrand	Overstrand			650				
PUBLIC SAFETY													5,007	3,450			
	VEHICLES-PUBLIC SAFETY	New	Social cohesion and safe communities	Governance	4	Transport Assets	Other	Overstrand	Overstrand	Overstrand			800				
	PURCHASE OF DOGS -EXPLOSIVE & ROAD OPERATIONS	New	Social cohesion and safe communities	Governance	4	Biological or Cultivated Assets	Police	Overstrand	Overstrand	Overstrand			350				
	REPLACEMENT OF 3XDOGS	New	Social cohesion and safe communities	Governance	4	Biological or Cultivated Assets	Police	Overstrand	Overstrand	Overstrand			350				
	DRONES - ANTI-LAND INVASION MONITORING	New	Social cohesion and safe communities	Governance	4	Computer Equipment	Police	Overstrand	Overstrand	Overstrand			400				
	UPGRADING OF GANSBAAI FIRE STATION	New	Social cohesion and safe communities	Governance	4	Operational Buildings	Other	Multi-ward Gb Area	34°35'54.86"S Degrees	9°20'49.51"E Degrees			750				
	MINOR ASSETS PROTECTION SERVICES	New	Social cohesion and safe communities	Governance	4	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			300				
PLANNING & DEVELOPMENT													3,719	825			
	MINOR ASSETS PLANNING AND DEVELOPMENT	New	A capable, ethical and developmental state	Inclusion and access	5	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			30				
	VEHICLES-PLANNING AND DEVELOPMENT	New	A capable, ethical and developmental state	Inclusion and access	5	Transport Assets	Other	Overstrand	Overstrand	Overstrand			600				
	MINOR ASSETS INFRASTRUCTURE SERVICES	New	A capable, ethical and developmental state	Inclusion and access	5	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			345				
COMMUNITY SERVICES													3,890	1,360			
	VEHICLES-COMMUNITY SERVICES	New	A capable, ethical and developmental state	Inclusion and access	3	Transport Assets	Other	Overstrand	Overstrand	Overstrand			500				
	UPGRADING OF COMMUNITY HALLS-OVERSTRAND	New	A capable, ethical and developmental state	Inclusion and access	3	Other	Other	Overstrand	Overstrand	Overstrand			1,000				
	MINOR ASSETS COMMUNITY SERVICES	New	A capable, ethical and developmental state	Inclusion and access	3	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			735				
SPORT & RECREATION													3,318	3,837			
	UPGRADE HAWSTON SPORT COMPLEX (NEW STADIUM)(F1/2)	Upgrading	Consolidating the social wage through reliable	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 08	19.219 Degrees	34.419 Degrees			9,000	5,241	3,000		
	UPGRADE HAWSTON SPORT COMPLEX(NEW STADIUM)(F2/2)	Upgrading	Consolidating the social wage through reliable	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 08	19.219 Degrees	34.419 Degrees			900				
	UPGRADE MOUNT PLEASANT SPORT GROUNDS	Upgrading	Consolidating the social wage through reliable	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 04	19°07'56.01"E Degrees	4°23'09.91"S Degrees				2,000	4,183		
	UPGRADING OF PLAYGROUNDS-GANSBAAI	Upgrading	Consolidating the social wage through reliable	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Multi-ward Gansbaai b Ar	34°37'5.14"S Degrees	19°20'3.08"E Degrees			275				
	UPGRADING OF PLAYGROUNDS-KLEINMOND	Upgrading	Consolidating the social wage through reliable	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Multi-ward Kleinmond Are	19.019° E Degrees	34.329° S Degrees			275				
	UPGRADE OF KLEINMOND SPORT FACILITIES	Upgrading	Consolidating the social wage through reliable	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 09	34°20'31" S 19°0'11" E	4°20'31" S 19°0'11" E			1,400	2,788	3,000		
	MOOIUITSIG SPORTS GROUNDS	Upgrading	Consolidating the social wage through reliable	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 10	18°52'51.6"E	34°21'16.2"S				2,000			
	UPGRADE SPORT GROUNDS	Upgrading	Consolidating the social wage through reliable	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 06	19.212, Degrees	34.427 Degrees				3,000	3,000		
	UPGRADE HAWSTON SWIMMING POOL	Upgrading	Consolidating the social wage through reliable	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 08	34°23'09.91"S Degrees	9°07'56.01"E Degrees				3,000			
HOUSING													28,623	33,678			
	LCH SERVICES CONSTRUCTION CONTRACTS	New	Spatial integration, human settlements and loc	Spatial integration	4	Housing	Social Housing	Overstrand	Overstrand	Overstrand			13,129		9,000		
ROADS													16,799	5,080			
	REHABILITATE ROADS AND SIDEWALKS MASAKHANE	Upgrading	Consolidating the social wage through reliable	Inclusion and access	5	Roads Infrastructure	Roads	Ward 02	19°21'39"E Degrees	34°35'30"S Degrees				2,981	2,000		
	REHABILITATE ROADS & STORMWATER	Upgrading	Consolidating the social wage through reliable	Inclusion and access	5	Roads Infrastructure	Roads	Ward 06	19.212 Degrees	34.429 Degrees			802				
	HAWSTON ALMAR CIRCLE	New	Consolidating the social wage through reliable	Inclusion and access	5	Roads Infrastructure	Roads	Ward 08	34°23'09.91"S Degrees	9°07'56.01"E Degrees			150				
	TAXI HOLDING FACILITY	New	Consolidating the social wage through reliable	Inclusion and access	5	Roads Infrastructure	Roads	Ward 04	19.219 Degrees	34.419 Degrees			1,350				
	REHABILITATE ROADS	Upgrading	Consolidating the social wage through reliable	Inclusion and access	5	Roads Infrastructure	Roads	Ward 04	19.219 Degrees	34.419 Degrees				4,000			
ELECTRICITY													55,692	58,249			
	GANSBAAI STANFORD MV LV UPGRADE REPLACEMENT	Upgrading	Consolidating the social wage through reliable	Inclusion and access	2	Electrical Infrastructure	MV Substations	Multi-ward Gansbaai b Ar	34°35'54.86"S Degrees	9°20'49.51"E Degrees			3,000	5,000	3,000		
	FKRAAL KBAAI MV/LV UPGRADE AS PER RETICMASTER	New	Consolidating the social wage through reliable	Inclusion and access	2	Electrical Infrastructure	MV Substations	Multi-ward Gansbaai b Ar	34°37'5.14"S Degrees	19°20'3.08"E Degrees				4,000			
	ELECTRIFICATION OF LOW COST HOUSING AREAS (F1/2)	New	Consolidating the social wage through reliable	Inclusion and access	2	Electrical Infrastructure	MV Substations	Overstrand	Overstrand	Overstrand			19,334	5,000	4,000		
	ELECTRIFICATION OF LOW COST HOUSING AREAS (F1/2)	New	Consolidating the social wage through reliable	Inclusion and access	2	Electrical Infrastructure	MV Substations	Overstrand	Overstrand	Overstrand			3,000				
	HERMANUS MV/LV UPGRADE REPLACEMENT	Upgrading	Consolidating the social wage through reliable	Inclusion and access	2	Electrical Infrastructure	MV Substations	Ward 03	34°25'16.83"S Degrees	9°13'00.62"E Degrees			5,000	10,000	10,000		
	KLEINMOND MV/LV NETWORK UPGRADE	Upgrading	Consolidating the social wage through reliable	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 09	34°20'18.35"S Degrees	9°01'35.31"E Degrees			2,000	5,000	2,000		
	HAWSTON MV/LV UPGRADE REPLACEMENT	Upgrading	Consolidating the social wage through reliable	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 08	34°23'09.91"S Degrees	9°07'56.01"E Degrees			2,000	3,500	3,000		
	VEHICLES-ELECTRICITY	New	Consolidating the social wage through reliable	Inclusion and access	2	Transport Assets	Other	Overstrand	Overstrand	Overstrand			2,250				
	ADDITIONAL WORKSPACE AT ELECTRICAL DEPOT-ONRUS	New	Consolidating the social wage through reliable	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 13	34°25'16.83"S Degrees	9°13'00.62"E Degrees			1,500	1,500			
	NEW STILL STREET 66KV 11KV SUBSTATION	New	Consolidating the social wage through reliable	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 03	34°25'16.83"S Degrees	9°13'00.62"E Degrees			5,000	14,900	15,551		
	ELECTRICITY TRANSFORMERS CAPITAL REPLACEMENT CONT	New	Consolidating the social wage through reliable	Inclusion and access	2	Electrical Infrastructure	MV Networks	Overstrand	Overstrand	Overstrand			1,500	2,000			

Detailed capital budget per municipal vote (continued)

R thousand	Function	Project Description	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	2024/25 Medium Term Revenue & Expenditure Framework				
												Audited Outcome 2022/23	Current Year 2023/24 Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
	WATER											31,608	31,124			
		REFURBISHMENT OF BULK WATER INFRASTRUCTURE	Upgrading	Consolidating the social wage through reliable	Inclusion and access	2	Water Supply Infrastructure	Reticulation	Overstrand	Overstrand	Overstrand			1,000	1,000	1,000
		FENCING AT WATER INSTALLATIONS	Upgrading	Consolidating the social wage through reliable	Inclusion and access	2	Water Supply Infrastructure	Reticulation	Overstrand	Overstrand	Overstrand			500	500	500
		REPLACEMENT OF OVERSTRAND WATER PIPES	New	Consolidating the social wage through reliable	Inclusion and access	2	Water Supply Infrastructure	Reticulation	Overstrand	Overstrand	Overstrand			7,000	9,500	7,660
		WATER FACILITIES CONTINGENCY	Renewal	Consolidating the social wage through reliable	Inclusion and access	2	Water Supply Infrastructure	Reticulation	Overstrand	Overstrand	Overstrand			500	500	500
		REFURBISHMENT OF BUFFELS RIVER WTW	Renewal	Consolidating the social wage through reliable	Inclusion and access	2	Water Supply Infrastructure	Pump Stations	Multi-ward Kleinmond Area	19.019° E Degrees	34.329° S Degrees			5,000	10,000	7,000
		UPGRADE HERMANUS WELL FIELDS PHASE 2(F1/2)	Upgrading	Consolidating the social wage through reliable	Inclusion and access	2	Water Supply Infrastructure	Water Treatment Works	Multi-ward Hermanus Area	19.237° E Degrees	34.376° S Degrees			2,100	2,700	
		UPGRADE HERMANUS WELL FIELDS PHASE 2(F1/2)	Upgrading	Consolidating the social wage through reliable	Inclusion and access	2	Water Supply Infrastructure	Water Treatment Works	Multi-ward Hermanus Area	19.237° E Degrees	34.376° S Degrees			8,000	12,000	
		REPLACEMENT OF WATER PIPES PROTEADORP	Upgrading	Consolidating the social wage through reliable	Inclusion and access	2	Water Supply Infrastructure	Distribution	Overstrand	Overstrand	Overstrand			6,800		
		DE KELDERS WTW MEMBRANE REPLACEMENT	Upgrading	Consolidating the social wage through reliable	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 14	19.370° E / -34.556° S	9.370° E / -34.556° S			800		
		PEARLY BEACH WATER TOWER REFURBISH	Upgrading	Consolidating the social wage through reliable	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 11	34°18'25.2" S Degrees	34°18'25.2" S Degrees			1,000		
		NEW RESERVOIR ONRUS RIVER	New	Consolidating the social wage through reliable	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 13	34°25'16.83"S Degrees	9°13'00.62"E Degrees			-		
		NEW RESERVOIR VOORBERG	New	Consolidating the social wage through reliable	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 10	18°52'51.6"E	34°21'16.2"S			-		
		PEARLY BEACH WTW PROCESS UPGRADE	Upgrading	Consolidating the social wage through reliable	Inclusion and access	2	Water Supply Infrastructure	Water Treatment Works	Ward 11	34°18'25.2" S Degrees	34°18'25.2" S Degrees			5,000		
		NEW DISINFECTION SYSTEM AT PREEKSTOEL WTW	New	Consolidating the social wage through reliable	Inclusion and access	2	Water Supply Infrastructure	Water Treatment Works	Multi-ward Hermanus Area	19.207° E / -34.408° S	9.207° E / -34.408° S			3,000	6,000	
		VEHICLES-WATER	New	Consolidating the social wage through reliable	Inclusion and access	2	Transport Assets	Other	Overstrand	Overstrand	Overstrand			1,000		
		TELEMETRY SYSTEM UPGRADE-WATER	Upgrading	Consolidating the social wage through reliable	Inclusion and access	2	Water Supply Infrastructure	Reticulation	Overstrand	Overstrand	Overstrand				300	300
	SEWERAGE											31,688	60,944			
		SEWERAGE FACILITIES CONTINGENCY	Upgrading	Consolidating the social wage through reliable	Inclusion and access	2	Sanitation Infrastructure	Water Treatment Works	Overstrand	Overstrand	Overstrand			700	700	
		KLEINMOND SEWER NETWORK EXTENSION	Upgrading	Consolidating the social wage through reliable	Inclusion and access	2	Sanitation Infrastructure	Water Treatment Works	Ward 09	34°20'18.35"S Degrees	9°01'35.31"E Degrees					2,000
		GANSBAAI CBD SEWER NETWORK EXTENSION	Upgrading	Consolidating the social wage through reliable	Inclusion and access	2	Sanitation Infrastructure	Water Treatment Works	Ward 02	19°21'39"E Degrees	34°35'30" S Degrees					2,000
		FENCING AT SEWERAGE INSTALLATIONS	Upgrading	Consolidating the social wage through reliable	Inclusion and access	2	Sanitation Infrastructure	Water Treatment Works	Overstrand	Overstrand	Overstrand			600	600	
		UPGRADING OF PUMPSTATIONS & RISING MAINS	Upgrading	Consolidating the social wage through reliable	Inclusion and access	2	Sanitation Infrastructure	Water Treatment Works	Overstrand	Overstrand	Overstrand			2,550	10,000	7,000
		HERMANUS WWTW UPGRADE SCREENS RAS SLUDGE DEWATERING	Replacement	Consolidating the social wage through reliable	Inclusion and access	2	Sanitation Infrastructure	Water Treatment Works	Multi-ward Hermanus Area	19.209° E Degrees	34.427° S Degrees			3,200	1,500	
		HAWSTON WWTW REFURBISH AND UPGRADE(F1/2)	Upgrading	Consolidating the social wage through reliable	Inclusion and access	2	Sanitation Infrastructure	Water Treatment Works	Ward 08	34°23'09.91"S Degrees	19°07'56.01"E Degrees				7,000	17,000
		HAWSTON WWTW REFURBISH AND UPGRADE(F2/2)	Upgrading	Consolidating the social wage through reliable	Inclusion and access	2	Sanitation Infrastructure	Water Treatment Works	Ward 08	34°23'09.91"S Degrees	19°07'56.01"E Degrees				4,000	
		TELEMETRY SYSTEM UPGRADE-SEWERAGE	Upgrading	Consolidating the social wage through reliable	Inclusion and access	2	Sanitation Infrastructure	Water Treatment Works	Overstrand	Overstrand	Overstrand			500	200	200
		NEW DISINFECTION SYSTEMS AT WASTEWATER TREATMENT	Upgrading	Consolidating the social wage through reliable	Inclusion and access	2	Sanitation Infrastructure	Water Treatment Works	Overstrand	Overstrand	Overstrand			8,000	1,000	
	STORMWATER											1,113	7,420			
		VEHICLES-STORMWATER	New	Consolidating the social wage through reliable	Inclusion and access	2	Transport Assets	Other	Overstrand	Overstrand	Overstrand			500		
		UPGRADE/NEW STORMWATER INFRASTRUCTURE	Upgrading	Consolidating the social wage through reliable	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 10	34°20'07.1"S Degrees	18°59'47.1"E Degrees			1,250		
		STORMWATER SYSTEM UPGRADING	Upgrading	Consolidating the social wage through reliable	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 08	34°23'09.91"S Degrees	9°07'56.01"E Degrees			2,000		
		UPGRADE STORMWATER INFRASTRUCTURE- PROTEADORP, N	Upgrading	Consolidating the social wage through reliable	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 09	34°20'37.0"S Degrees	19°00'46.8"E Degrees			6,963		
	WASTE MANAGEMENT											5,637	595			
		UPGRADING OF KLEINMOND TRANSFER STATION	Upgrading	Consolidating the social wage through reliable	Inclusion and access	2	Solid Waste Infrastructure	Waste Transfer Station	Multi-ward Kleinmond Area	34°20'18.35"S Degrees	9°01'35.31"E Degrees					500
		TROMMEL SCREEN FOR GANSBAAI LANDFILL	New	Consolidating the social wage through reliable	Inclusion and access	2	Solid Waste Infrastructure	Landfill Sites	Multi-ward Gansbaai b Area	19.395° E / -34.592° S	9.395° E / -34.592° S				4,000	3,000
		GANSBAAI LANDFILL WEIGHBRIDGE NEW REPLACEMENT DECK	New	Consolidating the social wage through reliable	Inclusion and access	2	Solid Waste Infrastructure	Waste Drop-off Points	Multi-ward Gansbaai b Area	19.395° E / -34.592° S	9.395° E / -34.592° S					840
		REFURBISHMENT OF HERMANUS TRANSFER STATION(F1/2)	Renewal	Consolidating the social wage through reliable	Inclusion and access	2	Solid Waste Infrastructure	Waste Transfer Station	Ward 03	19.209° E Degrees	34.427° S Degrees			400		
		REFURBISHMENT OF HERMANUS TRANSFER STATION(F2/2)	Renewal	Consolidating the social wage through reliable	Inclusion and access	2	Solid Waste Infrastructure	Waste Transfer Station	Ward 03	19.209° E Degrees	34.427° S Degrees			105		
		GENERATOR FOR HERMANUS MRF	New	Consolidating the social wage through reliable	Inclusion and access	2	Solid Waste Infrastructure	Waste Transfer Station	Multi-ward Hermanus area	34°25'16.83"S Degrees	9°13'00.62"E Degrees			490		
		LARGE UPS FOR WEIGHBRIDGE(IF NO GENERATOR INSTALLED)	New	Consolidating the social wage through reliable	Inclusion and access	2	Solid Waste Infrastructure	Waste Transfer Station	Multi-ward Hermanus area	34°25'16.83"S Degrees	9°13'00.62"E Degrees			60		
		VEHICLES-WASTE MANAGEMENT	New	Consolidating the social wage through reliable	Inclusion and access	2	Transport Assets	Other	Overstrand	Overstrand	Overstrand			1,500		
	Parent Capital expenditure											189,321	211,644	152,033	137,910	116,734

Table 61 MBRR SA37 - Projects delayed from previous financial year

R thousand	Function	Project name	Type	MTSF Service Outcome	IUDF	Own Strategi	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Current Year 2023/24		2024/25 Medium Term Revenue & Expenditure Framework			
												Original Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1	Budget Year +2	
Parent municipality: <i>List all capital projects grouped by Function</i>																	
WASTE MANAGEMENT																	
		REFURBISHMENT OF HERMANUS TRANSFER STATION(F1/2)	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Transfer Stations	Ward 03	19.209° E Degrees	34.427° S Degrees	400		400			
		REFURBISHMENT OF HERMANUS TRANSFER STATION(F2/2)	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Transfer Stations	Ward 03	19.209° E Degrees	34.427° S Degrees		105	105			

2.13 Legislation compliance status

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

1. In year reporting
Reporting to National Treasury in electronic format is being fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) is being fully complied with and includes monthly published financial performance on the Municipality's website.
2. Internship programme
The Municipality is participating in the Municipal Financial Management Internship programme and currently has five interns in the programme.
3. Budget and Treasury Office
The Budget and Treasury Office has been established in accordance with the MFMA.
4. Audit Committee
An Audit Committee has been established and is fully functional.
5. Service Delivery and Implementation Plan
A SDBIP document will be tabled in council as part of the IDP.
6. Annual Report
Annual report is compiled in terms of the MFMA and National Treasury requirements.
7. MFMA Training
In excess of 120 municipal officials of Overstrand Municipality have completed the MFMA training.
8. Policies
All budget related policies have been reviewed and are to be tabled in Council on 27 March 2024.

2.14 Other supporting documents

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

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand									
REVENUE ITEMS:									
Non-exchange revenue by source									
Property rates									
Total Property Rates	261,222	278,154	297,101	340,506	340,506	340,506	435,236	461,349	489,030
less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)	-	-	-	-	-	-	75,796	80,344	85,164
Net Property Rates	261,222	278,154	297,101	340,506	340,506	340,506	359,440	381,006	403,866
Exchange revenue service charges									
Service charges - Electricity									
Total Service charges - Electricity	448,208	518,263	500,831	585,478	585,478	585,478	647,132	685,960	727,117
less Revenue Foregone (in excess of 50 kwh per indigent household per month)	-	-	-	-	-	-	2,308	2,446	2,593
less Cost of Free Basic Services (50 kwh per indigent household per month)	5,416	5,513	4,832	7,509	7,509	7,509	8,077	8,562	9,076
Net Service charges - Electricity	442,792	512,750	495,999	577,969	577,969	577,969	636,747	674,952	715,449
Service charges - Water									
Total Service charges - Water	134,175	145,983	161,284	150,484	169,493	167,701	186,037	197,200	209,031
less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)	-	-	-	-	-	-	3,412	3,617	3,834
less Cost of Free Basic Services (6 kilolitres per indigent household per month)	3,062	3,065	3,214	3,214	5,224	3,432	5,907	6,261	6,637
Net Service charges - Water	131,113	142,917	158,070	147,269	164,269	164,269	176,718	187,321	198,560
Service charges - Waste Water Management									
Total Service charges - Waste Water Management	92,338	98,430	109,787	113,846	111,444	114,528	128,742	136,466	144,654
less Revenue Foregone (in excess of free sanitation service to indigent households)	-	-	-	-	-	-	2,932	3,108	3,294
less Cost of Free Basic Services (free sanitation service to indigent households)	5,244	5,253	9,132	9,132	6,729	9,814	7,330	7,770	8,236
Net Service charges - Waste Water Management	87,094	93,177	100,655	104,715	104,715	104,715	118,479	125,588	133,123
Service charges - Waste Management									
Total refuse removal revenue	89,104	93,880	103,856	103,363	112,291	116,582	123,523	130,934	138,790
Total landfill revenue	-	-	-	-	-	-	-	-	-
less Revenue Foregone (in excess of one removal a week to indigent households)	-	-	-	-	-	-	-	-	-
less Cost of Free Basic Services (removed once a week to indigent households)	16,906	16,929	17,933	17,933	14,861	19,152	14,577	15,452	16,379
Net Service charges - Waste Management	72,198	76,951	85,923	85,430	97,430	97,430	108,946	115,482	122,411

Supporting detail to budgeted financial performance (Continued)

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand									
EXPENDITURE ITEMS:									
Employee related costs									
Basic Salaries and Wages	266,471	279,082	295,585	331,914	338,825	338,825	366,395	379,935	406,717
Pension and UIF Contributions	45,067	49,835	52,761	61,991	62,258	62,258	67,570	70,260	75,539
Medical Aid Contributions	13,951	14,510	15,638	18,074	18,047	18,047	19,643	20,423	21,959
Overtime	30,532	35,197	42,829	33,330	36,195	36,195	35,047	36,765	38,566
Performance Bonus	19,229	20,628	21,923	25,334	25,569	25,569	27,713	28,852	31,008
Motor Vehicle Allowance	8,115	8,136	7,976	8,869	8,939	8,939	8,869	8,869	8,869
Cellphone Allowance	2,150	2,185	2,155	2,493	2,564	2,564	2,585	2,589	2,591
Housing Allowances	2,741	1,707	1,774	1,985	2,006	2,006	2,000	2,001	2,001
Other benefits and allowances	17,026	19,421	24,358	21,805	22,949	22,949	23,305	24,102	24,948
Payments in lieu of leave	-	-	-	-	-	-	-	-	-
Long service awards	3,047	3,689	3,283	3,945	4,343	4,343	4,604	4,880	5,173
Post-retirement benefit obligations	22,448	12,613	7,079	21,862	21,355	21,355	22,636	23,994	25,434
Entertainment	-	-	-	-	-	-	-	-	-
Scarcity	3,121	3,575	3,796	4,061	4,061	4,061	4,367	4,545	4,894
Acting and post related allowance	2,131	2,074	1,781	2,249	2,279	2,279	2,450	2,550	2,745
In kind benefits	-	-	-	-	-	-	-	-	-
sub-total	436,029	452,651	480,939	537,911	549,390	549,390	587,185	609,765	650,443
<u>Less: Employees costs capitalised to PPE</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Employee related costs	436,029	452,651	480,939	537,911	549,390	549,390	587,185	609,765	650,443
Depreciation and amortisation									
Depreciation of Property, Plant & Equipment	136,129	140,727	146,163	148,860	148,860	148,860	158,170	166,947	176,263
Lease amortisation	431	290	253	294	294	294	271	290	311
Capital asset impairment	1,635	5,987	1,904	-	-	-	-	-	-
Total Depreciation and amortisation	138,195	147,004	148,321	149,154	149,154	149,154	158,441	167,237	176,574
Bulk purchases - electricity									
Electricity Bulk Purchases	298,272	351,600	346,418	429,805	429,805	429,805	484,477	546,102	615,566
Total bulk purchases	298,272	351,600	346,418	429,805	429,805	429,805	484,477	546,102	615,566
Transfers and grants									
Cash transfers and grants	8,651	12,750	14,786	16,380	16,580	16,580	17,755	17,154	17,993
Non-cash transfers and grants	-	-	1,300	-	-	-	-	-	-
Total transfers and grants	8,651	12,750	16,086	16,380	16,580	16,580	17,755	17,154	17,993
Contracted services									
Outsourced Services	87,046	104,229	125,768	138,344	141,773	141,773	154,567	169,417	181,985
Consultants and Professional Services	26,274	32,365	38,390	41,939	38,244	38,244	40,437	33,406	34,912
Contractors	94,775	100,488	92,930	120,341	125,157	125,157	121,044	131,921	134,554
sub-total	208,095	237,081	257,088	300,624	305,174	305,174	316,048	334,743	351,451

Supporting detail to budgeted financial performance (Continued)

Description	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand									
Operational Costs									
Collection costs	4,569	5,363	4,915	7,367	7,367	7,367	7,809	8,277	8,774
Contributions to 'other' provisions	28,547	13,315	13,315	6,045	15,122	15,122	15,629	16,991	18,010
Audit fees	4,164	3,810	5,257	5,500	5,500	5,500	5,500	5,775	6,064
<i>Other Operational Costs</i>									
<i>Operating Leases</i>	113	96	136	283	283	283	287	290	292
<i>Operational Cost</i>	74,877	95,672	117,461	145,057	180,987	180,987	162,196	130,002	99,973
<i>Statutory Payments other than Income Taxes</i>	-	-	-	-	-	-	-	-	-
<i>Discontinued Operations</i>	-	-	-	-	-	-	-	-	-
Total Operational Costs	112,270	118,256	141,085	164,252	209,258	209,258	191,421	161,335	133,113
Repairs and Maintenance by Expenditure Item									
Employee related costs	101,119	113,771	116,569	132,398	132,413	132,413	141,820	147,647	158,253
Inventory Consumed (Project Maintenance)	19,462	22,089	23,186	25,845	27,725	27,725	21,831	32,874	34,496
Contracted Services	80,996	99,098	97,410	120,575	124,262	124,262	116,799	119,830	121,259
Other Expenditure	9,941	10,428	12,340	14,477	16,393	16,393	15,024	16,026	17,252
Total Repairs and Maintenance Expenditure	211,518	245,386	249,505	293,296	300,793	300,793	295,474	316,378	331,260
Inventory Consumed									
Inventory Consumed - Water	-	-	-	9,230	9,230	9,230	9,460	9,697	9,939
Inventory Consumed - Other	13,498	14,284	20,399	15,903	15,903	15,903	15,903	16,078	16,266
Total Inventory Consumed & Other Material	13,498	14,284	20,399	25,133	25,133	25,133	25,364	25,775	26,205

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

R thousand	Vote 1 - Municipal Council	Vote 2 - Office of the Municipal Manager	Vote 3 - Corporate Services	Vote 4 - Financial Services	Vote 5 - Infrastructure Services	Vote 6 - Public Safety	Vote 7 - Planning and Development	Vote 8 - Community Services	Vote 9 - Costing Services	Vote 10 - Main Ledger Services	Total
Revenue											
Exchange Revenue											
Service charges - Electricity	–	–	–	800	635,947	–	–	–	–	–	636,747
Service charges - Water	–	–	–	8	176,711	–	–	–	–	–	176,718
Service charges - Waste Water Management	–	–	–	–	118,479	0	–	–	–	–	118,479
Service charges - Waste Management	–	–	–	–	108,946	–	–	–	–	–	108,946
Sale of Goods and Rendering of Services	–	–	418	764	84,479	207	9,289	7,603	–	–	102,760
Agency services	–	–	–	–	–	7,102	–	1	–	–	7,103
Interest	–	–	–	0	–	–	–	–	–	–	0
Interest earned from Receivables	–	–	–	9,400	–	–	–	0	–	–	9,400
Interest earned from Current and Non Current Assets	–	–	–	47,750	–	–	–	–	–	–	47,750
Dividends	–	–	–	–	–	–	–	–	–	–	–
Rent on Land	–	–	–	–	–	–	0	1,889	–	–	1,889
Rental from Fixed Assets	–	–	–	–	–	–	72	5,604	–	–	5,676
Licence and permits	–	–	–	–	–	189	–	591	–	–	779
Operational Revenue	100	–	584	3,509	1,770	848	107	2	–	–	6,921
Non-Exchange Revenue											
Property rates	–	–	–	359,440	–	–	–	–	–	–	359,440
Surcharges and Taxes	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	0	–	–	0	526	43,510	841	11	–	–	44,889
Licences or permits	–	–	–	–	–	2,000	–	–	–	–	2,000
Transfer and subsidies - Operational	91,720	–	–	1,860	77,724	7,995	1,898	8,871	–	–	190,068
Interest	–	–	–	2,110	–	–	–	–	–	–	2,110
Fuel Levy	–	–	–	–	–	–	–	–	–	–	–
Service charges	–	–	–	–	–	–	–	–	–	–	–
Gains on disposal of Assets	–	–	–	–	–	–	–	–	–	–	–
Other Gains	–	–	–	4,150	–	–	3,500	–	–	–	7,650
Discontinued Operations	–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contr	91,820	–	1,002	429,791	1,204,582	61,852	15,707	24,572	–	–	1,829,326
Expenditure											
Employee related costs	28,147	15,462	37,193	65,329	155,419	100,148	52,308	133,179	–	–	587,185
Remuneration of councillors	13,912	–	–	–	–	–	–	–	–	–	13,912
Bulk purchases - electricity	–	–	–	–	484,477	–	–	–	–	–	484,477
Inventory consumed	20	119	2,572	2,594	30,348	9,701	1,625	14,112	–	–	61,092
Debt impairment	–	–	–	2,884	8,058	42,468	53	–	–	–	53,462
Depreciation and amortisation	1	50	1,864	1,430	132,152	1,944	238	20,694	–	–	158,373
Interest	–	–	–	5	49,784	–	–	25	–	–	49,814
Contracted services	194	1,672	8,601	25,087	222,465	15,064	16,171	26,793	–	–	316,048
Transfers and subsidies	1,790	–	–	15,165	–	800	–	–	–	–	17,755
Irrecoverable debts written off	–	–	–	3,083	7,230	–	396	–	–	–	10,709
Operational costs	10,265	1,425	22,089	26,410	117,996	5,579	3,048	4,609	–	–	191,421
Losses on disposal of Assets	–	–	–	–	–	–	–	–	–	–	–
Other Losses	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure	54,329	18,729	72,318	141,987	1,207,929	175,704	73,840	199,411	–	–	1,944,247
Surplus/(Deficit)	37,491	(18,729)	(71,316)	287,805	(3,347)	(113,852)	(58,133)	(174,839)	–	–	(114,921)
Transfers and subsidies - capital (monetary allocations)	–	–	–	–	55,133	–	–	10,400	–	–	65,533
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	–	–	–	–	–	–	–	–	–	–	–
Income Tax	37,491	(18,729)	(71,316)	287,805	51,786	(113,852)	(58,133)	(164,439)	–	–	(49,388)

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

Description of economic indicator	Basis of calculation	2001 Census	2007 Survey	2011 Census	2020/21	2021/22	2022/23	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework		
					Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Demographics											
Population	0	55,012	74,546	80,432	107,810	110,856	132,495	136,205	140,019	144,080	150,784
Females aged 5 - 14	0	2,770	5,837	5,228	6,956	7,153	8,549	8,789	9,035	9,297	9,730
Males aged 5 - 14	0	2,816	5,892	5,278	7,024	7,222	8,632	8,873	9,122	9,386	9,823
Females aged 15 - 34	0	5,561	11,567	13,139	17,484	17,978	21,488	22,089	22,708	23,366	24,454
Males aged 15 - 34	0	6,029	11,235	13,648	18,162	18,675	22,320	22,945	23,587	24,271	25,401
Unemployment	0	5,165	8,099	4,237	5,639	5,798	6,929	7,123	7,323	7,535	7,886
Monthly household income (no. of households)											
No income	0	2,226	770	4,585	5,919	5,930	7,715	7,931	8,153	8,390	8,780
R1 - R1 600	0	6,149	5,307	5,326	6,875	6,889	8,963	9,214	9,472	9,747	10,200
R1 601 - R3 200	0	3,742	3,177	4,878	6,297	6,309	8,208	8,438	8,675	8,926	9,341
R3 201 - R6 400	0	3,344	3,789	4,362	5,630	5,642	7,341	7,546	7,757	7,982	8,354
R6 401 - R12 800	0	2,303	2,750	3,830	4,943	4,954	6,445	6,626	6,811	7,009	7,335
R12 801 - R25 600	0	920	1,947	2,896	3,739	3,746	4,874	5,010	5,151	5,300	5,547
R25 601 - R51 200	0	227	1,066	1,456	1,880	1,883	2,450	2,519	2,589	2,664	2,788
R52 201 - R102 400	0	77	184	486	628	629	818	841	865	890	931
R102 401 - R204 800	0	44	176	109	141	141	183	189	194	199	209
R204 801 - R409 600	0			81	105	105	137	140	144	149	155
R409 601 - R819 200	0	0	0	0	0	0	0	0	0	0	0
> R819 200	0	0	0	0	0	0	0	0	0	0	0
Poverty profiles (no. of households)											
< R2 060 per household per month	0	7,053	9,542	11,310	13,059	13,555	19,034	19,567	20,115	20,698	21,662
	0										
Household/demographics (000)											
Number of people in municipal area	0	55,012	74,546	80,432	107,810	110,856	132,495	135,940	139,474	143,100	150,639
Number of poor people in municipal area	0										
Number of households in municipal area	0	24,904	33,747	36,412	48,806	50,185	59,980	61,660	63,387	65,225	68,260
Number of poor households in municipal area	0	-	-	-	-	-	-	-	-	-	-
Definition of poor household (R per month)	0	-	-	-	-	-	-	-	-	-	-
Housing statistics											
Formal	0	22,463	30,440	32,843	44,023	45,266	54,102	55,617	57,175	58,833	61,570
Informal	0	2,441	3,307	3,568	4,783	4,918	5,878	6,043	6,212	6,392	6,689
Total number of households		24,904	33,747	36,412	48,806	50,185	59,980	61,660	63,387	65,225	68,260
Dwellings provided by municipality	0	-	-	-	314	350	250	395	339	321	-
Dwellings provided by province/s	0	-	-	-	-	-	-	-	-	-	-
Dwellings provided by private sector	0	-	-	-	-	-	-	-	-	-	-
Total new housing dwellings		-	-	-	314	350	250	395	339	321	-
Economic											
Inflation/inflation outlook (CPIX)					4.5%	4.5%	4.5%	5.3%	4.9%	4.6%	4.6%
Interest rate - borrowing					10.0%	9.8%	11.4%	10.5%	10.6%	10.6%	10.6%
Interest rate - investment					4.4%	4.8%	7.3%	9.0%	8.6%	8.6%	8.6%
Remuneration increases					6.4%	3.5%	4.9%	5.4%	5.7%	5.5%	5.4%
Consumption growth (electricity)					3.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Consumption growth (water)					3.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Collection rates											
Property tax/service charges					100.4%	99.4%	99.5%	100.0%	100.0%	100.0%	100.0%
Rental of facilities & equipment					6.4%	3.5%	4.9%	5.4%	6.0%	6.0%	6.0%
Interest - external investments					100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Interest - debtors					97.1%	97.1%	97.1%	97.1%	97.1%	97.1%	97.1%
Revenue from agency services					97.1%	97.1%	97.1%	97.1%	97.1%	97.1%	97.1%

Table 66 MBRR SA11 – Property rates summary

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Valuation:									
Date of valuation:	02/07/2015	02/07/2015	02/07/2015	02/07/2022					
Financial year valuation used	2016/2017	2016/2017	2016/2017	2022/2023			2022/2023		
Municipal by-laws s6 in place? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Municipal/assistant valuer appointed? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Municipal partnership s38 used? (Y/N)	No	No	No	No			No		
No. of assistant valuers (FTE)	2	2	2	2			2		
No. of data collectors (FTE)	6	6	6	6			6		
No. of internal valuers (FTE)	-	-	-	-			-		
No. of external valuers (FTE)	3	3	3	3			3		
No. of additional valuers (FTE)	-	-	-	-			-		
Valuation appeal board established? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Implementation time of new valuation roll (mths)	12	60	60	12			24		
No. of properties	43,655	43,655	43,655	44,983					
No. of sectional title values	2,752	2,752	2,752	702			702		
No. of unreasonably difficult properties s7(2)	-	-	-	-			-		
No. of supplementary valuations	1	1	1	1			1		
No. of valuation roll amendments	-	15	15	-			10		
No. of objections by rate payers	-	-	-	1,888			-		
No. of appeals by rate payers	-	-	-	170			-		
No. of successful objections	5	-	-	1,203			-		
No. of successful objections > 10%	-	-	-	360			-		
Supplementary valuation	2,552	2,552	2,552	657			-		
Public service infrastructure value (Rm)	289	306	306	96			102		
Municipality owned property value (Rm)	876	928	928	1,160			1,230		
Valuation reductions:									
Valuation reductions-public infrastructure (Rm)	289	306	306	96	96	96	102	108	115
Valuation reductions-nature reserves/park (Rm)	411	436	436	680	680	680	721	764	810
Valuation reductions-mineral rights (Rm)	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)	477	505	505	511	511	511	542	575	609
Valuation reductions-public worship (Rm)	183	194	194	270	270	270	287	304	322
Valuation reductions-other (Rm)	1,103	1,169	1,169	1,185	1,185	1,185	1,257	1,332	1,412
Total valuation reductions:	2,462	2,610	2,610	2,743	2,743	2,743	2,908	3,082	3,267
Total value used for rating (Rm)	50,077	53,082	53,082	90,339	90,339	90,339	95,760	101,505	107,596
Total land value (Rm)	23,037	24,419	24,419	32,974	32,974	32,974	34,953	37,050	39,273
Total value of improvements (Rm)	29,338	31,099	31,099	57,365	57,365	57,365	60,807	64,456	68,323
Total market value (Rm)	52,375	53,458	53,458	92,914	92,914	92,914	98,489	104,399	110,663
Rating:									
Residential rate used to determine rate for other categories? (Y/N)	Yes	Yes	Yes						
Differential rates used? (Y/N)	Yes	Yes	Yes						
Limit on annual rate increase (s20)? (Y/N)	No	No	No						
Special rating area used? (Y/N)	Yes	Yes	Yes						
Phasing-in properties s21 (number)	No	No	No		-	-	-	-	-
Rates policy accompanying budget? (Y/N)	Yes	Yes	Yes						
Fixed amount minimum value (R'000)	-	-	-				-		
Non-residential prescribed ratio s19? (%)	0.0%	0.0%	0.0%				0.0%		
Rate revenue:									
Rate revenue budget (R'000)	261,559	263,562	275,384	409,443	409,443	409,443	436,175	462,345	490,086
Rate revenue expected to collect (R'000)	261,559	263,562	275,384	409,443	409,443	409,443	436,175	462,345	490,086
Expected cash collection rate (%)	100.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Special rating areas (R'000)	8,309	12,074	12,590	13,345	13,345	13,345	14,443	15,309	16,228
Rebates, exemptions - indigent (R'000)	-	-	-	-	-	-	-	-	-
Rebates, exemptions - pensioners (R'000)	-	-	-	1,178	1,178	1,178	1,273	1,349	1,430
Rebates, exemptions - bona fide farm. (R'000)	-	-	-	-	-	-	-	-	-
Rebates, exemptions - other (R'000)	-	-	-	67,758	67,758	67,758	75,463	79,991	84,790
Phase-in reductions/discounts (R'000)	-	-	-	-	-	-	-	-	-

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

Description	Business and commercial properties	Industrial properties	Mining properties	Residential properties	Agricultural properties	Public benefit organisations	Public service purpose properties	Public service infrastructure properties	Vacant land	Sport Clubs and Fields (Bitou only)	Sectional Title Garages (Drakenstein only)	Sum
Current Year 2023/24												
Valuation:												
No. of properties	1,557	-	-	35,408	176	159	-	785	4,550			43
No. of sectional title property values	323	-	-	379	-	-	-	-	-			1
No. of unreasonably difficult properties s7(2)	-	-	-	-	-	-	-	-	-			-
No. of supplementary valuations	1	1	1	1	1	1	1	1	1			0
Supplementary valuation (Rm)	NOT RECEIVED	NOT RECEIVED	NOT RECEIVED	NOT RECEIVED	NOT RECEIVED	NOT RECEIVED	NOT RECEIVED	NOT RECEIVED	NOT RECEIVED	NOT RECEIVED YET		-
No. of valuation roll amendments	1,557	-	-	35,408	176	159	-	785	4,550			43
No. of objections by rate-payers	TOTAL 1888											-
No. of appeals by rate-payers	TOTAL 170											-
No. of appeals by rate-payers finalised	TOTAL 170											-
No. of successful objections	661											1
No. of successful objections > 10%	661											1
Estimated no. of properties not valued	TOTAL 100											-
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			
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?												
Valuation reductions:												
Valuation reductions-public infrastructure (Rm)	96	-	-	-	-	-	-	-	-			96,282
Valuation reductions-nature reserves/park (Rm)	680	-	-	-	-	-	-	-	-			679,943
Valuation reductions-mineral rights (Rm)	-	-	-	-	-	-	-	-	-			-
Valuation reductions-R15,000 threshold (Rm)	511	-	-	-	-	-	-	-	-			511,305
Valuation reductions-public worship (Rm)	270	-	-	-	-	-	-	-	-			270,340
Valuation reductions-other (Rm)	1,185	-	-	-	-	-	-	-	-			1,185,474
Total valuation reductions:												
Total value used for rating (Rm)	6,806	-	-	78,889	94	-	-	-	3,662			89,450,115
Total land value (Rm)	2,052	-	-	26,430	794	-	-	-	3,662			32,937,790
Total value of improvements (Rm)	4,753	-	-	52,459	145	-	-	-	-			57,357,391
Total market value (Rm)	7,269	-	-	79,523	939	516	-	96	3,662			92,005,664
Rating:												
Average rate												
Rate revenue budget (R'000)	51,769			321,414	886		4,431		30,943			409,443
Rate revenue expected to collect (R'000)	51,769			321,414	886		4,431		30,943			409,443
Expected cash collection rate (%)	100.0%			100.0%	100.0%	100.0%		100.0%	100.0%			0
Special rating areas (R'000)				14,443								14,443
Rebates, exemptions - indigent (R'000)	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - pensioners (R'000)	-	-	-	1,178	-	-	-	-	-	-	-	1,178
Rebates, exemptions - bona fide farm. (R'000)	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - other (R'000)	-	-	-	67,758	-	-	-	-	-	-	-	67,758
Phase-in reductions/discouts (R'000)	-	-	-	-	-	-	-	-	-	-	-	-
Total rebates, exemptns, reductns, discs (R'000)	-	-	-	68,936	-	-	-	-	-	-	-	68,936

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

Description	Business and commercial properties	Industrial properties	Mining properties	Residential properties	Agricultural properties	Public benefit organisations	Public service purpose properties	Public service infrastructure properties	Vacant land	Sport Clubs and Fields (Bitou only)	Sectional Title Garages (Drakenstein only)	Sum
Budget Year 2024/25												
Valuation:												
No. of properties	1,557	-	-	35,408	176	159	-	785	4,550			43
No. of sectional title property values	323	-	-	379	-	-	-	-	-			1
No. of unreasonably difficult properties s7(2)	-	-	-	-	-	-	-	-	-			-
No. of supplementary valuations	1	1	1	1	1	1	1	1	1			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	-	-	-	-	-	-	-	-	-			-
No. of successful objections > 10%	-	-	-	-	-	-	-	-	-			-
Estimated no. of properties not valued	TOTAL 100											-
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)												-
Flat rate used? (Y/N)												-
Is balance rated by uniform rate/variable rate?												-
Valuation reductions:												
Valuation reductions-public infrastructure (Rm)	102	-	-	-	-	-	-	-	-	-	-	102,059
Valuation reductions-nature reserves/park (Rm)	721	-	-	-	-	-	-	-	-	-	-	720,740
Valuation reductions-mineral rights (Rm)	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)	542	-	-	-	-	-	-	-	-	-	-	541,983
Valuation reductions-public worship (Rm)	287	-	-	-	-	-	-	-	-	-	-	286,560
Valuation reductions-other (Rm)	1,257	-	-	-	-	-	-	-	-	-	-	1,256,602
Total valuation reductions:												
Total value used for rating (Rm)	7,214	-	-	83,622	100	-	-	-	3,881			94,817,122
Total land value (Rm)	2,175	-	-	28,016	842	-	-	-	3,662			34,694,354
Total value of improvements (Rm)	5,039	-	-	55,607	154	-	-	-	-			60,798,834
Total market value (Rm)	7,214	-	-	83,622	995	547	-	102	3,662			96,142,175
Rating:												
Average rate												
Rate revenue budget (R'000)	48,260			357,921	1,129			4,289	24,576			436,175
Rate revenue expected to collect (R'000)	48,260			357,921	1,129			4,289	24,576			436,175
Expected cash collection rate (%)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	0
Special rating areas (R'000)				15,261								15,261
Rebates, exemptions - indigent (R'000)	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - pensioners (R'000)	-	-	-	1,273	-	-	-	-	-	-	-	1,273
Rebates, exemptions - bona fide farm. (R'000)	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - other (R'000)	-	-	-	75,463	-	-	-	-	-	-	-	75,463
Phase-in reductions/discounts (R'000)	-	-	-	-	-	-	-	-	-	-	-	-
Total rebates, exemptns, reductns, discs (R'000)	-	-	-	76,735	-	-	-	-	-	-	-	76,735

Table 69 MBRR SA13a – Service tariffs by category

Description	Provide description of tariff structure where appropriate	2020/21	2021/22	2022/23	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework		
						Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Property rates (rate in the Rand)								
Residential properties		0.0060	-	-	0.004210	0.004547	0.004820	0.005109
Residential properties - vacant land		0.0082	-	-	0.006315	0.006820	0.007229	0.007663
Formal/informal settlements		-	-	-	-	-	-	-
Small holdings		-	-	-	-	-	-	-
Farm properties - used		0.0015	-	-	0.001053	0.001137	0.001205	0.001278
Farm properties - not used		-	-	-	-	-	-	-
Industrial properties		-	-	-	0.007368	0.007957	0.008435	0.008941
Business and commercial properties		0.0090	-	-	0.007368	0.007957	0.008435	0.008941
Communal land - residential		-	-	-	-	-	-	-
Communal land - small holdings		-	-	-	-	-	-	-
Communal land - farm property		-	-	-	-	-	-	-
Communal land - business and commercial		-	-	-	-	-	-	-
Communal land - other		-	-	-	0.007368	0.007957	0.008435	0.008941
State-owned properties		0.0090	-	-	0.007368	0.007957	0.008435	0.008941
Municipal properties		-	-	-	-	-	-	-
Public service infrastructure		-	-	-	0.007368	0.007957	0.008435	0.008941
Privately owned towns serviced by the owner		-	-	-	-	-	-	-
State trust land		-	-	-	-	-	-	-
Restitution and redistribution properties		-	-	-	-	-	-	-
Protected areas		-	-	-	-	-	-	-
National monuments properties		-	-	-	-	-	-	-
Property rates by usage								
Business and commercial properties					0.007368	0.007957	0.008435	0.008941
Industrial properties					0.007368	0.007957	0.008435	0.008941
Mining properties								
Residential properties					0.004210	0.004547	0.004820	0.005109
Agricultural properties					0.001053	0.001137	0.001205	0.001278
Public benefit organisations								
Public service purpose properties								
Public service infrastructure properties								
Vacant land					0.006315	0.006820	0.007229	0.007663
Sport Clubs and Fields (Bitou only)								
Sectional Title Garages (Drakenstein only)								
Exemptions, reductions and rebates (Rands)								
Residential properties								
R15 000 threshold rebate		15,000	15,000	15,000	15,000	15,000	15,000	15,000
General residential rebate		35,000	35,000	35,000	35,000	35,000	35,000	35,000
Indigent rebate or exemption		220,000	220,000	220,000				
Pensioners/social grants rebate or exemption		40-100%	40-100%	40-100%	40-100%	40 - 100%	40 - 100%	40 - 100%
Temporary relief rebate or exemption						300,000	300,000	300,000
Bona fide farmers rebate or exemption		75%	75%	75%	75%	75%	75%	75%
Other rebates or exemptions								
		50%	50%	50%	50%	50%	50%	50%
Water tariffs								
Domestic								
Basic charge/ fixed fee (Rands/month)		143	148	156	166	176	186	197
Service point - vacant land (Rands/month)		143	148	156	166	176	186	197
Water usage - flat rate tariff (c/kl)								
Water usage - life line tariff								
Water usage - Block 1 (c/kl)	0 - 6 kl	6	6	6	7	7	8	8
Water usage - Block 2 (c/kl)	7 - 18 kl	12	12	13	14	15	16	17
Water usage - Block 3 (c/kl)	19 - 30 kl	19	20	21				
Water usage - Block 4 (c/kl)	31 - 45 kl	30	31	33				
Water usage - Block 5 (c/kl)	19 - 45 kl				19	31	33	35
Water usage - Block 6 (c/kl)	46 - 60 kl	39	53	55	59	62	66	70
Other	> 60 kl	52	70	74	78	83	88	93
Waste water tariffs								
Domestic								
Basic charge/ fixed fee (Rands/month)		127	132	138	148	161	171	181
Service point - vacant land (Rands/month)		127	132	138	147	161	170	180
Waste water - flat rate tariff (c/kl)		1,432	1,489	1,556	1,669	1,818	1,927	2,043
Volumetric charge - Block 1 (c/kl)	Basic charge pumps	86	89	93	99	108	115	122
Volumetric charge - Block 2 (c/kl)	Service per pump	585	608	636	677	738	782	829
Volumetric charge - Block 3 (c/kl)								
Volumetric charge - Block 4 (c/kl)								
Other								
		-	-	-	-	-	-	-
Electricity tariffs								
Domestic								
Basic charge/ fixed fee (Rands/month)		356	408	439	504	616	652	692
Service point - vacant land (Rands/month)		356	408	439	504	616	652	692
FBE	Household income							
Life-line tariff - meter		128	146	157	157	200	212	225
Life-line tariff - prepaid	one-part							
Flat rate tariff - meter (c/kwh)								
Flat rate tariff - prepaid (c/kwh)								
Meter - IBT Block 1 (c/kwh)	Credit Meter							
Meter - IBT Block 2 (c/kwh)	0 - 350 kWh	137	157	168	194	213	225	239
Meter - IBT Block 3 (c/kwh)	351 - 600 kWh	201	230	247	285	274	290	308
Meter - IBT Block 4 (c/kwh)	> 600 kWh	247	283	304	350	341	362	383
Meter - IBT Block 5 (c/kwh)	Prepaid Meter							
Prepaid - IBT Block 1 (c/kwh)	0 - 350 kWh	126	145	155	179	200	212	225
Prepaid - IBT Block 2 (c/kwh)	351 - 600 kWh	189	217	233	268	274	290	308
Prepaid - IBT Block 3 (c/kwh)	> 600 kWh	237	272	292	336	330	350	371
Prepaid - IBT Block 4 (c/kwh)								
Prepaid - IBT Block 5 (c/kwh)								
Other								
		-	-	-	-	-	-	-
Waste management tariffs								
Domestic								
Street cleaning charge								
Basic charge/ fixed fee		194	202	213	228	253	268	284
80l bin - once a week		194	202	213	228	253	268	284
250l bin - once a week								

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

Description	Provide description of tariff structure where appropriate	2020/21	2021/22	2022/23	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework		
						Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Exemptions, reductions and rebates (Rands)								
R15 000 threshold rebate		15,000	15,000	15,000	15,000	15,000	15,000	15,000
General residential rebate		35,000	35,000	35,000	35,000	35,000	35,000	35,000
General residential rebate				20%	20%	20%	20%	20%
Indigent rebate or exemption		220,000	220,000	220,000				
Pensioners/social grants rebate or exemption					40 - 100%	40-100%	40 - 100%	40 - 100%
Temporary relief rebate or exemption						300,000	300,000	300,000
Bona fide farmers rebate or exemption		75%	75%	75%	75%	75%	75%	75%
Other rebates or exemptions		50%	50%	50%	50%	50%	50%	50%
Water tariffs								
		143	148	156	166	176	186	197
		143	148	156	166	176	186	197
	0 - 6 kl	6	6	6	7	7	8	8
	7 - 18 kl	12	12	13	14	15	16	17
	19 - 30 kl	19	20	21				
	31 - 45 kl	30	31	33				
	19 - 45 kl				19	31	33	35
	46 - 60 kl	39	53	55	59	62	66	70
	> 60 kl	52	70	74	78	83	88	93
Waste water tariffs								
		127	132	138	148	161	171	181
		127	132	138	147	161	170	180
		14	15	16	17	18	19	20
	Basic charge	86	89	93	99	108	115	122
	Service per pump	585	608	636	677	738	782	829
Electricity tariffs								
		356	408	439	504	616	652	692
		356	408	439	504	616	652	692
	FBE based on income							
	one-part (cents)	128	146	157	157	200	212	225
	Credit Meter							
	0 - 350 kWh (cents)	137	157	168	194	213	225	239
	351 - 600 kWh	201	230	247	285	274	290	308
	> 600 kWh (cents)	247	283	304	350	341	362	383
	Prepaid Meter							
	0 - 350 kWh (cents)	126	145	155	179	200	212	225
	351 - 600 kWh	189	217	233	268	274	290	308
	> 600 kWh (cents)	237	272	292	336	330	350	371
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-

Table 71 MBRR SA32 – List of external mechanisms

External mechanism	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
		Number			R thousand
Outsourcing of sub function water and waste water treatment	Yrs	15	Outsourcing of sub function water and waste water treatment	07 December 2033	1,242,710
Outsourcing of sub function operation of landfill site	Yrs	13	Outsourcing of sub function operation of landfill site	30 November 2032	108,587
Note: Overstrand make use of contractual agreements to support the implementation of core function, but the definition of outsourcing do not apply to the other contracts entered into, due to ownership that is kept within the organisation					

Table 72 MBRR SA38 – Consolidated detailed operational projects

Municipal Vote/Operational project	Program/Project description	2024/25 Medium Term Revenue & Expenditure Framework		
		Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Parent municipality:				
<i>List all operational projects grouped by Municipal Vote</i>				
Vote 1 - Municipal Council	Municipal Running Cost	54,306	56,030	59,020
	Typical Work Streams	23	24	26
Vote 2 - Office of the Municipal Manager	Municipal Running Cost	18,681	18,836	19,975
	Repairs & Maintenance	36	36	36
	Typical Work Streams	12	13	13
Vote 3 - Corporate Services	Municipal Running Cost	58,132	60,059	63,837
	Repairs & Maintenance	11,817	12,726	13,879
	Typical Work Streams	2,369	2,370	2,372
Vote 4 - Financial Services	Municipal Running Cost	104,465	109,239	116,634
	Repairs & Maintenance	20,267	21,384	22,569
	Typical Work Streams	17,255	18,133	19,042
Vote 5 - Infrastructure Services	Municipal Running Cost	1,021,808	1,113,683	1,213,277
	Repairs & Maintenance	98,568	113,657	119,312
	Typical Work Streams	87,553	50,014	13,682
Vote 6 - Public Safety	Municipal Running Cost	148,257	154,967	164,419
	Repairs & Maintenance	8,357	8,877	6,719
	Typical Work Streams	19,089	20,501	21,214
Vote 7 - Planning and Development	Municipal Running Cost	55,839	57,874	61,565
	Repairs & Maintenance	9,712	2,572	2,674
	Typical Work Streams	8,288	6,566	6,708
Vote 8 - Community Services	Municipal Running Cost	140,166	149,950	160,900
	Repairs & Maintenance	33,882	39,283	36,099
	Typical Work Streams	25,364	26,192	27,190
Parent operational expenditure		1,944,247	2,042,985	2,151,161

Table 73 MBRR SA33 – Contracts having future budgetary implications

Description	Preceding Years	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework			Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Forecast 2030/31	Forecast 2031/32	Forecast 2032/33	Forecast 2033/34	Total Contract Value
	Total	Original Budget	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
R thousand													
Parent Municipality:													
Revenue Obligation By Contract													
Total Operating Revenue Implication	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditure Obligation By Contract													
Contract 1: SC1890/2018: WATER & WASTE WATER TREATMENT OPERATIONS MANAGEMENT CONTRACT.	219,322	73,718	78,038	82,618	87,474	92,624	98,085	103,877	110,020	116,538	123,452	56,947	1,242,710
Contract 2: SC1892/2018: THE OPERATION OF THE GANSBAAI LANDFILL SITE, THE STANFORD PUBLIC WASTE DROP-OFF FACILITY, AND THE PEARLY BEACH PUBLIC WASTE DROP-OFF FACILITY	20,030	7,273	7,708	8,196	8,726	9,276	9,863	10,390	10,872	11,419	4,834		108,587
Contract 3 SC 1933/2018: PROVISION FOR BANKING SERVICES	5,856	1,675											7,530
Total Operating Expenditure Implication	245,207	82,665	85,746	90,813	96,200	101,899	107,947	114,267	120,892	127,957	128,286	56,947	1,358,827
Capital Expenditure Obligation By Contract													
Total Capital Expenditure Implication	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Parent Expenditure Implication	245,207	82,665	85,746	90,813	96,200	101,899	107,947	114,267	120,892	127,957	128,286	56,947	1,358,827

2.15 Municipal manager's quality certificate

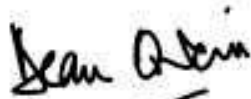
Municipal manager's quality certificate

I, DGI O'NEILL, the municipal manager of **Overstrand Municipality**, hereby certify that the **Draft Budget** and supporting documentation for the **2024/2025 MTREF** has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name: DGI O'NEILL

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

Signature: _____



Date: 27 March 2024

ANNEXURE A

DRAFT BUDGET SCHEDULES 1-10

SCHEDULE 1

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

Vote Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand									
Revenue by Vote									
Vote 1 - Municipal Council	43 170	53 270	74 415	52 697	85 394	85 394	91 820	98 003	104 240
Vote 2 - Office of the Municipal Manager	6	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services	2 564	3 603	1 496	956	956	956	1 002	1 062	1 126
Vote 4 - Financial Services	308 361	326 602	370 122	400 540	404 740	404 740	429 791	449 647	474 085
Vote 5 - Infrastructure Services	925 632	1 034 384	1 103 382	1 190 661	1 228 554	1 228 554	1 259 715	1 265 982	1 300 423
Vote 6 - Public Safety	16 277	48 857	76 056	38 275	63 092	63 092	61 852	62 906	63 896
Vote 7 - Planning and Development	35 709	25 229	32 033	20 463	20 534	20 534	15 707	14 572	15 080
Vote 8 - Community Services	23 913	27 139	24 795	27 278	25 939	25 939	34 972	41 418	41 902
Total Revenue by Vote	1 355 632	1 519 084	1 682 299	1 730 869	1 829 209	1 829 209	1 894 859	1 933 590	2 000 753
Expenditure by Vote to be appropriated									
Vote 1 - Municipal Council	56 584	36 404	46 177	49 457	50 268	50 268	54 329	56 054	59 045
Vote 2 - Office of the Municipal Manager	10 436	10 117	9 709	12 801	13 005	13 005	25 593	18 885	20 025
Vote 3 - Corporate Services	51 227	54 553	58 075	65 270	64 956	64 956	72 318	75 155	80 087
Vote 4 - Financial Services	107 851	137 823	140 078	123 069	129 298	129 298	139 267	148 756	158 245
Vote 5 - Infrastructure Services	806 013	893 615	942 227	1 078 055	1 149 785	1 149 785	1 210 645	1 277 355	1 346 271
Vote 6 - Public Safety	91 326	123 167	153 723	137 515	167 686	167 686	175 704	184 344	192 352
Vote 7 - Planning and Development	50 731	90 848	63 185	72 004	69 991	69 991	73 840	67 011	70 946
Vote 8 - Community Services	147 643	152 166	157 827	204 040	203 371	203 371	192 551	215 425	224 189
Total Expenditure by Vote	1 321 810	1 498 694	1 571 001	1 742 212	1 848 360	1 848 360	1 944 247	2 042 985	2 151 161
Surplus/(Deficit) for the year	33 821	20 390	111 298	(11 342)	(19 151)	(19 151)	(49 388)	(109 395)	(150 408)

SCHEDULE 2

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

R thousand	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue									
Exchange Revenue									
Service charges - Electricity	442 792	512 750	495 999	577 969	577 969	577 969	636 747	674 952	715 449
Service charges - Water	131 113	142 917	158 070	147 269	164 269	164 269	176 718	187 321	198 560
Service charges - Waste Water Management	87 094	93 177	100 655	104 715	104 715	104 715	118 479	125 588	133 123
Service charges - Waste Management	72 198	76 951	85 923	85 430	97 430	97 430	108 946	115 482	122 411
Sale of Goods and Rendering of Services	86 171	114 179	80 449	131 673	123 604	123 604	102 760	66 165	31 109
Agency services	6 189	6 880	7 140	8 319	6 719	6 719	7 103	7 529	7 981
Interest	28	24	33	0	0	0	0	0	0
Interest earned from Receivables	3 257	3 370	5 796	6 400	9 900	9 900	9 400	9 964	10 562
Interest earned from Current and Non Current Assets	30 476	31 884	51 751	41 800	41 800	41 800	47 750	48 705	49 679
Dividends	-	-	-	-	-	-	-	-	-
Rent on Land	966	1 650	1 401	1 127	1 127	1 127	1 889	2 001	2 120
Rental from Fixed Assets	4 068	5 042	5 346	5 646	5 646	5 646	5 676	6 015	6 375
Licence and permits	626	1 002	1 143	964	864	864	779	826	875
Operational Revenue	9 019	7 497	11 572	8 242	8 242	8 242	6 921	7 314	7 730
Non-Exchange Revenue									
Property rates	261 222	278 154	297 101	340 506	340 506	340 506	359 440	381 006	403 866
Surcharges and Taxes	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	1 095	35 124	58 043	20 421	45 421	45 421	44 889	44 983	45 083
Licences or permits	1 601	1 778	1 834	1 943	1 943	1 943	2 000	2 120	2 247
Transfer and subsidies - Operational	144 199	155 949	172 162	184 953	192 561	192 561	190 068	199 421	210 978
Interest	987	851	1 294	1 300	2 000	2 000	2 110	2 237	2 371
Fuel Levy	-	-	-	-	-	-	-	-	-
Operational Revenue	3 848	-	-	-	-	-	-	-	-
Gains on disposal of Assets	-	-	904	-	-	-	-	-	-
Other Gains	7 545	7 570	14 279	7 900	7 900	7 900	7 650	4 050	3 500
Discontinued Operations	-	-	-	-	-	-	-	-	-
Gains	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	1 294 494	1 476 750	1 550 896	1 676 577	1 732 615	1 732 615	1 829 326	1 885 680	1 954 019
Expenditure									
Employee related costs	436 029	452 651	480 939	537 911	549 390	549 390	587 185	609 765	650 443
Remuneration of councillors	11 219	11 538	12 315	12 514	12 898	12 898	13 912	14 488	15 086
Bulk purchases - electricity	298 272	351 600	346 418	429 805	429 805	429 805	484 477	546 102	615 566
Inventory consumed	45 042	52 658	58 220	62 499	65 360	65 360	61 092	73 043	73 524
Debt impairment	9 494	28 248	52 100	19 414	50 372	50 372	53 394	56 598	59 994
Depreciation and amortisation	138 195	147 004	148 321	149 154	149 154	149 154	158 441	167 237	176 574
Interest	48 805	47 584	48 152	49 658	49 658	49 658	49 814	51 810	46 707
Contracted services	208 095	237 081	257 088	300 624	305 174	305 174	316 048	334 743	351 451
Transfers and subsidies	8 651	12 750	16 086	16 380	16 580	16 580	17 755	17 154	17 993
Irrecoverable debts written off	4 559	5 258	10 206	-	10 709	10 709	10 709	10 709	10 709
Operational costs	112 270	118 256	141 085	164 252	209 258	209 258	191 421	161 335	133 113
Losses on disposal of Assets	144	33 873	-	-	-	-	-	-	-
Other Losses	1 034	192	72	-	-	-	-	-	-
Total Expenditure	1 321 810	1 498 694	1 571 001	1 742 212	1 848 360	1 848 360	1 944 247	2 042 985	2 151 161
Surplus/(Deficit)	(27 316)	(21 944)	(20 106)	(65 635)	(115 745)	(115 745)	(114 921)	(157 305)	(197 142)
Transfers and subsidies - capital (monetary)	42 381	40 274	125 273	54 293	95 704	95 704	65 533	47 910	46 734
Transfers and subsidies - capital (in-kind)	18 757	2 060	6 130	-	890	890	-	-	-
Surplus/(Deficit) after capital transfers & contributions	33 821	20 390	111 298	(11 342)	(19 151)	(19 151)	(49 388)	(109 395)	(150 408)
Income Tax	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax	33 821	20 390	111 298	(11 342)	(19 151)	(19 151)	(49 388)	(109 395)	(150 408)
Share of Surplus/Deficit attributable to Joint Venture	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	33 821	20 390	111 298	(11 342)	(19 151)	(19 151)	(49 388)	(109 395)	(150 408)
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	33 821	20 390	111 298	(11 342)	(19 151)	(19 151)	(49 388)	(109 395)	(150 408)

SCHEDULE 3

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

Vote Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital Expenditure - Functional									
Governance and administration	7 054	3 761	2 228	9 075	5 162	5 162	3 490	-	-
Executive and council	355	3	5	5 005	5	5	520	-	-
Finance and administration	6 699	3 759	2 223	4 070	5 157	5 157	2 970	-	-
Internal audit	-	-	-	-	-	-	-	-	-
Community and public safety	96 981	63 534	40 838	49 161	42 325	42 325	30 164	16 029	24 183
Community and social services	16 072	1 458	3 890	1 330	1 360	1 360	2 235	-	-
Sport and recreation	22 886	5 047	3 318	5 041	3 837	3 837	11 850	16 029	15 183
Public safety	8 425	7 998	5 007	900	3 450	3 450	2 950	-	-
Housing	49 598	49 031	28 623	41 890	33 678	33 678	13 129	-	9 000
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	29 200	11 405	20 518	5 748	5 825	5 825	3 277	2 981	6 000
Planning and development	8 466	2 656	3 719	1 108	825	825	975	-	-
Road transport	20 734	8 748	16 799	4 640	5 000	5 000	2 302	2 981	6 000
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	121 565	113 677	125 737	145 425	158 332	158 332	115 102	118 900	86 551
Energy sources	10 436	28 253	55 692	59 526	58 249	58 249	44 584	46 900	37 551
Water management	35 574	36 721	31 608	25 963	31 124	31 124	41 700	42 200	16 660
Waste water management	57 190	45 732	32 801	59 445	68 363	68 363	26 263	25 300	28 500
Waste management	18 365	2 972	5 637	490	595	595	2 555	4 500	3 840
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	254 800	192 377	189 321	209 409	211 644	211 644	152 033	137 910	116 734
Funded by:									
National Government	35 100	36 688	81 741	54 293	62 555	62 555	52 299	47 910	37 734
Provincial Government	48 390	1 290	5 036	-	33 843	33 843	13 129	-	9 000
District Municipality	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental	-	53 387	26 098	41 890	195	195	105	-	-
Transfers recognised - capital	83 490	91 365	112 876	96 183	96 594	96 594	65 533	47 910	46 734
Public contributions & donations	23 919	-	18 467	-	-	-	-	-	-
Borrowing	45 443	65 237	34 249	95 214	95 821	95 821	65 400	90 000	70 000
Internally generated funds	101 949	35 775	23 730	18 013	19 230	19 230	21 100	-	-
Total Capital Funding	254 800	192 377	189 321	209 409	211 644	211 644	152 033	137 910	116 734

SCHEDULE 4

WC032 Overstrand - Schedule 4 - Budgeted Financial Position

R thousand	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
ASSETS									
Current assets									
Cash and cash equivalents	612 723	616 280	646 535	516 302	692 294	692 294	685 063	672 353	621 880
Trade and other receivables from exchange transactions	81 353	96 422	111 871	88 033	76 975	76 975	76 723	75 187	74 190
Receivables from non-exchange transactions	45 341	52 678	57 923	34 822	33 963	33 963	33 790	34 687	34 550
Current portion of non-current receivables	-	-	-	-	-	-	-	-	-
Inventory	12 736	10 938	11 594	11 054	11 054	11 054	11 199	11 170	11 153
VAT	16 822	12 472	13 604	1 063	1 063	1 063	1 783	2 577	3 441
Other current assets	717	733	743	32 047	32 047	32 047	45 087	48 127	51 167
Total current assets	769 692	789 523	842 270	683 321	847 396	847 396	853 646	844 102	796 381
Non current assets									
Investments	54 278	60 512	68 211	77 846	77 846	77 846	84 471	-	-
Investment property	127 538	131 248	141 336	138 346	146 836	146 836	150 336	153 836	157 336
Property, plant and equipment	3 601 762	3 633 488	3 672 579	3 859 136	3 850 952	3 850 952	3 844 183	3 815 214	3 755 752
Biological assets	-	-	-	-	-	-	-	-	-
Living and non-living resources	677	610	542	474	474	474	1 106	1 039	971
Heritage assets	128 528	112 126	114 055	112 126	114 055	114 055	114 055	114 055	114 055
Intangible assets	8 993	8 940	8 687	7 909	7 909	7 909	7 637	7 347	7 036
Trade and other receivables from exchange transactions	-	-	-	-	-	-	-	-	-
Non-current receivables from non-exchange transactions	-	-	-	-	-	-	-	-	-
Other non-current assets	-	-	-	-	-	-	-	-	-
Total non current assets	3 921 776	3 946 923	4 005 409	4 195 837	4 198 072	4 198 072	4 201 789	4 091 491	4 035 151
TOTAL ASSETS	4 691 468	4 736 446	4 847 680	4 879 158	5 045 468	5 045 468	5 055 435	4 935 592	4 831 531
LIABILITIES									
Current liabilities									
Bank overdraft	-	-	-	-	-	-	-	-	-
Financial liabilities	53 957	50 494	57 949	50 907	50 907	50 907	154 566	61 170	71 979
Consumer deposits	42 248	43 312	45 091	65 312	65 312	65 312	58 712	56 712	54 712
Trade and other payables from exchange transactions	141 475	142 157	146 449	182 222	182 223	182 223	158 403	164 536	163 208
Trade and other payables from non-exchange transactions	24 030	26 309	6 206	-	-	-	-	-	-
Provision	49 986	41 443	43 365	42 971	46 488	46 488	53 093	56 205	59 078
VAT	-	-	-	2 111	2 183	2 183	3 362	4 364	5 426
Other current liabilities	-	5 414	6 083	5 904	6 357	6 357	6 643	6 942	7 254
Total current liabilities	311 695	309 129	305 142	349 426	353 469	353 469	434 780	349 928	361 657
Non current liabilities									
Financial liabilities	430 400	429 906	421 957	420 625	420 625	420 625	331 786	360 616	358 637
Provision	139 279	157 026	170 841	167 099	181 162	181 162	188 240	196 094	204 798
Long term portion of trade payables	-	-	-	-	-	-	-	-	-
Other non-current liabilities	108 533	116 205	114 262	144 013	126 802	126 802	141 167	155 458	170 710
Total non current liabilities	678 212	703 137	707 060	731 737	728 589	728 589	661 193	712 168	734 146
TOTAL LIABILITIES	989 907	1 012 266	1 012 202	1 081 163	1 082 058	1 082 058	1 095 973	1 062 096	1 095 803
NET ASSETS	3 701 561	3 724 180	3 835 478	3 797 994	3 963 410	3 963 410	3 959 462	3 873 496	3 735 729
COMMUNITY WEALTH/EQUITY									
Accumulated surplus/(deficit)	3 698 333	3 720 952	3 832 250	3 794 766	3 960 181	3 960 181	3 956 233	3 870 267	3 732 499
Reserves and funds	3 227	3 228	3 228	3 229	3 229	3 229	3 230	3 230	3 230
Other	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	3 701 561	3 724 180	3 835 478	3 797 994	3 963 410	3 963 410	3 959 462	3 873 496	3 735 729

SCHEDULE 5

WC032 Overstrand - Schedule 5 - Budgeted Cash Flows

R thousand	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	262 273	277 452	292 203	335 688	335 688	335 688	355 619	377 527	400 179
Service charges	735 694	813 102	812 299	904 949	933 397	933 397	1 032 048	1 095 854	1 161 604
Other revenue	131 363	88 928	114 267	171 788	162 021	162 021	118 762	89 631	54 616
Transfers and Subsidies - Operational	147 186	145 075	172 032	184 953	192 561	192 561	190 068	199 421	210 978
Transfers and Subsidies - Capital	28 987	96 836	105 269	54 293	96 594	96 594	65 533	47 910	46 734
Interest	34 748	36 128	58 874	41 800	41 800	41 800	47 750	48 705	49 679
Dividends	-	-	-	-	-	-	-	-	-
Payments									
Suppliers and employees	(1 073 734)	(1 199 126)	(1 278 460)	(1 433 760)	(1 447 194)	(1 447 194)	(1 600 224)	(1 686 101)	(1 799 659)
Interest	(48 813)	(47 584)	(48 152)	(49 658)	(49 658)	(49 658)	(49 814)	(51 810)	(46 707)
Transfers and Subsidies	(8 710)	(12 813)	(14 865)	(16 380)	(16 580)	(16 580)	(17 755)	(17 154)	(17 993)
NET CASH FROM/(USED) OPERATING ACTIVITIES	208 994	197 999	213 466	193 672	248 628	248 628	141 987	103 984	59 430
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	1 138	3 813	3 676	-	-	-	-	-	-
Decrease (increase) in non-current receivables	4	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	(4 878)	(4 980)	(4 980)	(4 980)	(4 980)	(4 980)	(4 980)	87 782	-
Payments									
Capital assets	(255 029)	(190 382)	(183 191)	(209 409)	(211 644)	(211 644)	(152 033)	(137 910)	(116 734)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(258 765)	(191 549)	(184 495)	(214 389)	(216 624)	(216 624)	(157 013)	(50 128)	(116 734)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	54 000	50 000	50 000	50 000	50 000	50 000	65 000	90 000	70 000
Increase (decrease) in consumer deposits	1 256	1 064	1 779	22 000	22 000	22 000	(6 600)	(2 000)	(2 000)
Payments									
Repayment of borrowing	(46 576)	(53 957)	(50 494)	(58 245)	(58 245)	(58 245)	(50 605)	(154 566)	(61 170)
NET CASH FROM/(USED) FINANCING ACTIVITIES	8 680	(2 893)	1 285	13 755	13 755	13 755	7 795	(66 566)	6 830
NET INCREASE/ (DECREASE) IN CASH HELD	(41 091)	3 557	30 255	(6 962)	45 759	45 759	(7 231)	(12 710)	(50 473)
Cash/cash equivalents at the year begin:	653 813	612 723	616 280	523 264	646 535	646 535	692 294	685 063	672 353
Cash/cash equivalents at the year end:	612 723	616 280	646 535	516 302	692 294	692 294	685 063	672 353	621 880

SCHEDULE 6

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

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand									
Cash and investments available									
Cash/cash equivalents at the year end	612 723	616 280	646 535	516 302	692 294	692 294	685 063	672 353	621 880
Other current investments > 90 days	0	0	(0)	0	0	0	-	-	-
Investments - Property, plant and equipment	54 278	60 512	68 211	77 846	77 846	77 846	84 471	-	-
Cash and investments available:	667 001	676 792	714 746	594 148	770 140	770 140	769 534	672 353	621 880
Application of cash and investments									
Trade payables from Non-exchange transactions: Unspent conditional Grants	24 030	26 309	6 206	-	-	-	-	-	-
Unspent borrowing	44 066	-	22 033	45 214	45 214	45 214	-	-	-
Statutory requirements	16 822	12 472	13 604	1 063	1 063	1 063	1 783	2 577	3 441
Other working capital requirements	83 371	80 936	79 908	129 226	136 175	136 175	112 609	119 285	118 915
Other provisions	28 547	13 315	10 070	6 045	6 045	6 045	16 010	19 632	20 393
Long term investments committed	54 278	60 512	68 211	77 846	77 846	77 846	84 471	-	-
Reserves to be backed by cash/investments	3 227	3 228	3 228	3 229	3 229	3 229	3 230	3 230	3 230
Total Application of cash and investments:	254 342	196 772	203 260	262 623	269 572	269 572	218 103	144 723	145 979
Surplus(shortfall)	412 659	480 020	511 486	331 525	500 568	500 568	551 431	527 630	475 901

Total Upgrading of Existing Assets	39 781	41 698	39 125	52 660	62 346	62 346	25 750	52 341	46 683
<i>Roads Infrastructure</i>	181	-	-	-	-	-	-	-	-
<i>Storm water Infrastructure</i>	12 258	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>	120	7 173	1 600	9 231	9 231	9 231	9 000	18 500	15 000
<i>Water Supply Infrastructure</i>	1 873	3 586	6 928	550	550	550	500	500	500
<i>Sanitation Infrastructure</i>	14 286	30 939	28 219	38 887	50 283	50 283	6 350	23 100	24 000
<i>Solid Waste Infrastructure</i>	3 262	-	1 859	90	90	90	-	-	-
<i>Rail Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>	-	-	-	-	-	-	-	-	-
Infrastructure	31 980	41 698	38 606	48 758	60 154	60 154	15 850	42 100	39 500
Community Facilities	830	-	319	-	-	-	-	-	-
Sport and Recreation Facilities	6 971	-	200	3 902	2 192	2 192	9 900	10 241	7 183
Community Assets	7 801	-	519	3 902	2 192	2 192	9 900	10 241	7 183
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	254 800	192 377	189 321	209 409	211 644	211 644	152 033	137 910	116 734
<i>Roads Infrastructure</i>	20 734	7 714	16 799	4 640	5 080	5 080	952	2 981	6 000
<i>Storm water Infrastructure</i>	26 427	4 724	1 113	12 358	7 420	7 420	10 213	-	-
<i>Electrical Infrastructure</i>	10 427	26 417	55 692	59 526	58 249	58 249	40 834	45 400	37 551
<i>Water Supply Infrastructure</i>	35 574	36 721	32 137	25 963	31 124	31 124	40 700	42 200	16 660
<i>Sanitation Infrastructure</i>	30 513	39 862	32 801	47 087	58 317	58 317	15 550	25 300	28 500
<i>Solid Waste Infrastructure</i>	15 517	2 972	3 085	490	595	595	565	4 500	3 840
<i>Rail Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>	-	-	-	-	-	-	-	-	-
Infrastructure	139 192	118 410	141 626	150 065	160 785	160 785	108 814	120 381	92 551
Community Facilities	11 829	4 140	2 994	6 213	707	707	3 350	-	-
Sport and Recreation Facilities	21 971	5 047	5 268	5 041	3 837	3 837	11 300	16 029	15 183
Community Assets	33 801	9 187	8 261	11 254	4 544	4 544	14 650	16 029	15 183
Heritage Assets									
Revenue Generating	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Investment properties									
Operational Buildings	4 581	1 410	2 211	100	1 073	1 073	2 250	1 500	-
Housing	49 598	49 031	26 523	41 890	33 678	33 678	13 129	-	9 000
Other Assets	54 179	50 440	28 734	41 990	34 751	34 751	15 379	1 500	9 000
Biological or Cultivated Assets									
Servitudes	-	21	-	-	-	-	700	-	-
Licences and Rights	-	-	-	-	71	71	-	-	-
Intangible Assets									
Computer Equipment	5 152	3 240	2 212	4 000	4 575	4 575	3 250	-	-
Furniture and Office Equipment	802	2 910	715	765	745	745	865	-	-
Machinery and Equipment	486	1 363	729	1 335	1 745	1 745	1 225	-	-
Transport Assets	21 189	6 806	7 043	-	4 427	4 427	7 150	-	-
Land									
Zoo's, Marine and Non-biological Animals									
Mature	-	-	-	-	-	-	-	-	-
Immature	-	-	-	-	-	-	-	-	-
Living Resources	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	254 800	192 377	189 321	209 409	211 644	211 644	152 033	137 910	116 734

ASSET REGISTER SUMMARY - PPE (WDV)	3 867 498	3 886 411	3 937 199	4 117 991	4 120 226	4 120 226	4 117 318	4 091 490	4 035 150
<i>Roads Infrastructure</i>	1 092 468	1 051 629	1 030 337	919 844	920 284	920 284	875 222	828 508	780 837
<i>Storm water Infrastructure</i>	234 040	249 628	247 788	244 723	245 246	245 246	246 734	237 834	228 757
<i>Electrical Infrastructure</i>	503 933	503 466	533 162	581 070	579 792	579 792	592 983	610 187	618 977
<i>Water Supply Infrastructure</i>	481 783	502 684	512 678	531 445	536 606	536 606	552 256	568 405	557 971
<i>Sanitation Infrastructure</i>	410 765	449 610	468 023	484 553	490 321	490 321	484 370	487 093	491 887
<i>Solid Waste Infrastructure</i>	40 153	40 054	39 805	46 852	46 958	46 958	44 215	45 293	45 676
<i>Rail Infrastructure</i>	–	–	–	–	–	–	–	–	–
<i>Coastal Infrastructure</i>	–	–	–	–	–	–	–	–	–
<i>Information and Communication Infrastructure</i>	–	–	–	–	–	–	–	–	–
Infrastructure	2 763 142	2 797 071	2 831 793	2 808 488	2 819 208	2 819 208	2 795 780	2 777 319	2 724 105
Community Facilities	–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities	–	–	–	–	–	–	–	–	–
Community Assets	–	–	–	–	–	–	–	–	–
Heritage Assets	130 928	112 126	114 055	112 126	114 055	114 055	114 055	114 055	114 055
Revenue Generating	–	–	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Investment properties	127 538	131 248	141 336	138 346	146 836	146 836	150 336	153 836	157 336
Operational Buildings	–	–	–	–	–	–	–	–	–
Housing	–	–	–	–	–	–	–	–	–
Other Assets	720 913	716 717	718 720	933 820	909 451	909 451	922 125	920 917	924 842
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Servitudes	–	–	–	–	–	–	–	–	–
Licences and Rights	–	–	–	–	–	–	–	–	–
Intangible Assets	8 993	8 940	8 687	7 909	7 980	7 980	7 709	7 418	7 108
Computer Equipment	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment	11 016	12 199	12 260	17 932	18 487	18 487	20 287	17 739	14 937
Machinery and Equipment	8 693	9 932	10 584	5 464	5 874	5 874	5 626	4 005	2 223
Transport Assets	95 597	97 568	99 221	93 432	97 859	97 859	100 294	95 162	89 575
Land	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
Living Resources	677	610	542	474	474	474	1 106	1 039	971
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	3 867 498	3 886 411	3 937 199	4 117 991	4 120 226	4 120 226	4 117 318	4 091 490	4 035 150
EXPENDITURE OTHER ITEMS									
Depreciation	138 195	147 004	148 321	149 087	149 087	149 087	158 373	167 170	176 506
Repairs and Maintenance by Asset Class	211 518	245 386	249 505	293 296	300 793	300 793	295 474	316 378	331 260
<i>Roads Infrastructure</i>	67 439	64 340	54 418	75 266	80 631	80 631	78 469	92 481	98 202
<i>Storm water Infrastructure</i>	5 584	6 870	6 157	6 469	6 265	6 265	6 361	6 573	6 943
<i>Electrical Infrastructure</i>	31 045	30 721	35 380	41 404	41 590	41 590	40 144	42 117	45 114
<i>Water Supply Infrastructure</i>	21 046	21 088	20 432	23 527	21 800	21 800	24 954	26 031	27 625
<i>Sanitation Infrastructure</i>	12 980	11 710	12 634	13 718	14 008	14 008	14 322	14 738	15 395
<i>Solid Waste Infrastructure</i>	2 535	6 351	8 650	7 697	8 432	8 432	8 620	9 081	9 717
<i>Rail Infrastructure</i>	–	–	–	–	–	–	–	–	–
<i>Coastal Infrastructure</i>	110	–	–	–	–	–	–	–	–
<i>Information and Communication Infrastructure</i>	1	–	–	–	–	–	–	–	–
Infrastructure	140 742	141 079	137 671	168 080	172 726	172 726	172 870	191 021	202 996
Community Facilities	37 364	37 455	40 568	47 427	48 358	48 358	49 396	52 852	55 009
Sport and Recreation Facilities	7 007	12 921	12 919	14 649	14 295	14 295	17 042	19 622	17 192
Community Assets	44 371	50 376	53 486	62 076	62 653	62 653	66 438	72 474	72 201
Heritage Assets	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Operational Buildings	2 136	15 056	16 833	18 438	14 949	14 949	13 758	8 069	8 381
Housing	1	–	–	–	–	–	–	–	–
Other Assets	2 137	15 056	16 833	18 438	14 949	14 949	13 758	8 069	8 381
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Servitudes	–	–	–	–	–	–	–	–	–
Licences and Rights	5 672	5 915	6 829	8 331	8 073	8 073	8 967	9 720	10 707
Intangible Assets	5 672	5 915	6 829	8 331	8 073	8 073	8 967	9 720	10 707
Computer Equipment	1 947	2 490	2 157	2 423	2 423	2 423	2 566	2 717	2 878
Furniture and Office Equipment	1 128	5 004	8 206	11 697	13 872	13 872	7 747	7 935	8 389
Machinery and Equipment	–	4 059	4 163	6 036	7 656	7 656	5 983	6 310	6 530
Transport Assets	15 521	21 406	20 160	16 214	18 441	18 441	17 145	18 132	19 178
Libraries	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
Mature	–	–	–	–	–	–	–	–	–
Immature	–	–	–	–	–	–	–	–	–
Living Resources	–	–	–	–	–	–	–	–	–
TOTAL EXPENDITURE OTHER ITEMS	349 713	392 390	397 826	442 382	449 880	449 880	453 848	483 548	507 767
<i>Renewal and upgrading of Existing Assets as % of total</i>	21.7%	37.8%	29.9%	32.9%	38.3%	38.3%	28.4%	58.0%	56.4%
<i>Renewal and upgrading of Existing Assets as % of depr</i>	40.0%	49.4%	38.1%	46.3%	54.4%	54.4%	27.3%	47.9%	37.3%
<i>R&M as a % of PPE</i>	5.5%	6.4%	6.4%	7.1%	7.3%	7.3%	7.2%	7.7%	8.2%
<i>Renewal and upgrading and R&M as a % of PPE</i>	7.0%	8.3%	7.8%	8.9%	9.4%	9.4%	8.3%	9.7%	9.9%

SCHEDULE 8

WC032 Overstrand - Schedule 8 - Basic service delivery measurement

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Household service targets									
Water:									
Piped water inside dwelling	30 111	30 990	31 829	31 324	31 324	31 324	32 466	33 115	33 777
Piped water inside yard (but not in dwelling)	-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	3 775	3 536	3 242	3 242	3 242	3 242	3 536	4 650	4 900
Other water supply (at least min.service level)	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	33 886	34 526	35 071	34 566	34 566	34 566	36 002	37 765	38 677
Using public tap (< min.service level)	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
No water supply	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Total number of households	33 886	34 526	35 071	34 566	34 566	34 566	36 002	37 765	38 677
Sanitation/sewerage:									
Flush toilet (connected to sewerage)	30 420	31 394	32 323	31 646	31 646	31 646	32 969	33 629	34 301
Flush toilet (with septic tank)	-	-	-	-	-	-	-	-	-
Chemical toilet	-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)	-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	30 420	31 394	32 323	31 646	31 646	31 646	32 969	33 629	34 301
Bucket toilet	-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)	3 779	3 536	3 242	3 242	3 242	3 242	3 536	4 650	4 900
No toilet provisions	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	3 779	3 536	3 242	3 242	3 242	3 242	3 536	4 650	4 900
Total number of households	34 199	34 930	35 565	34 888	34 888	34 888	36 505	38 279	39 201
Energy:									
Electricity (at least min.service level)	5 826	5 618	5 502	5 415	5 415	5 415	5 278	5 141	5 004
Electricity - prepaid (min.service level)	20 146	20 821	21 854	22 382	22 382	22 382	23 127	23 872	24 617
<i>Minimum Service Level and Above sub-total</i>	25 972	26 439	27 356	27 797	27 797	27 797	28 405	29 013	29 621
Electricity (< min.service level)	-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
Other energy sources	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Total number of households	25 972	26 439	27 356	27 797	27 797	27 797	28 405	29 013	29 621
Refuse:									
Removed at least once a week	33 895	34 819	35 601	35 261	35 261	35 261	36 313	37 039	37 780
<i>Minimum Service Level and Above sub-total</i>	33 895	34 819	35 601	35 261	35 261	35 261	36 313	37 039	37 780
Removed less frequently than once a week	-	-	-	-	-	-	-	-	-
Using communal refuse dump	-	-	-	-	-	-	-	-	-
Using own refuse dump	-	-	-	-	-	-	-	-	-
Other rubbish disposal	-	-	-	-	-	-	-	-	-
No rubbish disposal	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Total number of households	33 895	34 819	35 601	35 261	35 261	35 261	36 313	37 039	37 780
Households receiving Free Basic Service									
Water (6 kilolitres per household per month)	7 595	7 278	7 400	7 400	7 400	7 400	4 800	4 800	4 800
Sanitation (free minimum level service)	7 595	7 278	7 400	7 400	7 400	7 400	4 800	4 800	4 800
Electricity/other energy (50kwh per household per month)	7 595	7 278	7 400	7 400	7 400	7 400	4 800	4 800	4 800
Refuse (removed at least once a week)	7 595	7 278	7 400	7 400	7 400	7 400	4 800	4 800	4 800
Informal Settlements	-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Formal Settlements (R'000)									
Water (6 kilolitres per indigent household per month)	3 062	3 065	3 214	3 214	5 224	3 432	5 907	6 261	6 637
Sanitation (free sanitation service to indigent households)	5 244	5 253	9 132	9 132	6 729	9 814	7 330	7 770	8 236
Electricity/other energy (50kwh per indigent household per month)	5 416	5 513	4 832	7 509	7 509	7 509	8 077	8 562	9 076
Refuse (removed once a week for indigent households)	16 906	16 929	17 933	17 933	14 861	19 152	14 577	15 452	16 379
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)	-	-	-	-	-	-	-	-	-
Total cost of FBS provided	30 628	30 760	35 111	37 788	34 324	39 907	35 892	38 045	40 328
Highest level of free service provided per household									
Property rates (R value threshold)	220 000	220 000							
Water (kilolitres per household per month)	6	6	6	10	10	10	10	10	10
Sanitation (kilolitres per household per month)	4	4	4	7	7	7	7	7	7
Sanitation (Rand per household per month)	127	132	138	148	148	148	161	171	181
Electricity (kwh per household per month)	50	50	50	50	50	50	70	70	70
Refuse (average litres per week)	210	210	210	210	210	210	210	210	210
Revenue cost of subsidised services provided (R'000)									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)	-	-	-	-	-	-	-	-	-
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)	-	-	-	-	-	-	75 796	80 344	85 164
Water (in excess of 6 kilolitres per indigent household per month)	-	-	-	-	-	-	3 412	3 617	3 834
Sanitation (in excess of free sanitation service to indigent households)	-	-	-	-	-	-	2 932	3 108	3 294
Electricity/other energy (in excess of 50 kwh per indigent household per month)	-	-	-	-	-	-	2 308	2 446	2 593
Refuse (in excess of one removal a week for indigent households)	-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates	-	-	-	-	-	-	-	-	-
Housing - top structure subsidies	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total revenue cost of subsidised services provided	-	-	-	-	-	-	84 448	89 515	94 886

SCHEDULE 9

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

Standard Classification Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue - Functional									
Governance and administration	366 679	393 791	462 846	460 614	497 521	497 521	527 064	553 214	584 008
Executive and council	42 529	53 624	73 092	52 832	85 529	85 529	91 905	98 093	104 335
Finance and administration	324 150	340 167	389 754	407 781	411 992	411 992	435 159	455 121	479 673
Internal audit	-	-	-	-	-	-	-	-	-
Community and public safety	125 463	164 894	182 416	177 203	226 381	226 381	193 553	150 336	124 399
Community and social services	8 291	9 726	9 270	8 785	9 246	9 246	9 154	9 349	9 622
Sport and recreation	29 089	15 568	14 939	16 689	14 979	14 979	24 504	30 977	31 026
Public safety	16 193	48 216	76 056	38 275	63 092	63 092	61 852	62 906	63 896
Housing	71 891	91 383	82 150	113 454	139 063	139 063	98 043	47 104	19 856
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	16 035	24 301	34 098	20 693	22 172	22 172	13 907	14 865	18 350
Planning and development	11 638	17 461	19 181	15 360	15 341	15 341	12 358	11 084	11 525
Road transport	4 365	6 342	14 877	5 290	6 790	6 790	1 502	3 732	6 773
Environmental protection	32	498	40	42	42	42	46	49	52
Trading services	847 454	936 098	1 002 939	1 072 360	1 083 135	1 083 135	1 160 336	1 215 175	1 273 995
Energy sources	481 695	557 894	576 269	654 236	636 972	636 972	689 348	720 115	762 379
Water management	153 115	156 426	182 255	169 924	191 372	191 372	204 493	213 075	213 139
Waste water management	117 987	123 924	141 829	143 566	143 375	143 375	142 748	150 926	159 554
Waste management	94 657	97 854	102 585	104 634	111 415	111 415	123 746	131 060	138 923
Other	-	-	0	-	-	-	-	-	-
Total Revenue - Functional	1 355 632	1 519 084	1 682 299	1 730 869	1 829 209	1 829 209	1 894 859	1 933 590	2 000 753
Expenditure - Functional									
Governance and administration	259 532	298 050	279 049	334 581	336 109	336 109	358 132	378 467	402 249
Executive and council	70 404	65 261	60 364	80 395	80 857	80 857	88 507	95 479	101 155
Finance and administration	186 367	229 891	215 535	249 820	250 898	250 898	264 479	278 170	295 943
Internal audit	2 761	2 898	3 150	4 366	4 354	4 354	5 145	4 817	5 151
Community and public safety	192 423	247 198	297 737	297 549	363 710	363 710	356 028	333 169	306 346
Community and social services	22 122	20 500	22 970	23 853	23 366	23 366	25 282	27 392	27 709
Sport and recreation	52 169	53 049	57 811	63 849	65 752	65 752	69 335	73 307	73 980
Public safety	87 169	126 920	156 969	132 228	163 071	163 071	169 928	178 600	186 668
Housing	30 963	46 729	59 987	77 620	111 520	111 520	91 482	53 870	17 989
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	170 202	183 133	179 614	210 462	213 673	213 673	223 538	234 659	249 510
Planning and development	43 396	47 152	47 425	56 507	54 222	54 222	58 410	57 753	61 055
Road transport	110 465	114 891	107 694	129 394	134 819	134 819	139 911	158 178	168 604
Environmental protection	16 340	21 090	24 496	24 561	24 632	24 632	25 218	18 727	19 851
Trading services	696 761	767 390	810 879	895 516	930 663	930 663	1 002 626	1 092 563	1 188 639
Energy sources	384 141	438 281	439 681	527 575	531 852	531 852	585 410	650 372	723 547
Water management	120 612	131 792	139 629	149 901	153 477	153 477	160 282	170 954	179 286
Waste water management	95 785	110 529	134 709	122 166	137 749	137 749	144 301	151 691	157 848
Waste management	96 223	86 788	96 861	95 874	107 586	107 586	112 633	119 547	127 958
Other	2 893	2 923	3 722	4 104	4 204	4 204	3 923	4 127	4 418
Total Expenditure - Functional	1 321 810	1 498 694	1 571 001	1 742 212	1 848 360	1 848 360	1 944 247	2 042 985	2 151 161
Surplus/(Deficit) for the year	33 821	20 390	111 298	(11 342)	(19 151)	(19 151)	(49 388)	(109 395)	(150 408)

SCHEDULE 10

WC032 Overstrand - Schedule 10 - Budgeted Capital Expenditure by directorate

Vote Description R thousand	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital expenditure - Vote									
Multi-year expenditure to be appropriated									
Vote 1 - Municipal Council	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager	-	-	-	5 000	-	-	-	-	-
Vote 3 - Corporate Services	-	3 250	-	2 215	1 533	1 533	765	-	-
Vote 4 - Financial Services	-	42	-	60	10	10	1 560	-	-
Vote 5 - Infrastructure Services	109 765	146 819	4 059	196 210	185 204	185 204	124 361	137 910	109 734
Vote 6 - Public Safety	-	2 117	-	300	1 300	1 300	300	-	-
Vote 7 - Planning and Development	-	100	-	45	45	45	30	-	-
Vote 8 - Community Services	-	6 417	-	735	735	735	735	-	-
Total Capital Expenditure - Vote	109 765	158 744	4 059	204 565	188 827	188 827	127 751	137 910	109 734
Single-year expenditure to be appropriated									
Vote 1 - Municipal Council	352	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager	-	-	-	-	-	-	465	-	-
Vote 3 - Corporate Services	2 288	-	1 812	1 800	3 128	3 128	2 200	-	-
Vote 4 - Financial Services	57	-	57	-	2 627	2 627	5 650	-	-
Vote 5 - Infrastructure Services	91 580	26 219	163 637	1 938	14 659	14 659	13 117	-	7 000
Vote 6 - Public Safety	8 160	4 989	5 007	600	2 150	2 150	1 850	-	-
Vote 7 - Planning and Development	498	965	2 365	-	223	223	-	-	-
Vote 8 - Community Services	42 100	1 458	12 384	506	30	30	1 000	-	-
Capital single-year expenditure sub-total	145 035	33 633	185 262	4 844	22 817	22 817	24 282	-	7 000
Total Capital Expenditure - Vote	254 800	192 377	189 321	209 409	211 644	211 644	152 033	137 910	116 734

The A Schedule Budget Tables is a National Treasury template, and now, also incorporated into the financial systems of the vendors, and in many instances, sheet & cell protected. It should be noted that some tables contain inconsistent formula errors, which calculates the data incorrectly in some tables. As the inclusion of the Budget tables in the Budget Report, which should be system generated, is a requirement of the Budget Regulations, the tables are displayed according to the formulae and formatting from the protected excel worksheets & cells from the schedules produced by the financial system. Numerous of the incorrect formulas have been edited or changed by the municipal staff, to improve the quality of the information presented.

Municipal annual budgets and MTREF & supporting tables

mSCOA Version 6.8

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Accountability

Transparency

**Information &
service delivery**



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Contact details:

Kgomotso Baloyi
National Treasury
Tel: (012) 315-5866
Electronic submissions:
LG Upload Portal

Preparation Instructions

Municipality Name:

CFO Name:

Tel:

Fax:

E-Mail:

Budget for MTREF starting:

Budget Year:

Does this municipality have Entities?

If YES: Identify type of report:

LGDB Export

Name Votes & Sub-Votes

Printing Instructions

Showing / Hiding Columns

Showing / Clearing Highlights

Important documents which provide essential assistance

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[MFMA Return Forms](#)

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Organisational Structure Votes	Complete Votes & Sub-Votes	Select Org. Structure
Vote 1 - Municipal Council	Vote 1 Municipal Council	1.1 - Council General
Vote 2 - Office of the Municipal Manager	1.1 Council General	1.2 - Mayor's Office
Vote 3 - Corporate Services	1.2 Mayor's Office	1.3 - Pensioners & Continued Members
Vote 4 - Financial Services	1.3 Pensioners & Continued Members	1.4 - 0
Vote 5 - Infrastructure Services	1.4 0	1.5 - 0
Vote 6 - Public Safety	1.5 0	1.6 - 0
Vote 7 - Planning and Development	1.6 0	1.7 - 0
Vote 8 - Community Services	1.7 0	1.8 - 0
Vote 9 - Costing Services	1.8 0	1.9 - 0
Vote 10 - Main Ledger Services	1.9 0	1.10 - 0
Vote 11 - [NAME OF VOTE 11]	1.10 0	
Vote 12 - [NAME OF VOTE 12]	Vote 2 Office of the Municipal Manager	2.1 - Municipal Manager
Vote 13 - [NAME OF VOTE 13]	2.1 Municipal Manager	2.2 - Internal Audit
Vote 14 - [NAME OF VOTE 14]	2.2 Internal Audit	2.3 - Legal Services & Contract Management
Vote 15 - [NAME OF VOTE 15]	2.3 Legal Services & Contract Management	2.4 - Strategic Support Services
	2.4 Strategic Support Services	2.5 - 0
	2.5 0	2.6 - 0
	2.6 0	2.7 - 0
	2.7 0	2.8 - 0
	2.8 0	2.9 - 0
	2.9 0	2.10 - 0
	2.10 0	
	Vote 3 Corporate Services	3.1 - Director: Corporate Services
	3.1 Director: Corporate Services	3.2 - Human Resources
	3.2 Human Resources	3.3 - Info & Communication Technology
	3.3 Info & Communication Technology	3.4 - Admin Support Services
	3.4 Admin Support Services	3.5 - Municipal Court
	3.5 Municipal Court	3.6 - Risk Management
	3.6 Risk Management	3.7 - Customer Relations Management (24H)
	3.7 Customer Relations Management (24H)	3.8 - 0
	3.8 0	3.9 - 0
	3.9 0	3.10 - 0
	3.10 0	
	Vote 4 Financial Services	4.1 - Finance: Director
	4.1 Finance: Director	4.2 - Finance: Accounting Services
	4.2 Finance: Accounting Services	4.3 - Finance: Expenditure, Assets & Fleet Management
	4.3 Finance: Expenditure, Assets & Fleet Management	4.4 - Finance: Revenue
	4.4 Finance: Revenue	4.5 - Finance: Supply Chain Management
	4.5 Finance: Supply Chain Management	4.6 - Data Control
	4.6 Data Control	4.7 - Assessment Rates
	4.7 Assessment Rates	4.8 - 0
	4.8 0	4.9 - 0
	4.9 0	4.10 - 0
	4.10 0	
	Vote 5 Infrastructure Services	5.1 - Director: Infrastructure Services
	5.1 Director: Infrastructure Services	5.2 - Water Infrastructure & Quality
	5.2 Water Infrastructure & Quality	5.3 - Bulk Water Services & Housing Development
	5.3 Bulk Water Services & Housing Development	5.4 - Civil Engineering Services
	5.4 Civil Engineering Services	5.5 - Roads
	5.5 Roads	5.6 - Stormwater
	5.6 Stormwater	5.7 - Electricity
	5.7 Electricity	5.8 - Water
	5.8 Water	5.9 - Sewerage
	5.9 Sewerage	5.10 - Waste Management
	5.10 Waste Management	
	Vote 6 Public Safety	6.1 - Director: Municipal Public Safety
	6.1 Director: Municipal Public Safety	6.2 - Traffic
	6.2 Traffic	6.3 - Law Enforcement
	6.3 Law Enforcement	6.4 - Vehicle testing
	6.4 Vehicle testing	6.5 - Fire Brigade
	6.5 Fire Brigade	6.6 - Vehicle Licensing
	6.6 Vehicle Licensing	6.7 - Special Task Team Unit
	6.7 Special Task Team Unit	6.8 - Disaster Management
	6.8 Disaster Management	6.9 - Security Services
	6.9 Security Services	6.10 - 0
	6.10 0	
	Vote 7 Planning and Development	7.1 - Director: Planning & Development
	7.1 Director: Planning & Development	7.2 - Tourism
	7.2 Tourism	7.3 - Socio Economic Services
	7.3 Socio Economic Services	7.4 - Thusong Centre: Hawston
	7.4 Thusong Centre: Hawston	7.5 - Town Planning
	7.5 Town Planning	7.6 - Building Control Services
	7.6 Building Control Services	7.7 - Property Administration
	7.7 Property Administration	7.8 - Environmental Management Services
	7.8 Environmental Management Services	7.9 - 0
	7.9 0	7.10 - 0
	7.10 0	
	Vote 8 Community Services	8.1 - Director
	8.1 Director	8.2 - Offices & Community Buildings
	8.2 Offices & Community Buildings	8.3 - Parks & Townlands, Cemeteries
	8.3 Parks & Townlands, Cemeteries	8.4 - Libraries
	8.4 Libraries	8.5 - Sport & Recreation
	8.5 Sport & Recreation	8.6 - Housing & Social Upliftment
	8.6 Housing & Social Upliftment	8.7 - Refuse Removal
	8.7 Refuse Removal	8.8 - 0
	8.8 0	8.9 - 0
	8.9 0	8.10 - 0
	8.10 0	
	Vote 9 Costing Services	9.1 - Departmental Charges & Recoveries
	9.1 Departmental Charges & Recoveries	9.2 - Internal Billing
	9.2 Internal Billing	9.3 - Activity Based Costing
	9.3 Activity Based Costing	

Organisational Structure Votes

Complete Votes & Sub-Votes

Select Org. Structure

- 9.4 [Name of sub-vote]
- 9.5 [Name of sub-vote]
- 9.6 [Name of sub-vote]
- 9.7 [Name of sub-vote]
- 9.8 [Name of sub-vote]
- 9.9 [Name of sub-vote]
- 9.10 [Name of sub-vote]

Vote 10 Main Ledger Services

- 10.1 Main Ledger
- 10.2 [Name of sub-vote]
- 10.3 [Name of sub-vote]
- 10.4 [Name of sub-vote]
- 10.5 [Name of sub-vote]
- 10.6 [Name of sub-vote]
- 10.7 [Name of sub-vote]
- 10.8 [Name of sub-vote]
- 10.9 [Name of sub-vote]
- 10.10 [Name of sub-vote]

10.1 - Main Ledger

Vote 11 [NAME OF VOTE 11]

- 11.1 [Name of sub-vote]
- 11.2 [Name of sub-vote]
- 11.3 [Name of sub-vote]
- 11.4 [Name of sub-vote]
- 11.5 [Name of sub-vote]
- 11.6 [Name of sub-vote]
- 11.7 [Name of sub-vote]
- 11.8 [Name of sub-vote]
- 11.9 [Name of sub-vote]
- 11.10 [Name of sub-vote]

Vote 12 [NAME OF VOTE 12]

- 12.1 [Name of sub-vote]
- 12.2 [Name of sub-vote]
- 12.3 [Name of sub-vote]
- 12.4 [Name of sub-vote]
- 12.5 [Name of sub-vote]
- 12.6 [Name of sub-vote]
- 12.7 [Name of sub-vote]
- 12.8 [Name of sub-vote]
- 12.9 [Name of sub-vote]
- 12.10 [Name of sub-vote]

Vote 13 [NAME OF VOTE 13]

- 13.1 [Name of sub-vote]
- 13.2 [Name of sub-vote]
- 13.3 [Name of sub-vote]
- 13.4 [Name of sub-vote]
- 13.5 [Name of sub-vote]
- 13.6 [Name of sub-vote]
- 13.7 [Name of sub-vote]
- 13.8 [Name of sub-vote]
- 13.9 [Name of sub-vote]
- 13.10 [Name of sub-vote]

Vote 14 [NAME OF VOTE 14]

- 14.1 [Name of sub-vote]
- 14.2 [Name of sub-vote]
- 14.3 [Name of sub-vote]
- 14.4 [Name of sub-vote]
- 14.5 [Name of sub-vote]
- 14.6 [Name of sub-vote]
- 14.7 [Name of sub-vote]
- 14.8 [Name of sub-vote]
- 14.9 [Name of sub-vote]
- 14.10 [Name of sub-vote]

Vote 15 [NAME OF VOTE 15]

- 15.1 [Name of sub-vote]
- 15.2 [Name of sub-vote]
- 15.3 [Name of sub-vote]
- 15.4 [Name of sub-vote]
- 15.5 [Name of sub-vote]
- 15.6 [Name of sub-vote]
- 15.7 [Name of sub-vote]
- 15.8 [Name of sub-vote]
- 15.9 [Name of sub-vote]
- 15.10 [Name of sub-vote]

WC032 Overstrand - Contact Information

A. GENERAL INFORMATION

Municipality	WC032 Overstrand
Grade	3
Province	WC WESTERN CAPE
Web Address	www.overstrand.gov.za
E-mail Address	bking@overstrand.gov.za

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

B. CONTACT INFORMATION

Postal address:	
P.O. Box	P.O.BOX 20
City / Town	HERMANUS
Postal Code	7200

Street address	
Building	MUNICIPAL OFFICE
Street No. & Name	MAGNOLIA STREET
City / Town	HERMANUS
Postal Code	7200

General Contacts	
Telephone number	028 313 8000
Fax number	028 313 8128

C. POLITICAL LEADERSHIP

Speaker:		Secretary/PA to the Speaker:	
ID Number	0	ID Number	0
Title	Mr	Title	Mr
Name	GRANT MICHAEL COHEN	Name	WHILES JANSEN
Telephone number	028 313 8002	Telephone number	028 313 8002
Cell number	072 436 9068	Cell number	071 728 4568
Fax number	086 603 6114	Fax number	028 313 8128
E-mail address	gcohen@overstrand.gov.za	E-mail address	wjansen@overstrand.gov.za

Mayor/Executive Mayor:		Secretary/PA to the Mayor/Executive Mayor:	
ID Number	0	ID Number	0
Title	Mrs	Title	Ms
Name	ANNA LOUISE RABIE	Name	ANNA KORVER
Telephone number	028 313 8001	Telephone number	028 313 8002
Cell number	083 457 8711	Cell number	076 823 1324
Fax number	028 313 8067	Fax number	028 313 8128
E-mail address	annelierabie@overstrand.gov.za	E-mail address	akorver@overstrand.gov.za

Deputy Mayor/Executive Mayor:		Secretary/PA to the Deputy Mayor/Executive Mayor:	
ID Number	0	ID Number	0
Title	Mr	Title	Mr
Name	LINDILE NTSABO	Name	WHILES JANSEN
Telephone number	028 313 8094	Telephone number	028 313 8002
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Fax number	028 313 8067	Fax number	028 313 8128
E-mail address	lntsabo@overstrand.gov.za	E-mail address	wjansen@overstrand.gov.za

D. MANAGEMENT LEADERSHIP

Municipal Manager:		Secretary/PA to the Municipal Manager:	
ID Number	0	ID Number	0
Title	Mr	Title	Mrs
Name	DEAN GABRIEL IAN O'NEILL	Name	RENTIA PRETORIUS
Telephone number	028 313 8003	Telephone number	028 313 8909
Cell number	076 911 6497	Cell number	0
Fax number	0	Fax number	0
E-mail address	mm@overstrand.gov.za	E-mail address	rpretorius@overstrand.gov.za

Chief Financial Officer	Secretary/PA to the Chief Financial Officer
--------------------------------	--

ID Number	0	ID Number	0
Title	Mrs	Title	Mrs
Name	SANTIE REYNEKE-NAUDE	Name	DORET TALJAARD
Telephone number	028 313 8040	Telephone number	028 313 8074
Cell number	082 551 4499	Cell number	0
Fax number	0	Fax number	0
E-mail address	cfo@overstrand.gov.za	E-mail address	dtaljaard@overstrand.gov.za
Official responsible for submitting financial information		Official responsible for submitting financial information	
ID Number	0	ID Number	0
Title	Mr	Title	Ms
Name	BERNARD KING	Name	VERONICA ALLEN
Telephone number	028 313 8154	Telephone number	028 313 8131
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	bking@overstrand.gov.za	E-mail address	vallen@overstrand.gov.za
Official responsible for submitting financial information		Official responsible for submitting financial information	
ID Number	0	ID Number	0
Title	Mrs	Title	Ms
Name	GEORGIA BUCCHIANERI	Name	KELLY JOHNSON
Telephone number	028 313 8913	Telephone number	028 313 8138
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	gbucchianeri@overstrand.gov.za	E-mail address	kjohnson@overstrand.gov.za
Official responsible for submitting financial information		Official responsible for submitting financial information	
ID Number	0	ID Number	0
Title	Mr	Title	Ms
Name	LLYLE TAIT	Name	ROCHELLE LOUW
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Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	ltait@overstrand.gov.za	E-mail address	rlouw@overstrand.gov.za
Official responsible for submitting financial information		Official responsible for submitting financial information	
ID Number	0	ID Number	0
Title	0	Title	0
Name	0	Name	0
Telephone number	0	Telephone number	0
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	0	E-mail address	0
Official responsible for submitting financial information		Official responsible for submitting financial information	
ID Number	0	ID Number	0
Title	0	Title	0
Name	0	Name	0
Telephone number	0	Telephone number	0
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	0	E-mail address	0
Official responsible for submitting financial information		Official responsible for submitting financial information	
ID Number	0	ID Number	0
Title	0	Title	0
Name	0	Name	0
Telephone number	0	Telephone number	0
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	0	E-mail address	0
Official responsible for submitting financial information		Official responsible for submitting financial information	
ID Number	0	ID Number	0
Title	0	Title	0
Name	0	Name	0
Telephone number	0	Telephone number	0
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	0	E-mail address	0

Official responsible for submitting financial information		Official responsible for submitting financial information	
ID Number	0	ID Number	0
Title	0	Title	0
Name	0	Name	0
Telephone number	0	Telephone number	0
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	0	E-mail address	0

WC032 Overstrand - Table A1 Budget Summary

Description	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands										
Financial Performance										
Property rates	261 222	278 154	297 101	340 506	340 506	340 506	227 214	359 440	381 006	403 866
Service charges	733 197	825 796	840 648	915 383	944 383	944 383	673 670	1 040 890	1 103 344	1 169 543
Investment revenue	30 476	31 884	51 751	41 800	41 800	41 800	36 554	47 750	48 705	49 679
Transfer and subsidies - Operational	144 199	155 949	172 162	184 953	192 561	192 561	178 586	190 068	199 421	210 978
Other own revenue	125 400	184 966	189 234	193 935	213 366	213 366	135 452	191 178	153 204	119 953
Total Revenue (excluding capital transfers and contributions)	1 294 494	1 476 750	1 550 896	1 676 577	1 732 615	1 732 615	1 251 475	1 829 326	1 885 680	1 954 019
Employee costs	436 029	452 651	480 939	537 911	549 390	549 390	360 365	587 185	609 765	650 443
Remuneration of councillors	11 219	11 538	12 315	12 514	12 898	12 898	8 959	13 912	14 488	15 086
Depreciation and amortisation	138 195	147 004	148 321	149 154	149 154	149 154	99 439	158 441	167 237	176 574
Interest	48 805	47 584	48 152	49 658	49 658	49 658	25 841	49 814	51 810	46 707
Inventory consumed and bulk purchases	343 314	404 258	404 638	492 305	495 166	495 166	323 700	545 568	619 145	689 090
Transfers and subsidies	8 651	12 750	16 086	16 380	16 580	16 580	12 509	17 755	17 154	17 993
Other expenditure	335 597	422 908	460 551	484 290	575 513	575 513	334 215	571 572	563 386	555 268
Total Expenditure	1 321 810	1 498 694	1 571 001	1 742 212	1 848 360	1 848 360	1 165 027	1 944 247	2 042 985	2 151 161
Surplus/(Deficit)	(27 316)	(21 944)	(20 106)	(65 635)	(115 745)	(115 745)	86 448	(114 921)	(157 305)	(197 142)
Transfers and subsidies - capital (monetary allocations)	42 381	40 274	125 273	54 293	95 704	95 704	35 543	65 533	47 910	46 734
Transfers and subsidies - capital (in-kind)	18 757	2 060	6 130	-	890	890	890	-	-	-
Surplus/(Deficit) after capital transfers & contributions	33 821	20 390	111 298	(11 342)	(19 151)	(19 151)	122 881	(49 388)	(109 395)	(150 408)
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	33 821	20 390	111 298	(11 342)	(19 151)	(19 151)	122 881	(49 388)	(109 395)	(150 408)
Capital expenditure & funds sources										
Capital expenditure	254 800	192 377	189 321	209 409	211 644	211 644	73 048	152 033	137 910	116 734
Transfers recognised - capital	83 490	91 365	112 876	96 183	96 594	96 594	37 494	65 533	47 910	46 734
Borrowing	45 443	65 237	34 249	95 214	95 821	95 821	27 449	65 400	90 000	70 000
Internally generated funds	101 949	35 775	23 730	18 013	19 230	19 230	8 105	21 100	-	-
Total sources of capital funds	230 881	192 377	170 854	209 409	211 644	211 644	73 048	152 033	137 910	116 734
Financial position										
Total current assets	769 692	789 523	842 270	683 321	847 396	847 396	962 610	853 646	844 102	796 381
Total non current assets	3 921 776	3 946 923	4 005 409	4 195 837	4 198 072	4 198 072	4 101 463	4 201 789	4 091 491	4 035 151
Total current liabilities	311 695	309 129	305 142	349 426	353 469	353 469	414 176	434 780	349 928	361 657
Total non current liabilities	678 212	703 137	707 060	731 737	728 589	728 589	1 005 259	661 193	712 168	734 146
Community wealth/Equity	3 701 561	3 724 180	3 835 478	3 797 994	3 963 410	3 963 410	3 807 887	3 959 462	3 873 496	3 735 729
Cash flows										
Net cash from (used) operating	208 994	197 999	213 466	193 672	248 628	248 628	(2 875 477)	141 987	103 984	59 430
Net cash from (used) investing	(258 765)	(191 549)	(184 495)	(214 389)	(216 624)	(216 624)	143 367	(157 013)	(50 128)	(116 734)
Net cash from (used) financing	8 680	(2 893)	1 285	13 755	13 755	13 755	2 371	7 795	(66 566)	6 830
Cash/cash equivalents at the year end	612 723	616 280	646 535	516 302	692 294	692 294	(2 083 204)	685 063	672 353	621 880
Cash backing/surplus reconciliation										
Cash and investments available	667 001	676 792	714 746	594 148	770 140	770 140	882 840	769 534	672 353	621 880
Application of cash and investments	254 342	196 772	203 260	262 623	269 572	269 572	230 003	218 103	144 723	145 979
Balance - surplus (shortfall)	412 659	480 020	511 486	331 525	500 568	500 568	652 837	551 431	527 630	475 901
Asset management										
Asset register summary (WDV)	3 867 498	3 886 411	3 937 199	4 117 991	4 120 226	4 120 226	-	4 117 318	4 091 490	4 035 150
Depreciation	138 195	147 004	148 321	149 087	149 087	149 087	-	158 373	167 170	176 506
Renewal and Upgrading of Existing Assets	55 281	72 662	56 518	68 960	81 111	81 111	-	43 250	80 041	65 843
Repairs and Maintenance	211 518	245 386	249 505	293 296	300 793	300 793	-	295 474	316 378	331 260
Free services										
Cost of Free Basic Services provided	30 628	30 760	35 111	37 788	34 324	39 907	-	35 892	38 045	40 328
Revenue cost of free services provided	-	-	-	-	-	-	-	84 448	89 515	94 886
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	4	4	3	3	3	3	-	4	5	5
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

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

Functional Classification Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand	1									
Revenue - Functional										
Governance and administration		366 679	393 791	462 846	460 614	497 521	497 521	527 064	553 214	584 008
Executive and council		42 529	53 624	73 092	52 832	85 529	85 529	91 905	98 093	104 335
Finance and administration		324 150	340 167	389 754	407 781	411 992	411 992	435 159	455 121	479 673
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		125 463	164 894	182 416	177 203	226 381	226 381	193 553	150 336	124 399
Community and social services		8 291	9 726	9 270	8 785	9 246	9 246	9 154	9 349	9 622
Sport and recreation		29 089	15 568	14 939	16 689	14 979	14 979	24 504	30 977	31 026
Public safety		16 193	48 216	76 056	38 275	63 092	63 092	61 852	62 906	63 896
Housing		71 891	91 383	82 150	113 454	139 063	139 063	98 043	47 104	19 856
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		16 035	24 301	34 098	20 693	22 172	22 172	13 907	14 865	18 350
Planning and development		11 638	17 461	19 181	15 360	15 341	15 341	12 358	11 084	11 525
Road transport		4 365	6 342	14 877	5 290	6 790	6 790	1 502	3 732	6 773
Environmental protection		32	498	40	42	42	42	46	49	52
Trading services		847 454	936 098	1 002 939	1 072 360	1 083 135	1 083 135	1 160 336	1 215 175	1 273 995
Energy sources		481 695	557 894	576 269	654 236	636 972	636 972	689 348	720 115	762 379
Water management		153 115	156 426	182 255	169 924	191 372	191 372	204 493	213 075	213 139
Waste water management		117 987	123 924	141 829	143 566	143 375	143 375	142 748	150 926	159 554
Waste management		94 657	97 854	102 585	104 634	111 415	111 415	123 746	131 060	138 923
Other	4	-	-	0	-	-	-	-	-	-
Total Revenue - Functional	2	1 355 632	1 519 084	1 682 299	1 730 869	1 829 209	1 829 209	1 894 859	1 933 590	2 000 753
Expenditure - Functional										
Governance and administration		259 532	298 050	279 049	334 581	336 109	336 109	358 132	378 467	402 249
Executive and council		70 404	65 261	60 364	80 395	80 857	80 857	88 507	95 479	101 155
Finance and administration		186 367	229 891	215 535	249 820	250 898	250 898	264 479	278 170	295 943
Internal audit		2 761	2 898	3 150	4 366	4 354	4 354	5 145	4 817	5 151
Community and public safety		192 423	247 198	297 737	297 549	363 710	363 710	356 028	333 169	306 346
Community and social services		22 122	20 500	22 970	23 853	23 366	23 366	25 282	27 392	27 709
Sport and recreation		52 169	53 049	57 811	63 849	65 752	65 752	69 335	73 307	73 980
Public safety		87 169	126 920	156 969	132 228	163 071	163 071	169 928	178 600	186 668
Housing		30 963	46 729	59 987	77 620	111 520	111 520	91 482	53 870	17 989
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		170 202	183 133	179 614	210 462	213 673	213 673	223 538	234 659	249 510
Planning and development		43 396	47 152	47 425	56 507	54 222	54 222	58 410	57 753	61 055
Road transport		110 465	114 891	107 694	129 394	134 819	134 819	139 911	158 178	168 604
Environmental protection		16 340	21 090	24 496	24 561	24 632	24 632	25 218	18 727	19 851
Trading services		696 761	767 390	810 879	895 516	930 663	930 663	1 002 626	1 092 563	1 188 639
Energy sources		384 141	438 281	439 681	527 575	531 852	531 852	585 410	650 372	723 547
Water management		120 612	131 792	139 629	149 901	153 477	153 477	160 282	170 954	179 286
Waste water management		95 785	110 529	134 709	122 166	137 749	137 749	144 301	151 691	157 848
Waste management		96 223	86 788	96 861	95 874	107 586	107 586	112 633	119 547	127 958
Other	4	2 893	2 923	3 722	4 104	4 204	4 204	3 923	4 127	4 418
Total Expenditure - Functional	3	1 321 810	1 498 694	1 571 001	1 742 212	1 848 360	1 848 360	1 944 247	2 042 985	2 151 161
Surplus/(Deficit) for the year		33 821	20 390	111 298	(11 342)	(19 151)	(19 151)	(49 388)	(109 395)	(150 408)

References

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

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

Functional Classification Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue - Functional	1									
Municipal governance and administration		366 679	393 791	462 846	460 614	497 521	497 521	527 064	553 214	584 008
Executive and council		42 529	53 624	73 092	52 832	85 529	85 529	91 905	98 093	104 335
Mayor and Council		42 169	53 270	72 865	52 697	85 394	85 394	91 820	98 003	104 240
Municipal Manager, Town Secretary and Chief Executive		360	354	227	135	135	135	85	90	95
Finance and administration		324 150	340 167	389 754	407 781	411 992	411 992	435 159	455 121	479 673
Administrative and Corporate Support		2 958	2 835	652	265	275	275	272	284	296
Asset Management		-	-	-	-	-	-	-	-	-
Finance		308 988	326 430	369 050	400 461	404 661	404 661	429 746	449 599	474 034
Fleet Management		-	-	2 552	0	0	0	0	0	0
Human Resources		2 246	2 473	1 294	954	954	954	1 001	1 061	1 125
Information Technology		257	817	200	-	-	-	-	-	-
Legal Services		6	-	-	-	-	-	-	-	-
Marketing, Customer Relations, Publicity and Media Co-ordination		-	-	-	-	-	-	-	-	-
Property Services		4 403	398	1 387	372	372	372	524	555	588
Risk Management		-	-	-	-	-	-	-	-	-
Security Services		-	-	-	-	-	-	-	-	-
Supply Chain Management		373	150	70	79	79	79	45	48	51
Valuation Service		4 918	7 064	14 549	5 650	5 650	5 650	3 570	3 574	3 579
Internal audit		-	-	-	-	-	-	-	-	-
Governance Function		-	-	-	-	-	-	-	-	-
Community and public safety		125 463	164 894	182 416	177 203	226 381	226 381	193 553	150 336	124 399
Community and social services		8 291	9 726	9 270	8 785	9 246	9 246	9 154	9 349	9 622
Aged Care		-	-	-	-	-	-	-	-	-
Agricultural		-	-	-	-	-	-	-	-	-
Animal Care and Diseases		-	-	-	-	-	-	-	-	-
Cemeteries, Funeral Parlours and Crematoriums		425	402	330	195	195	195	252	267	283
Child Care Facilities		-	-	-	-	-	-	-	-	-
Community Halls and Facilities		174	394	274	157	247	247	246	407	276
Consumer Protection		-	-	-	-	-	-	-	-	-
Cultural Matters		-	-	-	-	-	-	-	-	-
Disaster Management		-	-	-	-	-	-	-	-	-
Education		-	-	-	-	-	-	-	-	-
Indigenous and Customary Law		-	-	-	-	-	-	-	-	-
Industrial Promotion		-	-	-	-	-	-	-	-	-
Language Policy		-	-	-	-	-	-	-	-	-
Libraries and Archives		7 692	8 930	8 666	8 433	8 804	8 804	8 656	8 675	9 062

Functional Classification Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand	1									
Literacy Programmes		-	-	-	-	-	-	-	-	-
Media Services		-	-	-	-	-	-	-	-	-
Museums and Art Galleries		-	-	-	-	-	-	-	-	-
Population Development		-	-	-	-	-	-	-	-	-
Provincial Cultural Matters		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Zoo's		-	-	-	-	-	-	-	-	-
Sport and recreation		29 089	15 568	14 939	16 689	14 979	14 979	24 504	30 977	31 026
Beaches and Jetties		524	887	871	806	806	806	603	639	677
Casinos, Racing, Gambling, Wagering		-	-	-	-	-	-	-	-	-
Community Parks (including Nurseries)		3 459	4 947	4 691	4 957	4 957	4 957	5 620	5 956	6 311
Recreational Facilities		4 901	7 366	8 545	6 918	6 918	6 918	7 852	11 323	8 822
Sports Grounds and Stadiums		20 205	2 369	833	4 008	2 298	2 298	10 430	13 060	15 216
Public safety		16 193	48 216	76 056	38 275	63 092	63 092	61 852	62 906	63 896
Civil Defence		1 638	-	-	-	-	-	-	-	-
Cleansing		-	-	-	-	-	-	-	-	-
Control of Public Nuisances		-	4 686	10 298	7 410	7 627	7 627	7 995	8 417	8 736
Fencing and Fences		-	-	-	-	-	-	-	-	-
Fire Fighting and Protection		3 571	1 020	303	485	985	985	207	219	232
Licensing and Control of Animals		1 219	1 263	369	304	1 004	1 004	111	118	125
Police Forces, Traffic and Street Parking Control		9 764	41 248	65 086	30 076	53 476	53 476	53 539	54 152	54 802
Pounds		-	-	-	-	-	-	-	-	-
Housing		71 891	91 383	82 150	113 454	139 063	139 063	98 043	47 104	19 856
Housing		71 891	91 383	82 150	113 454	139 063	139 063	98 043	47 104	19 856
Informal Settlements		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Ambulance		-	-	-	-	-	-	-	-	-
Health Services		-	-	-	-	-	-	-	-	-
Laboratory Services		-	-	-	-	-	-	-	-	-
Food Control		-	-	-	-	-	-	-	-	-
Health Surveillance and Prevention of Communicable Diseases		-	-	-	-	-	-	-	-	-
Vector Control		-	-	-	-	-	-	-	-	-
Chemical Safety		-	-	-	-	-	-	-	-	-
Economic and environmental services		16 035	24 301	34 098	20 693	22 172	22 172	13 907	14 865	18 350
Planning and development		11 638	17 461	19 181	15 360	15 341	15 341	12 358	11 084	11 525
Billboards		-	-	-	-	-	-	-	-	-
Corporate Wide Strategic Planning (IDPs, LEDs)		-	-	-	-	-	-	-	-	-
Central City Improvement District		-	-	-	-	-	-	-	-	-
Development Facilitation		-	-	121	-	179	179	-	-	-

Functional Classification Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<i>Economic Development/Planning</i>		3 798	4 529	2 593	3 565	3 366	3 366	1 898	-	-
<i>Regional Planning and Development</i>		-	-	-	-	-	-	-	-	-
<i>Town Planning, Building Regulations and Enforcement, and City Project Management Unit</i>		7 840	12 933	15 236	11 143	11 143	11 143	10 260	10 874	11 525
<i>Provincial Planning</i>		-	-	1 231	652	652	652	200	210	-
<i>Support to Local Municipalities</i>		-	-	-	-	-	-	-	-	-
Road transport		4 365	6 342	14 877	5 290	6 790	6 790	1 502	3 732	6 773
<i>Public Transport</i>		-	-	-	-	-	-	-	-	-
<i>Road and Traffic Regulation</i>		-	-	-	-	-	-	-	-	-
<i>Roads</i>		4 365	6 342	14 877	5 290	6 790	6 790	1 502	3 732	6 773
<i>Taxi Ranks</i>		-	-	-	-	-	-	-	-	-
Environmental protection		32	498	40	42	42	42	46	49	52
<i>Biodiversity and Landscape</i>		32	498	40	42	42	42	46	49	52
<i>Coastal Protection</i>		-	-	-	-	-	-	-	-	-
<i>Indigenous Forests</i>		-	-	-	-	-	-	-	-	-
<i>Nature Conservation</i>		-	-	-	-	-	-	-	-	-
<i>Pollution Control</i>		-	-	-	-	-	-	-	-	-
<i>Soil Conservation</i>		-	-	-	-	-	-	-	-	-
Trading services		847 454	936 098	1 002 939	1 072 360	1 083 135	1 083 135	1 160 336	1 215 175	1 273 995
Energy sources		481 695	557 894	576 269	654 236	636 972	636 972	689 348	720 115	762 379
<i>Electricity</i>		481 695	557 894	573 470	650 036	632 572	632 572	689 348	720 115	762 379
<i>Street Lighting and Signal Systems</i>		-	-	2 799	4 200	4 401	4 401	-	-	-
<i>Nonelectric Energy</i>		-	-	-	-	-	-	-	-	-
Water management		153 115	156 426	182 255	169 924	191 372	191 372	204 493	213 075	213 139
<i>Water Treatment</i>		-	-	-	-	-	-	-	-	-
<i>Water Distribution</i>		153 115	156 426	182 255	169 924	191 372	191 372	204 493	213 075	213 139
<i>Water Storage</i>		-	-	-	-	-	-	-	-	-
Waste water management		117 987	123 924	141 829	143 566	143 375	143 375	142 748	150 926	159 554
<i>Public Toilets</i>		-	-	0	-	-	-	-	-	-
<i>Sewerage</i>		109 568	123 713	141 422	130 978	136 248	136 248	135 675	150 815	159 444
<i>Storm Water Management</i>		8 420	212	408	12 588	7 127	7 127	7 073	110	110
<i>Waste Water Treatment</i>		-	-	-	-	-	-	-	-	-
Waste management		94 657	97 854	102 585	104 634	111 415	111 415	123 746	131 060	138 923
<i>Recycling</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Disposal (Landfill Sites)</i>		5 204	2 361	1 712	46	151	151	200	100	106
<i>Solid Waste Removal</i>		89 453	95 493	100 873	104 588	111 264	111 264	123 547	130 959	138 817
<i>Street Cleaning</i>		-	-	-	-	-	-	-	-	-
Other		-	-	0	-	-	-	-	-	-
<i>Abattoirs</i>		-	-	-	-	-	-	-	-	-

Functional Classification Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand	1									
Air Transport		-	-	-	-	-	-	-	-	-
Forestry		-	-	-	-	-	-	-	-	-
Licensing and Regulation		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Tourism		-	-	0	-	-	-	-	-	-
Total Revenue - Functional	2	1 355 632	1 519 084	1 682 299	1 730 869	1 829 209	1 829 209	1 894 859	1 933 590	2 000 753
Expenditure - Functional										
Municipal governance and administration		259 532	298 050	279 049	334 581	336 109	336 109	358 132	378 467	402 249
Executive and council		70 404	65 261	60 364	80 395	80 857	80 857	88 507	95 479	101 155
Mayor and Council		44 963	36 404	33 142	49 457	50 267	50 267	54 329	56 053	59 045
Municipal Manager, Town Secretary and Chief Executive		25 441	28 857	27 223	30 938	30 590	30 590	34 178	39 426	42 111
Finance and administration		186 367	229 891	215 535	249 820	250 898	250 898	264 479	278 170	295 943
Administrative and Corporate Support		41 606	44 606	47 563	44 824	44 065	44 065	53 434	56 344	60 022
Asset Management		-	207	186	1 500	1 500	1 500	1 500	1 500	1 500
Finance		67 609	72 457	84 190	93 130	96 850	96 850	102 084	106 887	113 725
Fleet Management		9 733	9 688	10 053	9 335	9 414	9 414	9 285	9 818	10 512
Human Resources		13 909	14 140	14 682	15 843	16 681	16 681	16 808	17 437	18 525
Information Technology		21 697	23 529	24 910	30 186	29 656	29 656	31 814	33 691	36 123
Legal Services		5 167	5 483	4 631	6 199	6 093	6 093	6 611	6 882	7 356
Marketing, Customer Relations, Publicity and Media Co-ordination		2 098	2 192	2 223	3 716	3 126	3 126	3 886	3 987	4 182
Property Services		9 509	43 333	12 363	25 581	25 089	25 089	18 474	20 468	21 761
Risk Management		53	524	982	1 163	1 103	1 103	1 227	1 264	1 337
Security Services		5 054	3 752	3 348	5 429	5 228	5 228	5 608	5 633	5 660
Supply Chain Management		9 932	9 980	10 404	12 914	12 093	12 093	13 749	14 260	15 239
Valuation Service		-	-	-	-	-	-	-	-	-
Internal audit		2 761	2 898	3 150	4 366	4 354	4 354	5 145	4 817	5 151
Governance Function		2 761	2 898	3 150	4 366	4 354	4 354	5 145	4 817	5 151
Community and public safety		192 423	247 198	297 737	297 549	363 710	363 710	356 028	333 169	306 346
Community and social services		22 122	20 500	22 970	23 853	23 366	23 366	25 282	27 392	27 709
Aged Care		1	1	1	1	1	1	1	1	1
Agricultural		-	-	-	-	-	-	-	-	-
Animal Care and Diseases		-	-	500	538	538	538	800	840	882
Cemeteries, Funeral Parlours and Crematoriums		967	1 037	943	948	902	902	994	1 025	1 079
Child Care Facilities		-	-	-	-	-	-	-	-	-
Community Halls and Facilities		12 340	9 963	12 381	11 877	11 091	11 091	12 440	14 547	14 208
Consumer Protection		-	-	-	-	-	-	-	-	-
Cultural Matters		-	-	-	-	-	-	-	-	-
Disaster Management		-	-	-	-	-	-	-	-	-

Functional Classification Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand	1									
<i>Education</i>		-	-	-	-	-	-	-	-	-
<i>Indigenous and Customary Law</i>		-	-	-	-	-	-	-	-	-
<i>Industrial Promotion</i>		-	-	-	-	-	-	-	-	-
<i>Language Policy</i>		-	-	-	-	-	-	-	-	-
<i>Libraries and Archives</i>		8 815	9 500	9 145	10 490	10 835	10 835	11 047	10 980	11 540
<i>Literacy Programmes</i>		-	-	-	-	-	-	-	-	-
<i>Media Services</i>		-	-	-	-	-	-	-	-	-
<i>Museums and Art Galleries</i>		-	-	-	-	-	-	-	-	-
<i>Population Development</i>		-	-	-	-	-	-	-	-	-
<i>Provincial Cultural Matters</i>		-	-	-	-	-	-	-	-	-
<i>Theatres</i>		-	-	-	-	-	-	-	-	-
<i>Zoo's</i>		-	-	-	-	-	-	-	-	-
Sport and recreation		52 169	53 049	57 811	63 849	65 752	65 752	69 335	73 307	73 980
<i>Beaches and Jetties</i>		6 447	6 427	7 597	8 318	8 475	8 475	8 737	9 008	9 364
<i>Casinos, Racing, Gambling, Wagering</i>		-	-	-	-	-	-	-	-	-
<i>Community Parks (including Nurseries)</i>		28 575	29 609	31 090	35 226	37 192	37 192	36 917	38 256	40 563
<i>Recreational Facilities</i>		10 790	11 145	12 838	13 700	13 592	13 592	15 119	15 510	16 549
<i>Sports Grounds and Stadiums</i>		6 357	5 868	6 287	6 604	6 493	6 493	8 562	10 533	7 505
Public safety		87 169	126 920	156 969	132 228	163 071	163 071	169 928	178 600	186 668
<i>Civil Defence</i>		3 542	15 383	19 208	22 793	23 438	23 438	23 296	24 469	25 904
<i>Cleansing</i>		-	-	-	-	-	-	-	-	-
<i>Control of Public Nuisances</i>		25 863	22 256	26 083	22 438	22 781	22 781	26 337	27 523	28 942
<i>Fencing and Fences</i>		-	-	-	-	-	-	-	-	-
<i>Fire Fighting and Protection</i>		26 729	34 976	35 792	36 277	40 076	40 076	40 425	42 949	43 371
<i>Licensing and Control of Animals</i>		-	-	35	-	-	-	-	-	-
<i>Police Forces, Traffic and Street Parking Control</i>		31 034	54 305	75 850	50 720	76 776	76 776	79 870	83 659	88 451
<i>Pounds</i>		-	-	-	-	-	-	-	-	-
Housing		30 963	46 729	59 987	77 620	111 520	111 520	91 482	53 870	17 989
<i>Housing</i>		30 963	46 729	59 987	77 620	111 520	111 520	91 482	53 870	17 989
<i>Informal Settlements</i>		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Ambulance</i>		-	-	-	-	-	-	-	-	-
<i>Health Services</i>		-	-	-	-	-	-	-	-	-
<i>Laboratory Services</i>		-	-	-	-	-	-	-	-	-
<i>Food Control</i>		-	-	-	-	-	-	-	-	-
<i>Health Surveillance and Prevention of Communicable Diseases</i>		-	-	-	-	-	-	-	-	-
<i>Vector Control</i>		-	-	-	-	-	-	-	-	-
<i>Chemical Safety</i>		-	-	-	-	-	-	-	-	-
Economic and environmental services		170 202	183 133	179 614	210 462	213 673	213 673	223 538	234 659	249 510

Functional Classification Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand	1									
Planning and development		43 396	47 152	47 425	56 507	54 222	54 222	58 410	57 753	61 055
<i>Billboards</i>		-	-	-	-	-	-	-	-	-
<i>Corporate Wide Strategic Planning (IDPs, LEDs)</i>		4 081	2 542	2 756	3 221	3 171	3 171	3 402	3 528	3 748
<i>Central City Improvement District</i>		-	-	-	-	-	-	-	-	-
<i>Development Facilitation</i>		1 359	2 212	1 868	1 986	1 842	1 842	2 178	2 142	2 232
<i>Economic Development/Planning</i>		8 706	9 561	7 876	11 421	9 401	9 401	9 994	8 537	9 017
<i>Regional Planning and Development</i>		-	-	-	-	-	-	-	-	-
<i>Town Planning, Building Regulations and Enforcement, and City Project Management Unit</i>		20 094	22 400	23 640	28 274	28 203	28 203	31 051	31 381	33 384
<i>Provincial Planning</i>		9 155	10 437	11 284	11 604	11 604	11 604	11 785	12 165	12 675
<i>Support to Local Municipalities</i>		-	-	-	-	-	-	-	-	-
Road transport		110 465	114 891	107 694	129 394	134 819	134 819	139 911	158 178	168 604
<i>Public Transport</i>		-	-	-	-	-	-	-	-	-
<i>Road and Traffic Regulation</i>		1 080	1 345	1 177	1 357	1 337	1 337	1 443	1 492	1 603
<i>Roads</i>		109 386	113 547	106 517	128 037	133 482	133 482	138 468	156 686	167 001
<i>Taxi Ranks</i>		-	-	-	-	-	-	-	-	-
Environmental protection		16 340	21 090	24 496	24 561	24 632	24 632	25 218	18 727	19 851
<i>Biodiversity and Landscape</i>		15 780	20 579	23 467	23 501	23 572	23 572	23 708	17 392	18 390
<i>Coastal Protection</i>		-	-	-	-	-	-	-	-	-
<i>Indigenous Forests</i>		-	-	-	-	-	-	-	-	-
<i>Nature Conservation</i>		560	511	1 028	1 060	1 060	1 060	1 510	1 335	1 461
<i>Pollution Control</i>		-	-	-	-	-	-	-	-	-
<i>Soil Conservation</i>		-	-	-	-	-	-	-	-	-
Trading services		696 761	767 390	810 879	895 516	930 663	930 663	1 002 626	1 092 563	1 188 639
Energy sources		384 141	438 281	439 681	527 575	531 852	531 852	585 410	650 372	723 547
<i>Electricity</i>		377 147	436 108	435 215	521 416	525 493	525 493	583 308	648 152	721 200
<i>Street Lighting and Signal Systems</i>		6 994	2 173	4 466	6 159	6 360	6 360	2 102	2 219	2 347
<i>Nonelectric Energy</i>		-	-	-	-	-	-	-	-	-
Water management		120 612	131 792	139 629	149 901	153 477	153 477	160 282	170 954	179 286
<i>Water Treatment</i>		58 428	76 360	74 641	83 671	83 910	83 910	88 707	95 424	98 247
<i>Water Distribution</i>		57 010	50 599	58 827	58 931	62 268	62 268	63 456	67 302	72 302
<i>Water Storage</i>		5 174	4 833	6 161	7 298	7 298	7 298	8 119	8 228	8 737
Waste water management		95 785	110 529	134 709	122 166	137 749	137 749	144 301	151 691	157 848
<i>Public Toilets</i>		658	1 409	488	1 476	1 476	1 476	1 566	1 628	1 712
<i>Sewerage</i>		54 917	65 033	75 358	60 098	65 964	65 964	72 111	75 179	76 504
<i>Storm Water Management</i>		12 876	14 130	15 143	15 360	15 155	15 155	15 522	15 930	16 491
<i>Waste Water Treatment</i>		27 334	29 957	43 720	45 233	55 153	55 153	55 102	58 954	63 141
Waste management		96 223	86 788	96 861	95 874	107 586	107 586	112 633	119 547	127 958
<i>Recycling</i>		7	73	84	605	605	605	180	252	203

Functional Classification Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<i>Solid Waste Disposal (Landfill Sites)</i>	1	58 574	45 629	49 011	47 026	56 916	56 916	58 796	63 254	68 265
<i>Solid Waste Removal</i>		37 642	41 087	47 766	48 243	50 064	50 064	53 657	56 041	59 490
<i>Street Cleaning</i>					-	-	-	-	-	-
Other		2 893	2 923	3 722	4 104	4 204	4 204	3 923	4 127	4 418
Abattoirs		-	-	-	-	-	-	-	-	-
Air Transport		-	-	-	-	-	-	-	-	-
Forestry		-	-	-	-	-	-	-	-	-
Licensing and Regulation		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Tourism		2 893	2 923	3 722	4 104	4 204	4 204	3 923	4 127	4 418
Total Expenditure - Functional	3	1 321 810	1 498 694	1 571 001	1 742 212	1 848 360	1 848 360	1 944 247	2 042 985	2 151 161
Surplus/(Deficit) for the year		33 821	20 390	111 298	(11 342)	(19 151)	(19 151)	(49 388)	(109 395)	(150 408)

References

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

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

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
Revenue by Vote	1									
Vote 1 - Municipal Council		43 170	53 270	74 415	52 697	85 394	85 394	91 820	98 003	104 240
Vote 2 - Office of the Municipal Manager		6	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		2 564	3 603	1 496	956	956	956	1 002	1 062	1 126
Vote 4 - Financial Services		308 361	326 602	370 122	400 540	404 740	404 740	429 791	449 647	474 085
Vote 5 - Infrastructure Services		925 632	1 034 384	1 103 382	1 190 661	1 228 554	1 228 554	1 259 715	1 265 982	1 300 423
Vote 6 - Public Safety		16 277	48 857	76 056	38 275	63 092	63 092	61 852	62 906	63 896
Vote 7 - Planning and Development		35 709	25 229	32 033	20 463	20 534	20 534	15 707	14 572	15 080
Vote 8 - Community Services		23 913	27 139	24 795	27 278	25 939	25 939	34 972	41 418	41 902
Vote 9 - Costing Services		-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	1 355 632	1 519 084	1 682 299	1 730 869	1 829 209	1 829 209	1 894 859	1 933 590	2 000 753
Expenditure by Vote, to be appropriated	1									
Vote 1 - Municipal Council		56 584	36 404	46 177	49 457	50 268	50 268	54 329	56 054	59 045
Vote 2 - Office of the Municipal Manager		10 436	10 117	9 709	12 801	13 005	13 005	25 593	18 885	20 025
Vote 3 - Corporate Services		51 227	54 553	58 075	65 270	64 956	64 956	72 318	75 155	80 087
Vote 4 - Financial Services		107 851	137 823	140 078	123 069	129 298	129 298	139 267	148 756	158 245
Vote 5 - Infrastructure Services		806 013	893 615	942 227	1 078 055	1 149 785	1 149 785	1 210 645	1 277 355	1 346 271
Vote 6 - Public Safety		91 326	123 167	153 723	137 515	167 686	167 686	175 704	184 344	192 352
Vote 7 - Planning and Development		50 731	90 848	63 185	72 004	69 991	69 991	73 840	67 011	70 946
Vote 8 - Community Services		147 643	152 166	157 827	204 040	203 371	203 371	192 551	215 425	224 189
Vote 9 - Costing Services		-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	1 321 810	1 498 694	1 571 001	1 742 212	1 848 360	1 848 360	1 944 247	2 042 985	2 151 161
Surplus/(Deficit) for the year	2	33 821	20 390	111 298	(11 342)	(19 151)	(19 151)	(49 388)	(109 395)	(150 408)

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

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

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
Revenue by Vote	1									
Vote 1 - Municipal Council		43 170	53 270	74 415	52 697	85 394	85 394	91 820	98 003	104 240
1.1 - Council General		43 170	53 270	74 415	52 697	85 394	85 394	91 820	98 003	104 240
1.2 - Mayor's Office		-	-	-	-	-	-	-	-	-
1.3 - Pensioners & Continued Members		-	-	-	-	-	-	-	-	-
1.4 - 0		-	-	-	-	-	-	-	-	-
1.5 - 0		-	-	-	-	-	-	-	-	-
1.6 - 0		-	-	-	-	-	-	-	-	-
1.7 - 0		-	-	-	-	-	-	-	-	-
1.8 - 0		-	-	-	-	-	-	-	-	-
1.9 - 0		-	-	-	-	-	-	-	-	-
1.10 - 0		-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		6	-	-	-	-	-	-	-	-
2.1 - Municipal Manager		-	-	-	-	-	-	-	-	-
2.2 - Internal Audit		-	-	-	-	-	-	-	-	-
2.3 - Legal Services & Contract Management		6	-	-	-	-	-	-	-	-
2.4 - Strategic Support Services		-	-	-	-	-	-	-	-	-
2.5 - 0		-	-	-	-	-	-	-	-	-
2.6 - 0		-	-	-	-	-	-	-	-	-
2.7 - 0		-	-	-	-	-	-	-	-	-
2.8 - 0		-	-	-	-	-	-	-	-	-
2.9 - 0		-	-	-	-	-	-	-	-	-
2.10 - 0		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		2 564	3 603	1 496	956	956	956	1 002	1 062	1 126
3.1 - Director: Corporate Services		60	311	-	1	1	1	0	0	0
3.2 - Human Resources		2 246	2 473	1 294	954	954	954	1 001	1 061	1 125
3.3 - Info & Communication Technology		257	817	200	-	-	-	-	-	-
3.4 - Admin Support Services		1	2	2	1	1	1	1	1	1
3.5 - Municipal Court		-	-	-	-	-	-	-	-	-
3.6 - Risk Management		-	-	-	-	-	-	-	-	-
3.7 - Customer Relations Management (24H)		-	-	-	-	-	-	-	-	-
3.8 - 0		-	-	-	-	-	-	-	-	-
3.9 - 0		-	-	-	-	-	-	-	-	-
3.10 - 0		-	-	-	-	-	-	-	-	-
Vote 4 - Financial Services		308 361	326 602	370 122	400 540	404 740	404 740	429 791	449 647	474 085
4.1 - Finance: Director		77	-	-	-	-	-	160	-	-
4.2 - Finance: Accounting Services		33 810	34 710	54 644	44 200	44 200	44 200	51 900	49 255	49 679

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

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
4.3 - Finance: Expenditure, Assets & Fleet Management		3 070	4 300	6 094	1 525	1 525	1 525	117	123	129
4.4 - Finance: Revenue		9 759	9 287	12 213	12 679	16 879	16 879	16 429	17 415	18 460
4.5 - Finance: Supply Chain Management		423	150	70	79	79	79	1 745	1 848	1 951
4.6 - Data Control		-	-	-	-	-	-	-	-	-
4.7 - Assessment Rates		261 222	278 154	297 101	342 056	342 056	342 056	359 440	381 006	403 866
4.8 - 0		-	-	-	-	-	-	-	-	-
4.9 - 0		-	-	-	-	-	-	-	-	-
4.10 - 0		-	-	-	-	-	-	-	-	-
Vote 5 - Infrastructure Services		925 632	1 034 384	1 103 382	1 190 661	1 228 554	1 228 554	1 259 715	1 265 982	1 300 423
5.1 - Director: Infrastructure Services		52	-	575	0	0	0	138	146	155
5.2 - Water Infrastructure & Quality		-	1 933	6 574	113 011	154 330	154 330	97 739	0	0
5.3 - Bulk Water Services & Housing Development		72 226	92 073	83 648	-	-	-	-	46 929	19 500
5.4 - Civil Engineering Services		2 284	781	400	-	10	10	-	-	-
5.5 - Roads		3 615	5 342	14 877	5 290	6 790	6 790	1 502	3 732	6 773
5.6 - Stormwater		8 420	212	408	12 588	7 127	7 127	7 073	110	110
5.7 - Electricity		481 695	557 894	576 269	654 236	636 972	636 972	689 348	720 115	762 379
5.8 - Water		153 115	156 426	180 387	169 923	181 721	181 721	204 493	213 075	213 139
5.9 - Sewerage		109 568	123 713	137 669	130 978	130 189	130 189	135 675	150 815	159 444
5.10 - Waste Management		94 657	96 011	102 573	104 634	111 415	111 415	123 746	131 060	138 923
Vote 6 - Public Safety		16 277	48 857	76 056	38 275	63 092	63 092	61 852	62 906	63 896
6.1 - Director: Municipal Public Safety		85	641	-	-	-	-	-	-	-
6.2 - Traffic		9 764	41 248	65 086	30 076	53 476	53 476	53 539	54 152	54 802
6.3 - Law Enforcement		2 857	6 095	10 667	7 714	8 631	8 631	8 106	8 535	8 861
6.4 - Vehicle testing		-	-	-	-	-	-	-	-	-
6.5 - Fire Brigade		1 271	286	303	485	985	985	207	219	232
6.6 - Vehicle Licensing		-	-	-	-	-	-	-	-	-
6.7 - Special Task Team Unit		-	-	-	-	-	-	-	-	-
6.8 - Disaster Management		2 300	588	0	-	-	-	-	-	-
6.9 - Security Services		-	-	-	-	-	-	-	-	-
6.10 - 0		-	-	-	-	-	-	-	-	-
Vote 7 - Planning and Development		35 709	25 229	32 033	20 463	20 534	20 534	15 707	14 572	15 080
7.1 - Director: Planning & Development		3 761	4 520	2 593	3 565	3 366	3 366	0	0	0
7.2 - Tourism		-	-	0	-	-	-	-	-	-
7.3 - Socio Economic Services		-	-	121	-	179	179	1 898	-	-
7.4 - Thusong Centre: Hawston		98	305	108	63	153	153	71	221	79
7.5 - Town Planning		16 436	2 346	2 834	1 416	1 416	1 416	2 142	2 269	2 404
7.6 - Building Control Services		6 404	10 496	10 885	9 727	9 727	9 727	7 980	8 459	8 966

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

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
7.7 - Property Administration		8 978	7 064	15 452	5 650	5 650	5 650	3 570	3 574	3 579
7.8 - Environmental Management Services		32	498	40	42	42	42	46	49	52
7.9 - 0		-	-	-	-	-	-	-	-	-
7.10 - 0		-	-	-	-	-	-	-	-	-
Vote 8 - Community Services		23 913	27 139	24 795	27 278	25 939	25 939	34 972	41 418	41 902
8.1 - Director		353	932	75	76	76	76	160	164	169
8.2 - Offices & Community Buildings		940	996	1 052	788	788	788	895	949	1 005
8.3 - Parks & Townlands, Cemeteries		3 884	5 348	5 021	5 152	5 152	5 152	5 873	6 223	6 595
8.4 - Libraries		7 692	8 930	8 666	8 433	8 804	8 804	8 656	8 675	9 062
8.5 - Sport & Recreation		10 630	10 622	9 648	11 732	10 022	10 022	18 884	25 021	24 715
8.6 - Housing & Social Upliftment		415	310	333	1 096	1 096	1 096	504	385	356
8.7 - Refuse Removal		-	-	0	-	-	-	-	-	-
8.8 - 0		-	-	-	-	-	-	-	-	-
8.9 - 0		-	-	-	-	-	-	-	-	-
8.10 - 0		-	-	-	-	-	-	-	-	-
Vote 9 - Costing Services		-	-	-	-	-	-	-	-	-
9.1 - Departmental Charges & Recoveries		-	-	-	-	-	-	-	-	-
9.2 - Internal Billing		-	-	-	-	-	-	-	-	-
9.3 - Activity Based Costing		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
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Vote 10 - Main Ledger Services		-	-	-	-	-	-	-	-	-
10.1 - Main Ledger		-	-	-	-	-	-	-	-	-
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WC032 Overstrand - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
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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WC032 Overstrand - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
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Total Revenue by Vote	2	1 355 632	1 519 084	1 682 299	1 730 869	1 829 209	1 829 209	1 894 859	1 933 590	2 000 753
Expenditure by Vote	1									
Vote 1 - Municipal Council		56 584	36 404	46 177	49 457	50 268	50 268	54 329	56 054	59 045
1.1 - Council General		55 655	35 414	45 172	48 351	49 161	49 161	53 172	54 849	57 792
1.2 - Mayor's Office		928	990	1 005	1 106	1 106	1 106	1 156	1 204	1 253
1.3 - Pensioners & Continued Members		1	1	1	1	1	1	1	1	1
1.4 - 0		-	-	-	-	-	-	-	-	-
1.5 - 0		-	-	-	-	-	-	-	-	-
1.6 - 0		-	-	-	-	-	-	-	-	-
1.7 - 0		-	-	-	-	-	-	-	-	-
1.8 - 0		-	-	-	-	-	-	-	-	-
1.9 - 0		-	-	-	-	-	-	-	-	-
1.10 - 0		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		10 436	10 117	9 709	12 801	13 005	13 005	25 593	18 885	20 025
2.1 - Municipal Manager		3 070	2 336	2 638	2 842	2 914	2 914	3 429	3 578	3 752
2.2 - Internal Audit		2 761	2 898	3 150	4 366	4 354	4 354	5 145	4 817	5 151
2.3 - Legal Services & Contract Management		2 479	2 620	1 547	2 948	3 142	3 142	3 134	3 249	3 471
2.4 - Strategic Support Services		2 126	2 263	2 374	2 645	2 595	2 595	13 884	7 241	7 651

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

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
2.5 - 0		-	-	-	-	-	-	-	-	-
2.6 - 0		-	-	-	-	-	-	-	-	-
2.7 - 0		-	-	-	-	-	-	-	-	-
2.8 - 0		-	-	-	-	-	-	-	-	-
2.9 - 0		-	-	-	-	-	-	-	-	-
2.10 - 0		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		51 227	54 553	58 075	65 270	64 956	64 956	72 318	75 155	80 087
3.1 - Director: Corporate Services		4 372	4 192	5 331	4 681	4 498	4 498	4 776	4 902	5 048
3.2 - Human Resources		13 889	14 066	14 644	15 831	16 590	16 590	16 796	17 424	18 512
3.3 - Info & Communication Technology		21 697	23 529	24 910	30 186	29 656	29 656	35 519	37 042	39 730
3.4 - Admin Support Services		5 284	5 502	5 413	6 227	6 227	6 227	6 336	6 540	6 934
3.5 - Municipal Court		2 694	2 863	3 083	3 251	2 951	2 951	3 478	3 633	3 885
3.6 - Risk Management		53	808	982	1 163	1 103	1 103	1 227	1 264	1 337
3.7 - Customer Relations Management (24H)		3 238	3 593	3 711	3 931	3 931	3 931	4 188	4 350	4 642
3.8 - 0		-	-	-	-	-	-	-	-	-
3.9 - 0		-	-	-	-	-	-	-	-	-
3.10 - 0		-	-	-	-	-	-	-	-	-
Vote 4 - Financial Services		107 851	137 823	140 078	123 069	129 298	129 298	139 267	148 756	158 245
4.1 - Finance: Director		2 366	2 409	2 613	2 684	2 784	2 784	2 948	2 906	3 063
4.2 - Finance: Accounting Services		8 840	19 111	8 219	8 750	8 750	8 750	9 330	9 726	10 390
4.3 - Finance: Expenditure, Assets & Fleet Management		48 690	63 603	68 974	41 756	45 343	45 343	41 190	46 473	49 712
4.4 - Finance: Revenue		27 268	28 479	31 023	37 742	38 908	38 908	41 563	43 393	46 165
4.5 - Finance: Supply Chain Management		9 950	9 911	10 323	12 886	12 146	12 146	22 258	23 191	24 650
4.6 - Data Control		671	725	741	1 434	1 434	1 434	1 490	1 523	1 589
4.7 - Assessment Rates		10 065	13 584	18 186	17 817	19 932	19 932	20 487	21 544	22 676
4.8 - 0		-	-	-	-	-	-	-	-	-
4.9 - 0		-	-	-	-	-	-	-	-	-
4.10 - 0		-	-	-	-	-	-	-	-	-
Vote 5 - Infrastructure Services		806 013	893 615	942 227	1 078 055	1 149 785	1 149 785	1 210 645	1 277 355	1 346 271
5.1 - Director: Infrastructure Services		2 655	2 740	2 968	3 279	3 279	3 279	3 394	3 531	3 692
5.2 - Water Infrastructure & Quality		72 015	83 700	113 069	189 155	232 969	232 969	221 943	142 592	155 100
5.3 - Bulk Water Services & Housing Development		28 774	46 470	61 794	-	-	-	2 715	53 122	17 022
5.4 - Civil Engineering Services		23 560	24 887	22 740	26 823	26 930	26 930	28 533	29 771	31 708
5.5 - Roads		99 432	102 481	95 753	120 668	126 034	126 034	130 657	148 407	158 224
5.6 - Stormwater		12 829	14 130	15 143	15 360	15 155	15 155	15 522	15 930	16 491
5.7 - Electricity		378 836	435 638	436 951	526 427	530 626	530 626	584 226	649 139	722 258
5.8 - Water		69 398	70 674	68 990	69 219	72 336	72 336	76 131	79 206	79 221

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

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
5.9 - Sewerage		57 515	62 773	68 885	74 643	78 410	78 410	81 087	84 267	85 711
5.10 - Waste Management		60 999	50 122	55 934	52 483	64 046	64 046	66 435	71 390	76 842
Vote 6 - Public Safety		91 326	123 167	153 723	137 515	167 686	167 686	175 704	184 344	192 352
6.1 - Director: Municipal Public Safety		2 603	3 311	3 443	4 296	4 071	4 071	4 652	4 816	5 024
6.2 - Traffic		33 628	52 802	74 392	49 675	75 721	75 721	78 775	82 511	87 247
6.3 - Law Enforcement		23 513	17 709	24 295	27 834	28 263	28 263	31 447	32 837	34 334
6.4 - Vehicle testing		534	660	599	521	521	521	559	581	624
6.5 - Fire Brigade		20 619	28 306	30 610	31 535	36 131	36 131	35 071	37 173	37 343
6.6 - Vehicle Licensing		960	1 199	1 085	1 482	1 403	1 403	1 567	1 616	1 727
6.7 - Special Task Team Unit		268	11 759	13 760	13 092	13 584	13 584	13 828	14 629	15 666
6.8 - Disaster Management		2 657	1 071	577	2 068	1 192	1 192	2 515	2 803	2 868
6.9 - Security Services		6 544	6 350	4 962	7 012	6 802	6 802	7 289	7 378	7 518
6.10 - 0		-	-	-	-	-	-	-	-	-
Vote 7 - Planning and Development		50 731	90 848	63 185	72 004	69 991	69 991	73 840	67 011	70 946
7.1 - Director: Planning & Development		8 594	9 482	7 677	11 398	9 299	9 299	8 072	8 512	8 989
7.2 - Tourism		2 893	2 923	3 722	4 104	4 204	4 204	3 923	4 127	4 418
7.3 - Socio Economic Services		1 354	1 545	1 866	1 984	1 840	1 840	4 073	2 140	2 229
7.4 - Thusong Centre: Hawston		193	1 164	1 035	1 896	1 686	1 686	2 015	2 228	2 213
7.5 - Town Planning		10 954	10 319	11 312	13 469	13 069	13 069	14 542	14 731	15 700
7.6 - Building Control Services		6 662	7 392	7 947	9 775	10 104	10 104	10 484	10 853	11 504
7.7 - Property Administration		3 959	37 210	5 551	4 818	5 157	5 157	5 514	5 695	6 041
7.8 - Environmental Management Services		16 122	20 814	24 076	24 561	24 632	24 632	25 218	18 727	19 851
7.9 - 0		-	-	-	-	-	-	-	-	-
7.10 - 0		-	-	-	-	-	-	-	-	-
Vote 8 - Community Services		147 643	152 166	157 827	204 040	203 371	203 371	192 551	215 425	224 189
8.1 - Director		3 219	4 277	2 804	19 164	19 075	19 075	26 092	14 778	16 102
8.2 - Offices & Community Buildings		47 075	48 118	50 057	62 472	59 857	59 857	35 444	63 877	66 965
8.3 - Parks & Townlands, Cemeteries		27 284	28 967	30 590	35 717	37 559	37 559	37 428	38 769	41 098
8.4 - Libraries		8 815	9 500	9 145	10 490	10 835	10 835	11 047	10 980	11 540
8.5 - Sport & Recreation		23 226	23 434	26 721	28 584	28 442	28 442	32 376	35 007	33 371
8.6 - Housing & Social Upliftment		6 883	5 925	4 418	7 095	7 095	7 095	7 012	7 087	7 421
8.7 - Refuse Removal		31 141	31 944	34 092	40 518	40 508	40 508	43 152	44 927	47 693
8.8 - 0		-	-	-	-	-	-	-	-	-
8.9 - 0		-	-	-	-	-	-	-	-	-
8.10 - 0		-	-	-	-	-	-	-	-	-
Vote 9 - Costing Services		-	-	-	-	-	-	-	-	-
9.1 - Departmental Charges & Recoveries		-	-	-	-	-	-	-	-	-

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

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
9.2 - Internal Billing		-	-	-	-	-	-	-	-	-
9.3 - Activity Based Costing		-	-	-	-	-	-	-	-	-
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Vote 10 - Main Ledger Services		-	-	-	-	-	-	-	-	-
10.1 - Main Ledger		-	-	-	-	-	-	-	-	-
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Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
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Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
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WC032 Overstrand - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
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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WC032 Overstrand - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	1 321 810	1 498 694	1 571 001	1 742 212	1 848 360	1 848 360	1 944 247	2 042 985	2 151 161
Surplus/(Deficit) for the year	2	33 821	20 390	111 298	(11 342)	(19 151)	(19 151)	(49 388)	(109 395)	(150 408)

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

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

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
Revenue										
Exchange Revenue										
Service charges - Electricity	2	442 792	512 750	495 999	577 969	577 969	577 969	636 747	674 952	715 449
Service charges - Water	2	131 113	142 917	158 070	147 269	164 269	164 269	176 718	187 321	198 560
Service charges - Waste Water Management	2	87 094	93 177	100 655	104 715	104 715	104 715	118 479	125 588	133 123
Service charges - Waste Management	2	72 198	76 951	85 923	85 430	97 430	97 430	108 946	115 482	122 411
Sale of Goods and Rendering of Services		86 171	114 179	80 449	131 673	123 604	123 604	102 760	66 165	31 109
Agency services		6 189	6 880	7 140	8 319	6 719	6 719	7 103	7 529	7 981
Interest		28	24	33	0	0	0	0	0	0
Interest earned from Receivables		3 257	3 370	5 796	6 400	9 900	9 900	9 400	9 964	10 562
Interest earned from Current and Non Current Assets		30 476	31 884	51 751	41 800	41 800	41 800	47 750	48 705	49 679
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		966	1 650	1 401	1 127	1 127	1 127	1 889	2 001	2 120
Rental from Fixed Assets		4 068	5 042	5 346	5 646	5 646	5 646	5 676	6 015	6 375
Licence and permits		626	1 002	1 143	964	864	864	779	826	875
Operational Revenue		9 019	7 497	11 572	8 242	8 242	8 242	6 921	7 314	7 730
Non-Exchange Revenue										
Property rates	2	261 222	278 154	297 101	340 506	340 506	340 506	359 440	381 006	403 866
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1 095	35 124	58 043	20 421	45 421	45 421	44 889	44 983	45 083
Licences or permits		1 601	1 778	1 834	1 943	1 943	1 943	2 000	2 120	2 247
Transfer and subsidies - Operational		144 199	155 949	172 162	184 953	192 561	192 561	190 068	199 421	210 978
Interest		987	851	1 294	1 300	2 000	2 000	2 110	2 237	2 371
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		3 848	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	904	-	-	-	-	-	-
Other Gains		7 545	7 570	14 279	7 900	7 900	7 900	7 650	4 050	3 500
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		1 294 494	1 476 750	1 550 896	1 676 577	1 732 615	1 732 615	1 829 326	1 885 680	1 954 019
Expenditure										
Employee related costs	2	436 029	452 651	480 939	537 911	549 390	549 390	587 185	609 765	650 443
Remuneration of councillors		11 219	11 538	12 315	12 514	12 898	12 898	13 912	14 488	15 086
Bulk purchases - electricity	2	298 272	351 600	346 418	429 805	429 805	429 805	484 477	546 102	615 566
Inventory consumed	8	45 042	52 658	58 220	62 499	65 360	65 360	61 092	73 043	73 524
Debt impairment	3	9 494	28 248	52 100	19 414	50 372	50 372	53 394	56 598	59 994
Depreciation and amortisation		138 195	147 004	148 321	149 154	149 154	149 154	158 441	167 237	176 574
Interest		48 805	47 584	48 152	49 658	49 658	49 658	49 814	51 810	46 707
Contracted services		208 095	237 081	257 088	300 624	305 174	305 174	316 048	334 743	351 451
Transfers and subsidies		8 651	12 750	16 086	16 380	16 580	16 580	17 755	17 154	17 993
Irrecoverable debts written off		4 559	5 258	10 206	-	10 709	10 709	10 709	10 709	10 709
Operational costs		112 270	118 256	141 085	164 252	209 258	209 258	191 421	161 335	133 113
Losses on disposal of Assets		144	33 873	-	-	-	-	-	-	-
Other Losses		1 034	192	72	-	-	-	-	-	-
Total Expenditure		1 321 810	1 498 694	1 571 001	1 742 212	1 848 360	1 848 360	1 944 247	2 042 985	2 151 161
Surplus/(Deficit)		(27 316)	(21 944)	(20 106)	(65 635)	(115 745)	(115 745)	(114 921)	(157 305)	(197 142)
Transfers and subsidies - capital (monetary allocations)	6	42 381	40 274	125 273	54 293	95 704	95 704	65 533	47 910	46 734
Transfers and subsidies - capital (in-kind)	6	18 757	2 060	6 130	-	890	890	-	-	-
Surplus/(Deficit) after capital transfers & contributions		33 821	20 390	111 298	(11 342)	(19 151)	(19 151)	(49 388)	(109 395)	(150 408)
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		33 821	20 390	111 298	(11 342)	(19 151)	(19 151)	(49 388)	(109 395)	(150 408)
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		33 821	20 390	111 298	(11 342)	(19 151)	(19 151)	(49 388)	(109 395)	(150 408)
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	33 821	20 390	111 298	(11 342)	(19 151)	(19 151)	(49 388)	(109 395)	(150 408)

References

- Classifications are revenue sources and expenditure type
- Detail to be provided in Table SA1
- Previously described as 'bad or doubtful debts' - amounts shown should reflect the change in the provision for debt impairment
- Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item; e.g. employee costs
- Repairs & maintenance detailed in Table A9 and Table SA34c
- Contributions are funds provided by external organisations to assist with infrastructure development; e.g. developer contributions (detail to be provided in Table SA1)
- Equity method (Includes Joint Ventures)
- All materials not part of 'bulk' e.g. road making materials, pipe, cable etc.

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

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - Municipal Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		-	-	-	5 000	-	-	-	-	-	-
Vote 3 - Corporate Services		-	3 250	-	2 215	1 533	1 533	1 396	765	-	-
Vote 4 - Financial Services		-	42	-	60	10	10	10	1 560	-	-
Vote 5 - Infrastructure Services		109 765	146 819	4 059	196 210	185 204	185 204	58 106	124 361	137 910	109 734
Vote 6 - Public Safety		-	2 117	-	300	1 300	1 300	84	300	-	-
Vote 7 - Planning and Development		-	100	-	45	45	45	-	30	-	-
Vote 8 - Community Services		-	6 417	-	735	735	735	237	735	-	-
Vote 9 - Costing Services		-	-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total		109 765	158 744	4 059	204 565	188 827	188 827	59 833	127 751	137 910	109 734
Single-year expenditure to be appropriated	2										
Vote 1 - Municipal Council		352	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		-	-	-	-	-	-	-	465	-	-
Vote 3 - Corporate Services		2 288	-	1 812	1 800	3 128	3 128	2 627	2 200	-	-
Vote 4 - Financial Services		57	-	57	-	2 627	2 627	987	5 650	-	-
Vote 5 - Infrastructure Services		91 580	26 219	163 637	1 938	14 659	14 659	8 201	13 117	-	7 000
Vote 6 - Public Safety		8 160	4 989	5 007	600	2 150	2 150	1 400	1 850	-	-
Vote 7 - Planning and Development		498	965	2 365	-	223	223	-	-	-	-
Vote 8 - Community Services		42 100	1 458	12 384	506	30	30	-	1 000	-	-
Vote 9 - Costing Services		-	-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		145 035	33 633	185 262	4 844	22 817	22 817	13 215	24 282	-	7 000
Total Capital Expenditure - Vote	3,7	254 800	192 377	189 321	209 409	211 644	211 644	73 048	152 033	137 910	116 734
Capital Expenditure - Functional											
Governance and administration		7 054	3 761	2 228	9 075	5 162	5 162	4 521	3 490	-	-

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

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Executive and council	1	355	3	5	5 005	5	5	5	520	-	-
Finance and administration		6 699	3 759	2 223	4 070	5 157	5 157	4 516	2 970	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		96 981	63 534	40 838	49 161	42 325	42 325	7 768	30 164	16 029	24 183
Community and social services		16 072	1 458	3 890	1 330	1 360	1 360	781	2 235	-	-
Sport and recreation		22 886	5 047	3 318	5 041	3 837	3 837	454	11 850	16 029	15 183
Public safety		8 425	7 998	5 007	900	3 450	3 450	1 484	2 950	-	-
Housing		49 598	49 031	28 623	41 890	33 678	33 678	5 049	13 129	-	9 000
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		29 200	11 405	20 518	5 748	5 825	5 825	1 912	3 277	2 981	6 000
Planning and development		8 466	2 656	3 719	1 108	825	825	268	975	-	-
Road transport		20 734	8 748	16 799	4 640	5 000	5 000	1 644	2 302	2 981	6 000
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		121 565	113 677	125 737	145 425	158 332	158 332	58 847	115 102	118 900	86 551
Energy sources		10 436	28 253	55 692	59 526	58 249	58 249	16 777	44 584	46 900	37 551
Water management		35 574	36 721	31 608	25 963	31 124	31 124	18 116	41 700	42 200	16 660
Waste water management		57 190	45 732	32 801	59 445	68 363	68 363	23 954	26 263	25 300	28 500
Waste management		18 365	2 972	5 637	490	595	595	-	2 555	4 500	3 840
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3,7	254 800	192 377	189 321	209 409	211 644	211 644	73 048	152 033	137 910	116 734
Funded by:											
National Government		35 100	36 688	81 741	54 293	62 555	62 555	32 355	52 299	47 910	37 734
Provincial Government		48 390	1 290	5 036	-	33 843	33 843	5 049	13 129	-	9 000
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	53 387	26 098	41 890	195	195	90	105	-	-
Transfers recognised - capital	4	83 490	91 365	112 876	96 183	96 594	96 594	37 494	65 533	47 910	46 734
Public contributions & donations	5	23 919	-	18 467	-	-	-	-	-	-	-
Borrowing	6	45 443	65 237	34 249	95 214	95 821	95 821	27 449	65 400	90 000	70 000
Internally generated funds		101 949	35 775	23 730	18 013	19 230	19 230	8 105	21 100	-	-
Total Capital Funding	7	254 800	192 377	189 321	209 409	211 644	211 644	73 048	152 033	137 910	116 734

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)

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

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand	1										

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

7. Total Capital Funding must balance with Total Capital Expenditure

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

Vote Description R thousand	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework			Multi-year appropriation for Budget Year 2024/25 in the 2023/24 Annual Budget				Multi-year appropriation for 2025/26 in the 2023/24 Annual Budget				New multi-year appropriations (funds for new and existing projects)		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	Appropriation for 2024/25	Adjustments in 2023/24	Downward adjustments for 2024/25	Appropriation carried forward	Appropriation for 2024/25	Adjustments in 2023/24	Downward adjustments for 2024/25	Appropriation carried forward	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Vote 13 - [NAME OF VOTE 13]	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total		109 765	158 744	4 059	204 565	188 827	188 827	127 751	137 910	109 734	-	-	-	-	-	-	-	127 751	137 910	-	

Capital expenditure - Municipal Vote											
Single-year expenditure appropriation											
Vote 1 - Municipal Council		352	-	-	-	-	-	-	-	-	-
1.1 - Council General		-	-	-	-	-	-	-	-	-	-
1.2 - Mayor's Office		352	-	-	-	-	-	-	-	-	-
1.3 - Pensioners & Continued Members		-	-	-	-	-	-	-	-	-	-
1.4 - 0		-	-	-	-	-	-	-	-	-	-
1.5 - 0		-	-	-	-	-	-	-	-	-	-
1.6 - 0		-	-	-	-	-	-	-	-	-	-
1.7 - 0		-	-	-	-	-	-	-	-	-	-
1.8 - 0		-	-	-	-	-	-	-	-	-	-
1.9 - 0		-	-	-	-	-	-	-	-	-	-
1.10 - 0		-	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		-	-	-	-	-	-	465	-	-	-
2.1 - Municipal Manager		-	-	-	-	-	-	465	-	-	-
2.2 - Internal Audit		-	-	-	-	-	-	-	-	-	-
2.3 - Legal Services & Contract Management		-	-	-	-	-	-	-	-	-	-
2.4 - Strategic Support Services		-	-	-	-	-	-	-	-	-	-
2.5 - 0		-	-	-	-	-	-	-	-	-	-
2.6 - 0		-	-	-	-	-	-	-	-	-	-
2.7 - 0		-	-	-	-	-	-	-	-	-	-
2.8 - 0		-	-	-	-	-	-	-	-	-	-
2.9 - 0		-	-	-	-	-	-	-	-	-	-
2.10 - 0		-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		2 288	-	1 812	1 800	3 128	3 128	2 200	-	-	-
3.1 - Director: Corporate Services		5	-	14	-	-	-	-	-	-	-

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand	1									
3.2 - Human Resources		-	-	-	-	-	-	-	-	-
3.3 - Info & Communication Technology		2 283	-	1 798	1 800	3 128	3 128	2 200	-	-
3.4 - Admin Support Services		-	-	-	-	-	-	-	-	-
3.5 - Municipal Court		-	-	-	-	-	-	-	-	-
3.6 - Risk Management		-	-	-	-	-	-	-	-	-
3.7 - Customer Relations Management (24H)		-	-	-	-	-	-	-	-	-
3.8 - 0		-	-	-	-	-	-	-	-	-
3.9 - 0		-	-	-	-	-	-	-	-	-
3.10 - 0		-	-	-	-	-	-	-	-	-
Vote 4 - Financial Services		57	-	57	-	2 627	2 627	5 650	-	-
4.1 - Finance: Director		57	-	57	-	-	-	-	-	-
4.2 - Finance: Accounting Services		-	-	-	-	-	-	-	-	-
4.3 - Finance: Expenditure, Assets & Fleet Management		-	-	-	-	2 627	2 627	5 650	-	-
4.4 - Finance: Revenue		-	-	-	-	-	-	-	-	-
4.5 - Finance: Supply Chain Management		-	-	-	-	-	-	-	-	-
4.6 - Data Control		-	-	-	-	-	-	-	-	-
4.7 - Assessment Rates		-	-	-	-	-	-	-	-	-
4.8 - 0		-	-	-	-	-	-	-	-	-
4.9 - 0		-	-	-	-	-	-	-	-	-
4.10 - 0		-	-	-	-	-	-	-	-	-
Vote 5 - Infrastructure Services		91 580	26 219	163 637	1 938	14 659	14 659	13 117	-	7 000
5.1 - Director: Infrastructure Services		868	53	1 264	100	100	100	-	-	-
5.2 - Water Infrastructure & Quality		27 260	-	53 168	-	10 753	10 753	6 800	-	-
5.3 - Bulk Water Services & Housing Development		38 649	13 451	52 697	278	854	854	802	-	4 000
5.4 - Civil Engineering Services		-	-	-	1 470	2 782	2 782	5 025	-	-
5.5 - Roads		11 358	7 581	-	-	-	-	-	-	-
5.6 - Stormwater		-	-	-	-	-	-	-	-	-
5.7 - Electricity		199	2 163	54 649	-	79	79	-	-	3 000
5.8 - Water		-	-	1 859	-	-	-	-	-	-
5.9 - Sewerage		-	-	-	-	-	-	-	-	-
5.10 - Waste Management		13 245	2 972	-	90	90	90	490	-	-
Vote 6 - Public Safety		8 160	4 989	5 007	600	2 150	2 150	1 850	-	-
6.1 - Director: Municipal Public Safety		910	-	462	-	-	-	-	-	-
6.2 - Traffic		-	1 846	-	600	600	600	-	-	-
6.3 - Law Enforcement		1 517	1 431	4 100	-	1 550	1 550	1 100	-	-
6.4 - Vehicle testing		-	-	-	-	-	-	-	-	-
6.5 - Fire Brigade		5 733	1 713	446	-	-	-	750	-	-
6.6 - Vehicle Licensing		-	-	-	-	-	-	-	-	-
6.7 - Special Task Team Unit		-	-	-	-	-	-	-	-	-
6.8 - Disaster Management		-	-	-	-	-	-	-	-	-
6.9 - Security Services		-	-	-	-	-	-	-	-	-
6.10 - 0		-	-	-	-	-	-	-	-	-
Vote 7 - Planning and Development		498	965	2 365	-	223	223	-	-	-
7.1 - Director: Planning & Development		448	-	29	-	-	-	-	-	-
7.2 - Tourism		50	-	-	-	-	-	-	-	-
7.3 - Socio Economic Services		-	-	-	-	223	223	-	-	-
7.4 - Thusong Centre: Hawston		-	-	-	-	-	-	-	-	-
7.5 - Town Planning		-	965	2 336	-	-	-	-	-	-
7.6 - Building Control Services		-	-	-	-	-	-	-	-	-
7.7 - Property Administration		-	-	-	-	-	-	-	-	-
7.8 - Environmental Management Services		-	-	-	-	-	-	-	-	-
7.9 - 0		-	-	-	-	-	-	-	-	-
7.10 - 0		-	-	-	-	-	-	-	-	-
Vote 8 - Community Services		42 100	1 458	12 384	506	30	30	1 000	-	-
8.1 - Director		42 100	1 458	11 864	-	-	-	1 000	-	-
8.2 - Offices & Community Buildings		-	-	-	506	-	-	-	-	-
8.3 - Parks & Townlands, Cemeteries		-	-	-	-	-	-	-	-	-
8.4 - Libraries		-	-	520	-	30	30	-	-	-
8.5 - Sport & Recreation		-	-	-	-	-	-	-	-	-
8.6 - Housing & Social Upliftment		-	-	-	-	-	-	-	-	-
8.7 - Refuse Removal		-	-	-	-	-	-	-	-	-
8.8 - 0		-	-	-	-	-	-	-	-	-
8.9 - 0		-	-	-	-	-	-	-	-	-
8.10 - 0		-	-	-	-	-	-	-	-	-
Vote 9 - Costing Services		-	-	-	-	-	-	-	-	-
9.1 - Departmental Charges & Recoveries		-	-	-	-	-	-	-	-	-

Multi-year appropriation for Budget Year 2024/25 in the 2023/24 Annual Budget				Multi-year appropriation for 2025/26 in the 2023/24 Annual Budget				New multi-year appropriations (funds for new and existing projects)		
Appropriation for 2024/25	Adjustments in 2023/24	Downward adjustments for 2024/25	Appropriation carried forward	Appropriation for 2024/25	Adjustments in 2023/24	Downward adjustments for 2024/25	Appropriation carried forward	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand	1	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		145 035	33 633	185 262	4 844	22 817	22 817	24 282	-	7 000
Total Capital Expenditure		254 800	192 377	189 321	209 409	211 644	211 644	152 033	137 910	116 734

Multi-year appropriation for Budget Year 2024/25 in the 2023/24 Annual Budget				Multi-year appropriation for 2025/26 in the 2023/24 Annual Budget				New multi-year appropriations (funds for new and existing projects)		
Appropriation for 2024/25	Adjustments in 2023/24	Downward adjustments for 2024/25	Appropriation carried forward	Appropriation for 2024/25	Adjustments in 2023/24	Downward adjustments for 2024/25	Appropriation carried forward	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27

WC032 Overstrand - Table A6 Budgeted Financial Position

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
ASSETS										
Current assets										
Cash and cash equivalents		612 723	616 280	646 535	516 302	692 294	692 294	685 063	672 353	621 880
Trade and other receivables from exchange transaction	1	81 353	96 422	111 871	88 033	76 975	76 975	76 723	75 187	74 190
Receivables from non-exchange transactions	1	45 341	52 678	57 923	34 822	33 963	33 963	33 790	34 687	34 550
Current portion of non-current receivables		-	-	-	-	-	-	-	-	-
Inventory	2	12 736	10 938	11 594	11 054	11 054	11 054	11 199	11 170	11 153
VAT		16 822	12 472	13 604	1 063	1 063	1 063	1 783	2 577	3 441
Other current assets		717	733	743	32 047	32 047	32 047	45 087	48 127	51 167
Total current assets		769 692	789 523	842 270	683 321	847 396	847 396	853 646	844 102	796 381
Non current assets										
Investments		54 278	60 512	68 211	77 846	77 846	77 846	84 471	-	-
Investment property		127 538	131 248	141 336	138 346	146 836	146 836	150 336	153 836	157 336
Property, plant and equipment	3	3 601 762	3 633 488	3 672 579	3 859 136	3 850 952	3 850 952	3 844 183	3 815 214	3 755 752
Biological assets		-	-	-	-	-	-	-	-	-
Living and non-living resources		677	610	542	474	474	474	1 106	1 039	971
Heritage assets		128 528	112 126	114 055	112 126	114 055	114 055	114 055	114 055	114 055
Intangible assets		8 993	8 940	8 687	7 909	7 909	7 909	7 637	7 347	7 036
Trade and other receivables from exchange transaction		-	-	-	-	-	-	-	-	-
Non-current receivables from non-exchange transaction		-	-	-	-	-	-	-	-	-
Other non-current assets		-	-	-	-	-	-	-	-	-
Total non current assets		3 921 776	3 946 923	4 005 409	4 195 837	4 198 072	4 198 072	4 201 789	4 091 491	4 035 151
TOTAL ASSETS		4 691 468	4 736 446	4 847 680	4 879 158	5 045 468	5 045 468	5 055 435	4 935 592	4 831 531
LIABILITIES										
Current liabilities										
Bank overdraft		-	-	-	-	-	-	-	-	-
Financial liabilities		53 957	50 494	57 949	50 907	50 907	50 907	154 566	61 170	71 979
Consumer deposits		42 248	43 312	45 091	65 312	65 312	65 312	58 712	56 712	54 712
Trade and other payables from exchange transactions	4	141 475	142 157	146 449	182 222	182 223	182 223	158 403	164 536	163 208
Trade and other payables from non-exchange transaction	5	24 030	26 309	6 206	-	-	-	-	-	-
Provision		49 986	41 443	43 365	42 971	46 488	46 488	53 093	56 205	59 078
VAT		-	-	-	2 111	2 183	2 183	3 362	4 364	5 426
Other current liabilities		-	5 414	6 083	5 904	6 357	6 357	6 643	6 942	7 254
Total current liabilities		311 695	309 129	305 142	349 426	353 469	353 469	434 780	349 928	361 657
Non current liabilities										
Financial liabilities	6	430 400	429 906	421 957	420 625	420 625	420 625	331 786	360 616	358 637
Provision	7	139 279	157 026	170 841	167 099	181 162	181 162	188 240	196 094	204 798
Long term portion of trade payables		-	-	-	-	-	-	-	-	-
Other non-current liabilities		108 533	116 205	114 262	144 013	126 802	126 802	141 167	155 458	170 710
Total non current liabilities		678 212	703 137	707 060	731 737	728 589	728 589	661 193	712 168	734 146
TOTAL LIABILITIES		989 907	1 012 266	1 012 202	1 081 163	1 082 058	1 082 058	1 095 973	1 062 096	1 095 803
NET ASSETS		3 701 561	3 724 180	3 835 478	3 797 994	3 963 410	3 963 410	3 959 462	3 873 496	3 735 729
COMMUNITY WEALTH/EQUITY										
Accumulated surplus/(deficit)	8	3 698 333	3 720 952	3 832 250	3 794 766	3 960 181	3 960 181	3 956 233	3 870 267	3 732 499
Reserves and funds	9	3 227	3 228	3 228	3 229	3 229	3 229	3 230	3 230	3 230
Other		-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	10	3 701 561	3 724 180	3 835 478	3 797 994	3 963 410	3 963 410	3 959 462	3 873 496	3 735 729

References

1. Detail breakdown in Table SA3 for Trade receivables from Exchange and Non-exchange transactions
2. Include completed low cost housing to be transferred to beneficiaries within 12 months detail provided in Table SA3
3. Include 'Construction-work-in-progress' (disclosed separately in annual financial statements) detail in SA3
4. Detail breakdown in Table SA3.
5. Detail breakdown in Table SA3.
6. Detail breakdown in Table SA3.
7. Detail breakdown in Table SA3.
8. Detail breakdown in Table SA3.
9. Detail breakdown in Table SA3. Includes reserves to be funded by statute.
10. Net assets must balance with Total Community Wealth/Equity

WC032 Overstrand - Table A7 Budgeted Cash Flows

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		262 273	277 452	292 203	335 688	335 688	335 688	355 619	377 527	400 179
Service charges		735 694	813 102	812 299	904 949	933 397	933 397	1 032 048	1 095 854	1 161 604
Other revenue		131 363	88 928	114 267	171 788	162 021	162 021	118 762	89 631	54 616
Transfers and Subsidies - Operational	1	147 186	145 075	172 032	184 953	192 561	192 561	190 068	199 421	210 978
Transfers and Subsidies - Capital	1	28 987	96 836	105 269	54 293	96 594	96 594	65 533	47 910	46 734
Interest		34 748	36 128	58 874	41 800	41 800	41 800	47 750	48 705	49 679
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(1 073 734)	(1 199 126)	(1 278 460)	(1 433 760)	(1 447 194)	(1 447 194)	(1 600 224)	(1 686 101)	(1 799 659)
Interest		(48 813)	(47 584)	(48 152)	(49 658)	(49 658)	(49 658)	(49 814)	(51 810)	(46 707)
Transfers and Subsidies	1	(8 710)	(12 813)	(14 865)	(16 380)	(16 580)	(16 580)	(17 755)	(17 154)	(17 993)
NET CASH FROM/(USED) OPERATING ACTIVITIES		208 994	197 999	213 466	193 672	248 628	248 628	141 987	103 984	59 430
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		1 138	3 813	3 676	-	-	-	-	-	-
Decrease (increase) in non-current receivables		4	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		(4 878)	(4 980)	(4 980)	(4 980)	(4 980)	(4 980)	(4 980)	87 782	-
Payments										
Capital assets		(255 029)	(190 382)	(183 191)	(209 409)	(211 644)	(211 644)	(152 033)	(137 910)	(116 734)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(258 765)	(191 549)	(184 495)	(214 389)	(216 624)	(216 624)	(157 013)	(50 128)	(116 734)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		54 000	50 000	50 000	50 000	50 000	50 000	65 000	90 000	70 000
Increase (decrease) in consumer deposits		1 256	1 064	1 779	22 000	22 000	22 000	(6 600)	(2 000)	(2 000)
Payments										
Repayment of borrowing		(46 576)	(53 957)	(50 494)	(58 245)	(58 245)	(58 245)	(50 605)	(154 566)	(61 170)
NET CASH FROM/(USED) FINANCING ACTIVITIES		8 680	(2 893)	1 285	13 755	13 755	13 755	7 795	(66 566)	6 830
NET INCREASE/ (DECREASE) IN CASH HELD										
Cash/cash equivalents at the year begin:	2	653 813	612 723	616 280	523 264	646 535	646 535	692 294	685 063	672 353
Cash/cash equivalents at the year end:	2	612 723	616 280	646 535	516 302	692 294	692 294	685 063	672 353	621 880

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.

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

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Cash and investments available											
Cash/cash equivalents at the year end	1	612 723	616 280	646 535	516 302	692 294	692 294	(2 083 204)	685 063	672 353	621 880
Other current investments > 90 days		0	0	(0)	0	0	0	2 891 402	-	-	-
Non current Investments	1	54 278	60 512	68 211	77 846	77 846	77 846	74 642	84 471	-	-
Cash and investments available:		667 001	676 792	714 746	594 148	770 140	770 140	882 840	769 534	672 353	621 880
Application of cash and investments											
Trade payables from Non-exchange transactions: Unspent condi		24 030	26 309	6 206	-	-	-	-	-	-	-
Unspent borrowing		44 066	-	22 033	45 214	45 214	45 214	-	-	-	-
Statutory requirements	2	16 822	12 472	13 604	1 063	1 063	1 063	8 520	1 783	2 577	3 441
Other working capital requirements	3	83 371	80 936	79 908	129 226	136 175	136 175	140 409	112 609	119 285	118 915
Other provisions		28 547	13 315	10 070	6 045	6 045	6 045	-	16 010	19 632	20 393
Long term investments committed	4	54 278	60 512	68 211	77 846	77 846	77 846	77 846	84 471	-	-
Reserves to be backed by cash/investments	5	3 227	3 228	3 228	3 229	3 229	3 229	3 228	3 230	3 230	3 230
Total Application of cash and investments:		254 342	196 772	203 260	262 623	269 572	269 572	230 003	218 103	144 723	145 979
Surplus(shortfall)		412 659	480 020	511 486	331 525	500 568	500 568	652 837	551 431	527 630	475 901

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		58 104	61 221	66 541	52 996	46 048	46 048	(71 560)	45 794	45 251	44 293
Creditors due		141 475	142 157	146 449	182 222	182 223	182 223	68 849	158 403	164 536	163 208
Total		(83 371)	(80 936)	(79 908)	(129 226)	(136 175)	(136 175)	(140 409)	(112 609)	(119 285)	(118 915)

Debtors collection assumptions											
Balance outstanding - debtors		126 694	149 100	169 794	122 855	110 938	110 938	115 547	110 514	109 874	108 740
Estimate of debtors collection rate		45.9%	41.1%	39.2%	43.1%	41.5%	41.5%	-61.9%	41.4%	41.2%	40.7%

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)		54 278	60 512	68 211	77 846	77 846	77 846	77 846	84 471	-	-
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		-	-	-	-	-	-	-	-	-	-
		54 278	60 512	68 211	77 846	77 846	77 846	77 846	84 471	-	-

Reserves to be backed by cash/investments											
Housing Development Fund		3 227	3 228	3 228	3 229	3 229	3 229	3 228	3 230	3 230	3 230
Capital replacement		-	-	-	-	-	-	-	-	-	-
Self-insurance		-	-	-	-	-	-	-	-	-	-
Compensation for Occupational Injuries and Diseases		-	-	-	-	-	-	-	-	-	-
Employee Benefit		-	-	-	-	-	-	-	-	-	-
Non-current Provisions		-	-	-	-	-	-	-	-	-	-
Valuation		-	-	-	-	-	-	-	-	-	-
Investment in associate account		-	-	-	-	-	-	-	-	-	-
Capitalisation		-	-	-	-	-	-	-	-	-	-
	6	3 227	3 228	3 228	3 229	3 229	3 229	3 228	3 230	3 230	3 230

Note:

6. Above reserves do not include Revaluation reserve. Revaluation reserve not required to be cash backed

WC032 Overstrand - Table A9 Asset Management

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	199 520	119 714	132 803	140 449	130 534	130 534	108 783	57 869	50 891
<i>Roads Infrastructure</i>		20 553	7 714	16 799	4 640	5 080	5 080	952	2 981	6 000
<i>Storm water Infrastructure</i>		14 169	4 724	1 113	12 358	7 420	7 420	10 213	-	-
<i>Electrical Infrastructure</i>		9 392	18 244	53 049	48 795	47 518	47 518	30 334	24 900	22 551
<i>Water Supply Infrastructure</i>		22 404	3 171	9 484	11 313	14 609	14 609	24 900	20 700	-
<i>Sanitation Infrastructure</i>		12 940	8 923	3 956	7 500	6 734	6 734	8 500	1 500	4 500
<i>Solid Waste Infrastructure</i>		12 254	2 972	1 226	400	505	505	565	500	840
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		91 712	45 748	85 627	85 007	81 866	81 866	75 464	50 581	33 891
Community Facilities		10 999	4 140	2 674	6 213	707	707	3 350	-	-
Sport and Recreation Facilities		15 000	5 047	5 068	1 139	1 645	1 645	1 400	5 788	8 000
Community Assets		25 999	9 187	7 742	7 352	2 352	2 352	4 750	5 788	8 000
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		4 581	1 410	2 211	100	1 073	1 073	2 250	1 500	-
Housing		49 598	49 031	26 523	41 890	33 678	33 678	13 129	-	9 000
Other Assets		54 179	50 440	28 734	41 990	34 751	34 751	15 379	1 500	9 000
Biological or Cultivated Assets		-	21	-	-	-	-	700	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	71	71	-	-	-
Intangible Assets		-	-	-	-	71	71	-	-	-
Computer Equipment		5 152	3 240	2 212	4 000	4 575	4 575	3 250	-	-
Furniture and Office Equipment		802	2 910	715	765	745	745	865	-	-
Machinery and Equipment		486	1 363	729	1 335	1 745	1 745	1 225	-	-
Transport Assets		21 189	6 806	7 043	-	4 427	4 427	7 150	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2	15 499	30 964	17 393	16 300	18 765	18 765	17 500	27 700	19 160
<i>Roads Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		915	1 000	1 042	1 500	1 500	1 500	1 500	2 000	-
<i>Water Supply Infrastructure</i>		11 297	29 964	15 725	14 100	15 965	15 965	15 300	21 000	16 160
<i>Sanitation Infrastructure</i>		3 287	-	626	700	1 300	1 300	700	700	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	4 000	3 000
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		15 499	30 964	17 393	16 300	18 765	18 765	17 500	27 700	19 160
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Upgrading of Existing Assets	6	39 781	41 698	39 125	52 660	62 346	62 346	25 750	52 341	46 683
<i>Roads Infrastructure</i>		181	-	-	-	-	-	-	-	-
<i>Storm water Infrastructure</i>		12 258	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		120	7 173	1 600	9 231	9 231	9 231	9 000	18 500	15 000
<i>Water Supply Infrastructure</i>		1 873	3 586	6 928	550	550	550	500	500	500

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
Sanitation Infrastructure		14 286	30 939	28 219	38 887	50 283	50 283	6 350	23 100	24 000
Solid Waste Infrastructure		3 262	-	1 859	90	90	90	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		31 980	41 698	38 606	48 758	60 154	60 154	15 850	42 100	39 500
Community Facilities		830	-	319	-	-	-	-	-	-
Sport and Recreation Facilities		6 971	-	200	3 902	2 192	2 192	9 900	10 241	7 183
Community Assets		7 801	-	519	3 902	2 192	2 192	9 900	10 241	7 183
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		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	254 800	192 377	189 321	209 409	211 644	211 644	152 033	137 910	116 734
Roads Infrastructure		20 734	7 714	16 799	4 640	5 080	5 080	952	2 981	6 000
Storm water Infrastructure		26 427	4 724	1 113	12 358	7 420	7 420	10 213	-	-
Electrical Infrastructure		10 427	26 417	55 692	59 526	58 249	58 249	40 834	45 400	37 551
Water Supply Infrastructure		35 574	36 721	32 137	25 963	31 124	31 124	40 700	42 200	16 660
Sanitation Infrastructure		30 513	39 862	32 801	47 087	58 317	58 317	15 550	25 300	28 500
Solid Waste Infrastructure		15 517	2 972	3 085	490	595	595	565	4 500	3 840
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		139 192	118 410	141 626	150 065	160 785	160 785	108 814	120 381	92 551
Community Facilities		11 829	4 140	2 994	6 213	707	707	3 350	-	-
Sport and Recreation Facilities		21 971	5 047	5 268	5 041	3 837	3 837	11 300	16 029	15 183
Community Assets		33 801	9 187	8 261	11 254	4 544	4 544	14 650	16 029	15 183
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		4 581	1 410	2 211	100	1 073	1 073	2 250	1 500	-
Housing		49 598	49 031	26 523	41 890	33 678	33 678	13 129	-	9 000
Other Assets		54 179	50 440	28 734	41 990	34 751	34 751	15 379	1 500	9 000
Biological or Cultivated Assets		-	21	-	-	-	-	700	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	71	71	-	-	-
Intangible Assets		-	-	-	-	71	71	-	-	-
Computer Equipment		5 152	3 240	2 212	4 000	4 575	4 575	3 250	-	-
Furniture and Office Equipment		802	2 910	715	765	745	745	865	-	-
Machinery and Equipment		486	1 363	729	1 335	1 745	1 745	1 225	-	-
Transport Assets		21 189	6 806	7 043	-	4 427	4 427	7 150	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		254 800	192 377	189 321	209 409	211 644	211 644	152 033	137 910	116 734
ASSET REGISTER SUMMARY - PPE (WDV)	5	3 867 498	3 886 411	3 937 199	4 117 991	4 120 226	4 120 226	4 117 318	4 091 490	4 035 150
Roads Infrastructure		1 092 468	1 051 629	1 030 337	919 844	920 284	920 284	875 222	828 508	780 837
Storm water Infrastructure		234 040	249 628	247 788	244 723	245 246	245 246	246 734	237 834	228 757
Electrical Infrastructure		503 933	503 466	533 162	581 070	579 792	579 792	592 983	610 187	618 977
Water Supply Infrastructure		481 783	502 684	512 678	531 445	536 606	536 606	552 256	568 405	557 971
Sanitation Infrastructure		410 765	449 610	468 023	484 553	490 321	490 321	484 370	487 093	491 887
Solid Waste Infrastructure		40 153	40 054	39 805	46 852	46 958	46 958	44 215	45 293	45 676
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		2 763 142	2 797 071	2 831 793	2 808 488	2 819 208	2 819 208	2 795 780	2 777 319	2 724 105

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets		130 928	112 126	114 055	112 126	114 055	114 055	114 055	114 055	114 055
Investment properties		127 538	131 248	141 336	138 346	146 836	146 836	150 336	153 836	157 336
Other Assets		720 913	716 717	718 720	933 820	909 451	909 451	922 125	920 917	924 842
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		8 993	8 940	8 687	7 909	7 980	7 980	7 709	7 418	7 108
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		11 016	12 199	12 260	17 932	18 487	18 487	20 287	17 739	14 937
Machinery and Equipment		8 693	9 932	10 584	5 464	5 874	5 874	5 626	4 005	2 223
Transport Assets		95 597	97 568	99 221	93 432	97 859	97 859	100 294	95 162	89 575
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living Resources		677	610	542	474	474	474	1 106	1 039	971
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	3 867 498	3 886 411	3 937 199	4 117 991	4 120 226	4 120 226	4 117 318	4 091 490	4 035 150
EXPENDITURE OTHER ITEMS										
Depreciation	7	138 195	147 004	148 321	149 087	149 087	149 087	158 373	167 170	176 506
Repairs and Maintenance by Asset Class	3	211 518	245 386	249 505	293 296	300 793	300 793	295 474	316 378	331 260
Roads Infrastructure		67 439	64 340	54 418	75 266	80 631	80 631	78 469	92 481	98 202
Storm water Infrastructure		5 584	6 870	6 157	6 469	6 265	6 265	6 361	6 573	6 943
Electrical Infrastructure		31 045	30 721	35 380	41 404	41 590	41 590	40 144	42 117	45 114
Water Supply Infrastructure		21 046	21 088	20 432	23 527	21 800	21 800	24 954	26 031	27 625
Sanitation Infrastructure		12 980	11 710	12 634	13 718	14 008	14 008	14 322	14 738	15 395
Solid Waste Infrastructure		2 535	6 351	8 650	7 697	8 432	8 432	8 620	9 081	9 717
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		110	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		1	-	-	-	-	-	-	-	-
Infrastructure		140 742	141 079	137 671	168 080	172 726	172 726	172 870	191 021	202 996
Community Facilities		37 364	37 455	40 568	47 427	48 358	48 358	49 396	52 852	55 009
Sport and Recreation Facilities		7 007	12 921	12 919	14 649	14 295	14 295	17 042	19 622	17 192
Community Assets		44 371	50 376	53 486	62 076	62 653	62 653	66 438	72 474	72 201
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		2 136	15 056	16 833	18 438	14 949	14 949	13 758	8 069	8 381
Housing		1	-	-	-	-	-	-	-	-
Other Assets		2 137	15 056	16 833	18 438	14 949	14 949	13 758	8 069	8 381
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		5 672	5 915	6 829	8 331	8 073	8 073	8 967	9 720	10 707
Intangible Assets		5 672	5 915	6 829	8 331	8 073	8 073	8 967	9 720	10 707
Computer Equipment		1 947	2 490	2 157	2 423	2 423	2 423	2 566	2 717	2 878
Furniture and Office Equipment		1 128	5 004	8 206	11 697	13 872	13 872	7 747	7 935	8 389
Machinery and Equipment		-	4 059	4 163	6 036	7 656	7 656	5 983	6 310	6 530
Transport Assets		15 521	21 406	20 160	16 214	18 441	18 441	17 145	18 132	19 178
Libraries		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		349 713	392 390	397 826	442 382	449 880	449 880	453 848	483 548	507 767
Renewal and upgrading of Existing Assets as % of total capex		21.7%	37.8%	29.9%	32.9%	38.3%	38.3%	28.4%	58.0%	56.4%
Renewal and upgrading of Existing Assets as % of deprecn		40.0%	49.4%	38.1%	46.3%	54.4%	54.4%	27.3%	47.9%	37.3%
R&M as a % of PPE & Investment Property		5.5%	6.4%	6.4%	7.1%	7.3%	7.3%	7.2%	7.7%	8.2%
Renewal and upgrading and R&M as a % of PPE and Investment P		7.0%	8.3%	7.8%	8.9%	9.4%	9.4%	8.3%	9.7%	9.9%

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

WC032 Overstrand - Table A10 Basic service delivery measurement

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Household service targets	1									
Water:										
Piped water inside dwelling		30 111	30 990	31 829	31 324	31 324	31 324	32 466	33 115	33 777
Piped water inside yard (but not in dwelling)		-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	2	3 775	3 536	3 242	3 242	3 242	3 242	3 536	4 650	4 900
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		33 886	34 526	35 071	34 566	34 566	34 566	36 002	37 765	38 677
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	33 886	34 526	35 071	34 566	34 566	34 566	36 002	37 765	38 677
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		30 420	31 394	32 323	31 646	31 646	31 646	32 969	33 629	34 301
Flush toilet (with septic tank)		-	-	-	-	-	-	-	-	-
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		30 420	31 394	32 323	31 646	31 646	31 646	32 969	33 629	34 301
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		3 779	3 536	3 242	3 242	3 242	3 242	3 536	4 650	4 900
No toilet provisions		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		3 779	3 536	3 242	3 242	3 242	3 242	3 536	4 650	4 900
Total number of households	5	34 199	34 930	35 565	34 888	34 888	34 888	36 505	38 279	39 201
Energy:										
Electricity (at least min.service level)		5 826	5 618	5 502	5 415	5 415	5 415	5 278	5 141	5 004
Electricity - prepaid (min.service level)		20 146	20 821	21 854	22 382	22 382	22 382	23 127	23 872	24 617
<i>Minimum Service Level and Above sub-total</i>		25 972	26 439	27 356	27 797	27 797	27 797	28 405	29 013	29 621
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	25 972	26 439	27 356	27 797	27 797	27 797	28 405	29 013	29 621
Refuse:										
Removed at least once a week		33 895	34 819	35 601	35 261	35 261	35 261	36 313	37 039	37 780
<i>Minimum Service Level and Above sub-total</i>		33 895	34 819	35 601	35 261	35 261	35 261	36 313	37 039	37 780
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Using communal refuse dump		-	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	33 895	34 819	35 601	35 261	35 261	35 261	36 313	37 039	37 780
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		7 595	7 278	7 400	7 400	7 400	7 400	4 800	4 800	4 800
Sanitation (free minimum level service)		7 595	7 278	7 400	7 400	7 400	7 400	4 800	4 800	4 800
Electricity/other energy (50kwh per household per month)		7 595	7 278	7 400	7 400	7 400	7 400	4 800	4 800	4 800
Refuse (removed at least once a week)		7 595	7 278	7 400	7 400	7 400	7 400	4 800	4 800	4 800
Informal Settlements		-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitres per indigent household per month)		3 062	3 065	3 214	3 214	5 224	3 432	5 907	6 261	6 637
Sanitation (free sanitation service to indigent households)		5 244	5 253	9 132	9 132	6 729	9 814	7 330	7 770	8 236
Electricity/other energy (50kwh per indigent household per month)		5 416	5 513	4 832	7 509	7 509	7 509	8 077	8 562	9 076
Refuse (removed once a week for indigent households)		16 906	16 929	17 933	17 933	14 861	19 152	14 577	15 452	16 379
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		-	-	-	-	-	-	-	-	-
Total cost of FBS provided		30 628	30 760	35 111	37 788	34 324	39 907	35 892	38 045	40 328
Highest level of free service provided per household										
Property rates (R value threshold)		220 000	220 000							
Water (kilolitres per household per month)		6	6	6	10	10	10	10	10	10
Sanitation (kilolitres per household per month)		4	4	4	7	7	7	7	7	7
Sanitation (Rand per household per month)		127	132	138	148	148	148	161	171	181
Electricity (kwh per household per month)		50	50	50	50	50	50	70	70	70
Refuse (average litres per week)		210	210	210	210	210	210	210	210	210
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)		-	-	-	-	-	-	-	-	-
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		-	-	-	-	-	-	75 796	80 344	85 164
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	3 412	3 617	3 834
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	2 932	3 108	3 294
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	2 308	2 446	2 593
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates		-	-	-	-	-	-	-	-	-
Housing - top structure subsidies	6	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Total revenue cost of subsidised services provided		-	-	-	-	-	-	84 448	89 515	94 886

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)

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

Description	Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand											
REVENUE ITEMS:											
Non-exchange revenue by source											
Property rates											
Total Property Rates	6	261 222	278 154	297 101	340 506	340 506	340 506	227 214	435 236	461 349	489 030
<i>less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>		-	-	-	-	-	-	-	75 796	80 344	85 164
Net Property Rates		261 222	278 154	297 101	340 506	340 506	340 506	227 214	359 440	381 006	403 866
Exchange revenue service charges											
Service charges - Electricity											
Total Service charges - Electricity	6	448 208	518 263	500 831	585 478	585 478	585 478	414 270	647 132	685 960	727 117
<i>less Revenue Foregone (in excess of 50 kwh per indigent household per month)</i>		-	-	-	-	-	-	-	2 308	2 446	2 593
<i>less Cost of Free Basic Services (50 kwh per indigent household per month)</i>		5 416	5 513	4 832	7 509	7 509	7 509	-	8 077	8 562	9 076
Net Service charges - Electricity		442 792	512 750	495 999	577 969	577 969	577 969	414 270	636 747	674 952	715 449
Service charges - Water											
Total Service charges - Water	6	134 175	145 983	161 284	150 484	169 493	167 701	118 489	186 037	197 200	209 031
<i>less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)</i>		-	-	-	-	-	-	-	3 412	3 617	3 834
<i>less Cost of Free Basic Services (6 kilolitres per indigent household per month)</i>		3 062	3 065	3 214	3 214	5 224	3 432	-	5 907	6 261	6 637
Net Service charges - Water		131 113	142 917	158 070	147 269	164 269	164 269	118 489	176 718	187 321	198 560
Service charges - Waste Water Management											
Total Service charges - Waste Water Management		92 338	98 430	109 787	113 846	111 444	114 528	75 520	128 742	136 466	144 654
<i>less Revenue Foregone (in excess of free sanitation service to indigent households)</i>		-	-	-	-	-	-	-	2 932	3 108	3 294
<i>less Cost of Free Basic Services (free sanitation service to indigent households)</i>		5 244	5 253	9 132	9 132	6 729	9 814	-	7 330	7 770	8 236
Net Service charges - Waste Water Management		87 094	93 177	100 655	104 715	104 715	104 715	75 520	118 479	125 588	133 123
Service charges - Waste Management											
Total refuse removal revenue	6	89 104	93 880	103 856	103 363	112 291	116 582	65 390	123 523	130 934	138 790
Total landfill revenue		-	-	-	-	-	-	-	-	-	-
<i>less Revenue Foregone (in excess of one removal a week to indigent households)</i>		-	-	-	-	-	-	-	-	-	-
<i>less Cost of Free Basic Services (removed once a week to indigent households)</i>		16 906	16 929	17 933	17 933	14 861	19 152	-	14 577	15 452	16 379
Net Service charges - Waste Management		72 198	76 951	85 923	85 430	97 430	97 430	65 390	108 946	115 482	122 411
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	266 471	279 082	295 585	331 914	338 825	338 825	214 032	366 395	379 935	406 717

Description	Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand											
Pension and UIF Contributions		45 067	49 835	52 761	61 991	62 258	62 258	37 415	67 570	70 260	75 539
Medical Aid Contributions		13 951	14 510	15 638	18 074	18 047	18 047	11 118	19 643	20 423	21 959
Overtime		30 532	35 197	42 829	33 330	36 195	36 195	30 165	35 047	36 765	38 566
Performance Bonus		19 229	20 628	21 923	25 334	25 569	25 569	22 578	27 713	28 852	31 008
Motor Vehicle Allowance		8 115	8 136	7 976	8 869	8 939	8 939	5 231	8 869	8 869	8 869
Cellphone Allowance		2 150	2 185	2 155	2 493	2 564	2 564	1 690	2 585	2 589	2 591
Housing Allowances		2 741	1 707	1 774	1 985	2 006	2 006	1 214	2 000	2 001	2 001
Other benefits and allowances		17 026	19 421	24 358	21 805	22 949	22 949	16 120	23 305	24 102	24 948
Payments in lieu of leave		-	-	-	-	-	-	-	-	-	-
Long service awards		3 047	3 689	3 283	3 945	4 343	4 343	2 895	4 604	4 880	5 173
Post-retirement benefit obligations	4	22 448	12 613	7 079	21 862	21 355	21 355	14 237	22 636	23 994	25 434
Entertainment		-	-	-	-	-	-	-	-	-	-
Scarcity		3 121	3 575	3 796	4 061	4 061	4 061	2 798	4 367	4 545	4 894
Acting and post related allowance		2 131	2 074	1 781	2 249	2 279	2 279	873	2 450	2 550	2 745
In kind benefits		-	-	-	-	-	-	-	-	-	-
sub-total	5	436 029	452 651	480 939	537 911	549 390	549 390	360 365	587 185	609 765	650 443
<u>Less: Employees costs capitalised to PPE</u>		-	-	-	-	-	-	-	-	-	-
Total Employee related costs	1	436 029	452 651	480 939	537 911	549 390	549 390	360 365	587 185	609 765	650 443
Depreciation and amortisation											
Depreciation of Property, Plant & Equipment		136 129	140 727	146 163	148 860	148 860	148 860	99 242	158 170	166 947	176 263
Lease amortisation		431	290	253	294	294	294	196	271	290	311
Capital asset impairment		1 635	5 987	1 904	-	-	-	-	-	-	-
Total Depreciation and amortisation	1	138 195	147 004	148 321	149 154	149 154	149 154	99 439	158 441	167 237	176 574
Bulk purchases - electricity											
Electricity Bulk Purchases		298 272	351 600	346 418	429 805	429 805	429 805	290 101	484 477	546 102	615 566
Total bulk purchases	1	298 272	351 600	346 418	429 805	429 805	429 805	290 101	484 477	546 102	615 566
Transfers and grants											
Cash transfers and grants		8 651	12 750	14 786	16 380	16 580	16 580	12 509	17 755	17 154	17 993
Non-cash transfers and grants		-	-	1 300	-	-	-	-	-	-	-
Total transfers and grants	1	8 651	12 750	16 086	16 380	16 580	16 580	12 509	17 755	17 154	17 993
Contracted services											
<i>Outsourced Services</i>		87 046	104 229	125 768	138 344	141 773	141 773	94 725	154 567	169 417	181 985
<i>Consultants and Professional Services</i>		26 274	32 365	38 390	41 939	38 244	38 244	19 001	40 437	33 406	34 912
<i>Contractors</i>		94 775	100 488	92 930	120 341	125 157	125 157	68 997	121 044	131 921	134 554
sub-total	1	208 095	237 081	257 088	300 624	305 174	305 174	182 724	316 048	334 743	351 451
Operational Costs											
Collection costs		4 569	5 363	4 915	7 367	7 367	7 367	3 837	7 809	8 277	8 774
Contributions to 'other' provisions		28 547	13 315	13 315	6 045	15 122	15 122	10 081	15 629	16 991	18 010

Description	Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand											
Audit fees		4 164	3 810	5 257	5 500	5 500	5 500	4 504	5 500	5 775	6 064
<i>Other Operational Costs</i>	3										
<i>Operating Leases</i>		113	96	136	283	283	283	69	287	290	292
<i>Operational Cost</i>		74 877	95 672	117 461	145 057	180 987	180 987	99 417	162 196	130 002	99 973
<i>Statutory Payments other than Income Taxes</i>		-	-	-	-	-	-	-	-	-	-
<i>Discontinued Operations</i>		-	-	-	-	-	-	-	-	-	-
Total Operational Costs	1	112 270	118 256	141 085	164 252	209 258	209 258	117 909	191 421	161 335	133 113
Repairs and Maintenance by Expenditure Item	8										
Employee related costs		101 119	113 771	116 569	132 398	132 413	132 413	83 701	141 820	147 647	158 253
Inventory Consumed (Project Maintenance)		19 462	22 089	23 186	25 845	27 725	27 725	11 832	21 831	32 874	34 496
Contracted Services		80 996	99 098	97 410	120 575	124 262	124 262	66 793	116 799	119 830	121 259
Other Expenditure		9 941	10 428	12 340	14 477	16 393	16 393	11 407	15 024	16 026	17 252
Total Repairs and Maintenance Expenditure	9	211 518	245 386	249 505	293 296	300 793	300 793	173 732	295 474	316 378	331 260
Inventory Consumed											
Inventory Consumed - Water		-	-	-	9 230	9 230	9 230	-	9 460	9 697	9 939
Inventory Consumed - Other		13 498	14 284	20 399	15 903	15 903	15 903	10 797	15 903	16 078	16 266
Total Inventory Consumed & Other Material		13 498	14 284	20 399	25 133	25 133	25 133	10 797	25 364	25 775	26 205
	check	211 518	245 386	249 505	293 296	300 793	300 793		295 474	316 378	331 260

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'

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

R thousand	1	Vote 1 - Municipal Council	Vote 2 - Office of the Municipal Manager	Vote 3 - Corporate Services	Vote 4 - Financial Services	Vote 5 - Infrastructure Services	Vote 6 - Public Safety	Vote 7 - Planning and Development	Vote 8 - Community Services	Vote 9 - Costing Services	Vote 10 - Main Ledger Services	Vote 11 - [NAME OF VOTE 11]	Vote 12 - [NAME OF VOTE 12]	Vote 13 - [NAME OF VOTE 13]	Vote 14 - [NAME OF VOTE 14]	Vote 15 - [NAME OF VOTE 15]	Total
Revenue																	
Exchange Revenue																	
Service charges - Electricity					800	635 947											636 747
Service charges - Water					8	176 711											176 718
Service charges - Waste Water Management						118 479	0										118 479
Service charges - Waste Management						108 946											108 946
Sale of Goods and Rendering of Services				418	764	84 479	207	9 289	7 603								102 760
Agency services							7 102		1								7 103
Interest					0												0
Interest earned from Receivables					9 400				0								9 400
Interest earned from Current and Non Current Assets					47 750												47 750
Dividends																	
Rent on Land								0	1 889								1 889
Rental from Fixed Assets								72	5 604								5 676
Licence and permits							189		591								779
Operational Revenue		100		584	3 509	1 770	848	107	2								6 921
Non-Exchange Revenue																	
Property rates					359 440												359 440
Surcharges and Taxes																	
Fines, penalties and forfeits		0			0	526	43 510	841	11								44 889
Licences or permits							2 000										2 000
Transfer and subsidies - Operational		91 720			1 860	77 724	7 995	1 898	8 871								190 068
Interest					2 110												2 110
Fuel Levy																	
Service charges																	
Gains on disposal of Assets																	
Other Gains					4 150			3 500									7 650
Discontinued Operations																	
Total Revenue (excluding capital transfers and contributions)		91 820		1 002	429 791	1 204 582	61 852	15 707	24 572								1 829 326
Expenditure																	
Employee related costs		28 147	15 462	37 193	65 329	155 419	100 148	52 308	133 179								587 185
Remuneration of councillors		13 912															13 912
Bulk purchases - electricity						484 477											484 477
Inventory consumed		20	119	2 572	2 594	30 348	9 701	1 625	14 112								61 092
Debt impairment					2 884	8 058	42 468	53									53 462
Depreciation and amortisation		1	50	1 864	1 430	132 152	1 944	238	20 694								158 373
Interest					5	49 784			25								49 814
Contracted services		194	1 672	8 601	25 087	222 465	15 064	16 171	26 793								316 048
Transfers and subsidies		1 790			15 165		800										17 755
Irrecoverable debts written off					3 083	7 230		396									10 709
Operational costs		10 265	1 425	22 089	26 410	117 996	5 579	3 048	4 609								191 421
Losses on disposal of Assets																	
Other Losses																	
Total Expenditure		54 329	18 729	72 318	141 987	1 207 929	175 704	73 840	199 411								1 944 247
Surplus/(Deficit)		37 491	(18 729)	(71 316)	287 805	(3 347)	(113 852)	(58 133)	(174 839)								(114 921)
Transfers and subsidies - capital (monetary allocations)						55 133			10 400								65 533
Transfers and subsidies - capital (in-kind)																	
Surplus/(Deficit) after capital transfers & contributions																	
Income Tax		37 491	(18 729)	(71 316)	287 805	51 786	(113 852)	(58 133)	(164 439)								(49 388)

References

1. Departmental columns to be based on municipal organisation structure

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

Description	Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
ASSETS										
Trade and other receivables from exchange transactions										
Electricity		28 843	32 657	40 953	53 864	55 361	55 361	63 977	72 081	80 792
Water		24 741	27 720	33 410	32 468	29 433	29 433	29 386	29 218	29 241
Waste		11 450	12 784	17 031	8 797	8 352	8 352	9 746	11 065	12 504
Waste Water		14 991	17 140	21 499	15 446	14 249	14 249	15 299	16 267	17 366
Other trade receivables from exchange transactions		29 807	35 654	37 086	17 700	14 392	14 392	11 280	8 162	5 055
Gross: Trade and other receivables from exchange transactions		109 832	125 954	149 979	128 275	121 787	121 787	129 688	136 794	144 958
Less: Impairment for debt		(28 479)	(29 532)	(38 107)	(40 242)	(44 811)	(44 811)	(52 965)	(61 607)	(70 768)
Impairment for Electricity		(10 235)	(10 450)	(13 688)	(10 904)	(12 890)	(12 890)	(15 905)	(19 101)	(22 488)
Impairment for Water		(8 455)	(9 087)	(11 167)	(6 758)	(8 245)	(8 245)	(10 182)	(12 234)	(14 410)
Impairment for Waste		(4 005)	(4 089)	(5 692)	(6 732)	(7 811)	(7 811)	(9 303)	(10 885)	(12 563)
Impairment for Waste Water		(5 340)	(5 452)	(7 186)	(6 969)	(7 689)	(7 689)	(9 303)	(11 014)	(12 827)
Impairment for other trade receivables from exchange transactions		(445)	(454)	(374)	(8 879)	(8 176)	(8 176)	(8 271)	(8 373)	(8 480)
Total net Trade and other receivables from Exchange Trx		81 353	96 422	111 871	88 033	76 975	76 975	76 723	75 187	74 190
Receivables from non-exchange transactions										
Property rates		34 475	37 188	41 923	37 567	38 096	38 096	43 856	49 400	55 287
Less: Impairment of Property rates		(11 125)	(11 359)	(14 012)	(10 175)	(11 819)	(11 819)	(14 660)	(17 672)	(20 865)
Net Property rates		23 350	25 829	27 911	27 392	26 277	26 277	29 196	31 728	34 422
Other receivables from non-exchange transactions		64 953	96 819	124 091	98 112	123 112	123 112	162 421	203 730	245 039
Impairment for other receivables from non-exchange transactions		(42 962)	(69 970)	(107 454)	(90 683)	(115 427)	(115 427)	(157 827)	(200 771)	(244 911)
Net other receivables from non-exchange transactions		21 991	26 848	16 637	7 430	7 686	7 686	4 595	2 960	128
Total net Receivables from non-exchange transactions		45 341	52 678	44 548	34 822	33 963	33 963	33 790	34 687	34 550
Inventory										
Water										
Opening Balance		142	206	248	204	204	204	253	302	350
System Input Volume		63	42	66	11 681	11 681	11 681	11 973	12 272	12 579
Water Treatment Works		63	42	66	(1)	(1)	(1)	(1)	(1)	(1)
Bulk Purchases		-	-	-	-	-	-	-	-	-
Natural Sources		-	-	-	11 682	11 682	11 682	11 974	12 273	12 580
Authorised Consumption	6	-	-	-	(9 230)	(9 230)	(9 230)	(9 460)	(9 697)	(9 939)
Billed Authorised Consumption		-	-	-	(9 028)	(9 028)	(9 028)	(9 254)	(9 485)	(9 722)
Billed Metered Consumption		-	-	-	(9 028)	(9 028)	(9 028)	(9 254)	(9 485)	(9 722)
Free Basic Water		-	-	-	-	-	-	-	-	-
Subsidised Water		-	-	-	-	-	-	-	-	-
Revenue Water		-	-	-	(9 028)	(9 028)	(9 028)	(9 254)	(9 485)	(9 722)
Billed Unmetered Consumption		-	-	-	-	-	-	-	-	-
Free Basic Water		-	-	-	-	-	-	-	-	-
Subsidised Water		-	-	-	-	-	-	-	-	-
Revenue Water		-	-	-	-	-	-	-	-	-
UnBilled Authorised Consumption		-	-	-	(202)	(202)	(202)	(207)	(212)	(217)
Unbilled Metered Consumption		-	-	-	-	-	-	-	-	-
Unbilled Unmetered Consumption		-	-	-	(202)	(202)	(202)	(207)	(212)	(217)
Water Losses		-	-	-	(2 402)	(2 402)	(2 402)	(2 463)	(2 526)	(2 591)
Apparent losses		-	-	-	(2 452)	(2 452)	(2 452)	(2 513)	(2 576)	(2 641)
Unauthorised Consumption		-	-	-	(2 452)	(2 452)	(2 452)	(2 513)	(2 576)	(2 641)
Customer Meter Inaccuracies		-	-	-	-	-	-	-	-	-
Real losses		-	-	-	50	50	50	50	50	50
Leakage on Transmission and Distribution Mains		-	-	-	-	-	-	-	-	-
Leakage and Overflows at Storage Tanks/Reservoirs		-	-	-	-	-	-	-	-	-
Leakage on Service Connections up to the point of Customer Meter		-	-	-	-	-	-	-	-	-
Data Transfer and Management Errors		-	-	-	50	50	50	50	50	50
Unavoidable Annual Real Losses		-	-	-	-	-	-	-	-	-
Non-revenue Water		-	-	-	(2 604)	(2 604)	(2 604)	(2 670)	(2 738)	(2 808)
Closing Balance Water		206	248	314	253	253	253	302	350	399
Agricultural										
Opening Balance		-	-	-	-	-	-	-	-	-
Acquisitions		-	-	-	-	-	-	-	-	-
Issues	7	-	-	-	-	-	-	-	-	-
Adjustments	8	-	-	-	-	-	-	-	-	-
Write-offs	9	-	-	-	-	-	-	-	-	-
Closing balance - Agricultural		-	-	-	-	-	-	-	-	-
Consumables										
Standard Rated										
Opening Balance		8 785	9 374	8 944	8 188	8 188	8 188	8 284	8 381	8 303
Acquisitions		14 087	13 854	21 568	16 000	16 000	16 000	16 000	16 000	16 200
Issues	7	(13 498)	(14 284)	(20 399)	(15 903)	(15 903)	(15 903)	(15 903)	(16 078)	(16 266)
Adjustments	8	-	-	-	-	-	-	-	-	-
Write-offs	9	-	-	-	-	-	-	-	-	-
Closing balance - Consumables Standard Rated		9 374	8 944	10 113	8 284	8 284	8 284	8 381	8 303	8 237

Description	Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
Zero Rated										
Opening Balance		-	-	-	-	-	-	-	-	-
Acquisitions		-	-	-	-	-	-	-	-	-
Issues	7	-	-	-	-	-	-	-	-	-
Adjustments	8	-	-	-	-	-	-	-	-	-
Write-offs	9	-	-	-	-	-	-	-	-	-
Closing balance - Consumables Zero Rated		-	-	-	-	-	-	-	-	-
Finished Goods										
Opening Balance		-	-	-	-	-	-	-	-	-
Acquisitions		-	-	-	-	-	-	-	-	-
Issues	7	-	-	-	-	-	-	-	-	-
Adjustments	8	-	-	-	-	-	-	-	-	-
Write-offs	9	-	-	-	-	-	-	-	-	-
Closing balance - Finished Goods		-	-	-	-	-	-	-	-	-
Materials and Supplies										
Opening Balance		-	-	-	-	-	-	-	-	-
Acquisitions		-	-	-	-	-	-	-	-	-
Issues	7	-	-	-	-	-	-	-	-	-
Adjustments	8	-	-	-	-	-	-	-	-	-
Write-offs	9	-	-	-	-	-	-	-	-	-
Closing balance - Materials and Supplies		-	-	-	-	-	-	-	-	-
Work-in-progress										
Opening Balance		-	-	-	-	-	-	-	-	-
Materials		-	-	-	-	-	-	-	-	-
Transfers		-	-	-	-	-	-	-	-	-
Closing balance - Work-in-progress		-	-	-	-	-	-	-	-	-
Housing Stock										
Opening Balance		1 295	3 157	1 746	2 517	2 517	2 517	2 517	2 517	2 517
Acquisitions		-	273	20	-	-	-	-	-	-
Transfers		1 946	32 952	(67)	-	-	-	-	-	-
Sales		(84)	(34 635)	(531)	-	-	-	-	-	-
Closing Balance - Housing Stock		3 157	1 746	1 167	2 517	2 517	2 517	2 517	2 517	2 517
Land										
Opening Balance		-	-	-	-	-	-	-	-	-
Acquisitions		-	-	-	-	-	-	-	-	-
Sales		-	-	-	-	-	-	-	-	-
Adjustments		-	-	-	-	-	-	-	-	-
Correction of Prior period errors		-	-	-	-	-	-	-	-	-
Transfers		-	-	-	-	-	-	-	-	-
Closing Balance - Land		-	-	-	-	-	-	-	-	-
Closing Balance - Inventory & Consumables		12 736	10 938	11 594	11 054	11 054	11 054	11 199	11 170	11 153
Property, plant and equipment (PPE)										
PPE at cost/valuation (excl. finance leases)		6 135 597	6 291 976	6 472 990	6 860 747	6 852 563	6 852 563	6 755 092	6 893 002	7 009 736
Leases recognised as PPE	3	-	-	-	-	-	-	-	-	-
Less: Accumulated depreciation		(2 533 835)	(2 658 488)	(2 800 411)	(3 001 611)	(3 001 611)	(3 001 611)	(2 910 909)	(3 077 788)	(3 253 984)
Total Property, plant and equipment (PPE)	2	3 601 762	3 633 488	3 672 579	3 859 136	3 850 952	3 850 952	3 844 183	3 815 214	3 755 752
LIABILITIES										
Current liabilities - Financial liabilities										
Short term loans (other than bank overdraft)		-	-	-	-	-	-	-	-	-
Current portion of long-term liabilities		53 957	50 494	57 949	50 907	50 907	50 907	154 566	61 170	71 979
Total Current liabilities - Financial liabilities		53 957	50 494	57 949	50 907	50 907	50 907	154 566	61 170	71 979
Trade and other payables										
Trade and other payables from exchange transactions		75 444	78 266	79 107	100 608	100 608	100 608	106 131	112 214	118 836
Other trade payables from exchange transactions		66 031	63 891	67 342	81 613	81 614	81 614	52 272	52 322	44 372
Trade payables from Non-exchange transactions: Unspent conditional		24 030	26 309	6 206	-	-	-	-	-	-
Trade payables from Non-exchange transactions: Other		-	-	-	-	-	-	-	-	-
VAT		-	-	-	2 111	2 183	2 183	3 362	4 364	5 426
Total Trade and other payables	2	165 505	168 466	152 655	184 333	184 406	184 406	161 765	168 899	168 634
Non current liabilities - Financial liabilities										
Borrowing	4	430 400	429 906	421 957	420 625	420 625	420 625	331 786	360 616	358 637
Other financial liabilities		-	-	-	-	-	-	-	-	-
Total Non current liabilities - Financial liabilities		430 400	429 906	421 957	420 625	420 625	420 625	331 786	360 616	358 637
Non current liabilities - Long Term portion of trade payables										
Electricity Bulk Purchases		-	-	-	-	-	-	-	-	-
Payables and Accruals - General		-	-	-	-	-	-	-	-	-
Water Bulk Purchases		-	-	-	-	-	-	-	-	-
Municipal Debt Relief		-	-	-	-	-	-	-	-	-

Description	Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
Provisions										
Retirement benefits		108 533	116 205	114 262	144 013	126 802	126 802	141 167	155 458	170 710
<i>List other major provision items</i>										
Refuse landfill site rehabilitation		120 448	137 226	150 133	146 273	159 692	159 692	165 880	173 030	180 737
Other		18 831	19 799	20 707	20 827	21 470	21 470	22 360	23 064	24 061
Total Provisions		139 279	157 026	170 841	167 099	181 162	181 162	188 240	196 094	204 798
CHANGES IN NET ASSETS										
Accumulated surplus/(deficit)										
Accumulated surplus/(deficit) - opening balance		3 664 755	3 698 333	3 718 724	3 766 661	3 889 933	3 889 933	3 995 492	3 956 233	3 870 267
GRAP adjustments		(243)	2 228	2 228	73 047	73 047	73 047	-	-	-
Restated balance		3 664 512	3 700 562	3 720 953	3 839 708	3 962 980	3 962 980	3 995 492	3 956 233	3 870 267
Surplus/(Deficit)		33 821	20 390	111 298	(11 342)	(19 151)	(19 151)	(49 388)	(109 395)	(150 408)
Transfers to/from Reserves		(0)	(0)	(0)	10	10	10	10 119	23 419	12 631
Depreciation offsets		-	-	-	-	-	-	-	-	-
Other adjustments		-	-	(0)	(33 610)	16 343	16 343	10	10	10
Accumulated Surplus/(Deficit)	1	3 698 333	3 720 952	3 832 250	3 794 766	3 960 181	3 960 181	3 956 233	3 870 267	3 732 499
Reserves										
Housing Development Fund		3 227	3 228	3 228	3 229	3 229	3 229	3 230	3 230	3 230
Capital replacement		-	-	-	-	-	-	-	-	-
Self-insurance		-	-	-	-	-	-	-	-	-
Other reserves		-	-	-	-	-	-	-	-	-
Revaluation		-	-	-	-	-	-	-	-	-
Total Reserves	2	3 227	3 228	3 228	3 229	3 229	3 229	3 230	3 230	3 230
TOTAL COMMUNITY WEALTH/EQUITY	2	3 701 561	3 724 180	3 835 478	3 797 994	3 963 410	3 963 410	3 959 462	3 873 496	3 735 729

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 Exchange Transactions ("True Creditors")
6. Inventory Consumed - Water - included under "Inventory Consumed" on Table A4 - Detail to be submitted on Table SA1
7. Inventory Consumed Other - included under "Inventory Consumed" on Table A4 - Detail to be submitted on Table SA1
8. Inventory Transfers/Adjustments (Include under gains/losses on Table A4)
9. Inventory Write-offs (Include under losses on Table A4)

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

R thousand		Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
The provision of democratic, accountable and ethical governance	Good Governance	1	366 679	393 791	462 846	460 614	497 521	497 521	527 064	553 214	584 008
The provision and maintenance of municipal services	Basic Service Delivery	2	847 454	936 098	1 002 939	1 072 360	1 083 135	1 083 135	1 160 336	1 215 175	1 273 995
The encouragement of structured community participation in the matters of the municipality	Good Governance	3									
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4	53 573	73 510	100 266	63 749	87 317	87 317	95 510	103 232	104 543
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5	87 926	115 685	116 248	134 147	161 236	161 236	111 950	61 969	38 206
Allocations to other priorities		2									
Total Revenue (excluding capital transfers and contributions)		1	1 355 632	1 519 084	1 682 299	1 730 869	1 829 209	1 829 209	1 894 859	1 933 590	2 000 753

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

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

R thousand		Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	
The provision of democratic, accountable and ethical governance	Good Governance	1	259 035	297 676	278 657	333 851	335 380	335 380	357 373	377 670	401 413	
The provision and maintenance of municipal services	Basic Service Delivery	2	696 761	767 390	810 879	895 516	930 663	930 663	1 002 626	1 092 563	1 188 639	
The encouragement of structured community participation in the matters of the municipality	Good Governance	3	497	374	393	729	729	729	758	796	836	
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4	105 254	120 278	140 768	165 322	200 639	200 639	186 100	154 570	119 678	
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5	260 263	312 976	340 304	346 794	380 948	380 948	397 390	417 385	440 595	
Allocations to other priorities												
Total Expenditure			1	1 321 810	1 498 694	1 571 001	1 742 212	1 848 360	1 848 360	1 944 247	2 042 985	2 151 161

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

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

R thousand		Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
The provision of democratic, accountable and ethical governance	Good Governance	1	7 054	3 761	2 228	9 075	5 162	5 162	3 040		
The provision and maintenance of municipal services	Basic Service Delivery	2	121 565	113 677	125 737	145 425	158 332	158 332	115 102	118 900	86 551
The encouragement of structured community participation in the matters of the municipality	Good Governance	3							450		
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4	47 383	14 504	12 215	7 271	8 647	8 647	17 035	16 029	15 183
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5	78 798	60 435	49 141	47 638	39 503	39 503	16 406	2 981	15 000
Allocations to other priorities		3									
Total Capital Expenditure		1	254 800	192 377	189 321	209 409	211 644	211 644	152 033	137 910	116 734

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

WC032 Overstrand - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	Exclude "Entities"
Council and Municipal Municipal											
Office of the Municipal Manager											
Municipal Manager											
Submit four progress reports on the revision of the top 10 risks as a corrective action to the Top Management Team (1 previous financial year & 3 current financial year)	Number of progress reports submitted	4	4	3	4	4	4	4	4	4	
Sign section 56 performance agreements with all directors by the end of July 2024	Number of agreements signed	6	6	6	5	5	5	5	6	6	
Monitor the implementation of the action plan developed to address all the issues raised in the management letter of the Auditor General and submit three progress reports to Executive Mayor	Number of progress reports monitored and submitted to Executive Mayor	7	4	3	4	4	4	4	4	4	
Bi-annual formal performance appraisals of the section 56 appointees for the previous financial period April to June 2024 to be completed by Sept 2024 and the current period October to December 2024 to be completed by February 2025	Number of appraisals	12	12	11	10	10	10	10	12	12	
Draft the annual report and submit to the Auditor-General by end August 2024	Draft Annual Report submitted	1	1	1	1	1	1	1	1	1	
Percentage of a municipality's capital budget actually spent on capital projects identified for the financial year in terms of the municipality's IDP ((Actual amount spent on projects as identified for the year in the IDP/Total amount budgeted on capital projects)X100) (MPPMR Reg 10 (c))	% of the capital budget spent	90.90%	80.90%	89.21%	95%	95%	95%	95%	95%	95%	
Ward committee meetings held to facilitate consistent and regular communication with residents	No of ward committee meetings per ward per annum	79	83	112	56	56	56	56	56	56	
Corporate Services											
Director: Corporate Services											
Human Resources											
92% of the approved and funded organogram filled ((actual number of posts filled divided by the funded posts budgeted) x100)	% filled	92.1%	91.4%	91%	92%	92%	92%	92%	92%	92%	
The percentage of a municipality's budget (training budget) actually spent on implementing its workplace skills plan (MPPMR Reg 10 (f))	% of the training budget spent on implementation of the WSP	100%	99.6%	99.99%	100%	100%	100%	100%	100%	100%	
The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan (MPPMR Reg 10 (e))	The number of people from EE target groups employed	71	70	69	75	75	75	75	75	75	
Community Services											
Director: Community Services											
Operational Conditional Grant											
100% of the operational conditional grant (Libraries, CDW) spent (Actual expenditure divided by the total grant received)	% of total conditional operational grants spent (Libraries, CDW)	100%	100%	100%	100%	100%	100%	100%	100%	100%	
Refuse removal											
Provision of refuse removal, refuse dumps and solid waste disposal to all informal households at least once a week (MPPMR Reg 10 (a))	Number of formal households for which refuse is removed at least once a week	33895	34819	35601	35261	35261	35261	36313	37039	37780	
Provision of refuse removal, refuse dumps and solid waste disposal to all informal households at least once a week (MPPMR Reg 10 (a))	Number of weekly removal of refuse in informal households (once per week = 52 weeks per annum)	52	52	52	52	52	52	52	52	52	
Infrastructure Services											
Chief Engineer: Infrastructure Services											
Roads maintenance											
m² of roads patched and resealed according to approved Pavement Management System within available budget	m² of roads patched and resealed	105067	94665	77662	110000	110000	110000	110000	110000	110000	
Water treatment											
Quality of effluent comply 75% with license and/or general limit in terms of the Water Act (Act 36 of 1998)	% compliance	79.6%	80.08%	75.54%	75.0%	75.0%	75.0%	75%	75%	75%	
Quality of potable water comply 95% with SANS 241	% compliance with SANS 241	98.83%	97.83%	96.99%	95.0%	95.0%	95.0%	95%	95%	95%	
Limit unaccounted water to less than 26% ((Number of kiloliter water purified - Number of kiloliter water sold)/Number of kiloliter purified x 100)	% of water unaccounted for	28.3%	24.04%	24.48%	25%	25%	25%	25%	25%	25%	
Report on the implementation of the Water Service Development plan annually by the end of October	Report submitted	1	1	1	1	1	1	1	1	1	
Electricity											
Limit electricity losses to 7.5% or less ((Number of Electricity Units Purchased - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated) x 100)	% of electricity unaccounted for	7.35%	7.20%	6.42%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	
Provision of Electricity: Number of metered electrical connections in formal areas (Eskom Areas excluded) (Definition: Refers to residential households (RE) and pensioners (PR) as per Finance departments billed households) (MPPMR Reg 10 (a))	Number of formal households that meet agreed service standards	21914	22475	23163	22500	22500	22500	22500	22500	22500	
MIG											
100% of the Municipal Infrastructure Grant (MIG) spent by 30 June 2025 (Actual MIG expenditure/Allocation received)	% Expenditure of allocated funds	100%	100%	100%	100%	100%	100%	100%	100%	100%	
Water provision											
Provision of cleaned piped water to all formal households within 200 m from households (MPPMR Reg 10 (a))	No of formal households that meet agreed service standards for piped water	30111	30990	31829	31324	31324	31324	32466	33115	33777	

Provision of water to informal households (excluding invaded state owned land and private land) based on the standard of 1 water point to 25 households (MPPMR Reg 10 (a))	The number of taps installed in relation to the number of informal households (excluding invaded state owned land and private land)	341	464	658	328	328	328	262	262	262
Provision of water to informal households on invaded land with available funding	The number of taps installed for informal households on invaded land with available funding									
("Land Invasion" refers to the illegal occupation of land, with the intention of establishing dwellings / a settlement upon it. An invasion may be by one individual or by hundreds of households).		80	82	99	80	80	80	80	80	80
Sanitation provision										
Provision of sanitation services to formal residential households (A household is a residential unit being billed for the particular services rendered by way of the financial system (SAMRAS))	No of formal residential households which are billed for sewerage in accordance to the SAMRAS financial system	30420	31394	32323	31646	31646	31646	32969	33629	34301
The provision of sanitation services to informal households (excluding invaded state owned land and private land) based on the standard of 1 toilette to 5 households (MPPMR Reg 10 (a))	The number of toilets provided in relation to the number of informal households (excluding invaded state owned land and private land)	934	983	1107	785	785	785	785	785	785
The provision of sanitation services to informal households on invaded land with available funding	The number of toilets provided for informal households on invaded land with available funding									
("Land Invasion" refers to the illegal occupation of land, with the intention of establishing dwellings / a settlement upon it. An invasion may be by one individual or by hundreds of households).		139	143	171	105	105	105	105	105	105
Municipal Public Safety										
Director: Municipal Public Safety										
Municipal Public Safety										
Annually arrange public awareness sessions on Protection Services by 30 June		103	123	132	120	120	120	130	130	130
Collect R20 000 000 Public Safety Income by 30 June (Actual revenue, excluding the fine impairment amount)	Number of sessions held R-value of public safety collected income (excluding fines impairment amount)	19 716 064	15 882 634	17 614 623	25 000 000	25 000 000	25 000 000	20 000 000	20 000 000	20 000 000
Review Community Safety Plan in three year cycle by end of June 2025 in conjunction with the Department of Community Safety	Plan reviewed	0	1	0	0	0	0	1	0	0
Disaster and Fire Management										
Annually review and submit draft Disaster Management Plan to Council by the end of March	Reviewed plan submitted	1	1	1	1	1	1	1	1	1
Financial Services										
Chief Financial Officer (CFO)										
Finance										
Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure) (MPPMR Reg 10 (g))	Ratio achieved	6.27	5.73	5.7	4.6	4.6	4.6	4.6	4.6	4.6
Financial viability measured in terms of the municipality's ability to meet it's service debt obligations ((Total operating revenue-operating grants received)/debt service payments due within the year) (MPPMR Reg 10 (g))	Ratio achieved	23.56%	27.78%	28.63%	16.0%	16.0%	16.0%	16.0%	16.0%	16.0%
Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services) (MPPMR Reg 10 (g))	% achieved	11.37%	11.39%	13.6%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%
Submit a reviewed long term financial plan to the CFO by the end of October 2024	Reviewed long term financial plan submitted	1	1	1	1	1	1	1	1	1
Financial statements submitted to the Auditor General by end August 2023	Financial statements submitted	1	1	1	1	1	1	1	1	1
Provision of free basic electricity, refuse removal, sanitation and water in terms of the equitable share requirements (MPPMR Reg 10 (b))	Number of indigent households	7278	7367	1491	7000	4500	4500	4800	4800	4800
Achieve a debt recovery rate not less than 98% (Receipts/total billed for 12 months period x 100)	% Recovered	100.15%	98.89%	98.96%	98%	98%	98%	98%	98%	98%
Planning and Development										
Director: Planning and Development										
Local Economic Development										
Support 180 SMME's in terms of the SMME Development Programme by 30 June	Number of SMME's supported	172	134	185	180	180	180	180	180	180
EPWP										
The number of job opportunities created through the EPWP programme and as per set targets (business plan as per grant agreement - FTE's, translates to 1079 work opportunities)	Number of temporary jobs created	1238	837	1059	1079	1079	1079	1079	1079	1079
And so on for the rest of the Votes										
And so on for the rest of the Votes										

WC032 Overstrand - Entities measureable performance objectives

Description	Unit of measurement	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Entity 1 - (name of entity)										
<i>Insert measure's description</i>										
Entity 2 - (name of entity)										
<i>appointees for the previous financial period April to June</i>										

Entity
Entity
Entity
Entity
Entity
Entity
Entity
Entity
Entity
Entity

Entity 3 - (name of entity)										
appointees for the previous financial period April to June										
And so on for the rest of the Entities										

Entity
Entity
Entity
Entity
Entity
Entity

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

WC032 Overstrand - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<u>Borrowing Management</u>										
Credit Rating										
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	14.0%	13.4%	12.7%	11.9%	11.2%	11.2%	10.8%	15.8%	11.1%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	17.9%	16.8%	15.9%	15.5%	14.9%	14.9%	14.2%	21.4%	15.3%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	36.6%	49.5%	86.2%	44.2%	43.5%	43.5%	75.1%	100.0%	100.0%
<u>Safety of Capital</u>										
Gearing	Long Term Borrowing/ Funds & Reserves	13335.9%	13319.7%	13072.6%	13028.5%	13028.5%	13028.5%	10273.6%	11166.3%	11105.0%
<u>Liquidity</u>										
Current Ratio	Current assets/current liabilities	2.5	2.6	2.8	2.0	2.4	2.4	2.0	2.4	2.2
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	2.5	2.6	2.8	2.0	2.4	2.4	2.0	2.4	2.2
Liquidity Ratio	Monetary Assets/Current Liabilities	2.2	2.3	2.5	1.7	2.2	2.2	1.8	2.1	1.9
<u>Revenue Management</u>										
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		121.8%	116.0%	119.9%	118.5%	118.8%	118.8%	121.3%	126.0%	130.1%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	8.7%	8.4%	8.9%	7.4%	7.1%	7.1%	7.1%	2.4%	2.3%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>										
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))	99.6%	98.2%	99.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Creditors to Cash and Investments		12.3%	12.7%	12.2%	19.5%	14.5%	14.5%	15.5%	16.7%	19.1%
<u>Other Indicators</u>										
	Total Volume Losses (kW)	18 855 038	18 502 897	14 272 642	13 227 018	13 227 018	13 227 018	14 834 382	14 734 382	14 634 382
	Total Volume Losses (kW) non technical									
Electricity Distribution Losses (2)	Total Cost of Losses (Rand '000)	17 145 565	19 835 602	16 846 054	13 623 571	13 623 571	13 623 571	20 484 237	20 346 151	20 208 065
	% Volume (units purchased and generated less units sold)/units purchased and generated	7.35%	7.20%	6.43%	6.00%	6.00%	6.00%	6.49%	6.00%	6.00%
Water Volumes :System input	Bulk Purchase Water treatment works									

Description of financial indicator	Basis of calculation	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Water Distribution Losses (2)	Natural sources Total Volume Losses (kℓ)	2 077 312	1 768 177	1 840 996	1 662 086	1 662 086	1 662 086	1 761 812	1 691 812	1 641 812
	Total Cost of Losses (Rand '000)	2 616 008	3 062 156	4 637 635	3 245 885	3 245 885	3 245 885	4 404 529	4 229 529	4 104 529
	% Volume (units purchased and generated less units sold)/units purchased and generated	28.25%	24.04%	24.47%	24.00%	24.00%	24.00%	25.04%	24.75%	24.30%
Employee costs	Employee costs/(Total Revenue - capital revenue)	33.7%	30.7%	31.0%	32.1%	31.7%	31.7%	32.1%	32.3%	33.3%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	34.6%	31.4%	31.8%	32.8%	32.5%	32.5%	32.9%	33.1%	34.1%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	16.3%	16.6%	16.1%	17.5%	17.4%	17.4%	16.2%	16.8%	17.0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	11.4%	11.9%	12.9%	10.1%	11.5%	11.5%	11.6%	11.9%	12.1%
IDP regulation financial viability indicators										
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	11.5	11.0	12.5	13.4	13.4	13.4	7.2	13.6	14.0
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	7.0%	6.7%	7.5%	4.3%	4.2%	4.2%	3.9%	3.9%	3.8%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	5.8	5.4	5.3	3.7	4.8	4.8	4.5	4.4	3.7

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	105 000	114 764	121 402	138 713	144 086	144 086	152 461	151 759	168 274	
Fixed operational expenditure % assumption	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Own capex	147 391	101 011	57 978	113 226	115 050	115 050	86 500	90 000	70 000	
Borrowing	54 000	50 000	50 000	50 000	50 000	50 000	65 000	90 000	70 000	

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

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2020/21	2021/22	2022/23	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework		
						Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Demographics												
Population	0		55 012	74 546	80 432	107 810	110 856	132 495	136 205	140 019	144 080	150 784
Females aged 5 - 14	0		2 770	5 837	5 228	6 956	7 153	8 549	8 789	9 035	9 297	9 730
Males aged 5 - 14	0		2 816	5 892	5 278	7 024	7 222	8 632	8 873	9 122	9 386	9 823
Females aged 15 - 34	0		5 561	11 567	13 139	17 484	17 978	21 488	22 089	22 708	23 366	24 454
Males aged 15 - 34	0		6 029	11 235	13 648	18 162	18 675	22 320	22 945	23 587	24 271	25 401
Unemployment	0		5 165	8 099	4 237	5 639	5 798	6 929	7 123	7 323	7 535	7 886
Monthly household income (no. of households)												
No income	0	1, 12	2 226	770	4 585	5 919	5 930	7 715	7 931	8 153	8 390	8 780
R1 - R1 600	0		6 149	5 307	5 326	6 875	6 889	8 963	9 214	9 472	9 747	10 200
R1 601 - R3 200	0		3 742	3 177	4 878	6 297	6 309	8 208	8 438	8 675	8 926	9 341
R3 201 - R6 400	0		3 344	3 789	4 362	5 630	5 642	7 341	7 546	7 757	7 982	8 354
R6 401 - R12 800	0		2 303	2 750	3 830	4 943	4 954	6 445	6 626	6 811	7 009	7 335
R12 801 - R25 600	0		920	1 947	2 896	3 739	3 746	4 874	5 010	5 151	5 300	5 547
R25 601 - R51 200	0		227	1 066	1 456	1 880	1 883	2 450	2 519	2 589	2 664	2 788
R52 201 - R102 400	0		77	184	486	628	629	818	841	865	890	931
R102 401 - R204 800	0		44	176	109	141	141	183	189	194	199	209
R204 801 - R409 600	0				81	105	105	137	140	144	149	155
R409 601 - R819 200	0		0	0	0	0	0	0	0	0	0	0
> R819 200	0		0	0	0	0	0	0	0	0	0	0
Poverty profiles (no. of households)												
< R2 060 per household per month	0	13	7 053	9 542	11 310	13 059	13 555	19 034	19 567	20 115	20 698	21 662
	2	0										
Household/demographics (000)												
Number of people in municipal area	0		55 012	74 546	80 432	107 810	110 856	132 495	135 940	139 474	143 100	150 639
Number of poor people in municipal area	0											
Number of households in municipal area	0		24 904	33 747	36 412	48 806	50 185	59 980	61 660	63 387	65 225	68 260
Number of poor households in municipal area	0		-	-	-	-	-	-	-	-	-	-
Definition of poor household (R per month)	0		-	-	-	-	-	-	-	-	-	-
Housing statistics												
Formal	0	3	22 463	30 440	32 843	44 023	45 266	54 102	55 617	57 175	58 833	61 570
Informal	0		2 441	3 307	3 568	4 783	4 918	5 878	6 043	6 212	6 392	6 689
Total number of households			24 904	33 747	36 412	48 806	50 185	59 980	61 660	63 387	65 225	68 260
Dwellings provided by municipality	0	4	-	-	-	314	350	250	395	339	321	-
Dwellings provided by province/s	0		-	-	-	-	-	-	-	-	-	-

Dwellings provided by private sector	5	0	-	-	-	-	-	-	-	-	-	-
Total new housing dwellings			-	-	-	314	350	250	395	339	321	-
Economic	6											
Inflation/inflation outlook (CPIX)					4.5%	4.5%	4.5%	5.3%	4.9%	4.6%	4.6%	
Interest rate - borrowing					10.0%	9.8%	11.4%	10.5%	10.6%	10.6%	10.6%	
Interest rate - investment					4.4%	4.8%	7.3%	9.0%	8.6%	8.6%	8.6%	
Remuneration increases					6.4%	3.5%	4.9%	5.4%	5.7%	5.5%	5.4%	
Consumption growth (electricity)					3.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	
Consumption growth (water)					3.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	
Collection rates	7											
Property tax/service charges					100.4%	99.4%	99.5%	100.0%	100.0%	100.0%	100.0%	
Rental of facilities & equipment					6.4%	3.5%	4.9%	5.4%	6.0%	6.0%	6.0%	
Interest - external investments					100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Interest - debtors					97.1%	97.1%	97.1%	97.1%	97.1%	97.1%	97.1%	
Revenue from agency services					97.1%	97.1%	97.1%	97.1%	97.1%	97.1%	97.1%	

Detail on the provision of municipal services for A10

Total municipal services	Ref.		2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework			
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	
		Household service targets (000)										
		Water:										
		Piped water inside dwelling	30 111	30 990	31 829	31 324	31 324	31 324	32 466	33 115	33 777	
		Piped water inside yard (but not in dwelling)	-	-	-	-	-	-	-	-	-	
	8	Using public tap (at least min.service level)	3 775	3 536	3 242	3 242	3 242	3 242	3 536	4 650	4 900	
	10	Other water supply (at least min.service level)	-	-	-	-	-	-	-	-	-	
		<i>Minimum Service Level and Above sub-total</i>	33 886	34 526	35 071	34 566	34 566	34 566	36 002	37 765	38 677	
	9	Using public tap (< min.service level)	-	-	-	-	-	-	-	-	-	
	10	Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-	
		No water supply	-	-	-	-	-	-	-	-	-	
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-	
		Total number of households	33 886	34 526	35 071	34 566	34 566	34 566	36 002	37 765	38 677	
		Sanitation/sewerage:										
		Flush toilet (connected to sewerage)	30 420	31 394	32 323	31 646	31 646	31 646	32 969	33 629	34 301	
		Flush toilet (with septic tank)	-	-	-	-	-	-	-	-	-	
		Chemical toilet	-	-	-	-	-	-	-	-	-	
		Pit toilet (ventilated)	-	-	-	-	-	-	-	-	-	
		Other toilet provisions (> min.service level)	-	-	-	-	-	-	-	-	-	
		<i>Minimum Service Level and Above sub-total</i>	30 420	31 394	32 323	31 646	31 646	31 646	32 969	33 629	34 301	
		Bucket toilet	-	-	-	-	-	-	-	-	-	
		Other toilet provisions (< min.service level)	3 779	3 536	3 242	3 242	3 242	3 242	3 536	4 650	4 900	
		No toilet provisions	-	-	-	-	-	-	-	-	-	

		<i>Below Minimum Service Level sub-total</i>	3 779	3 536	3 242	3 242	3 242	3 242	3 536	4 650	4 900
		Total number of households	34 199	34 930	35 565	34 888	34 888	34 888	36 505	38 279	39 201
		Energy:									
		Electricity (at least min.service level)	5 826	5 618	5 502	5 415	5 415	5 415	5 278	5 141	5 004
		Electricity - prepaid (min.service level)	20 146	20 821	21 854	22 382	22 382	22 382	23 127	23 872	24 617
		<i>Minimum Service Level and Above sub-total</i>	25 972	26 439	27 356	27 797	27 797	27 797	28 405	29 013	29 621
		Electricity (< min.service level)	-	-	-	-	-	-	-	-	-
		Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
		Other energy sources	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	25 972	26 439	27 356	27 797	27 797	27 797	28 405	29 013	29 621
		Refuse:									
		Removed at least once a week	33 895	34 819	35 601	35 261	35 261	35 261	36 313	37 039	37 780
		<i>Minimum Service Level and Above sub-total</i>	33 895	34 819	35 601	35 261	35 261	35 261	36 313	37 039	37 780
		Removed less frequently than once a week	-	-	-	-	-	-	-	-	-
		Using communal refuse dump	-	-	-	-	-	-	-	-	-
		Using own refuse dump	-	-	-	-	-	-	-	-	-
		Other rubbish disposal	-	-	-	-	-	-	-	-	-
		No rubbish disposal	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	33 895	34 819	35 601	35 261	35 261	35 261	36 313	37 039	37 780
Municipal in-house services	Ref.		2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
		Household service targets (000)									
		Water:									
		Piped water inside dwelling	30 111	30 990	31 829	31 324	31 324	31 324	32 466	33 115	33 777
		Piped water inside yard (but not in dwelling)	-	-	-	-	-	-	-	-	-
8		Using public tap (at least min.service level)	3 775	3 536	3 242	3 242	3 242	3 242	3 536	4 650	4 900
10		Other water supply (at least min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	33 886	34 526	35 071	34 566	34 566	34 566	36 002	37 765	38 677
9		Using public tap (< min.service level)	-	-	-	-	-	-	-	-	-
10		Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
		No water supply	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	33 886	34 526	35 071	34 566	34 566	34 566	36 002	37 765	38 677
		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)	30 420	31 394	32 323	31 646	31 646	31 646	32 969	33 629	34 301
		Flush toilet (with septic tank)	-	-	-	-	-	-	-	-	-
		Chemical toilet	-	-	-	-	-	-	-	-	-
		Pit toilet (ventilated)	-	-	-	-	-	-	-	-	-
		Other toilet provisions (> min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	30 420	31 394	32 323	31 646	31 646	31 646	32 969	33 629	34 301
		Bucket toilet	-	-	-	-	-	-	-	-	-

		Other toilet provisions (< min.service level)	3 779	3 536	3 242	3 242	3 242	3 242	3 536	4 650	4 900
		No toilet provisions	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	3 779	3 536	3 242	3 242	3 242	3 242	3 536	4 650	4 900
		Total number of households	34 199	34 930	35 565	34 888	34 888	34 888	36 505	38 279	39 201
		<u>Energy:</u>									
		Electricity (at least min.service level)	5 826	5 618	5 502	5 415	5 415	5 415	5 278	5 141	5 004
		Electricity - prepaid (min.service level)	20 146	20 821	21 854	22 382	22 382	22 382	23 127	23 872	24 617
		<i>Minimum Service Level and Above sub-total</i>	25 972	26 439	27 356	27 797	27 797	27 797	28 405	29 013	29 621
		Electricity (< min.service level)	-	-	-	-	-	-	-	-	-
		Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
		Other energy sources	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	25 972	26 439	27 356	27 797	27 797	27 797	28 405	29 013	29 621
		<u>Refuse:</u>									
		Removed at least once a week	33 895	34 819	35 601	35 261	35 261	35 261	36 313	37 039	37 780
		<i>Minimum Service Level and Above sub-total</i>	33 895	34 819	35 601	35 261	35 261	35 261	36 313	37 039	37 780
		Removed less frequently than once a week	-	-	-	-	-	-	-	-	-
		Using communal refuse dump	-	-	-	-	-	-	-	-	-
		Using own refuse dump	-	-	-	-	-	-	-	-	-
		Other rubbish disposal	-	-	-	-	-	-	-	-	-
		No rubbish disposal	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	33 895	34 819	35 601	35 261	35 261	35 261	36 313	37 039	37 780
Municipal entity services	Ref.		2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Name of municipal entity		<u>Household service targets (000)</u>									
		<u>Water:</u>									
		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)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
	9	Using public tap (< min.service level)	-	-	-	-	-	-	-	-	-
	10	Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
		No water supply	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
Name of municipal entity		<u>Sanitation/sewerage:</u>									
		Flush toilet (connected to sewerage)	-	-	-	-	-	-	-	-	-
		Flush toilet (with septic tank)	-	-	-	-	-	-	-	-	-
		Chemical toilet	-	-	-	-	-	-	-	-	-
		Pit toilet (ventilated)	-	-	-	-	-	-	-	-	-
		Other toilet provisions (> min.service level)	-	-	-	-	-	-	-	-	-

		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Bucket toilet	-	-	-	-	-	-	-	-	-
		Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-
		No toilet provisions	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Name of municipal entity		Total number of households	-	-	-	-	-	-	-	-	-
		Energy:									
		Electricity (at least min.service level)	-	-	-	-	-	-	-	-	-
		Electricity - prepaid (min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Electricity (< min.service level)	-	-	-	-	-	-	-	-	-
		Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
		Other energy sources	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Name of municipal entity		Total number of households	-	-	-	-	-	-	-	-	-
		Refuse:									
		Removed at least once a week	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Removed less frequently than once a week	-	-	-	-	-	-	-	-	-
		Using communal refuse dump	-	-	-	-	-	-	-	-	-
		Using own refuse dump	-	-	-	-	-	-	-	-	-
		Other rubbish disposal	-	-	-	-	-	-	-	-	-
		No rubbish disposal	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
Services provided by 'external mechanisms'	Ref.		2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Names of service providers		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)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
	9	Using public tap (< min.service level)	-	-	-	-	-	-	-	-	-
	10	Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
		No water supply	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Names of service providers		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)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Bucket toilet	-	-	-	-	-	-	-	-	-
		Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-
		No toilet provisions	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
Names of service providers		Energy:									
		Electricity (at least min.service level)	-	-	-	-	-	-	-	-	-
		Electricity - prepaid (min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Electricity (< min.service level)	-	-	-	-	-	-	-	-	-
		Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
		Other energy sources	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
Names of service providers		Refuse:									
		Removed at least once a week	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Removed less frequently than once a week	-	-	-	-	-	-	-	-	-
		Using communal refuse dump	-	-	-	-	-	-	-	-	-
		Using own refuse dump	-	-	-	-	-	-	-	-	-
		Other rubbish disposal	-	-	-	-	-	-	-	-	-
		No rubbish disposal	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
Detail of Free Basic Services (FBS) provided			2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Electricity	Ref.	<u>Location of households for each type of FBS</u>									
List type of FBS service		Formal settlements - (50 kwh per indigent household per month Rands)	5 415 995	5 512 648	4 831 650	7 509 180	7 509 180	7 509 180	8 077 306	8 561 944	9 075 661
		<i>Number of HH receiving this type of FBS</i>	7 595	7 278	7 400	7 400	7 400	7 400	4 800	4 800	4 800
		Informal settlements (Rands)	-	-	-	-	-	-	-	-	-
		<i>Number of HH receiving this type of</i>	-	-	-	-	-	-	-	-	-
		Informal settlements targeted for upgrading (Rands)	-	-	-	-	-	-	-	-	-
		<i>Number of HH receiving this type of</i>	-	-	-	-	-	-	-	-	-
		Living in informal backyard rental agreement (Rands)	-	-	-	-	-	-	-	-	-
		<i>Number of HH receiving this type of</i>	-	-	-	-	-	-	-	-	-

		Other (Rands)	-	-	-	-	-	-	-	-	-
		Number of HH receiving this type of	-	-	-	-	-	-	-	-	-
		Total cost of FBS - Electricity for informal settlements	-	-	-	-	-	-	-	-	-
Water		<u>Location of households for each</u>									
	Ref.	<u>type of FBS</u>									
List type of FBS service		Formal settlements - (to include per indigent household per month (Rands))	3 062 304	3 065 494	3 214 472	3 214 472	5 223 960	3 432 240	5 906 880	6 261 292	6 636 970
		Number of HH receiving this type of FBS	7 595	7 278	7 400	7 400	7 400	7 400	4 800	4 800	4 800
		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		<u>Location of households for each</u>									
	Ref.	<u>type of FBS</u>									
List type of FBS service		Formal settlements - (free sanitation service to indigent households)	5 244 196	5 252 736	9 131 799	9 131 799	6 729 408	9 813 720	7 330 176	7 769 987	8 236 186
		Number of HH receiving this type of FBS	7 595	7 278	7 400	7 400	7 400	7 400	4 800	4 800	4 800
		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		<u>Location of households for each</u>									
	Ref.	<u>type of FBS</u>									
List type of FBS service		Formal settlements - (removed once a week to indigent households)	16 905 559	16 929 210	17 932 640	17 932 640	14 861 414	19 152 000	14 577 408	15 452 052	16 379 175
		Number of HH receiving this type of FBS	7 595	7 278	7 400	7 400	7 400	7 400	4 800	4 800	4 800
		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 settle	-	-	-	-	-	-	-	-	-

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

WC032 Overstrand Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	612 723	616 280	646 535	516 302	692 294	692 294	(2 083 204)	685 063	672 353	621 880
Cash + investments at the yr end less applications - R'000	18(1)b	2	412 659	480 020	511 486	331 525	500 568	500 568	652 837	551 431	527 630	475 901
Cash year end/monthly employee/supplier payments	18(1)b	3	5.8	5.4	5.3	3.7	4.8	4.8	(22.1)	4.5	4.4	3.7
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	-	-	-	-	-	-	-	-	-	-
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	5.0%	(2.9%)	4.4%	(3.7%)	(6.0%)	(35.9%)	3.0%	(0.0%)	(0.0%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	45.9%	41.1%	39.2%	43.1%	41.5%	41.5%	(61.9%)	41.4%	41.2%	40.7%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	4.5%	4.8%	5.1%	5.0%	5.1%	5.1%	3.7%	4.4%	4.9%	4.7%
Capital payments % of capital expenditure	18(1)c;19	8	100.1%	99.0%	96.8%	100.0%	100.0%	100.0%	(205.1%)	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	31.5%	49.5%	65.4%	44.2%	43.5%	43.5%	0.0%	75.1%	100.0%	100.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								75.2%	84.1%	96.1%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	9.5%	9.3%	(34.0%)	(1.9%)	0.0%	(32.4%)	(0.1%)	1.9%	(0.3%)
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	11.5%	12.7%	14.1%	0.0%	0.0%	(4.1%)	8.5%	(100.0%)	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	5.9%	6.8%	6.8%	7.6%	7.8%	7.8%	7.9%	7.7%	8.3%	8.8%
Asset renewal % of capital budget	20(1)(vi)	14	6.1%	16.1%	9.2%	7.8%	8.9%	8.9%	0.0%	11.5%	20.1%	16.4%

References

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

Description	MFMA section	Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Supporting indicators												
% incr total service charges (incl prop rates)	18(1)a			11.0%	3.1%	10.4%	2.3%	0.0%	(29.9%)	9.0%	6.0%	6.0%
% incr Property Tax	18(1)a			6.5%	6.8%	14.6%	0.0%	0.0%	(33.3%)	5.6%	6.0%	6.0%
% incr Service charges - Water	18(1)a			15.8%	(3.3%)	16.5%	0.0%	0.0%	(28.3%)	10.2%	6.0%	6.0%
% incr Service charges - Waste Water Management	18(1)a			9.0%	10.6%	(6.8%)	11.5%	0.0%	(27.9%)	7.6%	6.0%	6.0%
% incr Service charges - Waste Management	18(1)a			7.0%	8.0%	4.0%	0.0%	0.0%	(27.9%)	13.1%	6.0%	6.0%
#REF!	18(1)a			6.6%	11.7%	(0.6%)	14.0%	0.0%	(32.9%)	11.8%	6.0%	6.0%
% incr in Sale of Goods and Rendering of Services	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		994 419	1 103 950	1 137 749	1 255 889	1 284 889	1 284 889	900 884	1 400 330	1 484 349	1 573 409
Service charges			994 419	1 103 950	1 137 749	1 255 889	1 284 889	1 284 889	900 884	1 400 330	1 484 349	1 573 409
Property rates			261 222	278 154	297 101	340 506	340 506	340 506	227 214	359 440	381 006	403 866
Service charges - electricity revenue			442 792	512 750	495 999	577 969	577 969	577 969	414 270	636 747	674 952	715 449
Service charges - water revenue			131 113	142 917	158 070	147 269	164 269	164 269	118 489	176 718	187 321	198 560
Service charges - sanitation revenue			87 094	93 177	100 655	104 715	104 715	104 715	75 520	118 479	125 588	133 123
Service charges - refuse removal			72 198	76 951	85 923	85 430	97 430	97 430	65 390	108 946	115 482	122 411
Service charges - other												
Interest			6 189	6 880	7 140	8 319	6 719	6 719	5 216	7 103	7 529	7 981
Capital expenditure excluding capital grant funding			171 310	101 011	76 446	113 226	115 050	115 050	35 554	86 500	90 000	70 000
Cash receipts from ratepayers	18(1)a		1 129 330	1 179 482	1 218 768	1 412 425	1 431 106	1 431 106	(1 447 180)	1 506 429	1 563 012	1 616 398
Ratepayer & Other revenue	18(1)a		2 462 488	2 872 549	3 109 953	3 274 268	3 447 799	3 447 799	2 336 747	3 635 443	3 795 202	3 968 280
Change in consumer debtors (current and non-current)		N/A		22 405	20 694	(46 939)	(11 917)	-	4 608	(5 033)	(639)	(1 134)
Operating and Capital Grant Revenue	18(1)a		186 580	196 223	297 436	239 246	288 264	288 264	214 128	255 601	247 331	257 712
Capital expenditure - total	20(1)(vi)		254 800	192 377	189 321	209 409	211 644	211 644	73 048	152 033	137 910	116 734
Capital expenditure - renewal	20(1)(vi)		15 499	30 964	17 393	16 300	18 765	18 765		17 500	27 700	19 160
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										172 592	181 606	192 629
DoRA capital grants total MFY										52 299	47 910	37 734
Provincial operating grants										101 886	64 534	28 849
Provincial capital grants										13 129	-	9 000
District Municipality grants										-	-	-
Total gazetted/advised national, provincial and district grants										339 906	294 050	268 212
Average annual collection rate (arrears inclusive)												

Description	MFMA section	Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
DoRA operating												
Operational Revenue:General Revenue:Equitable Share										168 794	179 596	190 729
Operational:Revenue:General Revenue:Fuel Levy										-	-	-
2014 African Nations Championship Host City Operating Grant [Schedule 5B]										-	-	-
Agriculture Research and Technology										-	-	-
Agriculture, Conservation and Environmental										-	-	-
Arts and Culture Sustainable Resource Management										-	-	-
Community Library										-	-	-
Department of Environmental Affairs										-	-	-
Department of Tourism										-	-	-
Department of Water Affairs and Sanitation Masibambane										-	-	-
Emergency Medical Service										-	-	-
Energy Efficiency and Demand-side [Schedule 5B]										-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]										1 898	-	-
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]										1 700	1 800	1 900
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]										200	210	-
Water Services Infrastructure Grant										-	-	-
Public Transport Network Grant [Schedule 5B]										-	-	-
Smart Connect Grant										-	-	-
Urban Settlement Development Grant										-	-	-

Description	MFMA section	Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
WiFi Grant [Department of Telecommunications and Postal Services										-	-	-
Street Lighting										-	-	-
Traditional Leaders - Imbizon										-	-	-
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										-	-	-
Programme and Project Preparation Support Grant										-	-	-
										172 592	181 606	192 629
DoRA Capital												
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]										19 334	9 900	9 551
Municipal Infrastructure Grant [Schedule 5B]										24 965	26 010	28 183
Municipal Water Infrastructure Grant [Schedule 5B]										-	-	-
Neighbourhood Development Partnership Grant [Schedule 5B]										-	-	-
Public Transport Infrastructure Grant [Schedule 5B]										-	-	-
Rural Household Infrastructure Grant [Schedule 5B]										-	-	-
Rural Road Asset Management Systems Grant [Schedule 5B]										-	-	-
Urban Settlement Development Grant [Schedule 4B]										-	-	-
Municipal Human Settlement										-	-	-
Community Library										-	-	-
Integrated City Development Grant [Schedule 4B]										-	-	-
Municipal Disaster Recovery Grant										-	-	-
Energy Efficiency and Demand Side Management Grant										-	-	-
Khayelitsha Urban Renewal										-	-	-
Local Government Financial Management Grant [Schedule 5B]										-	-	-
Municipal Systems Improvement Grant [Schedule 5B]										-	-	-
Public Transport Network Grant [Schedule 5B]										-	-	-
Public Transport Network Operations Grant [Schedule 5B]										-	-	-
Regional Bulk Infrastructure Grant (Schedule 5B)										-	-	-
Water Services Infrastructure Grant [Schedule 5B]										8 000	12 000	-
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										-	-	-

Description	MFMA section	Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Trend												
Change in consumer debtors (current and non-current)			33 392	22 405	20 694	(46 939)	(11 917)	–	4 608	(5 033)	(639)	(1 134)
Total Operating Revenue			1 294 494	1 476 750	1 550 896	1 676 577	1 732 615	1 732 615	1 251 475	1 829 326	1 885 680	1 954 019
Total Operating Expenditure			1 321 810	1 498 694	1 571 001	1 742 212	1 848 360	1 848 360	1 165 027	1 944 247	2 042 985	2 151 161
Operating Performance Surplus/(Deficit)			(27 316)	(21 944)	(20 106)	(65 635)	(115 745)	(115 745)	86 448	(114 921)	(157 305)	(197 142)
Cash and Cash Equivalents (30 June 2012)												
Revenue												
% Increase in Total Operating Revenue				14.1%	5.0%	8.1%	3.3%	0.0%	(27.8%)	5.6%	3.1%	3.6%
% Increase in Property Rates Revenue				6.5%	6.8%	14.6%	0.0%	0.0%	(33.3%)	58.2%	6.0%	6.0%
% Increase in Electricity Revenue				15.8%	(3.3%)	16.5%	0.0%	0.0%	(28.3%)	10.2%	6.0%	6.0%
% Increase in Property Rates & Services Charges				11.0%	3.1%	10.4%	2.3%	0.0%	(29.9%)	9.0%	6.0%	6.0%
Expenditure												
% Increase in Total Operating Expenditure				13.4%	4.8%	10.9%	6.1%	0.0%	(37.0%)	5.2%	5.1%	5.3%
% Increase in Employee Costs				3.8%	6.2%	11.8%	2.1%	0.0%	(34.4%)	6.9%	3.8%	6.7%
% Increase in Electricity Bulk Purchases				17.9%	(1.5%)	24.1%	0.0%	0.0%	(32.5%)	12.7%	12.7%	12.7%
Average Cost Per Budgeted Employee Position (Remuneration)					432888.3096	1268658.156				1384869.903		
Average Cost Per Councillor (Remuneration)					0	0				0		
R&M % of PPE			5.5%	6.4%	6.4%	7.1%	7.3%	7.3%		7.2%	7.7%	8.2%
Asset Renewal and R&M as a % of PPE			7.0%	8.3%	7.8%	8.9%	9.4%	9.4%		8.3%	9.7%	9.9%
Debt Impairment % of Total Billable Revenue			4.5%	4.8%	5.1%	5.0%	5.1%	5.1%	3.7%	4.4%	4.9%	4.7%
Capital Revenue												
Internally Funded & Other (R'000)			45 443	65 237	34 249	95 214	95 821	95 821	27 449	65 400	90 000	70 000
Borrowing (R'000)			–	–	–	–	–	–	–	–	–	–
Grant Funding and Other (R'000)			254 800	192 377	189 321	209 409	211 644	211 644	73 048	152 033	137 910	116 734
Internally Generated funds % of Non Grant Funding			(84.4%)	(100.0%)	(88.8%)	(100.0%)	(100.0%)	(100.0%)	(100.0%)	(100.0%)	(100.0%)	(100.0%)
Borrowing % of Non Grant Funding			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grant Funding % of Total Funding			249.9%	537.7%	797.8%	1162.6%	1100.6%	1100.6%	901.3%	720.5%	0.0%	0.0%
Capital Expenditure												
Total Capital Programme (R'000)			230 881	192 377	170 854	209 409	211 644	211 644	73 048	152 033	137 910	116 734
Asset Renewal			55 281	72 662	56 518	68 960	81 111	81 111	–	43 250	80 041	65 843
Asset Renewal % of Total Capital Expenditure			23.9%	37.8%	33.1%	32.9%	38.3%	38.3%	0.0%	28.4%	58.0%	56.4%
Cash												
Cash Receipts % of Rate Payer & Other			45.9%	41.1%	39.2%	43.1%	41.5%	41.5%	(61.9%)	41.4%	41.2%	40.7%
Cash Coverage Ratio			0	0	0	0	0	0	(0)	0	0	0
Borrowing												
Credit Rating (2009/10)										0		
Capital Charges to Operating			14.0%	13.4%	12.7%	11.9%	11.2%	11.2%	8.5%	10.8%	15.8%	11.1%
Borrowing Receipts % of Capital Expenditure			31.5%	49.5%	65.4%	44.2%	43.5%	43.5%	0.0%	75.1%	100.0%	100.0%
Reserves												
Surplus/(Deficit)			412 659	480 020	511 486	331 525	500 568	500 568	652 837	551 431	527 630	475 901
Free Services												
Free Basic Services as a % of Equitable Share			22.8%	24.8%	24.7%	23.9%	21.7%	25.3%		21.3%	21.2%	21.1%

Description	MFMA section	Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Free Services as a % of Operating Revenue (excl operational transfers)			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		5.2%	5.3%	5.4%
Total Operating Revenue			1 294 494	1 476 750	1 550 896	1 676 577	1 732 615	1 732 615	1 251 475	1 829 326	1 885 680	1 954 019
Total Operating Expenditure			1 321 810	1 498 694	1 571 001	1 742 212	1 848 360	1 848 360	1 165 027	1 944 247	2 042 985	2 151 161
Surplus/(Deficit) Budgeted Operating Statement			(27 316)	(21 944)	(20 106)	(65 635)	(115 745)	(115 745)	86 448	(114 921)	(157 305)	(197 142)
Surplus/(Deficit) Considering Reserves and Cash Backing			412 659	480 020	511 486	331 525	500 568	500 568	652 837	551 431	527 630	475 901
MTREF Funded (1) / Unfunded (0)		15	1	1	1	1	1	1	1	1	1	1
MTREF Funded ✓ / Unfunded ✖		15	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

References

15. Subject to figures provided in Schedule.

WC032 Overstrand - Supporting Table SA11 Property rates summary

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Valuation:	1	02/07/2015	02/07/2015	02/07/2015	02/07/2022					
Date of valuation:		02/07/2015	02/07/2015	02/07/2015	02/07/2022					
Financial year valuation used		2016/2017	2016/2017	2016/2017	2022/2023			2022/2023		
Municipal by-laws s6 in place? (Y/N)	2	Yes	Yes	Yes	Yes			Yes		
Municipal/assistant valuer appointed? (Y/N)		Yes	Yes	Yes	Yes			Yes		
Municipal partnership s38 used? (Y/N)		No	No	No	No			No		
No. of assistant valuers (FTE)	3	2	2	2	2			2		
No. of data collectors (FTE)	3	6	6	6	6			6		
No. of internal valuers (FTE)	3	-	-	-	-			-		
No. of external valuers (FTE)	3	3	3	3	3			3		
No. of additional valuers (FTE)	4	-	-	-	-			-		
Valuation appeal board established? (Y/N)		Yes	Yes	Yes	Yes			Yes		
Implementation time of new valuation roll (mths)		12	60	60	12			24		
No. of properties	5	43 655	43 655	43 655	44 983					
No. of sectional title values	5	2 752	2 752	2 752	702			702		
No. of unreasonably difficult properties s7(2)		-	-	-	-			-		
No. of supplementary valuations		1	1	1	1			1		
No. of valuation roll amendments		-	15	15	-			10		
No. of objections by rate payers		-	-	-	1 888			-		
No. of appeals by rate payers		-	-	-	170			-		
No. of successful objections	8	5	-	-	1 203			-		
No. of successful objections > 10%	8	-	-	-	360			-		
Supplementary valuation		2 552	2 552	2 552	657			-		
Public service infrastructure value (Rm)	5	289	306	306	96			102		
Municipality owned property value (Rm)		876	928	928	1 160			1 230		
Valuation reductions:										
Valuation reductions-public infrastructure (Rm)		289	306	306	96	96	96	102	108	115
Valuation reductions-nature reserves/park (Rm)		411	436	436	680	680	680	721	764	810
Valuation reductions-mineral rights (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)		477	505	505	511	511	511	542	575	609
Valuation reductions-public worship (Rm)		183	194	194	270	270	270	287	304	322
Valuation reductions-other (Rm)		1 103	1 169	1 169	1 185	1 185	1 185	1 257	1 332	1 412
Total valuation reductions:		2 462	2 610	2 610	2 743	2 743	2 743	2 908	3 082	3 267
Total value used for rating (Rm)	5	50 077	53 082	53 082	90 339	90 339	90 339	95 760	101 505	107 596
Total land value (Rm)	5	23 037	24 419	24 419	32 974	32 974	32 974	34 953	37 050	39 273
Total value of improvements (Rm)	5	29 338	31 099	31 099	57 365	57 365	57 365	60 807	64 456	68 323
Total market value (Rm)	5	52 375	53 458	53 458	92 914	92 914	92 914	98 489	104 399	110 663
Rating:										
Residential rate used to determine rate for other categories? (Y/N)		Yes	Yes	Yes						
Differential rates used? (Y/N)	5	Yes	Yes	Yes						
Limit on annual rate increase (s20)? (Y/N)		No	No	No						
Special rating area used? (Y/N)		Yes	Yes	Yes						
Phasing-in properties s21 (number)		No	No	No				-	-	-
Rates policy accompanying budget? (Y/N)		Yes	Yes	Yes						
Fixed amount minimum value (R'000)		-	-	-				-		
Non-residential prescribed ratio s19? (%)		0.0%	0.0%	0.0%				0.0%		
Rate revenue:										
Rate revenue budget (R '000)	6	261 559	263 562	275 384	409 443	409 443	409 443	436 175	462 345	490 086
Rate revenue expected to collect (R'000)	6	261 559	263 562	275 384	409 443	409 443	409 443	436 175	462 345	490 086
Expected cash collection rate (%)		100.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Special rating areas (R'000)	7	8 309	12 074	12 590	13 345	13 345	13 345	14 443	15 309	16 228
Rebates, exemptions - indigent (R'000)		-	-	-	-	-	-	-	-	-
Rebates, exemptions - pensioners (R'000)		-	-	-	1 178	1 178	1 178	1 273	1 349	1 430
Rebates, exemptions - bona fide farm. (R'000)		-	-	-	-	-	-	-	-	-
Rebates, exemptions - other (R'000)		-	-	-	67 758	67 758	67 758	75 463	79 991	84 790
Phase-in reductions/discounts (R'000)		-	-	-	-	-	-	-	-	-

References

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

WC032 Overstrand - Supporting Table SA12a Property rates by category (current year)

Description	Ref	Business and commercial properties	Industrial properties	Mining properties	Residential properties	Agricultural properties	Public benefit organisations	Public service purpose properties	Public service infrastructure properties	Vacant land	Sport Clubs and Fields (Bitou only)	Sectional Title Garages (Drakenstein only)	Sum
Current Year 2023/24													
Valuation:													
No. of properties		1 557	-	-	35 408	176	159	-	785	4 550			43
No. of sectional title property values		323	-	-	379	-	-	-	-	-			1
No. of unreasonably difficult properties s7(2)		-	-	-	-	-	-	-	-	-			-
No. of supplementary valuations		1	1	1	1	1	1	1	1	1			0
Supplementary valuation (Rm)		NOT RECEIVED YET	NOT RECEIVED YET	NOT RECEIVED YET	NOT RECEIVED YET	NOT RECEIVED YET	NOT RECEIVED YET	NOT RECEIVED YET	NOT RECEIVED YET	NOT RECEIVED YET			-
No. of valuation roll amendments		1 557	-	-	35 408	176	159	-	785	4 550			43
No. of objections by rate-payers		TOTAL 1888											-
No. of appeals by rate-payers		TOTAL 170											-
No. of appeals by rate-payers finalised		TOTAL 170											-
No. of successful objections	5	661											1
No. of successful objections > 10%	5	661											1
Estimated no. of properties not valued		TOTAL 100											-
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			-
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?													-
Valuation reductions:													
Valuation reductions-public infrastructure (Rm)		96	-	-	-	-	-	-	-	-			96 282
Valuation reductions-nature reserves/park (Rm)		680	-	-	-	-	-	-	-	-			679 943
Valuation reductions-mineral rights (Rm)		-	-	-	-	-	-	-	-	-			-
Valuation reductions-R15,000 threshold (Rm)		511	-	-	-	-	-	-	-	-			511 305
Valuation reductions-public worship (Rm)		270	-	-	-	-	-	-	-	-			270 340
Valuation reductions-other (Rm)	2	1 185	-	-	-	-	-	-	-	-			1 185 474
Total valuation reductions:													
Total value used for rating (Rm)	6	6 806	-	-	78 889	94	-	-	-	3 662			89 450 115
Total land value (Rm)	6	2 052	-	-	26 430	794	-	-	-	3 662			32 937 790
Total value of improvements (Rm)	6	4 753	-	-	52 459	145	-	-	-	-			57 357 391
Total market value (Rm)	6	7 269	-	-	79 523	939	516	-	96	3 662			92 005 664
Rating:													
Average rate	3												
Rate revenue budget (R'000)		51 769			321 414	886		4 431		30 943			409 443
Rate revenue expected to collect (R'000)		51 769			321 414	886		4 431		30 943			409 443
Expected cash collection rate (%)	4	100.0%			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%			0
Special rating areas (R'000)													-
Rebates, exemptions - indigent (R'000)		-	-	-	-	-	-	-	-	-			-
Rebates, exemptions - pensioners (R'000)		-	-	-	1 178	-	-	-	-	-			1 178
Rebates, exemptions - bona fide farm. (R'000)		-	-	-	-	-	-	-	-	-			-
Rebates, exemptions - other (R'000)		-	-	-	67 758	-	-	-	-	-			67 758
Phase-in reductions/discounts (R'000)		-	-	-	-	-	-	-	-	-			-
Total rebates,exemptns,eductns,discs (R'000)		-	-	-	68 936	-	-	-	-	-			68 936

References

1. Land & Assistance Act, Restitution of Land Rights, Communal Property Association
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

WC032 Overstrand - Supporting Table SA12b Property rates by category (budget year)

Description	Ref	Business and commercial properties	Industrial properties	Mining properties	Residential properties	Agricultural properties	Public benefit organisations	Public service purpose properties	Public service infrastructure properties	Vacant land	Sport Clubs and Fields (Bitou only)	Sectional Title Garages (Drakenstein only)	Sum
Budget Year 2024/25													
Valuation:													
No. of properties		1 557	-	-	35 408	176	159	-	785	4 550			43
No. of sectional title property values		323	-	-	379	-	-	-	-	-			1
No. of unreasonably difficult properties s7(2)		-	-	-	-	-	-	-	-	-			-
No. of supplementary valuations		1	1	1	1	1	1	1	1	1			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	-	-	-	-	-	-	-	-	-			-
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)		-	-	-	-	-	-	-	-	-			-
Flat rate used? (Y/N)		-	-	-	-	-	-	-	-	-			-
Is balance rated by uniform rate/variable rate?		-	-	-	-	-	-	-	-	-			-
Valuation reductions:													
Valuation reductions-public infrastructure (Rm)		102	-	-	-	-	-	-	-	-			102 059
Valuation reductions-nature reserves/park (Rm)		721	-	-	-	-	-	-	-	-			720 740
Valuation reductions-mineral rights (Rm)		-	-	-	-	-	-	-	-	-			-
Valuation reductions-R15,000 threshold (Rm)		542	-	-	-	-	-	-	-	-			541 983
Valuation reductions-public worship (Rm)		287	-	-	-	-	-	-	-	-			286 560
Valuation reductions-other (Rm)	2	1 257	-	-	-	-	-	-	-	-			1 256 602
Total valuation reductions:													
Total value used for rating (Rm)	6	7 214	-	-	83 622	100	-	-	-	3 881			94 817 122
Total land value (Rm)	6	2 175	-	-	28 016	842	-	-	-	3 662			34 694 354
Total value of improvements (Rm)	6	5 039	-	-	55 607	154	-	-	-	-			60 798 834
Total market value (Rm)	6	7 214	-	-	83 622	995	547	-	102	3 662			96 142 175
Rating:													
Average rate	3												
Rate revenue budget (R'000)		48 260			357 921	1 129		4 289		24 576			436 175
Rate revenue expected to collect (R'000)		48 260			357 921	1 129		4 289		24 576			436 175
Expected cash collection rate (%)	4	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	0
Special rating areas (R'000)													-
Rebates, exemptions - indigent (R'000)		-	-	-	-	-	-	-	-	-			-
Rebates, exemptions - pensioners (R'000)		-	-	-	1 273	-	-	-	-	-			1 273
Rebates, exemptions - bona fide farm. (R'000)		-	-	-	-	-	-	-	-	-			-
Rebates, exemptions - other (R'000)		-	-	-	75 463	-	-	-	-	-			75 463
Phase-in reductions/discounts (R'000)		-	-	-	-	-	-	-	-	-			-
Total rebates,exemptns,reductns,discs (R'000)		-	-	-	76 735	-	-	-	-	-			76 735

Description	Ref	Business and commercial properties	Industrial properties	Mining properties	Residential properties	Agricultural properties	Public benefit organisations	Public service purpose properties	Public service infrastructure properties	Vacant land	Sport Clubs and Fields (Bitou only)	Sectional Title Garages (Drakenstein only)	Sum
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References

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

WC032 Overstrand - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2020/21	2021/22	2022/23	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework		
							Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Property rates (rate in the Rand)	1								
Residential properties			0.0060	-	-	0.0042	0.0045	0.0048	0.0051
Residential properties - vacant land			0.0082	-	-	0.0063	0.0068	0.0072	0.0077
Formal/informal settlements				-	-	-			
Small holdings				-	-	-			
Farm properties - used			0.0015	-	-	0.0011	0.0011	0.0012	0.0013
Farm properties - not used				-	-	-			
Industrial properties				-	-	0.0074	0.0080	0.0084	0.0089
Business and commercial properties			0.0090	-	-	0.0074	0.0080	0.0084	0.0089
Communal land - residential				-	-	-			
Communal land - small holdings				-	-	-			
Communal land - farm property				-	-	-			
Communal land - business and commercial				-	-	-			
Communal land - other				-	-	0.0074	0.0080	0.0084	0.0089
State-owned properties			0.0090	-	-	0.0074	0.0080	0.0084	0.0089
Municipal properties			-	-	-	-			
Public service infrastructure			-	-	-	0.0074	0.0080	0.0084	0.0089
Privately owned towns serviced by the owner			-	-	-	-			
State trust land			-	-	-	-			
Restitution and redistribution properties			-	-	-	-			
Protected areas			-	-	-	-			
National monuments properties			-	-	-	-			
Property rates by usage									
Business and commercial properties						0.0074	0.0080	0.0084	0.0089
Industrial properties						0.0074	0.0080	0.0084	0.0089
Mining properties									
Residential properties						0.0042	0.0045	0.0048	0.0051
Agricultural properties						0.0011	0.0011	0.0012	0.0013
Public benefit organisations									
Public service purpose properties									
Public service infrastructure properties									
Vacant land						0.0063	0.0068	0.0072	0.0077
Sport Clubs and Fields (Bitou only)									
Sectional Title Garages (Drakenstein only)									
Exemptions, reductions and rebates (Rands)									
Residential properties									
R15 000 threshold rebate			15 000	15 000	15 000	15 000	15 000	15 000	15 000
General residential rebate			35 000	35 000	35 000	35 000	35 000	35 000	35 000
Indigent rebate or exemption			220 000	220 000	220 000				
Pensioners/social grants rebate or exemption			40-100%	40-100%	40-100%	40-100%	40 - 100%	40 - 100%	40 - 100%
Temporary relief rebate or exemption							300 000	300 000	300 000
Bona fide farmers rebate or exemption			75%	75%	75%	75%	75%	75%	75%
Other rebates or exemptions	2		1	1	1	1	1	1	1
Water tariffs									
Domestic									
Basic charge/fixed fee (Rands/month)			143	148	156	166	176	186	197
Service point - vacant land (Rands/month)			143	148	156	166	176	186	197
Water usage - flat rate tariff (c/kl)									
Water usage - life line tariff									
Water usage - Block 1 (c/kl)		0 - 6 kl	6	6	6	7	7	8	8
Water usage - Block 2 (c/kl)		7 - 18 kl	12	12	13	14	15	16	17
Water usage - Block 3 (c/kl)		19 - 30 kl	19	20	21				
Water usage - Block 4 (c/kl)		31 - 45 kl	30	31	33				
Water usage - Block 5 (c/kl)		19 - 45 kl				19	31	33	35
Water usage - Block 6 (c/kl)		46 - 60 kl	39	53	55	59	62	66	70
Other	2	> 60 kl	52	70	74	78	83	88	93
Waste water tariffs									
Domestic									
Basic charge/fixed fee (Rands/month)			127	132	138	148	161	171	181
Service point - vacant land (Rands/month)			127	132	138	147	161	170	180
Waste water - flat rate tariff (c/kl)			1 432	1 489	1 556	1 669	1 818	1 927	2 043

Description	Ref	Provide description of tariff structure where appropriate	2020/21	2021/22	2022/23	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework		
							Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Volumetric charge - Block 1 (c/kl)		Basic charge pumps	86	89	93	99	108	115	122
Volumetric charge - Block 2 (c/kl)		Service per pump	585	608	636	677	738	782	829
Volumetric charge - Block 3 (c/kl)									
Volumetric charge - Block 4 (c/kl)									
Other	2		-	-	-	-	-	-	-
Electricity tariffs									
Domestic									
Basic charge/ fixed fee (Rands/month)			356	408	439	504	616	652	692
Service point - vacant land (Rands/month)			356	408	439	504	616	652	692
FBE		Household income threshold of							
Life-line tariff - meter		one-part	128	146	157	157	200	212	225
Life-line tariff - prepaid									
Flat rate tariff - meter (c/kwh)									
Flat rate tariff - prepaid(c/kwh)									
Meter - IBT Block 1 (c/kwh)		Credit Meter							
Meter - IBT Block 2 (c/kwh)		0 - 350 kWh	137	157	168	194	213	225	239
Meter - IBT Block 3 (c/kwh)		351 - 600 kWh	201	230	247	285	274	290	308
Meter - IBT Block 4 (c/kwh)		> 600 kWh	247	283	304	350	341	362	383
Meter - IBT Block 5 (c/kwh)		Prepaid Meter							
Prepaid - IBT Block 1 (c/kwh)		0 - 350 kWh	126	145	155	179	200	212	225
Prepaid - IBT Block 2 (c/kwh)		351 - 600 kWh	189	217	233	268	274	290	308
Prepaid - IBT Block 3 (c/kwh)		> 600 kWh	237	272	292	336	330	350	371
Prepaid - IBT Block 4 (c/kwh)			-	-	-	-	-	-	-
Prepaid - IBT Block 5 (c/kwh)			-	-	-	-	-	-	-
Other	2		-	-	-	-	-	-	-
Waste management tariffs									
Domestic									
Street cleaning charge									
Basic charge/ fixed fee			194	202	213	228	253	268	284
80l bin - once a week									
250l bin - once a week			194	202	213	228	253	268	284

References

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

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

Description	Ref	Provide description of tariff structure where appropriate	2020/21	2021/22	2022/23	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework		
							Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Exemptions, reductions and rebates (Rands)									
R15 000 threshold rebate			15 000	15 000	15 000	15 000	15 000	15 000	15 000
General residential rebate			35 000	35 000	35 000	35 000	35 000	35 000	35 000
Indigent rebate or exemption					0	0	0	0	0
Pensioners/social grants rebate or exemption			220 000	220 000	220 000				
Residential Properties exemption (Residential Properties)						40 - 100%	40 - 100%	40 - 100%	40 - 100%
Bona fide farmers rebate or exemption						300 000	300 000	300 000	300 000
Other rebates or exemptions			75%	75%	75%	75%	75%	75%	75%
			1	1	1	1	1	1	1
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
Water tariffs									
			143	148	156	166	176	186	197
			143	148	156	166	176	186	197
0 - 6 kl			6	6	6	7	7	8	8
7 - 18 kl			12	12	13	14	15	16	17
19 - 30 kl			19	20	21				
31 - 45 kl			30	31	33				
19 - 45 kl						19	31	33	35
46 - 60 kl			39	53	55	59	62	66	70
> 60 kl			52	70	74	78	83	88	93
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
Waste water tariffs									
			127	132	138	148	161	171	181
			127	132	138	147	161	170	180
			14	15	16	17	18	19	20
Basic charge pumps			86	89	93	99	108	115	122
Service per pump			585	608	636	677	738	782	829
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
Electricity tariffs									
			356	408	439	504	616	652	692
			356	408	439	504	616	652	692
FBE based on household income									
one-part (cents)			128	146	157	157	200	212	225
Credit Meter									
0 - 350 kWh (cents)			137	157	168	194	213	225	239
351 - 600 kWh (cents)			201	230	247	285	274	290	308
> 600 kWh (cents)			247	283	304	350	341	362	383
Prepaid Meter									
0 - 350 kWh (cents)			126	145	155	179	200	212	225
351 - 600 kWh (cents)			189	217	233	268	274	290	308

Description	Ref	Provide description of tariff structure where appropriate	2020/21	2021/22	2022/23	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework		
							Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
		> 600 kWh (cents)	237	272	292	336	330	350	371
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-

WC032 Overstrand - Supporting Table SA14 Household bills

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25 % incr.	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Rand/cent											
Monthly Account for Household - 'Middle Income Range'											
Rates and services charges:											
Property rates		258.27	268.67	284.70	182.43	182.43	182.43	8.0%	197.02	206.91	219.33
Electricity: Basic levy		356.20	408.17	438.66	504.46	504.46	504.46	22.0%	615.50	652.43	691.58
Electricity: Consumption		1 862.96	2 134.79	2 294.26	2 638.39	2 638.39	2 638.39	5.9%	2 793.28	2 960.88	3 138.53
Water: Basic levy		142.64	148.35	155.62	165.74	165.74	165.74	6.0%	175.68	186.22	197.39
Water: Consumption		419.04	435.81	449.88	559.86	559.86	559.86	6.0%	593.46	629.07	666.81
Sanitation		427.84	444.89	464.01	497.89	497.89	497.89	9.1%	543.19	575.78	610.33
Refuse removal		193.84	201.59	213.48	228.00	228.00	228.00	11.0%	253.08	268.26	284.36
Other		53.54	53.54	53.54	53.54	53.54	53.54	-	53.54	53.54	53.54
sub-total		3 714.33	4 095.81	4 354.15	4 830.31	4 830.31	4 830.31	8.2%	5 224.75	5 533.09	5 861.87
VAT on Services		518.41	574.07	610.42	697.18	697.18	697.18	8.2%	754.16	798.93	846.38
Total large household bill:		4 232.74	4 669.88	4 964.57	5 527.49	5 527.49	5 527.49	8.2%	5 978.91	6 332.02	6 708.25
% increase/-decrease			10.3%	6.3%	11.3%	-	-	8.2%	8.2%	5.9%	5.9%
Monthly Account for Household - 'Affordable Range'											
Rates and services charges:											
Property rates		178.80	186.00	197.10	126.30	126.30	126.30	8.0%	136.40	143.25	151.84
Electricity: Basic levy		356.20	408.17	438.66	504.46	504.46	504.46	22.0%	615.50	652.43	691.58
Electricity: Consumption		725.57	831.44	893.56	1 104.80	1 104.80	1 104.80	4.5%	1 154.75	1 224.04	1 297.48
Water: Basic levy		142.64	148.35	155.62	165.74	165.74	165.74	6.0%	175.68	186.22	197.39
Water: Consumption		317.47	330.17	343.78	413.46	413.46	413.46	6.0%	438.27	464.57	492.44
Sanitation		377.72	392.78	409.66	440.29	440.29	440.29	8.9%	479.56	508.33	538.83
Refuse removal		193.84	201.59	213.48	228.00	228.00	228.00	11.0%	253.08	268.26	284.36
Other		53.54	53.54	53.54	53.54	53.54	53.54	-	53.54	53.54	53.54
sub-total		2 345.78	2 552.04	2 705.40	3 036.59	3 036.59	3 036.59	8.9%	3 306.78	3 500.64	3 707.46
VAT on Services		2 230.20	2 345.78	376.25	436.54	436.54	436.54	8.9%	475.56	503.61	533.34
Total small household bill:		4 575.98	4 897.82	3 081.65	3 473.13	3 473.13	3 473.13	8.9%	3 782.34	4 004.25	4 240.80
% increase/-decrease			7.0%	(37.1%)	12.7%	-	-	8.9%	8.9%	5.9%	5.9%
Monthly Account for Household - 'Indigent' Household receiving free basic services											
Rates and services charges:											
Property rates		99.33	103.34	109.50	70.17	70.17	70.17	-	-	-	-
Electricity: Basic levy		356.20	408.17	438.66	504.46	504.46	504.46	7.2%	540.80	573.25	607.64
Electricity: Consumption		441.84	506.31	544.15	678.02	678.02	678.02	9.7%	743.85	788.48	835.79
Water: Basic levy		142.64	148.35	155.62	165.74	165.74	165.74	6.0%	175.68	186.22	197.39
Water: Consumption		220.22	229.02	210.88	267.06	267.06	267.06	6.0%	283.08	300.06	318.07
Sanitation		327.60	340.66	355.99	381.06	381.06	381.06	9.2%	415.93	440.89	467.34
Refuse removal		193.84	201.59	213.48	228.00	228.00	228.00	11.0%	253.08	268.26	284.36
Other		(935.13)	(1 016.56)	(1 154.19)	(1 356.85)	(1 356.85)	(1 356.85)	5.8%	(1 392.34)	(1 475.88)	(1 564.43)
sub-total		846.54	920.88	874.09	937.66	937.66	937.66	8.8%	1 020.08	1 081.28	1 146.16
VAT on Services		112.08	122.63	114.69	130.12	130.12	130.12	17.6%	153.01	162.19	171.92
Total small household bill:		958.62	1 043.51	988.78	1 067.78	1 067.78	1 067.78	9.9%	1 173.09	1 243.47	1 318.08
% increase/-decrease			8.9%	(5.2%)	8.0%	-	-	9.9%	9.9%	6.0%	6.0%

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.

WC032 Overstrand - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		410 241	410 251	410 280	400 000	400 000	400 000	400 000	400 000	400 000
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)		54 278	60 512	68 211	77 846	77 846	77 846	84 471	-	-
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	464 519	470 763	478 491	477 846	477 846	477 846	484 471	400 000	400 000
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:		464 519	470 763	478 491	477 846	477 846	477 846	484 471	400 000	400 000

References

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

WC032 Overstrand - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
		Yrs/Months												
Parent municipality														
LIBERTY 15934476		15 Years	Policy	Yes	Variable	Fair Value Adjustment			01/09/2025	23 486 626.00	1 275 272.00		1 500 000.00	26 261 898.00
LIBERTY 21196964		14 Years	Policy	Yes	Variable	Fair Value Adjustment			30/06/2025	41 558 600.00	1 539 569.00		3 120 000.00	46 218 169.00
MOMENTUM 3853776		15 Years	Policy	Yes	Variable	Fair Value Adjustment			01/07/2026	4 960 109.00	45 933.00		360 000.00	5 366 042.00
Deposits - Bank			Bank investments	Yes	Fixed				30/06/2024	410 280 488.00	43 573 375.00	-953 853 863.00	900 000 000.00	400 000 000.00
-														
-														
-														
-														
-														
-														
-														
-														
-														
Municipality sub-total										480 285 823.00		-953 853 863.00	904 980 000.00	477 846 109.00
Entities														
-														
-														
-														
-														
-														
-														
-														
-														
-														
-														
-														
-														
-														
Entities sub-total														
TOTAL INVESTMENTS AND INTEREST	1									480 285 823.00		-953 853 863.00	904 980 000.00	477 846 109.00

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

WC032 Overstrand - Supporting Table SA17 Borrowing

Borrowing - Categorized by type	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
Parent municipality										
Annuity and Bullet Loans		330 400	329 906	379 906	321 352	321 352	321 352	231 786	360 616	358 637
Long-Term Loans (non-annuity)		100 000	100 000	100 000	100 000	100 000	100 000	100 000	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
Municipality sub-total	1	430 400	429 906	479 906	421 352	421 352	421 352	331 786	360 616	358 637
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	430 400	429 906	479 906	421 352	421 352	421 352	331 786	360 616	358 637

Unspent Borrowing - Categorized by type										
Parent municipality										
Long-Term Loans (annuity/reducing balance)		44 066	-	22 033	45 214	45 214	45 214	-	-	-
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	44 066	-	22 033	45 214	45 214	45 214	-	-	-
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	44 066	-	22 033	45 214	45 214	45 214	-	-	-

References

Borrowing - Categorised by type	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										

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

WC032 Overstrand - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		138 372	127 977	153 762	167 902	169 123	169 123	172 592	181 606	192 629
Operational Revenue:General Revenue:Equitable Share		134 322	123 897	141 896	157 935	157 935	157 935	168 794	179 596	190 729
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]		-	-	3 000	4 200	4 200	4 200	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		2 500	2 530	2 593	3 565	3 366	3 366	1 898	-	-
HIV and Aids		-	-	-	-	-	-	-	-	-
Housing Accreditation		-	-	-	-	-	-	-	-	-
Housing Top structure		-	-	-	-	-	-	-	-	-
Infrastructure Skills Development Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Integrated City Development Grant		-	-	-	-	-	-	-	-	-
Khayelitsha Urban Renewal		-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant [Schedule 5B]		1 550	1 550	1 550	1 550	1 550	1 550	1 700	1 800	1 900
Mitchell's Plain Urban Renewal		-	-	-	-	-	-	-	-	-
Municipal Demarcation and Transition Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Disaster Grant [Schedule 5B]		-	-	-	-	1 419	1 419	-	-	-
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]		-	-	1 144	652	652	652	200	210	-
Water Services Infrastructure Grant		-	-	3 579	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-
Programme and Project Preparation Support Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		76 639	57 967	79 840	87 519	122 381	122 381	101 886	64 534	28 849
Capacity Building		2 575	-	-	-	-	-	-	-	-
Community Library Services Grant		7 651	6 580	8 258	8 399	8 398	8 398	8 608	8 627	9 014
Library Support Grant		-	2 222	-	-	-	-	-	-	-
Thusong Services Centres Grant		-	-	150	-	-	-	-	146	-
Resource funding for the establish & support of K9 Unit		-	2 420	2 420	3 345	3 345	3 345	3 772	4 100	4 220
Municipal Electricity Masterplan Grant		-	1 000	-	-	-	-	-	-	-
Financial Management Capacity Building Grant		-	400	-	-	-	-	-	-	-
Community Development Workers		-	76	75	76	76	76	76	76	76
Municipal Energy Resilience Grant		-	650	-	-	-	-	-	-	-
LG Public Employment Grant		-	1 300	-	-	-	-	-	-	-
Maintenance & Construction of Transport Infrastructure		145	145	140	400	400	400	450	500	523
Financial Management Capability Grant		-	-	450	-	200	200	160	-	-
Municipal Service Delivery & Capacity Building Grant		-	244	300	-	500	500	-	-	-
Municipal Intervention Grant		-	-	200	-	-	-	-	-	-
Resource funding for the est of Law Enforcement Reaction Unit		-	6 307	2 958	4 065	4 065	4 065	4 223	4 317	4 516
Emergency Municipal Load-shedding relief grant		-	-	6 700	-	-	-	-	-	-
Human Settlements Dev & Informal Settlement Upgrading Partnership Grant		66 268	36 623	58 189	70 468	104 289	104 289	84 410	46 719	10 500
Title Deeds Restoration Grant		-	-	-	766	766	766	187	49	-
Library Service Replacement Funding		-	-	-	-	342	342	-	-	-
District Municipality:		-	90	35	-	-	-	-	-	-
<i>All Grants</i>		-	90	35	-	-	-	-	-	-
Other Grant Providers:		-	-	-	-	-	-	-	-	-
<i>Departmental Agencies and Accounts</i>		-	-	-	-	-	-	-	-	-
<i>Foreign Government and International Organisations</i>		-	-	-	-	-	-	-	-	-
<i>Households</i>		-	-	-	-	-	-	-	-	-
<i>Non-profit Institutions</i>		-	-	-	-	-	-	-	-	-
<i>Private Enterprises</i>		-	-	-	-	-	-	-	-	-

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<i>Public Corporations</i>		-	-	-	-	-	-	-	-	-
<i>Higher Educational Institutions</i>		-	-	-	-	-	-	-	-	-
<i>Parent Municipality / Entity</i>		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	215 011	186 034	233 637	255 421	291 504	291 504	274 478	246 140	221 478
Capital Transfers and Grants										
National Government:		27 618	44 754	74 675	54 293	61 755	61 755	52 299	47 910	37 734
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		6 000	18 519	27 331	24 380	23 000	23 000	19 334	9 900	9 551
Municipal Infrastructure Grant [Schedule 5B]		21 618	21 053	23 484	24 913	23 203	23 203	24 965	26 010	28 183
Municipal Water Infrastructure Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Public Transport Infrastructure Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Rural Household Infrastructure Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Urban Settlement Development Grant [Schedule 4B]		-	-	-	-	-	-	-	-	-
Municipal Human Settlement		-	-	-	-	-	-	-	-	-
Community Library		-	-	-	-	-	-	-	-	-
Integrated City Development Grant [Schedule 4B]		-	-	-	-	-	-	-	-	-
Municipal Disaster Recovery Grant [Schedule 4B]		-	-	-	-	-	-	-	-	-
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Khayelitsha Urban Renewal		-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Systems Improvement Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Public Transport Network Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Public Transport Network Operations Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant (Schedule 5B)		-	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant [Schedule 5B]		-	5 182	23 860	5 000	4 500	4 500	8 000	12 000	-
WiFi Connectivity		-	-	-	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		-	-	-	-	-	-	-	-	-
Aquaaponic Project		-	-	-	-	-	-	-	-	-
Restition Settlement		-	-	-	-	-	-	-	-	-
Infrastructure Skills Development Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Restructuring Seed Funding		-	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant		-	-	-	-	11 053	11 053	-	-	-
Municipal Emergency Housing Grant		-	-	-	-	-	-	-	-	-
Metro Informal Settlements Partnership Grant		-	-	-	-	-	-	-	-	-
Integrated Urban Development Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		732	48 419	28 166	41 890	33 708	33 708	13 129	-	9 000
Capacity Building		732	-	-	-	-	-	-	-	-
Municipal Service Delivery & Capacity Building Grant		-	-	1 250	-	-	-	-	-	-
Disaster and Emergency Services		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Human Settlements Dev & Informal Settlement Upgrading Partnership Grant		-	47 819	26 666	41 890	33 678	33 678	13 129	-	9 000
Infrastructure		-	-	-	-	-	-	-	-	-
Library Service Replacement Funding		-	-	-	-	30	30	-	-	-
Municipal Intervention Grant		-	-	250	-	-	-	-	-	-
Resource funding for the establish & support of K9 Unit		-	-	-	-	-	-	-	-	-
Resource funding for the est of Law Enforcement Reaction Unit		-	-	-	-	-	-	-	-	-
Public Transport		-	-	-	-	-	-	-	-	-
Road Infrastructure		-	-	-	-	-	-	-	-	-
Sports and Recreation		-	600	-	-	-	-	-	-	-
Waste Water Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
<i>All Grants</i>		-	-	-	-	-	-	-	-	-
Other Grant Providers:		-	-	-	-	-	-	-	-	-
<i>Departmental Agencies and Accounts</i>		-	-	-	-	-	-	-	-	-
<i>Foreign Government and International Organisations</i>		-	-	-	-	-	-	-	-	-
<i>Households</i>		-	-	-	-	-	-	-	-	-
<i>Non-Profit Institutions</i>		-	-	-	-	-	-	-	-	-
<i>Private Enterprises</i>		-	-	-	-	-	-	-	-	-
<i>Public Corporations</i>		-	-	-	-	-	-	-	-	-
<i>Higher Educational Institutions</i>		-	-	-	-	-	-	-	-	-
<i>Parent Municipality / Entity</i>		-	-	-	-	-	-	-	-	-
<i>Transfer from Operational Revenue</i>		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	28 350	93 173	102 841	96 183	95 463	95 463	65 428	47 910	46 734
TOTAL RECEIPTS OF TRANSFERS & GRANTS		243 361	279 207	336 478	351 604	386 967	386 967	339 906	294 050	268 212

References

1. Each transfer/grant is listed by name as gazetted together with the name of the transferring department or municipality, donor or other organisation
2. Amounts actually **RECEIVED**; not revenue recognised (objective is to confirm grants transferred)
3. Replacement of RSC levies
4. Housing subsidies for housing where ownership transferred to organisations or persons outside the control of the municipality
5. Total transfers and grants must reconcile to Budgeted Cash Flows
6. Motor vehicle licensing refunds to be included under 'agency' services (Not Grant Receipts)

WC032 Overstrand - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		14 184	5 080	11 665	9 967	11 388	11 388	3 798	2 010	1 900
Operational Revenue:General Revenue:Equitable Share		10 134	-	-	-	-	-	-	-	-
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]		-	-	2 799	4 200	4 401	4 401	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		2 500	2 530	2 593	3 565	3 366	3 366	1 898	-	-
HIV and Aids		-	-	-	-	-	-	-	-	-
Housing Accreditation		-	-	-	-	-	-	-	-	-
Housing Top structure		-	-	-	-	-	-	-	-	-
Infrastructure Skills Development Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Integrated City Development Grant		-	-	-	-	-	-	-	-	-
Khayelitsha Urban Renewal		-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant [Schedule 5B]		1 550	1 550	1 550	1 550	1 550	1 550	1 700	1 800	1 900
Mitchell's Plain Urban Renewal		-	-	-	-	-	-	-	-	-
Municipal Demarcation and Transition Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Disaster Grant [Schedule 5B]		-	-	-	-	1 419	1 419	-	-	-
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]		-	1 000	1 144	652	652	652	200	210	-
Water Services Infrastructure Grant		-	-	3 579	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-
Programme and Project Preparation Support Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		33 402	57 002	73 992	87 519	127 526	127 526	101 886	64 534	28 849
Capacity Building		1 597	-	-	-	-	-	-	-	-
Community Library Services Grant		7 651	6 580	8 258	8 399	8 398	8 398	8 608	8 627	9 014
Library Support Grant		-	2 222	-	-	-	-	-	-	-
Thusong Services Centres Grant		-	-	60	-	90	90	-	146	-
Resource funding for the establish & support of K9 Unit		-	3 059	2 420	3 345	3 345	3 345	3 772	4 100	4 220
Municipal Electricity Masterplan Grant		-	1 000	-	-	-	-	-	-	-
Financial Management Capacity Building Grant		-	676	24	-	-	-	-	-	-
Community Development Workers		-	76	75	76	76	76	76	76	76
Municipal Energy Resilience Grant		-	650	-	-	-	-	-	-	-
LG Public Employment Grant		-	1 300	-	-	-	-	-	-	-
Maintenance & Construction of Transport Infrastructure		145	145	140	400	400	400	450	500	523
Financial Management Capability Grant		-	-	450	-	200	200	160	-	-
Municipal Service Delivery & Capacity Building Grant		-	181	121	-	679	679	-	-	-
Municipal Intervention Grant		-	-	200	-	-	-	-	-	-
Resource funding for the est of Law Enforcement Reaction Unit		-	400	4 745	4 065	4 282	4 282	4 223	4 317	4 516
Emergency Municipal Load-shedding relief grant		-	-	2 042	-	4 658	4 658	-	-	-
Human Settlements Dev & Informal Settlement Upgrading Partnership Grant		24 009	40 713	55 457	70 468	104 289	104 289	84 410	46 719	10 500
Title Deeds Restoration Grant		-	-	-	766	766	766	187	49	-
Library Service Replacement Funding		-	-	-	-	342	342	-	-	-
District Municipality:		-	90	35	-	-	-	-	-	-
All Grants		-	90	35	-	-	-	-	-	-
Other Grant Providers:		-	-	-	-	-	-	-	-	-
Departmental Agencies and Accounts		-	-	-	-	-	-	-	-	-
Foreign Government and International Organisations		-	-	-	-	-	-	-	-	-
Households		-	-	-	-	-	-	-	-	-
Non-profit Institutions		-	-	-	-	-	-	-	-	-
Private Enterprises		-	-	-	-	-	-	-	-	-
Public Corporations		-	-	-	-	-	-	-	-	-
Higher Educational Institutions		-	-	-	-	-	-	-	-	-

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<i>Parent Municipality / Entity</i>		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		47 586	62 172	85 692	97 486	138 914	138 914	105 684	66 544	30 749
Capital expenditure of Transfers and Grants										
National Government:		35 100	36 688	81 741	54 293	61 755	61 755	52 299	47 910	37 734
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		6 000	11 453	34 397	24 380	23 000	23 000	19 334	9 900	9 551
Municipal Infrastructure Grant [Schedule 5B]		29 100	20 053	23 484	24 913	23 203	23 203	24 965	26 010	28 183
Municipal Water Infrastructure Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Public Transport Infrastructure Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Rural Household Infrastructure Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Urban Settlement Development Grant [Schedule 4B]		-	-	-	-	-	-	-	-	-
Municipal Human Settlement		-	-	-	-	-	-	-	-	-
Community Library		-	-	-	-	-	-	-	-	-
Integrated City Development Grant [Schedule 4B]		-	-	-	-	-	-	-	-	-
Municipal Disaster Recovery Grant [Schedule 4B]		-	-	-	-	-	-	-	-	-
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Khayelitsha Urban Renewal		-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Systems Improvement Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Public Transport Network Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Public Transport Network Operations Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant (Schedule 5B)		-	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant [Schedule 5B]		-	5 182	23 860	5 000	4 500	4 500	8 000	12 000	-
WiFi Connectivity		-	-	-	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		-	-	-	-	-	-	-	-	-
Aquaonic Project		-	-	-	-	-	-	-	-	-
Restitition Settlement		-	-	-	-	-	-	-	-	-
Infrastructure Skills Development Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Restructuring Seed Funding		-	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant		-	-	-	-	11 053	11 053	-	-	-
Municipal Emergency Housing Grant		-	-	-	-	-	-	-	-	-
Metro Informal Settlements Partnership Grant		-	-	-	-	-	-	-	-	-
Integrated Urban Development Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		48 390	50 581	31 195	41 890	33 843	33 843	13 129	-	9 000
Capacity Building		-	-	-	-	-	-	-	-	-
Municipal Service Delivery & Capacity Building Grant		-	63	1 194	-	56	56	-	-	-
Disaster and Emergency Services		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Human Settlements Dev & Informal Settlement Upgrading Partnership Grant		46 271	49 292	26 098	41 890	33 678	33 678	13 129	-	9 000
Infrastructure		2 119	-	-	-	-	-	-	-	-
Library Service Replacement Funding		-	-	-	-	30	30	-	-	-
Municipal Intervention Grant		-	-	171	-	79	79	-	-	-
Resource funding for the establish & support of K9 Unit		-	603	-	-	-	-	-	-	-
Resource funding for the est of Law Enforcement Reaction Unit		-	624	3 132	-	-	-	-	-	-
Public Transport		-	-	-	-	-	-	-	-	-
Road Infrastructure		-	-	-	-	-	-	-	-	-
Sports and Recreation		-	-	600	-	-	-	-	-	-
Waste Water Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
<i>All Grants</i>		-	-	-	-	-	-	-	-	-
Other Grant Providers:		-	-	-	-	-	-	-	-	-
<i>Departmental Agencies and Accounts</i>		-	-	-	-	-	-	-	-	-
<i>Foreign Government and International Organisations</i>		-	-	-	-	-	-	-	-	-
<i>Households</i>		-	-	-	-	-	-	-	-	-
<i>Non-Profit Institutions</i>		-	-	-	-	-	-	-	-	-
<i>Private Enterprises</i>		-	-	-	-	-	-	-	-	-
<i>Public Corporations</i>		-	-	-	-	-	-	-	-	-
<i>Higher Educational Institutions</i>		-	-	-	-	-	-	-	-	-
<i>Parent Municipality / Entity</i>		-	-	-	-	-	-	-	-	-
<i>Transfer from Operational Revenue</i>		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		83 490	87 270	112 936	96 183	95 599	95 599	65 428	47 910	46 734
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		131 076	149 442	198 628	193 669	234 513	234 513	171 112	114 454	77 483

References

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

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

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		-	(6 870)	(4 017)	-	-	-	-	-	-
Current year receipts		(10 920)	(4 080)	15 573	167 902	169 123	169 123	172 592	181 606	192 629
Conditions met - transferred to revenue		4 050	10 627	(15 774)	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	323	-	-	-	-	-	-
Closing Balance		(6 870)	(323)	(3 895)	167 902	169 123	169 123	172 592	181 606	192 629
Provincial Government:										
Balance unspent at beginning of the year		(2 814)	(2 235)	(5 552)	-	-	-	-	-	-
Current year receipts		(11 103)	(21 344)	(21 651)	95 126	122 381	122 381	101 886	64 534	28 849
Conditions met - transferred to revenue		10 762	17 578	18 395	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		920	309	3 663	-	5 346	5 346	-	-	-
Closing Balance		(2 235)	(5 692)	(5 145)	95 126	127 727	127 727	101 886	64 534	28 849
District Municipality:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	(35)	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	35	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Closing Balance		-	-	-	-	-	-	-	-	-
Other grant providers:										
Balance unspent at beginning of the year		(187)	(187)	(187)	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Closing Balance		(187)	(187)	(187)	-	-	-	-	-	-
Total operating transfers and grants revenue		14 812	28 205	2 655	263 028	296 849	296 849	274 478	246 140	221 478
Total operating transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		(7 482)	-	(7 066)	-	-	-	-	-	-
Current year receipts		(27 618)	(44 754)	(102 114)	54 293	61 755	61 755	52 299	47 910	37 734
Conditions met - transferred to revenue		35 100	37 688	109 180	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Closing Balance		-	(7 066)	-	54 293	61 755	61 755	52 299	47 910	37 734
Provincial Government:										
Balance unspent at beginning of the year		(750)	-	(600)	-	-	-	-	-	-
Current year receipts		-	(600)	(335 231)	41 890	34 598	34 598	13 129	-	9 000
Conditions met - transferred to revenue		750	-	338 562	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	(3 300)	-	135	135	-	-	-
Closing Balance		-	(600)	(569)	41 890	34 734	34 734	13 129	-	9 000
District Municipality:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Closing Balance		-	-	-	-	-	-	-	-	-
Other grant providers:										
Balance unspent at beginning of the year		(19 900)	(14 738)	(12 442)	-	-	-	105	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		5 162	2 296	12 337	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	105	105	-	-	-
Closing Balance		(14 738)	(12 442)	(105)	-	105	105	105	-	-
Total capital transfers and grants revenue		41 012	39 984	460 079	96 183	96 594	96 594	65 533	47 910	46 734
Total capital transfers and grants - CTBM	2	(14 738)	(20 108)	(674)	96 183	96 594	96 594	65 533	47 910	46 734
TOTAL TRANSFERS AND GRANTS REVENUE		55 824	68 190	462 734	359 211	393 444	393 444	340 011	294 050	268 212
TOTAL TRANSFERS AND GRANTS - CTBM		(14 738)	(20 108)	(674)	96 183	96 594	96 594	65 533	47 910	46 734

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

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

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
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		-	-	500	538	538	538	398	800	840	882
Capital		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Organisations		-	-	500	538	538	538	398	800	840	882
Cash Transfers to Groups of Individuals											
Operational		8 651	12 750	14 286	15 843	16 043	16 043	12 112	16 955	16 314	17 111
Capital		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Groups Of Individuals:		8 651	12 750	14 286	15 843	16 043	16 043	12 112	16 955	16 314	17 111
TOTAL CASH TRANSFERS AND GRANTS	6	8 651	12 750	14 786	16 380	16 580	16 580	12 509	17 755	17 154	17 993
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		-	-	1 300	-	-	-	-	-	-	-
Total Non-Cash Grants To Groups Of Individuals:		-	-	1 300	-	-	-	-	-	-	-
TOTAL NON-CASH TRANSFERS AND GRANTS		-	-	1 300	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS	6	8 651	12 750	16 086	16 380	16 580	16 580	12 509	17 755	17 154	17 993

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'

WC032 Overstrand - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		10 116	10 454	10 979	11 360	11 744	11 744	12 643	13 219	13 817
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		1 102	1 085	1 336	1 154	1 154	1 154	1 269	1 269	1 269
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		11 219	11 538	12 315	12 514	12 898	12 898	13 912	14 488	15 086
% increase	4		2.8%	6.7%	1.6%	3.1%	-	7.9%	4.1%	4.1%
Senior Managers of the Municipality										
Basic Salaries and Wages		12 036	12 317	12 034	13 498	13 498	13 498	13 713	14 751	15 544
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		139	96	162	101	101	101	167	172	177
Motor Vehicle Allowance	3	-	-	-	-	-	-	-	-	-
Cellphone Allowance	3	183	182	179	194	194	194	212	212	212
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		12 358	12 595	12 376	13 793	13 793	13 793	14 092	15 135	15 933
% increase	4		1.9%	(1.7%)	11.5%	-	-	2.2%	7.4%	5.3%
Other Municipal Staff										
Basic Salaries and Wages		254 435	266 765	283 550	318 415	325 327	325 327	352 682	365 184	391 173
Pension and UIF Contributions		42 603	45 123	47 755	55 933	56 158	56 158	60 975	63 401	68 163
Medical Aid Contributions		13 951	14 510	15 638	18 074	18 047	18 047	19 643	20 423	21 959
Overtime		30 532	35 197	42 829	33 330	36 195	36 195	35 047	36 765	38 566
Performance Bonus		19 090	20 532	21 761	25 233	25 468	25 468	27 546	28 680	30 830
Motor Vehicle Allowance	3	8 115	8 136	7 976	8 869	8 939	8 939	8 869	8 869	8 869
Cellphone Allowance	3	1 967	2 003	1 976	2 299	2 370	2 370	2 373	2 377	2 379
Housing Allowances	3	2 741	1 707	1 774	1 985	2 006	2 006	2 000	2 001	2 001
Other benefits and allowances	3	19 489	24 133	29 364	27 863	29 050	29 050	29 900	30 961	32 324
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	25 495	16 302	10 362	25 807	25 698	25 698	27 240	28 874	30 606
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		3 121	3 575	3 796	4 061	4 061	4 061	4 367	4 545	4 894
Acting and post related allowance		2 131	2 074	1 781	2 249	2 279	2 279	2 450	2 550	2 745
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		423 671	440 056	468 563	524 118	535 597	535 597	573 093	594 630	634 510
% increase	4		3.9%	6.5%	11.9%	2.2%	-	7.0%	3.8%	6.7%
Total Parent Municipality		447 248	464 190	493 254	550 425	562 288	562 288	601 097	624 253	665 529
			3.8%	6.3%	11.6%	2.2%	-	6.9%	3.9%	6.6%
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	-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits	6	-	-	-	-	-	-	-	-	-

Summary of Employee and Councillor remuneration	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
Sub Total - Board Members of Entities		-	-	-	-	-	-	-	-	-
% increase	4	-	-	-	-	-	-	-	-	-
Senior Managers of Entities										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	-	-	-	-	-	-	-	-	-
Cellphone Allowance	3	-	-	-	-	-	-	-	-	-
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Staff of Entities		-	-	-	-	-	-	-	-	-
% increase	4	-	-	-	-	-	-	-	-	-
Total Municipal Entities		-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS		447 248	464 190	493 254	550 425	562 288	562 288	601 097	624 253	665 529
% increase	4		3.8%	6.3%	11.6%	2.2%	-	6.9%	3.9%	6.6%
TOTAL MANAGERS AND STAFF	5,7	436 029	452 651	480 939	537 911	549 390	549 390	587 185	609 765	650 443

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

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

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4	1	820 300	-	47 004	-	-	867 304
Chief Whip		-	-	-	-	-	-	-
Executive Mayor		1	1 011 550	-	47 004	-	-	1 058 554
Deputy Executive Mayor		1	808 256	-	47 004	-	-	855 260
Executive Committee		5	3 793 321	-	235 020	-	-	4 028 341
Total for all other councillors		19	6 209 138	-	893 076	-	-	7 102 214
Total Councillors	8	27	12 642 565	-	1 269 108			13 911 673
Senior Managers of the Municipality	5							
Municipal Manager (MM)		1	2 216 996	-	47 004	167 307	-	2 431 307
Chief Finance Officer		1	2 108 386	-	25 920	-	-	2 134 306
Corporate Services		1	2 007 837	-	25 920	-	-	2 033 757
Infrastructure services		1	2 099 334	-	28 980	-	-	2 128 314
Public Safety		1	1 925 641	-	28 980	-	-	1 954 621
Planning & Development		1	1 962 271	-	25 920	-	-	1 988 191
<i>List of each official with packages >= senior manager</i>								
Community Services		1	1 392 149	-	28 980	-	-	1 421 129
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Total Senior Managers of the Municipality	8,10	7	13 712 614	-	211 704	167 307		14 091 625
A Heading for Each Entity	6,7							
List each member of board by designation								
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Total for municipal entities	8,10	-	-	-	-	-	-	-
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	34	26 355 179	-	1 480 812	167 307		28 003 298

References
 1. Pension and medical aid
 2. Total package must equal the total cost to the municipality

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

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

WC032 Overstrand - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2022/23			Current Year 2023/24			Budget Year 2024/25		
		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)		27	7		27	7		27	8	
Board Members of municipal entities	4									
Municipal employees	5									
Municipal Manager and Senior Managers	3	7	7		7	6		7	6	
Other Managers	7	52	49		52	47		53	47	
Professionals		30	22	13	30	24	123	30	25	99
Finance		24	17	5	24	19	13	24	21	5
Spatial/town planning		2	2	2	2	2	3	2	2	-
Information Technology		1	1	-	1	1	-	1	1	-
Roads				-			-			-
Electricity				-			-			-
Water				-			-			-
Sanitation				-			-			-
Refuse				-			-			-
Other		3	2	6	3	2	107	3	1	94
Technicians		198	176	3	186	177	4	197	181	6
Finance							-			5
Spatial/town planning		11	11	2	11	10	-	11	11	-
Information Technology		6	5	1	6	5	1	6	4	1
Roads		10	10	-	10	10	2	10	10	-
Electricity		30	26	-	30	27	-	30	28	-
Water		21	18	-	21	18	-	20	18	-
Sanitation		2	2	-	2	2	-	1	1	-
Refuse		5	5	-	5	4	-	5	5	-
Other		113	99		101	101	1	114	104	-
Clerks (Clerical and administrative)		279	243		277	245	-	279	250	-
Service and sales workers		143	125		150	129		148	128	
Skilled agricultural and fishery workers										
Craft and related trades										
Plant and Machine Operators		60	60		62	54		62	56	
Elementary Occupations		428	406		424	403		424	402	
TOTAL PERSONNEL NUMBERS	9	1 224	1 095	16	1 215	1 092	127	1 227	1 103	105
% increase					(0.7%)	(0.3%)	693.8%	1.0%	1.0%	(17.3%)
Total municipal employees headcount	6, 10	1 199	1 095		1 200	1 085		1 200	1 095	
Finance personnel headcount	8, 10	114	101		114	101		114	103	
Human Resources personnel headcount	8, 10	22	17		20	17		20	19	

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

WC032 Overstrand - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand																
Revenue																
Exchange Revenue																
Service charges - Electricity		53 062	53 062	53 062	53 062	53 062	53 062	53 062	53 062	53 062	53 062	53 062	53 062	636 747	674 952	715 449
Service charges - Water		14 727	14 727	14 727	14 727	14 727	14 727	14 727	14 727	14 727	14 727	14 727	14 727	176 718	187 321	198 560
Service charges - Waste Water Management		9 873	9 873	9 873	9 873	9 873	9 873	9 873	9 873	9 873	9 873	9 873	9 873	118 479	125 588	133 123
Service charges - Waste Management		9 079	9 079	9 079	9 079	9 079	9 079	9 079	9 079	9 079	9 079	9 079	9 079	108 946	115 482	122 411
Sale of Goods and Rendering of Services		8 563	8 563	8 563	8 563	8 563	8 563	8 563	8 563	8 563	8 563	8 564	8 564	102 760	66 165	31 109
Agency services		592	592	592	592	592	592	592	592	592	592	592	592	7 103	7 529	7 981
Interest		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest earned from Receivables		783	783	783	783	783	783	783	783	783	783	783	783	9 400	9 964	10 562
Interest earned from Current and Non Current Assets		3 979	3 979	3 979	3 979	3 979	3 979	3 979	3 979	3 979	3 979	3 979	3 979	47 750	48 705	49 679
Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent on Land		157	157	157	157	157	157	157	157	157	157	157	157	1 889	2 001	2 120
Rental from Fixed Assets		473	473	473	473	473	473	473	473	473	473	473	473	5 676	6 015	6 375
Licence and permits		65	65	65	65	65	65	65	65	65	65	65	65	779	826	875
Operational Revenue		577	577	577	577	577	577	577	577	577	577	577	577	6 921	7 314	7 730
Non-Exchange Revenue																
Property rates		29 953	29 953	29 953	29 953	29 953	29 953	29 953	29 953	29 953	29 953	29 953	29 953	359 440	381 006	403 866
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		3 741	3 741	3 741	3 741	3 741	3 741	3 741	3 741	3 741	3 741	3 741	3 741	44 889	44 983	45 083
Licences or permits		167	167	167	167	167	167	167	167	167	167	167	167	2 000	2 120	2 247
Transfer and subsidies - Operational		15 839	15 839	15 839	15 839	15 839	15 839	15 839	15 839	15 839	15 839	15 839	15 839	190 068	199 421	210 978
Interest		176	176	176	176	176	176	176	176	176	176	176	176	2 110	2 237	2 371
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-	-	7 650	7 650	4 050	3 500
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		151 806	151 806	151 806	151 806	151 806	151 806	151 806	151 806	151 806	151 806	151 806	159 457	1 829 326	1 885 680	1 954 019
Expenditure																
Employee related costs		48 555	48 555	48 555	48 555	48 555	48 555	48 555	48 555	48 555	48 555	48 555	53 079	587 185	609 765	650 443
Remuneration of councillors		1 159	1 159	1 159	1 159	1 159	1 159	1 159	1 159	1 159	1 159	1 159	1 159	13 912	14 488	15 086
Bulk purchases - electricity		40 373	40 373	40 373	40 373	40 373	40 373	40 373	40 373	40 373	40 373	40 373	40 373	484 477	546 102	615 566
Inventory consumed		4 494	4 494	6 286	4 494	4 494	6 286	4 494	4 494	6 286	4 494	4 494	6 287	61 092	73 043	73 524
Debt impairment		-	-	-	-	-	-	-	-	-	-	-	53 394	53 394	56 598	59 994
Depreciation and amortisation		13 203	13 203	13 203	13 203	13 203	13 203	13 203	13 203	13 203	13 203	13 203	13 205	158 441	167 237	176 574
Interest		-	-	-	-	-	24 907	-	-	-	-	-	24 907	49 814	51 810	46 707
Contracted services		24 103	24 103	30 806	24 103	24 103	30 806	24 103	24 103	30 806	24 103	24 103	30 808	316 048	334 743	351 451
Transfers and subsidies		1 480	1 480	1 480	1 480	1 480	1 480	1 480	1 480	1 480	1 480	1 480	1 480	17 755	17 154	17 993
Irrecoverable debts written off		892	892	892	892	892	892	892	892	892	892	892	892	10 709	10 709	10 709
Operational costs		15 952	15 952	15 952	15 952	15 952	15 952	15 952	15 952	15 952	15 952	15 952	15 954	191 421	161 335	133 113
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Other Losses		3 812	3 812	3 812	3 812	3 812	3 812	3 812	3 812	3 812	3 812	3 812	(41 932)	-	-	-
Total Expenditure		154 023	154 023	162 517	154 023	154 023	187 425	154 023	154 023	162 517	154 023	154 023	199 605	1 944 247	2 042 985	2 151 161
Surplus/(Deficit)		(2 216)	(2 216)	(10 711)	(2 216)	(2 216)	(35 618)	(2 216)	(2 216)	(10 711)	(2 216)	(2 216)	(40 148)	(114 921)	(157 305)	(197 142)
Transfers and subsidies - capital (monetary allocations)		5 461	5 461	5 461	5 461	5 461	5 461	5 461	5 461	5 461	5 461	5 461	5 461	65 533	47 910	46 734
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		-	-	-	-	-	-	-	-	-	-	-	(49 388)	(49 388)	(109 395)	(150 408)
Income Tax		3 245	3 245	(5 250)	3 245	3 245	(30 157)	3 245	3 245	(5 250)	3 245	3 245	(84 075)	(98 775)	(218 790)	(300 817)
Surplus/(Deficit) after income tax		-	-	-	-	-	-	-	-	-	-	-	(49 388)	(49 388)	(109 395)	(150 408)
Surplus/(Deficit) attributable to municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	3 245	3 245	(5 250)	3 245	3 245	(30 157)	3 245	3 245	(5 250)	3 245	3 245	(34 687)	(49 388)	(109 395)	(150 408)

References

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

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

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue by Vote																
Vote 1 - Municipal Council		7 652	7 652	7 652	7 652	7 652	7 652	7 652	7 652	7 652	7 652	7 652	7 652	91 820	98 003	104 240
Vote 2 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		84	84	84	84	84	84	84	84	84	84	84	84	1 002	1 062	1 126
Vote 4 - Financial Services		35 816	35 816	35 816	35 816	35 816	35 816	35 816	35 816	35 816	35 816	35 816	35 816	429 791	449 647	474 085
Vote 5 - Infrastructure Services		104 976	104 976	104 976	104 976	104 976	104 976	104 976	104 976	104 976	104 976	104 976	104 976	1 259 715	1 265 982	1 300 423
Vote 6 - Public Safety		5 154	5 154	5 154	5 154	5 154	5 154	5 154	5 154	5 154	5 154	5 154	5 154	61 852	62 906	63 896
Vote 7 - Planning and Development		1 309	1 309	1 309	1 309	1 309	1 309	1 309	1 309	1 309	1 309	1 309	1 309	15 707	14 572	15 080
Vote 8 - Community Services		2 914	2 914	2 914	2 914	2 914	2 914	2 914	2 914	2 914	2 914	2 914	2 915	34 972	41 418	41 902
Vote 9 - Costing Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote		157 905	157 905	157 905	157 905	157 905	157 905	157 905	157 905	157 905	157 905	157 905	157 906	1 894 859	1 933 590	2 000 753
Expenditure by Vote to be appropriated																
Vote 1 - Municipal Council		4 527	4 527	4 527	4 527	4 527	4 527	4 527	4 527	4 527	4 527	4 527	4 528	54 329	56 054	59 045
Vote 2 - Office of the Municipal Manager		2 133	2 133	2 133	2 133	2 133	2 133	2 133	2 133	2 133	2 133	2 133	2 133	25 593	18 885	20 025
Vote 3 - Corporate Services		5 917	5 917	6 246	5 917	5 917	6 246	5 917	5 917	6 246	5 917	5 917	6 246	72 318	75 155	80 087
Vote 4 - Financial Services		10 085	10 085	13 513	10 085	10 085	13 516	10 085	10 085	13 513	10 085	10 085	18 041	139 267	148 756	158 245
Vote 5 - Infrastructure Services		95 925	95 925	98 365	95 925	95 925	123 257	95 925	95 925	98 365	95 925	95 925	123 259	1 210 645	1 277 355	1 346 271
Vote 6 - Public Safety		14 383	14 383	15 160	14 383	14 383	15 160	14 383	14 383	15 160	14 383	14 383	15 161	175 704	184 344	192 352
Vote 7 - Planning and Development		5 921	5 921	6 617	5 921	5 921	6 617	5 921	5 921	6 617	5 921	5 921	6 618	73 840	67 011	70 946
Vote 8 - Community Services		15 769	15 769	16 593	15 769	15 769	16 606	15 769	15 769	16 593	15 769	15 769	16 608	192 551	215 425	224 189
Vote 9 - Costing Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote		154 660	154 660	163 155	154 660	154 660	188 062	154 660	154 660	163 155	154 660	154 660	192 593	1 944 247	2 042 985	2 151 161
Surplus/(Deficit) before assoc.																
		3 245	3 245	(5 250)	3 245	3 245	(30 157)	3 245	3 245	(5 250)	3 245	3 245	(34 687)	(49 388)	(109 395)	(150 408)
Surplus/(Deficit) after income tax		-	-	-	-	-	-	-	-	-	-	-	(49 388)	(49 388)	(109 395)	(150 408)
Surplus/(Deficit) attributable to municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	3 245	3 245	(5 250)	3 245	3 245	(30 157)	3 245	3 245	(5 250)	3 245	3 245	(34 687)	(49 388)	(109 395)	(150 408)

References

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

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

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue - Functional																
<i>Governance and administration</i>		43 922	43 922	43 922	43 922	43 922	43 922	43 922	43 922	43 922	43 922	43 922	43 922	527 064	553 214	584 008
Executive and council		7 659	7 659	7 659	7 659	7 659	7 659	7 659	7 659	7 659	7 659	7 659	7 659	91 905	98 093	104 335
Finance and administration		36 263	36 263	36 263	36 263	36 263	36 263	36 263	36 263	36 263	36 263	36 263	36 263	435 159	455 121	479 673
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		16 129	16 129	16 129	16 129	16 129	16 129	16 129	16 129	16 129	16 129	16 129	16 130	193 553	150 336	124 399
Community and social services		763	763	763	763	763	763	763	763	763	763	763	763	9 154	9 349	9 622
Sport and recreation		2 042	2 042	2 042	2 042	2 042	2 042	2 042	2 042	2 042	2 042	2 042	2 042	24 504	30 977	31 026
Public safety		5 154	5 154	5 154	5 154	5 154	5 154	5 154	5 154	5 154	5 154	5 154	5 154	61 852	62 906	63 896
Housing		8 170	8 170	8 170	8 170	8 170	8 170	8 170	8 170	8 170	8 170	8 170	8 170	98 043	47 104	19 856
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		1 159	1 159	1 159	1 159	1 159	1 159	1 159	1 159	1 159	1 159	1 159	1 159	13 907	14 865	18 350
Planning and development		1 030	1 030	1 030	1 030	1 030	1 030	1 030	1 030	1 030	1 030	1 030	1 030	12 358	11 084	11 525
Road transport		125	125	125	125	125	125	125	125	125	125	125	125	1 502	3 732	6 773
Environmental protection		4	4	4	4	4	4	4	4	4	4	4	4	46	49	52
<i>Trading services</i>		96 695	96 695	96 695	96 695	96 695	96 695	96 695	96 695	96 695	96 695	96 695	96 695	1 160 336	1 215 175	1 273 995
Energy sources		57 446	57 446	57 446	57 446	57 446	57 446	57 446	57 446	57 446	57 446	57 446	57 446	689 348	720 115	762 379
Water management		17 041	17 041	17 041	17 041	17 041	17 041	17 041	17 041	17 041	17 041	17 041	17 041	204 493	213 075	213 139
Waste water management		11 896	11 896	11 896	11 896	11 896	11 896	11 896	11 896	11 896	11 896	11 896	11 896	142 748	150 926	159 554
Waste management		10 312	10 312	10 312	10 312	10 312	10 312	10 312	10 312	10 312	10 312	10 312	10 312	123 746	131 060	138 923
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional		157 905	157 905	157 905	157 905	157 905	157 905	157 905	157 905	157 905	157 905	157 905	157 906	1 894 859	1 933 590	2 000 753
Expenditure - Functional																
<i>Governance and administration</i>		29 108	29 108	30 184	29 108	29 108	30 186	29 108	29 108	30 184	29 108	29 108	34 713	358 132	378 467	402 249
Executive and council		7 376	7 376	7 376	7 376	7 376	7 376	7 376	7 376	7 376	7 376	7 376	7 372	88 507	95 479	101 155
Finance and administration		21 304	21 304	22 379	21 304	21 304	22 382	21 304	21 304	22 379	21 304	21 304	26 911	264 479	278 170	295 943
Internal audit		429	429	429	429	429	429	429	429	429	429	429	429	5 145	4 817	5 151
<i>Community and public safety</i>		29 173	29 173	30 655	29 173	29 173	30 667	29 173	29 173	30 655	29 173	29 173	30 669	356 028	333 169	306 346
Community and social services		2 011	2 011	2 297	2 011	2 011	2 297	2 011	2 011	2 297	2 011	2 011	2 298	25 282	27 392	27 709
Sport and recreation		5 734	5 734	5 859	5 734	5 734	5 872	5 734	5 734	5 859	5 734	5 734	5 872	69 335	73 307	73 980
Public safety		13 804	13 804	14 875	13 804	13 804	14 875	13 804	13 804	14 875	13 804	13 804	14 875	169 928	178 600	186 668
Housing		7 624	7 624	7 624	7 624	7 624	7 624	7 624	7 624	7 624	7 624	7 624	7 624	91 482	53 870	17 989
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		18 015	18 015	19 804	18 015	18 015	19 907	18 015	18 015	19 804	18 015	18 015	19 907	223 538	234 659	249 510
Planning and development		4 788	4 788	5 027	4 788	4 788	5 027	4 788	4 788	5 027	4 788	4 788	5 028	58 410	57 753	61 055
Road transport		11 281	11 281	12 365	11 281	11 281	12 468	11 281	11 281	12 365	11 281	11 281	12 468	139 911	158 178	168 604
Environmental protection		1 946	1 946	2 411	1 946	1 946	2 411	1 946	1 946	2 411	1 946	1 946	2 412	25 218	18 727	19 851
<i>Trading services</i>		78 038	78 038	82 185	78 038	78 038	106 975	78 038	78 038	82 185	78 038	78 038	106 977	1 002 626	1 092 563	1 188 639
Energy sources		47 157	47 157	48 454	47 157	47 157	55 624	47 157	47 157	48 454	47 157	47 157	55 625	585 410	650 372	723 547
Water management		11 392	11 392	12 371	11 392	11 392	22 203	11 392	11 392	12 371	11 392	11 392	22 204	160 282	170 954	179 286
Waste water management		10 468	10 468	11 305	10 468	10 468	18 973	10 468	10 468	11 305	10 468	10 468	18 973	144 301	151 691	157 848
Waste management		9 021	9 021	10 056	9 021	9 021	10 175	9 021	9 021	10 056	9 021	9 021	10 175	112 633	119 547	127 958
<i>Other</i>		327	327	327	327	327	327	327	327	327	327	327	327	3 923	4 127	4 418

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Total Expenditure - Functional		154 660	154 660	163 155	154 660	154 660	188 062	154 660	154 660	163 155	154 660	154 660	192 593	1 944 247	2 042 985	2 151 161
Surplus/(Deficit) before assoc.		3 245	3 245	(5 250)	3 245	3 245	(30 157)	3 245	3 245	(5 250)	3 245	3 245	(34 687)	(49 388)	(109 395)	(150 408)
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	3 245	3 245	(5 250)	3 245	3 245	(30 157)	3 245	3 245	(5 250)	3 245	3 245	(34 687)	(49 388)	(109 395)	(150 408)

References

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

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

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Multi-year expenditure to be appropriated	1															
Vote 1 - Municipal Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		55	-	-	500	-	83	-	-	100	-	-	28	765	-	-
Vote 4 - Financial Services		-	-	125	-	-	655	-	-	125	-	-	655	1 560	-	-
Vote 5 - Infrastructure Services		150	500	13 185	10 100	7 950	24 060	5 500	9 900	18 585	6 000	6 563	21 870	124 361	137 910	109 734
Vote 6 - Public Safety		-	-	-	-	-	150	-	-	-	-	-	150	300	-	-
Vote 7 - Planning and Development		-	-	8	-	-	8	-	-	8	-	-	8	30	-	-
Vote 8 - Community Services		-	-	-	-	35	350	-	-	-	350	-	-	735	-	-
Vote 9 - Costing Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	2	205	500	13 317	10 600	7 985	25 305	5 500	9 900	18 817	6 350	6 563	22 710	127 751	137 910	109 734
Single-year expenditure to be appropriated																
Vote 1 - Municipal Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		-	-	4	-	-	229	-	-	4	-	-	229	465	-	-
Vote 3 - Corporate Services		-	-	200	-	-	-	500	500	500	500	-	-	2 200	-	-
Vote 4 - Financial Services		200	-	2 500	-	900	950	500	250	100	-	-	250	5 650	-	-
Vote 5 - Infrastructure Services		-	90	307	400	-	3 407	3 000	-	307	-	3 000	2 607	13 117	-	7 000
Vote 6 - Public Safety		-	-	188	-	-	738	-	-	188	-	-	738	1 850	-	-
Vote 7 - Planning and Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Community Services		-	-	250	-	-	250	-	-	250	-	-	250	1 000	-	-
Vote 9 - Costing Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	2	200	90	3 448	400	900	5 573	4 000	750	1 348	500	3 000	4 073	24 282	-	7 000
Total Capital Expenditure	2	405	590	16 765	11 000	8 885	30 878	9 500	10 650	20 165	6 850	9 563	26 783	152 033	137 910	116 734

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

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

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital Expenditure - Functional	1															
Governance and administration		55	-	204	500	-	341	500	500	604	500	-	286	3 490	-	-
Executive and council		-	-	4	-	-	256	-	-	4	-	-	256	520	-	-
Finance and administration		55	-	200	500	-	85	500	500	600	500	-	30	2 970	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and public safety		200	-	3 857	3 000	635	6 307	-	-	6 857	350	3 000	5 957	30 164	16 029	24 183
Community and social services		-	-	250	-	35	850	-	-	250	350	-	500	2 235	-	-
Sport and recreation		-	-	138	3 000	-	1 288	-	-	3 138	-	3 000	1 288	11 850	16 029	15 183
Public safety		200	-	188	-	600	888	-	-	188	-	-	888	2 950	-	-
Housing		-	-	3 282	-	-	3 282	-	-	3 282	-	-	3 282	13 129	-	9 000
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		-	-	246	-	250	1 093	-	250	346	-	-	1 093	3 277	2 981	6 000
Planning and development		-	-	8	-	250	180	-	250	108	-	-	180	975	-	-
Road transport		-	-	238	-	-	913	-	-	238	-	-	913	2 302	2 981	6 000
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		150	590	12 459	7 500	8 000	23 136	9 000	9 900	12 359	6 000	6 563	19 446	115 102	118 900	86 551
Energy sources		-	-	8 334	1 000	1 050	7 534	2 500	4 500	5 834	3 000	2 500	8 334	44 584	46 900	37 551
Water management		150	500	1 350	3 400	5 850	8 150	5 500	1 300	3 250	500	3 000	8 750	41 700	42 200	16 660
Waste water management		-	-	2 275	3 000	1 100	6 500	500	4 000	3 275	2 500	963	2 150	26 263	25 300	28 500
Waste management		-	90	500	100	-	953	500	100	-	-	100	213	2 555	4 500	3 840
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	2	405	590	16 765	11 000	8 885	30 878	9 500	10 650	20 165	6 850	9 563	26 783	152 033	137 910	116 734
Funded by:																
National Government		-	-	5 034	6 400	-	12 134	3 000	1 000	8 034	-	6 963	9 734	52 299	47 910	37 734
Provincial Government		-	-	3 282	-	-	3 282	-	-	3 282	-	-	3 282	13 129	-	9 000
District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	53	-	-	-	-	-	53	105	-	-
Transfers recognised - capital		-	-	8 316	6 400	-	15 469	3 000	1 000	11 316	-	6 963	13 069	65 533	47 910	46 734
Public contributions & donations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing		150	590	5 000	4 100	7 950	8 900	5 500	8 900	7 400	6 000	2 600	8 310	65 400	90 000	70 000
Internally generated funds		255	-	3 449	500	935	6 509	1 000	750	1 449	850	-	5 404	21 100	-	-
Total Capital Funding		405	590	16 765	11 000	8 885	30 878	9 500	10 650	20 165	6 850	9 563	26 783	152 033	137 910	116 734

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

WC032 Overstrand - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Cash Receipts By Source													1			
Property rates	29 635	29 635	29 635	29 635	29 635	29 635	29 635	29 635	29 635	29 635	29 635	29 635	29 635	355 619	377 527	400 179
Service charges - electricity revenue	52 961	52 961	52 961	52 961	52 961	52 961	52 961	52 961	52 961	52 961	52 961	52 961	52 961	635 529	674 809	715 297
Service charges - water revenue	14 451	14 451	14 451	14 451	14 451	14 451	14 451	14 451	14 451	14 451	14 451	14 451	14 451	173 408	184 131	195 179
Service charges - sanitation revenue	9 686	9 686	9 686	9 686	9 686	9 686	9 686	9 686	9 686	9 686	9 686	9 686	9 686	116 232	122 943	130 351
Service charges - refuse revenue	8 907	8 907	8 907	8 907	8 907	8 907	8 907	8 907	8 907	8 907	8 907	8 907	8 907	106 878	113 970	120 777
Rental of facilities and equipment	630	630	630	630	630	630	630	630	630	630	630	631	631	7 565	8 016	8 494
Interest earned - external investments	3 979	3 979	3 979	3 979	3 979	3 979	3 979	3 979	3 979	3 979	3 979	3 979	3 979	47 750	48 705	49 679
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	207	207	207	207	207	207	207	207	207	207	207	207	207	2 489	39	(2 558)
Licences and permits	232	232	232	232	232	232	232	232	232	232	232	232	232	2 779	2 946	3 122
Agency services	592	592	592	592	592	592	592	592	592	592	592	592	592	7 103	7 529	7 981
Transfers and Subsidies - Operational	15 839	15 839	15 839	15 839	15 839	15 839	15 839	15 839	15 839	15 839	15 839	15 839	15 839	190 068	199 421	210 978
Other revenue	8 235	8 235	8 235	8 235	8 235	8 235	8 235	8 235	8 235	8 235	8 235	8 236	8 236	98 826	71 101	37 576
Cash Receipts by Source	145 354	145 354	145 354	145 354	145 354	145 354	145 354	145 354	145 354	145 354	145 354	145 355	1 744 247	1 811 139	1 877 056	
Other Cash Flows by Source																
Transfers and subsidies - capital (monetary allocations)	5 461	5 461	5 461	5 461	5 461	5 461	5 461	5 461	5 461	5 461	5 461	5 461	5 461	65 533	47 910	46 734
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	65 000	65 000	90 000	70 000
Increase (decrease) in consumer deposits	(550)	(550)	(550)	(550)	(550)	(550)	(550)	(550)	(550)	(550)	(550)	(550)	(6 600)	(2 000)	(2 000)	
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	(415)	(415)	(415)	(415)	(415)	(415)	(415)	(415)	(415)	(415)	(415)	(415)	(4 980)	87 782	-	
Total Cash Receipts by Source	149 850	149 850	149 850	149 850	149 850	149 850	149 850	149 850	149 850	149 850	149 850	214 851	1 863 200	2 034 831	1 991 790	
Cash Payments by Type																
Employee related costs	(47 711)	(47 711)	(47 711)	(47 711)	(47 711)	(47 711)	(47 711)	(47 711)	(47 711)	(47 711)	(47 711)	(47 711)	(47 711)	(572 534)	(595 175)	(634 879)
Remuneration of councillors	(1 159)	(1 159)	(1 159)	(1 159)	(1 159)	(1 159)	(1 159)	(1 159)	(1 159)	(1 159)	(1 159)	(1 159)	(1 159)	(13 912)	(14 488)	(15 086)
Finance charges	-	-	-	-	-	(24 907)	-	-	-	-	-	-	(24 907)	(49 814)	(51 810)	(46 707)
Bulk purchases - Electricity	(40 373)	(40 373)	(40 373)	(40 373)	(40 373)	(40 373)	(40 373)	(40 373)	(40 373)	(40 373)	(40 373)	(40 373)	(40 373)	(484 477)	(546 102)	(615 566)
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	(5 091)	(5 091)	(5 091)	(5 091)	(5 091)	(5 091)	(5 091)	(5 091)	(5 091)	(5 091)	(5 091)	(5 091)	(5 091)	(61 092)	(73 043)	(73 524)
Contracted services	(24 103)	(24 103)	(30 806)	(24 103)	(24 103)	(30 806)	(24 103)	(24 103)	(30 806)	(24 103)	(24 103)	(30 808)	(316 048)	(334 743)	(351 451)	
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	(1 480)	(1 480)	(1 480)	(1 480)	(1 480)	(1 480)	(1 480)	(1 480)	(1 480)	(1 480)	(1 480)	(1 480)	(1 755)	(17 154)	(17 993)	
Other expenditure	(12 680)	(12 680)	(12 680)	(12 680)	(12 680)	(12 680)	(12 680)	(12 680)	(12 680)	(12 680)	(12 680)	(12 682)	(152 163)	(122 549)	(109 154)	
Cash Payments by Type	(132 597)	(132 597)	(139 300)	(132 597)	(132 597)	(164 207)	(132 597)	(132 597)	(139 300)	(132 597)	(132 597)	(132 597)	(164 211)	(1 667 793)	(1 755 065)	(1 864 359)
Other Cash Flows/Payments by Type																
Capital assets	(405)	(590)	(16 765)	(11 000)	(8 885)	(30 878)	(9 500)	(10 650)	(20 165)	(6 850)	(9 563)	(26 783)	(152 033)	(137 910)	(116 734)	
Repayment of borrowing	-	-	(2 848)	(4 403)	(1 368)	(18 149)	-	(1 343)	(1 698)	-	(1 439)	(19 358)	(50 605)	(154 566)	(61 170)	
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Cash Payments by Type	(133 002)	(133 187)	(158 913)	(148 000)	(142 850)	(213 233)	(142 097)	(144 590)	(161 163)	(139 447)	(143 599)	(210 351)	(1 870 431)	(2 047 541)	(2 042 263)	
NET INCREASE/(DECREASE) IN CASH HELD	16 848	16 663	(9 063)	1 850	7 000	(63 383)	7 753	5 260	(11 313)	10 403	6 251	4 500	(7 231)	(12 710)	(50 473)	
Cash/cash equivalents at the month/year begin:	692 294	709 142	725 805	716 742	718 592	725 592	662 209	669 962	675 222	663 909	674 312	680 563	692 294	685 063	672 353	
Cash/cash equivalents at the month/year end:	709 142	725 805	716 742	718 592	725 592	662 209	669 962	675 222	663 909	674 312	680 563	685 063	685 063	672 353	621 880	

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.

MONTHLY CASH FLOWS	Budget Year 2024/25											Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26

2. Bulk purchases - Electricity & Waste Water - use detail information from Table SA1

3. Acquisition Inventory - Water & other inventory - use detail information from Table SA3

WC032 Overstrand - NOT REQUIRED - municipality does not have entities

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R million										
Financial Performance										
Property rates		-	-	-	-	-	-	-	-	-
Service charges		-	-	-	-	-	-	-	-	-
Investment revenue		-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational		-	-	-	-	-	-	-	-	-
Other own revenue		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		-	-	-	-	-	-	-	-	-
Employee costs		-	-	-	-	-	-	-	-	-
Remuneration of Board Members		-	-	-	-	-	-	-	-	-
Depreciation and amortisation		-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-
Inventory consumed and bulk purchases		-	-	-	-	-	-	-	-	-
Transfers and subsidies		-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-
Community wealth/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		-	-	-	-	-	-	-	-	-

WC032 Overstrand - Supporting Table SA32 List of external mechanisms

External mechanism	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
Name of organisation		Number			R thousand
Outsourcing of sub function water and waste water treatm	Yrs	15	Outsourcing of sub function water and waste water treatm	07 December 2033	1 242 710
Outsourcing of sub function operation of landfill site	Yrs	13	Outsourcing of sub function operation of landfill site	30 November 2032	108 587
Note: Overstrand make use of contractual agreements to support the implementation of core function, but the definition of outsourcing do not apply to the other contracts entered into, due to ownership that is kept within the organisation					

References

1. Total agreement period from commencement until end
2. Annual value

WC032 Overstrand - Supporting Table SA33 Contracts having future budgetary implications

Description	Ref	Preceding Years	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework			Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Forecast 2030/31	Forecast 2031/32	Forecast 2032/33	Forecast 2033/34	Total Contract Value
		Total	Original Budget	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
R thousand	1,3													
Parent Municipality:														
Revenue Obligation By Contract	2													
Contract 1														-
Contract 2														-
Contract 3														-
Contract 4														-
Contract 5														-
Contract 6														-
Contract 7														-
Contract 8														-
Contract 9														-
Contract 10														-
Contract 11														-
Contract 12														-
Contract 13														-
Contract 14														-
Contract 15														-
Contract 16														-
Contract 17														-
Contract 18														-
Contract 19														-
Contract 20														-
Total Operating Revenue Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditure Obligation By Contract	2													
Contract 1: SC1890/2018: WATER & WASTE WATER TREATMENT OPERATIONS MANAGEMENT CONTRACT.		219 322	73 718	78 038	82 618	87 474	92 624	98 085	103 877	110 020	116 538	123 452	56 947	1 242 710
Contract 2: SC1892/2018: THE OPERATION OF THE GANSBAAI LANDFILL SITE, THE STANFORD PUBLIC WASTE DROP-OFF FACILITY, AND THE PEARLY BEACH PUBLIC WASTE DROP-OFF FACILITY		20 030	7 273	7 708	8 196	8 726	9 276	9 863	10 390	10 872	11 419	4 834		108 587
Contract 3 SC1933/2018: PROVISION FOR BANKING SERVICES		5 856	1 675											7 530
Contract 4														-
Contract 5														-
Contract 6														-
Contract 7														-
Contract 8														-

Description	Ref	Preceding Years	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework			Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Forecast 2030/31	Forecast 2031/32	Forecast 2032/33	Forecast 2033/34	Total Contract Value
		Total	Original Budget	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
R thousand	1,3													
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		245 207	82 665	85 746	90 813	96 200	101 899	107 947	114 267	120 892	127 957	128 286	56 947	1 358 827
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		245 207	82 665	85 746	90 813	96 200	101 899	107 947	114 267	120 892	127 957	128 286	56 947	1 358 827

Description	Ref	Preceding Years	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework			Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Forecast 2030/31	Forecast 2031/32	Forecast 2032/33	Forecast 2033/34	Total Contract Value
		Total	Original Budget	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
R thousand	1,3													
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		-	-	-	-	-	-	-	-	-	-	-	-	-
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														-

Description	Ref	Preceding Years	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework			Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Forecast 2030/31	Forecast 2031/32	Forecast 2032/33	Forecast 2033/34	Total Contract Value
		Total	Original Budget	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
R thousand	1,3													
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

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

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital expenditure on new assets by Asset Class/Sub-class	1									
Infrastructure		91 712	45 748	85 627	85 007	81 866	81 866	75 464	50 581	33 891
Roads Infrastructure		20 553	7 714	16 799	4 640	5 080	5 080	952	2 981	6 000
Roads		20 553	7 714	16 799	4 640	5 080	5 080	952	2 981	6 000
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		14 169	4 724	1 113	12 358	7 420	7 420	10 213	-	-
Drainage Collection		557	-	-	-	-	-	-	-	-
Storm water Conveyance		13 612	4 724	1 113	12 358	7 420	7 420	10 213	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		9 392	18 244	53 049	48 795	47 518	47 518	30 334	24 900	22 551
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		693	16 453	32 685	21 415	21 383	21 383	5 000	14 900	15 551
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		8 699	1 791	20 365	27 380	26 135	26 135	25 334	10 000	7 000
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		22 404	3 171	9 484	11 313	14 609	14 609	24 900	20 700	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		3 808	2 180	3 961	7 000	7 107	7 107	10 100	14 700	-
Reservoirs		15 728	-	-	360	360	360	-	-	-
Pump Stations		-	-	5 431	-	70	70	-	-	-
Water Treatment Works		-	-	-	3 000	1 135	1 135	8 000	6 000	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		2 868	991	92	953	5 937	5 937	6 800	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		12 940	8 923	3 956	7 500	6 734	6 734	8 500	1 500	4 500
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		12 940	8 923	3 956	-	5 769	5 769	500	200	4 200
Waste Water Treatment Works		-	-	-	7 500	966	966	8 000	1 300	300
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		12 254	2 972	1 226	400	505	505	565	500	840
Landfill Sites		-	-	-	-	-	-	-	-	840
Waste Transfer Stations		-	2 972	1 226	400	505	505	505	500	-
Waste Processing Facilities		12 254	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	60	-	-
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		25 999	9 187	7 742	7 352	2 352	2 352	4 750	5 788	8 000
Community Facilities		10 999	4 140	2 674	6 213	707	707	3 350	-	-

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand	1									
Halls		4 759	1 564	-	-	-	-	1 450	-	-
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	1 046	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		295	-	914	-	-	-	-	-	-
Cemeteries/Crematoria		1 232	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-
Parks		49	-	86	-	-	-	550	-	-
Public Open Space		3 902	206	1 079	5 618	112	112	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		140	918	595	595	595	595	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Stalls		278	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		345	406	-	-	-	-	1 350	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		15 000	5 047	5 068	1 139	1 645	1 645	1 400	5 788	8 000
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		15 000	5 047	5 068	1 139	1 645	1 645	1 400	5 788	8 000
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Other assets		54 179	50 440	28 734	41 990	34 751	34 751	15 379	1 500	9 000
Operational Buildings		4 581	1 410	2 211	100	1 073	1 073	2 250	1 500	-
Municipal Offices		4 581	1 410	2 211	100	1 073	1 073	750	-	-
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	1 500	1 500	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		49 598	49 031	26 523	41 890	33 678	33 678	13 129	-	9 000
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		49 598	49 031	26 523	41 890	33 678	33 678	13 129	-	9 000
Capital Spares		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	21	-	-	-	-	700	-	-
Biological or Cultivated Assets		-	21	-	-	-	-	700	-	-
Intangible Assets		-	-	-	-	71	71	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	71	71	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	71	71	-	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand	1									
Computer Equipment		5 152	3 240	2 212	4 000	4 575	4 575	3 250	-	-
Computer Equipment		5 152	3 240	2 212	4 000	4 575	4 575	3 250	-	-
Furniture and Office Equipment		802	2 910	715	765	745	745	865	-	-
Furniture and Office Equipment		802	2 910	715	765	745	745	865	-	-
Machinery and Equipment		486	1 363	729	1 335	1 745	1 745	1 225	-	-
Machinery and Equipment		486	1 363	729	1 335	1 745	1 745	1 225	-	-
Transport Assets		21 189	6 806	7 043	-	4 427	4 427	7 150	-	-
Transport Assets		21 189	6 806	7 043	-	4 427	4 427	7 150	-	-
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	199 520	119 714	132 803	140 449	130 534	130 534	108 783	57 869	50 891

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

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

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		15 499	30 964	17 393	16 300	18 765	18 765	17 500	27 700	19 160
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		915	1 000	1 042	1 500	1 500	1 500	1 500	2 000	-
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		915	1 000	1 042	1 500	1 500	1 500	1 500	2 000	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		11 297	29 964	15 725	14 100	15 965	15 965	15 300	21 000	16 160
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		1 327	-	1 262	500	500	500	500	500	500
Water Treatment Works		-	9 309	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		9 970	20 655	14 462	13 600	15 465	15 465	14 800	20 500	15 660
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		3 287	-	626	700	1 300	1 300	700	700	-
Pump Station		-	-	626	700	1 300	1 300	700	700	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Outfall Sewers		3 287	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	4 000	3 000
Landfill Sites		-	-	-	-	-	-	-	4 000	3 000
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		-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand	1									
Halls		-	-	-	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-
Parks		-	-	-	-	-	-	-	-	-
Public Open Space		-	-	-	-	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Other assets		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Municipal Offices		-	-	-	-	-	-	-	-	-
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand	1									
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		-	-	-	-	-	-	-	-	-
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing assets	1	15 499	30 964	17 393	16 300	18 765	18 765	17 500	27 700	19 160
Renewal of Existing Assets as % of total capex		39.0%	16.1%	9.2%	7.8%	8.9%	8.9%	11.5%	20.1%	16.4%
Renewal of Existing Assets as % of deprecn"		11.2%	21.1%	11.7%	10.9%	12.6%	12.6%	11.0%	16.6%	10.9%

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

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

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Repairs and maintenance expenditure by Asset Class/Sub-class	1									
Infrastructure		140 742	141 079	137 671	168 080	172 726	172 726	172 870	191 021	202 996
Roads Infrastructure		67 439	64 340	54 418	75 266	80 631	80 631	78 469	92 481	98 202
Roads		64 190	64 340	54 418	75 266	80 631	80 631	78 469	92 481	98 202
Road Structures		3 249	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		5 584	6 870	6 157	6 469	6 265	6 265	6 361	6 573	6 943
Drainage Collection		2 515	-	-	-	-	-	-	-	-
Storm water Conveyance		3 069	6 870	6 157	6 469	6 265	6 265	6 361	6 573	6 943
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		31 045	30 721	35 380	41 404	41 590	41 590	40 144	42 117	45 114
Power Plants		436	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		25	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		28 149	-	-	-	-	-	-	-	-
LV Networks		2 435	30 721	35 380	41 404	41 590	41 590	40 144	42 117	45 114
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		21 046	21 088	20 432	23 527	21 800	21 800	24 954	26 031	27 625
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	272	33	312	312	312	331	346	367
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		21 046	18 916	18 708	20 317	18 590	18 590	21 542	22 460	23 826
Distribution Points		-	1 900	1 691	2 898	2 898	2 898	3 081	3 224	3 431
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		12 980	11 710	12 634	13 718	14 008	14 008	14 322	14 738	15 395
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	6 507	6 759	7 815	7 815	7 815	8 338	8 693	9 285
Waste Water Treatment Works		12 980	5 203	5 875	5 903	6 193	6 193	5 984	6 046	6 110
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		2 535	6 351	8 650	7 697	8 432	8 432	8 620	9 081	9 717
Landfill Sites		61	-	-	-	-	-	-	-	-
Waste Transfer Stations		1 186	-	-	-	-	-	-	-	-
Waste Processing Facilities		272	1 574	2 662	2 517	2 517	2 517	3 100	3 333	3 583
Waste Drop-off Points		1 009	4 777	5 988	5 180	5 915	5 915	5 520	5 748	6 134
Waste Separation Facilities		7	-	-	-	-	-	-	-	-
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		110	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		110	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		1	-	-	-	-	-	-	-	-
Data Centres		1	-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Community Assets		44 371	50 376	53 486	62 076	62 653	62 653	66 438	72 474	72 201
Community Facilities		37 364	37 455	40 568	47 427	48 358	48 358	49 396	52 852	55 009

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand	1									
Halls		5 332	4 464	5 950	7 463	6 555	6 555	7 405	9 210	8 716
Centres		67	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		440	-	-	-	-	-	-	-	-
Testing Stations		54	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		121	-	14	1 785	1 785	1 785	1 800	2 001	2 121
Cemeteries/Crematoria		967	1 037	943	948	902	902	994	1 025	1 079
Police		358	-	-	-	-	-	-	-	-
Parks		25 542	27 586	28 619	32 063	33 950	33 950	33 755	34 981	37 156
Public Open Space		4 304	3 886	4 553	4 187	4 185	4 185	4 401	4 557	4 793
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		178	482	488	982	982	982	1 041	1 078	1 145
Markets		-	-	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		7 007	12 921	12 919	14 649	14 295	14 295	17 042	19 622	17 192
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		7 007	12 921	12 919	14 649	14 295	14 295	17 042	19 622	17 192
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		2 137	15 056	16 833	18 438	14 949	14 949	13 758	8 069	8 381
Operational Buildings		2 136	15 056	16 833	18 438	14 949	14 949	13 758	8 069	8 381
Municipal Offices		2 086	15 048	16 773	18 400	14 872	14 872	13 720	8 031	8 343
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		35	-	25	-	39	39	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		16	8	34	38	38	38	38	38	38
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		1	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		1	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		5 672	5 915	6 829	8 331	8 073	8 073	8 967	9 720	10 707
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		5 672	5 915	6 829	8 331	8 073	8 073	8 967	9 720	10 707
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		5 672	5 915	6 829	8 331	8 073	8 073	8 967	9 720	10 707
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand	1									
Computer Equipment		1 947	2 490	2 157	2 423	2 423	2 423	2 566	2 717	2 878
Computer Equipment		1 947	2 490	2 157	2 423	2 423	2 423	2 566	2 717	2 878
Furniture and Office Equipment		1 128	5 004	8 206	11 697	13 872	13 872	7 747	7 935	8 389
Furniture and Office Equipment		1 128	5 004	8 206	11 697	13 872	13 872	7 747	7 935	8 389
Machinery and Equipment		-	4 059	4 163	6 036	7 656	7 656	5 983	6 310	6 530
Machinery and Equipment		-	4 059	4 163	6 036	7 656	7 656	5 983	6 310	6 530
Transport Assets		15 521	21 406	20 160	16 214	18 441	18 441	17 145	18 132	19 178
Transport Assets		15 521	21 406	20 160	16 214	18 441	18 441	17 145	18 132	19 178
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	211 518	245 386	249 505	293 296	300 793	300 793	295 474	316 378	331 260
R&M as a % of PPE		5.9%	6.8%	6.8%	7.6%	7.8%	7.8%	7.7%	8.3%	8.8%
R&M as % Operating Expenditure		16.0%	16.4%	15.9%	16.8%	16.3%	16.3%	25.4%	16.3%	16.2%

References

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

WC032 Overstrand - Supporting Table SA34d Depreciation by asset class

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		102 449	123 129	122 707	123 442	123 442	123 442	132 242	138 843	145 765
Roads Infrastructure		34 090	36 312	39 206	39 180	39 180	39 180	46 014	49 695	53 671
Roads		34 090	36 312	39 206	39 180	39 180	39 180	46 014	49 695	53 671
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		6 781	7 231	8 446	8 480	8 480	8 480	8 725	8 899	9 077
Drainage Collection		6 781	7 231	8 446	8 480	8 480	8 480	8 725	8 899	9 077
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		12 375	28 582	26 923	27 408	27 408	27 408	27 643	28 196	28 760
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		11 939	26 305	26 420	27 408	27 408	27 408	27 643	28 196	28 760
Capital Spares		436	2 277	503	-	-	-	-	-	-
Water Supply Infrastructure		28 367	28 222	24 404	24 455	24 455	24 455	25 050	26 052	27 094
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		28 367	27 021	24 055	24 455	24 455	24 455	25 050	26 052	27 094
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	1 201	349	-	-	-	-	-	-
Sanitation Infrastructure		17 989	19 712	20 394	20 619	20 619	20 619	21 502	22 577	23 706
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		17 989	19 448	20 389	20 619	20 619	20 619	21 502	22 577	23 706
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	264	5	-	-	-	-	-	-
Solid Waste Infrastructure		2 846	3 070	3 334	3 301	3 301	3 301	3 307	3 423	3 457
Landfill Sites		2 846	2 898	3 280	3 301	3 301	3 301	3 307	3 423	3 457
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	172	54	-	-	-	-	-	-
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		10 055	10 888	13 075	-	-	-	13 817	15 199	16 720
Community Facilities		10 055	10 888	13 075	-	-	-	13 817	15 199	16 720

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand	1									
Halls		-	10 888	13 075	-	-	-	13 817	15 199	16 720
Centres		10 055	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-
Parks		-	-	-	-	-	-	-	-	-
Public Open Space		-	-	-	-	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Other assets		3 628	3 567	3 526	16 874	16 874	16 874	3 538	3 538	3 538
Operational Buildings		3 628	3 567	3 526	16 874	16 874	16 874	3 538	3 538	3 538
Municipal Offices		3 628	3 567	3 526	16 874	16 874	16 874	3 538	3 538	3 538
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		-	68	68	-	-	-	-	-	-
Biological or Cultivated Assets		-	68	68	-	-	-	-	-	-
Intangible Assets		431	290	253	294	294	294	271	290	311
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		431	290	253	294	294	294	271	290	311
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		431	290	253	294	294	294	271	290	311
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Computer Equipment		-	22	100	-	-	-	-	-	-
Computer Equipment		-	22	100	-	-	-	-	-	-
Furniture and Office Equipment		2 060	2 067	2 207	2 610	2 610	2 610	2 316	2 547	2 802
Furniture and Office Equipment		2 060	2 067	2 207	2 610	2 610	2 610	2 316	2 547	2 802
Machinery and Equipment		15 524	925	1 314	1 188	1 188	1 188	1 473	1 621	1 783
Machinery and Equipment		15 524	925	1 314	1 188	1 188	1 188	1 473	1 621	1 783
Transport Assets		4 049	6 048	5 071	4 679	4 679	4 679	4 716	5 131	5 587
Transport Assets		4 049	6 048	5 071	4 679	4 679	4 679	4 716	5 131	5 587
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living resources		-	-	-	68	68	68	68	68	68
Mature		-	-	-	68	68	68	68	68	68
Policing and Protection		-	-	-	68	68	68	68	68	68
<i>Zoological plants and animals</i>		-	-	-	-	-	-	-	-	-
<i>Immature</i>		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
<i>Zoological plants and animals</i>		-	-	-	-	-	-	-	-	-
Total Depreciation	1	138 195	147 004	148 321	149 087	149 087	149 087	158 373	167 170	176 506

References

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

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

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		31 980	41 698	38 606	48 758	60 154	60 154	15 850	42 100	39 500
Roads Infrastructure		181	-	-	-	-	-	-	-	-
Roads		181	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		12 258	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		12 258	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		120	7 173	1 600	9 231	9 231	9 231	9 000	18 500	15 000
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		120	7 173	1 600	9 231	9 231	9 231	9 000	18 500	15 000
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		1 873	3 586	6 928	550	550	550	500	500	500
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	1 000	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		1 873	3 586	5 928	550	550	550	500	500	500
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		14 286	30 939	28 219	38 887	50 283	50 283	6 350	23 100	24 000
Pump Station		5 074	23 626	17 291	4 800	11 334	11 334	2 550	10 000	7 000
Reticulation		8 802	4 790	350	800	200	200	600	600	-
Waste Water Treatment Works		410	2 524	10 578	33 287	38 748	38 748	3 200	12 500	17 000
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		3 262	-	1 859	90	90	90	-	-	-
Landfill Sites		1 851	-	-	-	-	-	-	-	-
Waste Transfer Stations		1 412	-	1 859	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	90	90	90	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Community Assets		7 801	-	519	3 902	2 192	2 192	9 900	10 241	7 183
Community Facilities		830	-	319	-	-	-	-	-	-

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand	1									
Halls		-	-	-	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-
Parks		322	-	-	-	-	-	-	-	-
Public Open Space		482	-	-	-	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		26	-	319	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		6 971	-	200	3 902	2 192	2 192	9 900	10 241	7 183
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		6 971	-	200	3 902	2 192	2 192	9 900	10 241	7 183
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Other assets		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Municipal Offices		-	-	-	-	-	-	-	-	-
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand	1									
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		-	-	-	-	-	-	-	-	-
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on upgrading of existing assets	1	39 781	41 698	39 125	52 660	62 346	62 346	25 750	52 341	46 683
Upgrading of Existing Assets as % of total capex		0.0%	21.7%	20.7%	25.1%	29.5%	29.5%	16.9%	38.0%	40.0%
Upgrading of Existing Assets as % of deprechn"		28.8%	28.4%	26.4%	35.3%	41.8%	41.8%	16.3%	31.3%	26.4%

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 expenditure.

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

Vote Description	Ref	2024/25 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Present value
R thousand								
Capital expenditure	1							
Vote 1 - Municipal Council		-	-	-				
Vote 2 - Office of the Municipal Manager		465	-	-				
Vote 3 - Corporate Services		2 965	-	-				
Vote 4 - Financial Services		7 210	-	-				
Vote 5 - Infrastructure Services		137 478	137 910	116 734	123 738	131 162	139 032	147 374
Vote 6 - Public Safety		2 150	-	-				
Vote 7 - Planning and Development		30	-	-				
Vote 8 - Community Services		1 735	-	-				
Vote 9 - Costing Services		-	-	-				
Vote 10 - Main Ledger Services		-	-	-				
Vote 11 - [NAME OF VOTE 11]		-	-	-				
Vote 12 - [NAME OF VOTE 12]		-	-	-				
Vote 13 - [NAME OF VOTE 13]		-	-	-				
Vote 14 - [NAME OF VOTE 14]		-	-	-				
Vote 15 - [NAME OF VOTE 15]		-	-	-				
<i>List entity summary if applicable</i>								
Total Capital Expenditure		152 033	137 910	116 734	123 738	131 162	139 032	147 374
Future operational costs by vote	2							
Vote 1 - Municipal Council		54 329	56 054	59 045	62 588	66 343	70 324	74 543
Vote 2 - Office of the Municipal Manager		25 128	18 885	20 025	21 226	22 500	23 850	25 281
Vote 3 - Corporate Services		69 353	75 155	80 087	84 893	89 986	95 385	101 109
Vote 4 - Financial Services		132 057	148 756	158 245	167 740	177 804	188 472	199 781
Vote 5 - Infrastructure Services		1 073 167	1 139 445	1 229 537	1 303 309	1 381 507	1 464 398	1 552 262
Vote 6 - Public Safety		173 554	184 344	192 352	203 893	216 127	229 094	242 840
Vote 7 - Planning and Development		73 810	67 011	70 946	75 203	79 715	84 498	89 568
Vote 8 - Community Services		190 816	215 425	224 189	237 641	251 899	267 013	283 034
Vote 9 - Costing Services		-	-	-	-	-	-	-
Vote 10 - Main Ledger Services		-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-
<i>List entity summary if applicable</i>								
Total future operational costs		1 792 214	1 905 075	2 034 427	2 156 493	2 285 882	2 423 035	2 568 417
Future revenue by source	3							
Exchange Revenue		134 610	674 952	715 449	758 375	803 878	852 111	903 237
Service charges - Electricity		636 747	674 952	715 449	758 375	803 878	852 111	903 237
Service charges - Water		176 718	187 321	198 560	210 474	223 102	236 488	250 678
Service charges - Waste Water Management		118 479	125 588	133 123	141 110	149 577	158 552	168 065
Service charges - Waste Management		108 946	115 482	122 411	129 756	137 541	145 794	154 541
Agency services		7 103	7 529	7 981	8 460	8 967	9 505	10 076
<i>List other revenues sources if applicable</i>								
<i>List entity summary if applicable</i>								
Total future revenue		1 182 604	1 785 825	1 892 973	2 006 551	2 126 944	2 254 561	2 389 834
Net Financial Implications		761 643	257 160	258 189	273 680	290 101	307 507	325 957

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)

Function	Project Description	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Audited Outcome 2022/23	Current Year 2023/24 Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	
STORMWATER	GANSBAAI CBD SEWER NETWORK EXTENSION	Upgrading	Consolidating the social wage through reliable and que	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Ward 02	19°21'39"E Degrees	34°35'30"S Degrees					2 000	
	FENCING AT SEWERAGE INSTALLATIONS	Upgrading	Consolidating the social wage through reliable and que	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Overstrand	Overstrand	Overstrand			600	600		
	UPGRADING OF PUMPSTATIONS & RISING MAINS	Upgrading	Consolidating the social wage through reliable and que	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Overstrand	Overstrand	Overstrand			2 550	10 000	7 000	
	HERMANUS WWTW UPGRADE SCREENS RAS SLUDGE DEWATERING	Replacement	Consolidating the social wage through reliable and que	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Multi-ward Hermanus Area	19.209° E Degrees	34.427° S Degrees			3 200	1 500		
	HAWSTON WWTW REFURBISH AND UPGRADE(F1/2)	Upgrading	Consolidating the social wage through reliable and que	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Ward 08	34°23'09.91"S Degrees	19°07'56.01"E Degrees				7 000	17 000	
	HAWSTON WWTW REFURBISH AND UPGRADE(F2/2)	Upgrading	Consolidating the social wage through reliable and que	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Ward 08	34°23'09.91"S Degrees	19°07'56.01"E Degrees				4 000		
	TELEMETRY SYSTEM UPGRADE-SEWERAGE	Upgrading	Consolidating the social wage through reliable and que	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Overstrand	Overstrand	Overstrand			500	200	200	
	NEW DISINFECTION SYSTEMS AT WASTEWATER TREATMENT	Upgrading	Consolidating the social wage through reliable and que	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Overstrand	Overstrand	Overstrand			8 000	1 000		
	VEHICLES-STORMWATER	New	Consolidating the social wage through reliable and que	Inclusion and access	2	Transport Assets	Other	Overstrand	Overstrand	Overstrand		1 113	7 420			
	UPGRADE/NEW STORMWATER INFRASTRUCTURE	Upgrading	Consolidating the social wage through reliable and que	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 10	34°20'07.1"S Degrees	18°59'47.1"E Degrees				500		
WASTE MANAGEMENT	STORMWATER SYSTEM UPGRADE	Upgrading	Consolidating the social wage through reliable and que	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 08	34°23'09.91"S Degrees	19°07'56.01"E Degrees				2 000		
	UPGRADE STORMWATER INFRASTRUCTURE- PROTEADORP, MOU	Upgrading	Consolidating the social wage through reliable and que	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 09	34°20'37.0"S Degrees	19°00'46.8"E Degrees				6 963		
	UPGRADING OF KLEINMOND TRANSFER STATION	Upgrading	Consolidating the social wage through reliable and que	Inclusion and access	2	Solid Waste Infrastructure	Waste Transfer Stations	Multi-ward Kleinmond Area	34°20'18.35"S Degrees	19°01'35.31"E Degrees		5 637	595		500	
	TROMMEL SCREEN FOR GANSBAAI LANDFILL	New	Consolidating the social wage through reliable and que	Inclusion and access	2	Solid Waste Infrastructure	Landfill Sites	Multi-ward Gansbaai b Area	19.395° E / -34.592° S	19.395° E / -34.592° S				4 000	3 000	
	GANSBAAI LANDFILL WEIGHBRIDGE NEW REPLACEMENT DECK	New	Consolidating the social wage through reliable and que	Inclusion and access	2	Solid Waste Infrastructure	Waste Drop-off Points	Multi-ward Gansbaai b Area	19.395° E / -34.592° S	19.395° E / -34.592° S					840	
	REFURBISHMENT OF HERMANUS TRANSFER STATION(F1/2)	Renewal	Consolidating the social wage through reliable and que	Inclusion and access	2	Solid Waste Infrastructure	Waste Transfer Stations	Ward 03	19.209° E Degrees	34.427° S Degrees				400		
	REFURBISHMENT OF HERMANUS TRANSFER STATION(F2/2)	Renewal	Consolidating the social wage through reliable and que	Inclusion and access	2	Solid Waste Infrastructure	Waste Transfer Stations	Ward 03	19.209° E Degrees	34.427° S Degrees				105		
	GENERATOR FOR HERMANUS MRF	New	Consolidating the social wage through reliable and que	Inclusion and access	2	Solid Waste Infrastructure	Waste Transfer Stations	Multi-ward Hermanus area	34°25'16.83"S Degrees	19°13'00.62"E Degrees				490		
	LARGE UPS FOR WEIGHBRIDGE/IF NO GENERATOR INSTALLED AT VEHICLES-WASTE MANAGEMENT	New	Consolidating the social wage through reliable and que	Inclusion and access	2	Solid Waste Infrastructure	Waste Transfer Stations	Multi-ward Hermanus area	34°25'16.83"S Degrees	19°13'00.62"E Degrees				60		
	VEHICLES-WASTE MANAGEMENT	New	Consolidating the social wage through reliable and que	Inclusion and access	2	Transport Assets	Other	Overstrand	Overstrand	Overstrand				1 500		
Parent Capital expenditure											189 321	211 644	152 033	137 910	116 734	
Entities: List all capital projects grouped by Entity																
Entity A Water project A																
Entity B Electricity project B																
Entity Capital expenditure																
Total Capital expenditure											189 321	211 644	152 033	137 910	116 734	

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 191(b) and MRRR Regulation 13
- Project Number consists of MSCOA Project Longitude and seq No (sample PC001002006002_00002)

check 0 - - - -

WC032 Overstrand - Supporting Table SA37 Projects delayed from previous financial year/s

R thousand	Function	Project name	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Previous target year to complete	Current Year 2023/24		2024/25 Medium Term Revenue & Expenditure Framework			
													Original Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	
Parent municipality: <i>List all capital projects grouped by Function</i>																		
	WASTE MANAGEMENT	REFURBISHMENT OF HERMANUS TRANSFER STATION(F12) REFURBISHMENT OF HERMANUS TRANSFER STATION(F22)	Renewal Renewal	Consolidating the social wage through reliable and quality basic services Consolidating the social wage through reliable and quality basic services	Inclusion and access Inclusion and access	2 2	Solid Waste Infrastructure Solid Waste Infrastructure	Waste Transfer Stations Waste Transfer Stations	Ward 03 Ward 03	19.209° E Degrees 19.209° E Degrees	34.427° S Degrees 34.427° S Degrees		400	105	400	105		
Entities: <i>List all capital projects grouped by Entity</i>																		
	Entity Name <i>Project name</i>																	

References
 List all projects with planned completion dates in current year that have been re-budgeted in the MTRF
 Asset class as per table A9 and asset sub-class as per table SA34
 GPS coordinates correct to seconds. Provide a logical starting point on networked infrastructure.
 Project Number consists of MSCOA Project Longcode and seq No (sample PC001002006002_00002)

WC032 Overstrand - Supporting Table SA38 Consolidated detailed operational projects

Municipal Vote/Operational project	Ref	Program/Project description	2024/25 Medium Term Revenue & Expenditure Framework		
			Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand	4				
Parent municipality:					
<i>List all operational projects grouped by Municipal Vote</i>					
Vote 1 - Municipal Council		Municipal Running Cost	54 306	56 030	59 020
		Typical Work Streams	23	24	26
Vote 2 - Office of the Municipal Manager		Municipal Running Cost	18 681	18 836	19 975
		Repairs & Maintenance	36	36	36
		Typical Work Streams	12	13	13
Vote 3 - Corporate Services		Municipal Running Cost	58 132	60 059	63 837
		Repairs & Maintenance	11 817	12 726	13 879
		Typical Work Streams	2 369	2 370	2 372
Vote 4 - Financial Services		Municipal Running Cost	104 465	109 239	116 634
		Repairs & Maintenance	20 267	21 384	22 569
		Typical Work Streams	17 255	18 133	19 042
Vote 5 - Infrastructure Services		Municipal Running Cost	1 021 808	1 113 683	1 213 277
		Repairs & Maintenance	98 568	113 657	119 312
		Typical Work Streams	87 553	50 014	13 682
Vote 6 - Public Safety		Municipal Running Cost	148 257	154 967	164 419
		Repairs & Maintenance	8 357	8 877	6 719
		Typical Work Streams	19 089	20 501	21 214
Vote 7 - Planning and Development		Municipal Running Cost	55 839	57 874	61 565
		Repairs & Maintenance	9 712	2 572	2 674
		Typical Work Streams	8 288	6 566	6 708

Municipal Vote/Operational project R thousand	Ref	Program/Project description	2024/25 Medium Term Revenue & Expenditure Framework		
			Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Vote 8 - Community Services	4				
		Municipal Running Cost	140 166	149 950	160 900
		Repairs & Maintenance	33 882	39 283	36 099
		Typical Work Streams	25 364	26 192	27 190
Parent operational expenditure	1		1 944 247	2 042 985	2 151 161
Entities: <i>List all operational projects grouped by Entity</i>					
Entity A Water project A					
Entity B Electricity project B					
Entity Operational expenditure			-	-	-
Total Operational expenditure			1 944 247	2 042 985	2 151 161

References

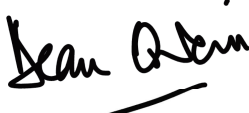
1. Must reconcile with Budgeted Operating Expenditure
2. As per Table SA5

Municipal manager's quality certificate

I, DGI O'NEILL, the municipal manager of **Overstrand Municipality**, hereby certify that the **Draft Budget** and supporting documentation for the **2024/2025 MTREF** has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name: DGI O'NEILL

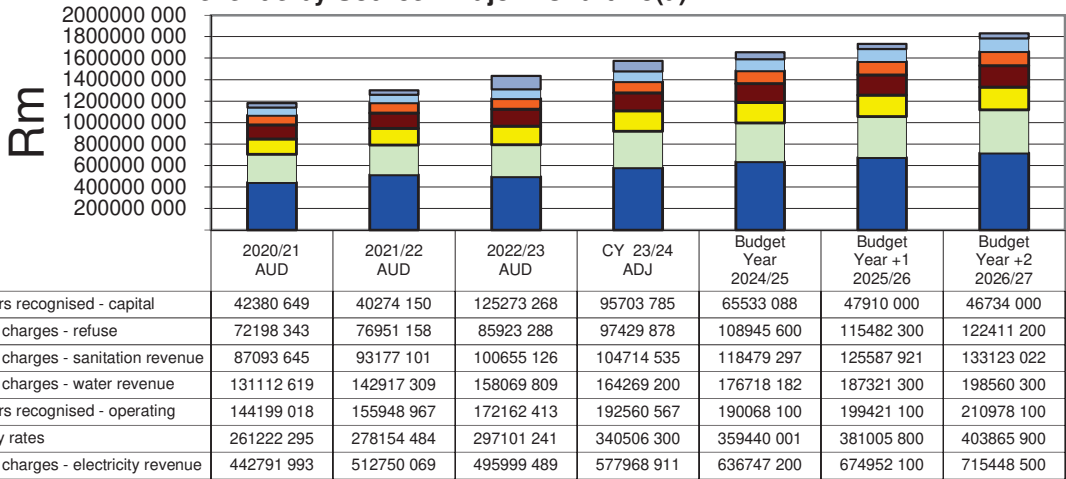
Municipal Manager of **Overstrand Municipality (WC032)**

Signature:  _____

Date: 27 March 2024

OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2020/2021 BUDGET

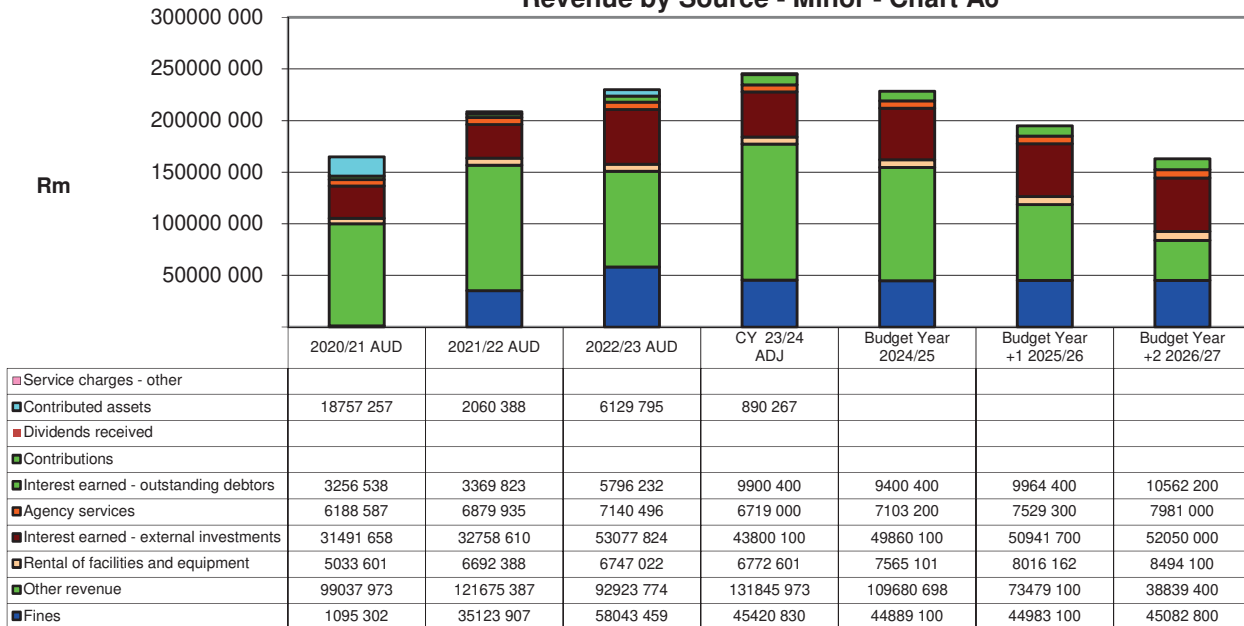
Revenue by Source - Major - Chart A5(a)



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

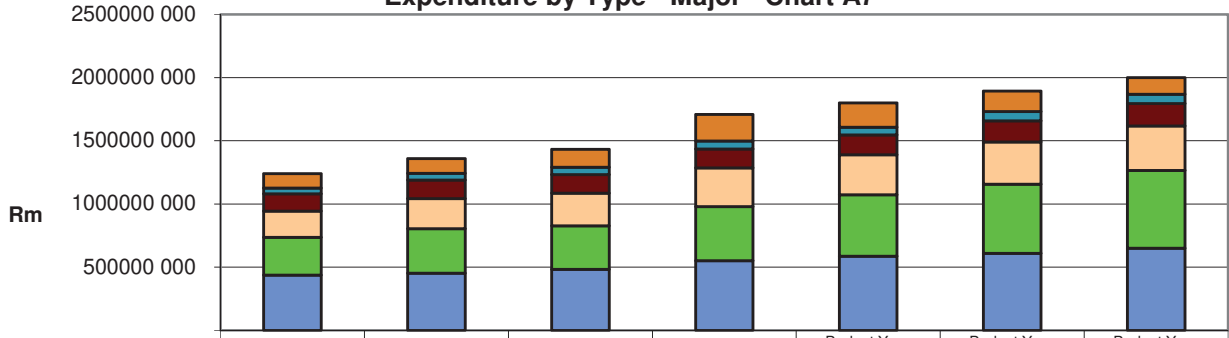


Revenue by Source - Minor - Chart A6



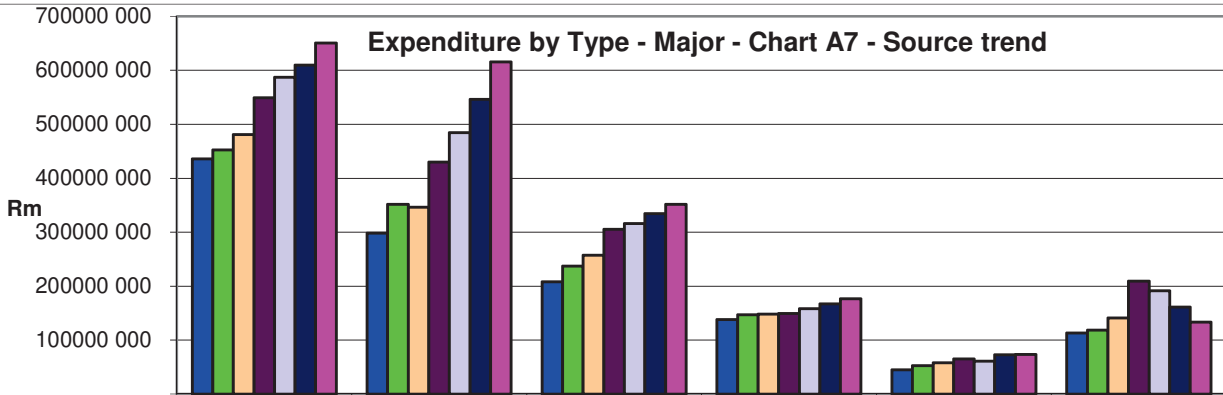
OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2020/2021 BUDGET

Expenditure by Type - Major - Chart A7



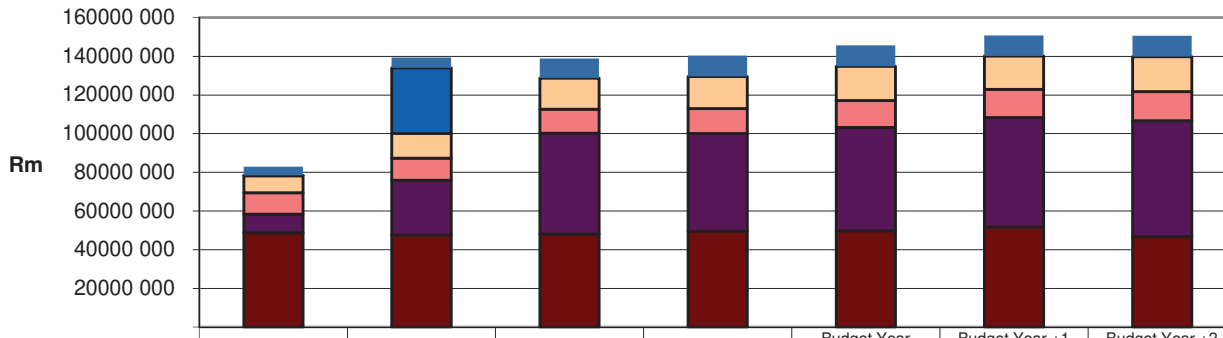
	2020/21 AUD	2021/22 AUD	2022/23 AUD	CY 23/24 ADJ	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Other expenditure	113303 885	118447 240	141156 778	209257 858	191420 536	161334 936	133113 395
Other materials	45042 130	52657 610	58220 300	65360 255	61091 548	73042 749	73523 955
Depreciation & asset impairment	138195 018	147003 690	148320 576	149154 404	158441 156	167237 328	176574 087
Contracted services	208095 279	237081 494	257087 508	305174 046	316047 669	334743 363	351451 256
Bulk purchases	298272 081	351600 047	346417 577	429805 282	484476 513	546101 926	615566 091
Employee related costs	436029 247	452651 328	480938 912	549390 147	587184 839	609764 849	650443 228

Expenditure by Type - Major - Chart A7 - Source trend



	Employee related costs	Bulk purchases	Contracted services	Depreciation & asset impairment	Other materials	Other expenditure
2020/21 AUD	436029 247	298272 081	208095 279	138195 018	45042 130	113303 885
2021/22 AUD	452651 328	351600 047	237081 494	147003 690	52657 610	118447 240
2022/23 AUD	480938 912	346417 577	257087 508	148320 576	58220 300	141156 778
CY 23/24 ADJ	549390 147	429805 282	305174 046	149154 404	65360 255	209257 858
Budget Year 2024/25	587184 839	484476 513	316047 669	158441 156	61091 548	191420 536
Budget Year +1 2025/26	609764 849	546101 926	334743 363	167237 328	73042 749	161334 936
Budget Year +2 2026/27	650443 228	615566 091	351451 256	176574 087	73523 955	133113 395

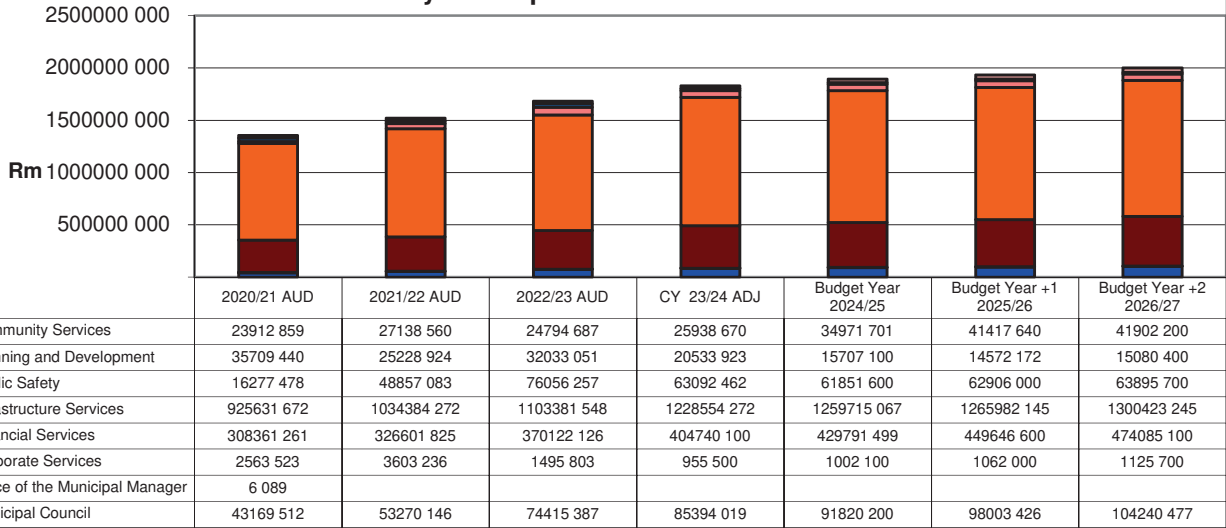
Expenditure by Type - Minor - Chart A7



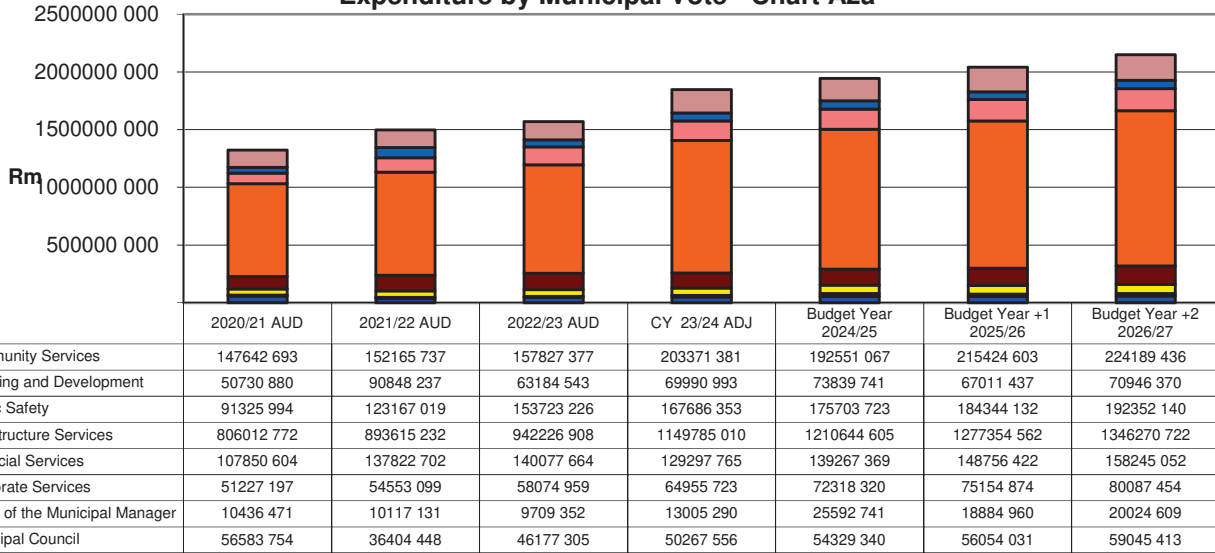
	2020/21 AUD	2021/22 AUD	2022/23 AUD	CY 23/24 ADJ	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Irrecoverable debts written off	4558 929	5258 456	10206 090	10709 492	10709 492	10709 492	10709 492
Loss on disposal of PPE	144 396	33872 951					
Grants and subsidies	8651 210	12750 215	16086 449	16580 200	17754 895	17154 000	17993 000
Remuneration of councillors	11218 781	11538 491	12314 714	12898 325	13911 673	14488 329	15085 759
Debt impairment	9494 180	28248 033	52100 171	50372 062	53394 385	56598 049	59993 933
Finance charges	48805 228	47584 050	48152 260	49658 000	49814 200	51810 000	46707 000

OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2020/2021 BUDGET

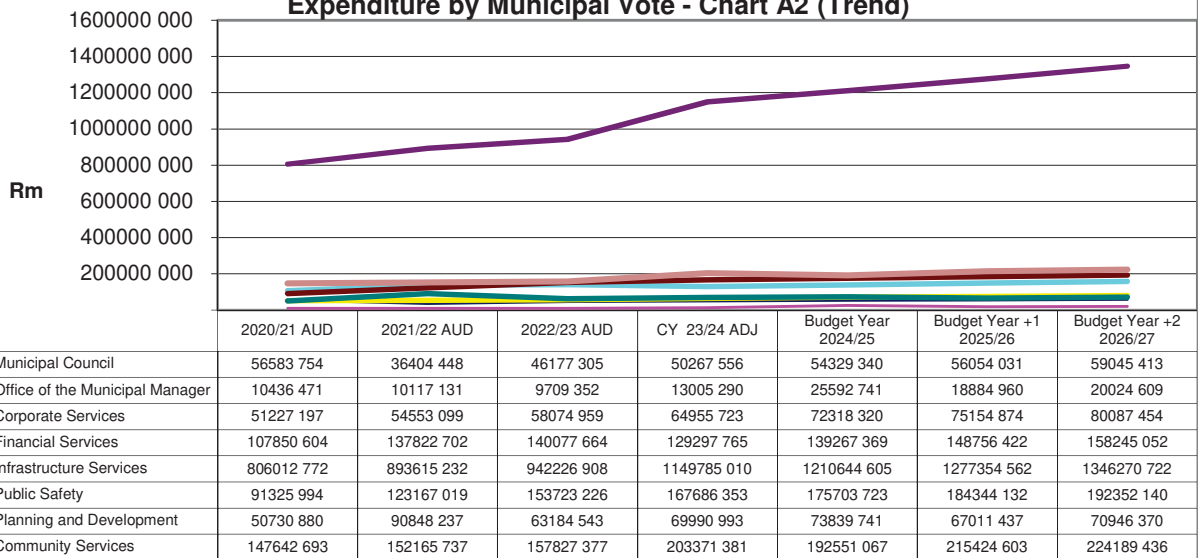
Revenue by Municipal Vote classification - Chart A1



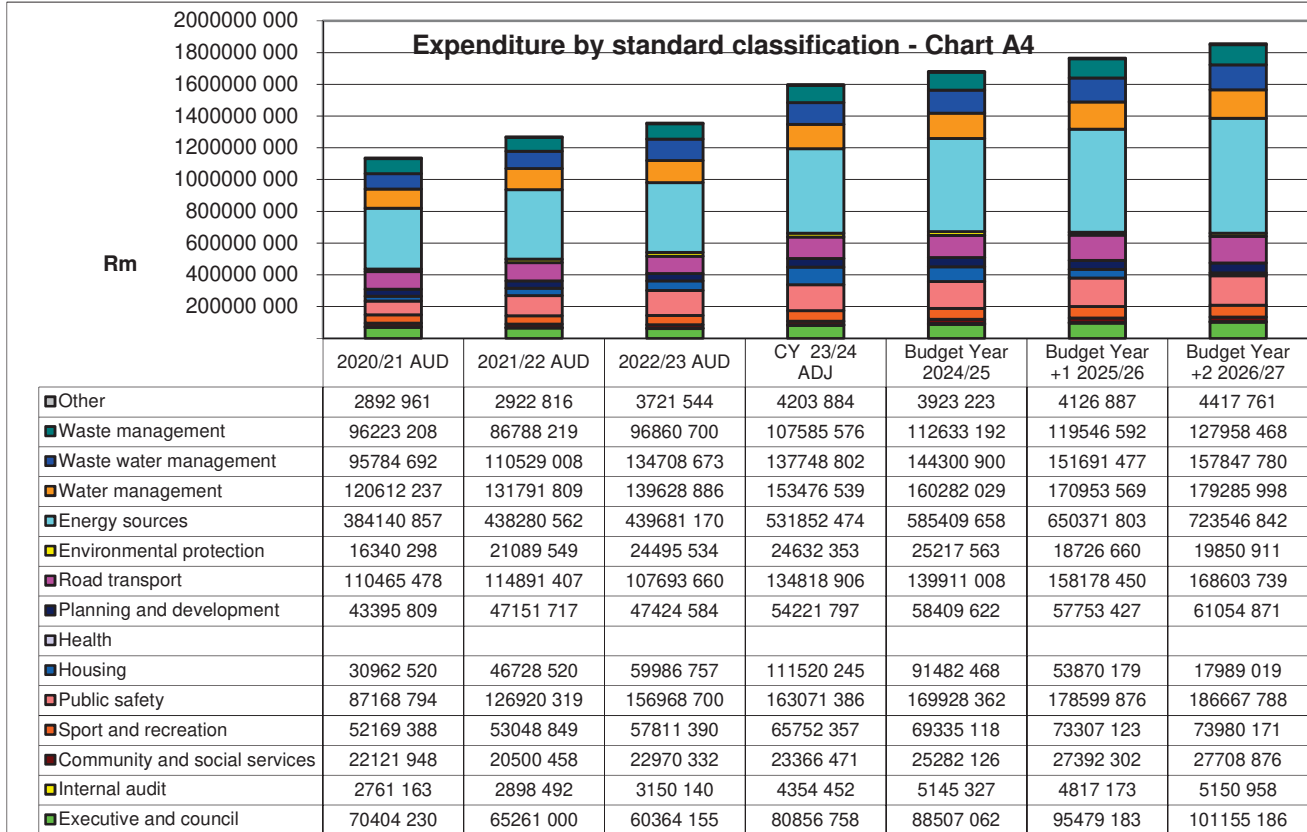
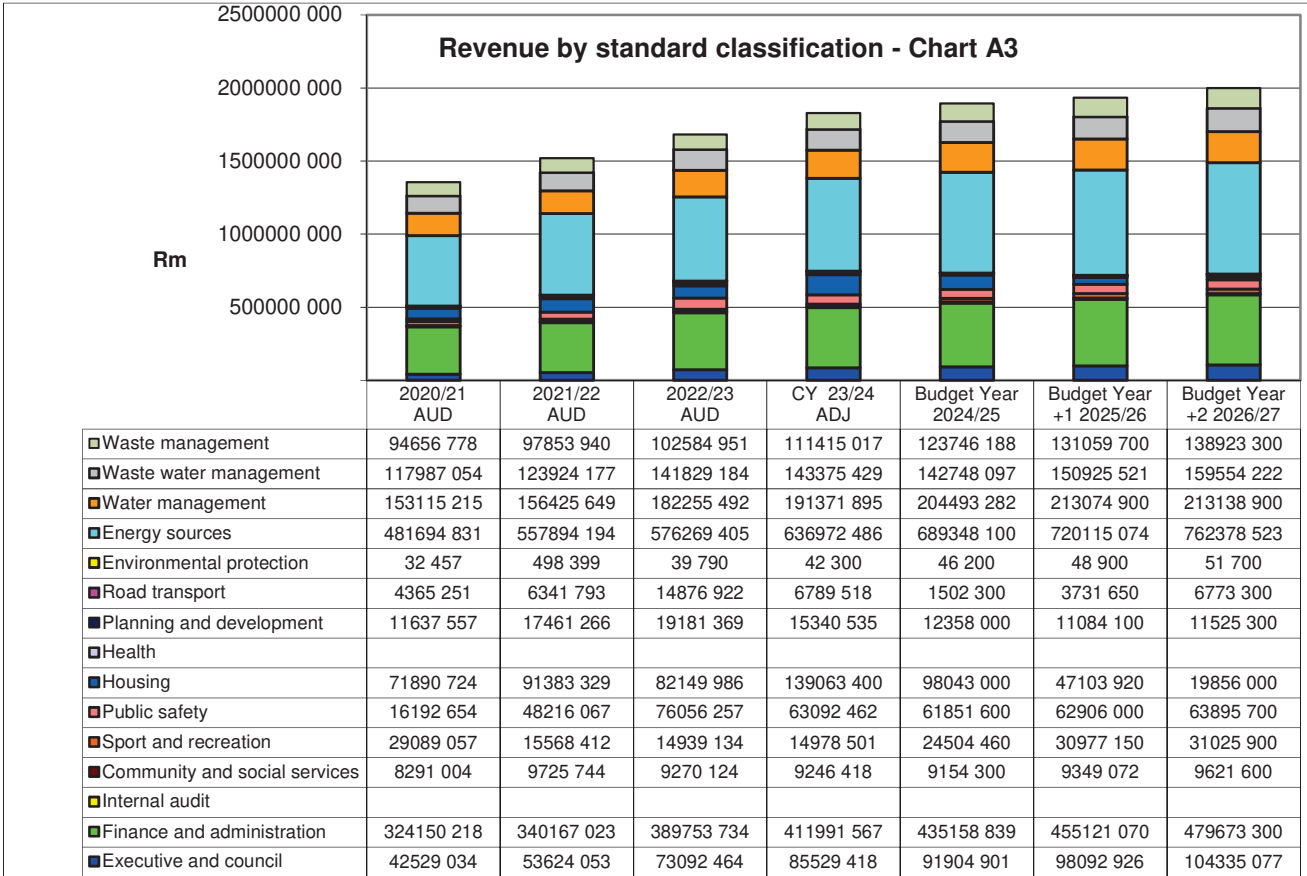
Expenditure by Municipal Vote - Chart A2a



Expenditure by Municipal Vote - Chart A2 (Trend)

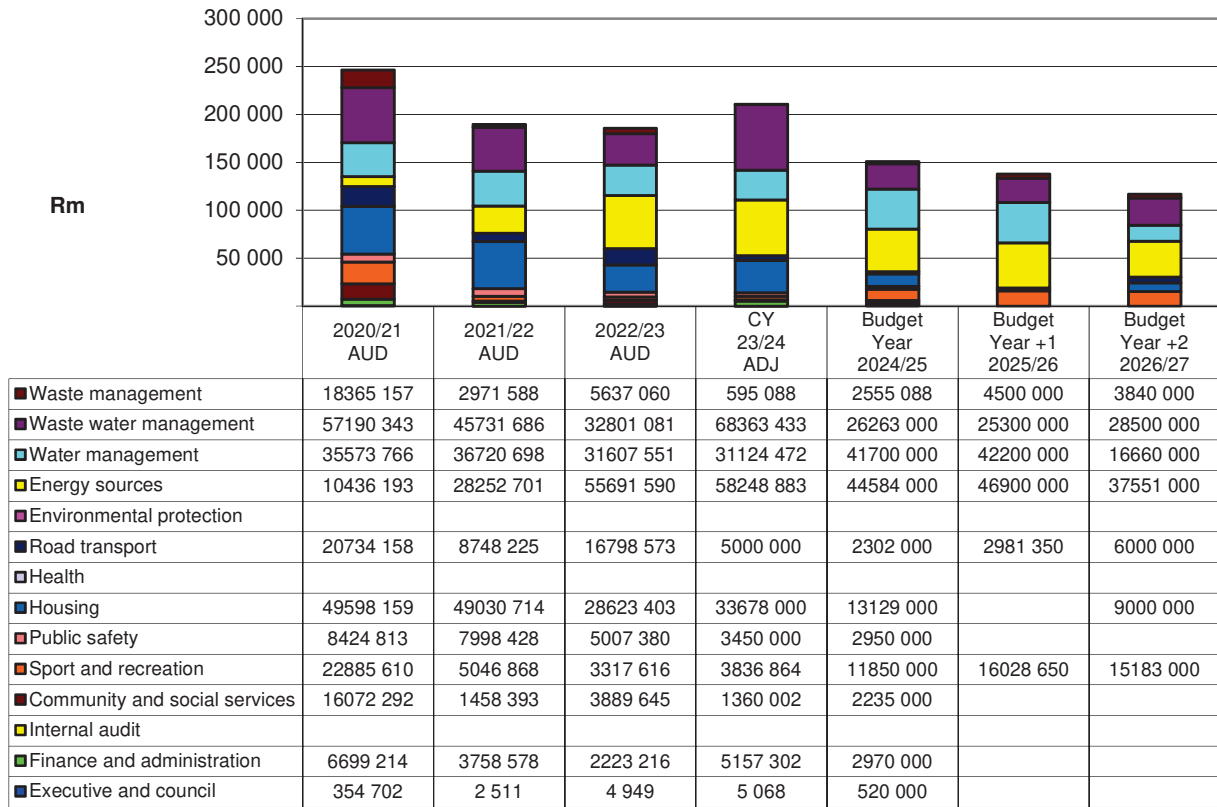


OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2020/2021 BUDGET

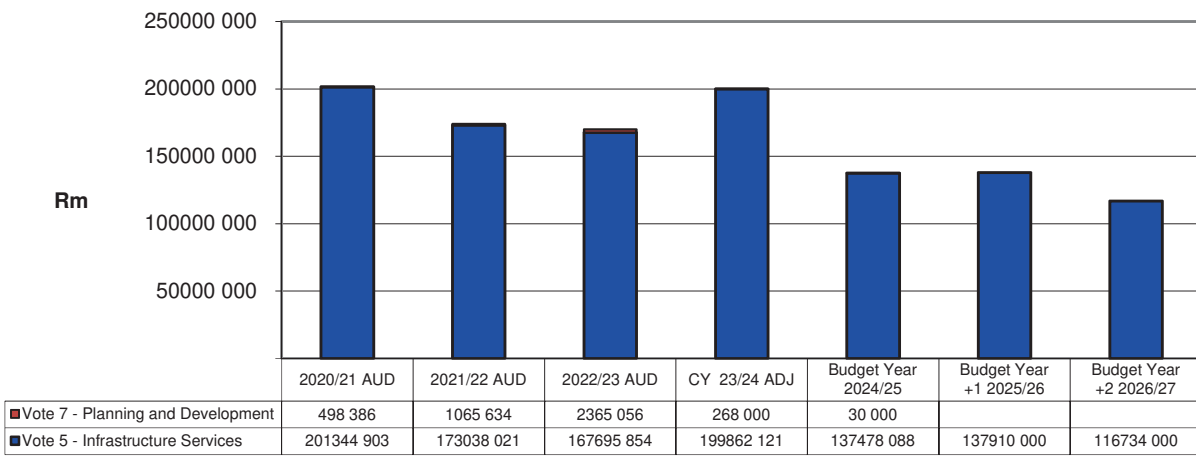


OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2017/2018 BUDGET

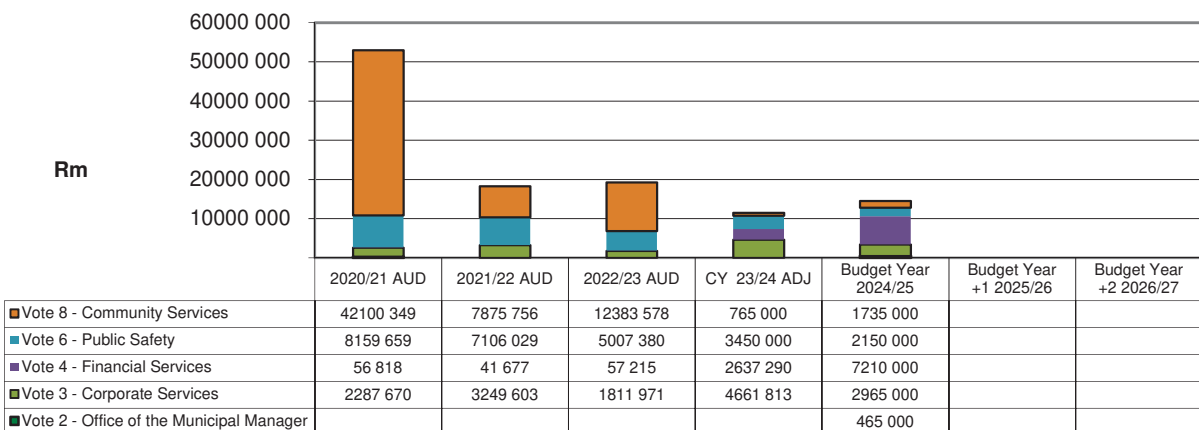
Capital expenditure by Standard Classification - Chart A11



Capital expenditure by Municipal Vote (Major) - Chart A9



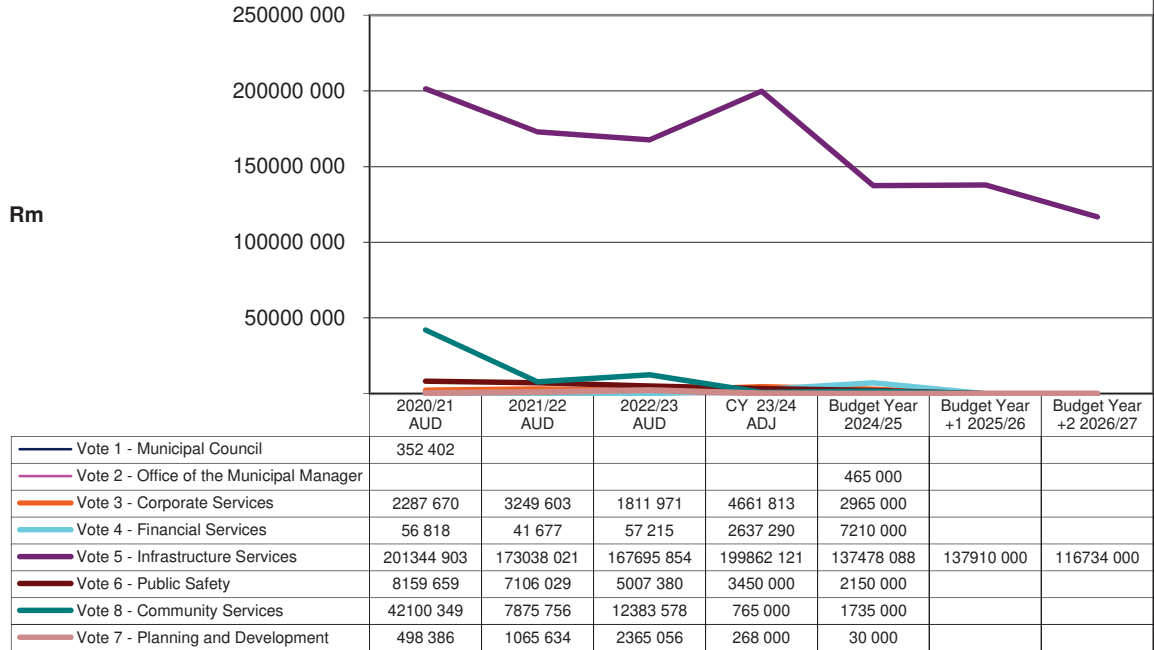
Capital expenditure by Municipal Vote (Minor) - Chart A10



OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2017/2018 BUDGET

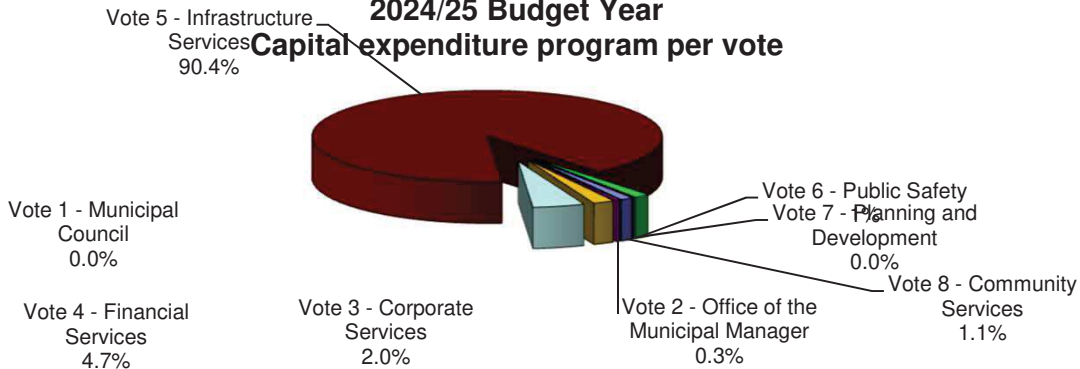
■ Vote 1 - Municipal Council	352 402					
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Capital expenditure by Municipal Vote (Trend) - Chart A12



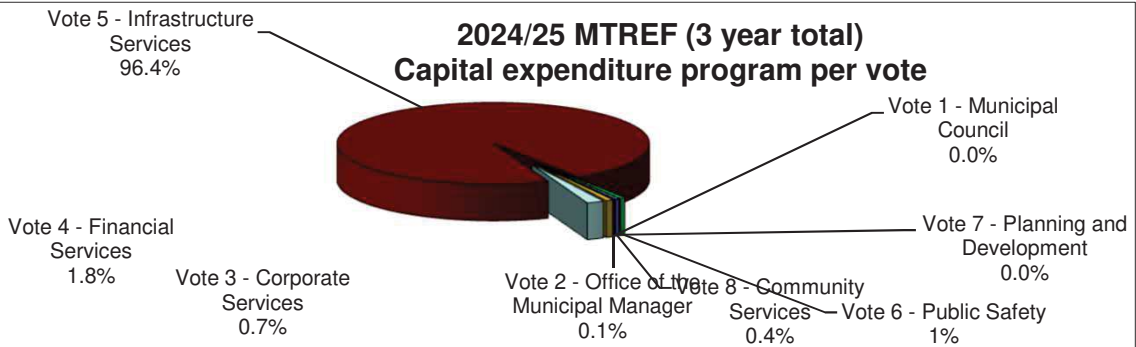
2024/25 Budget Year

Capital expenditure program per vote

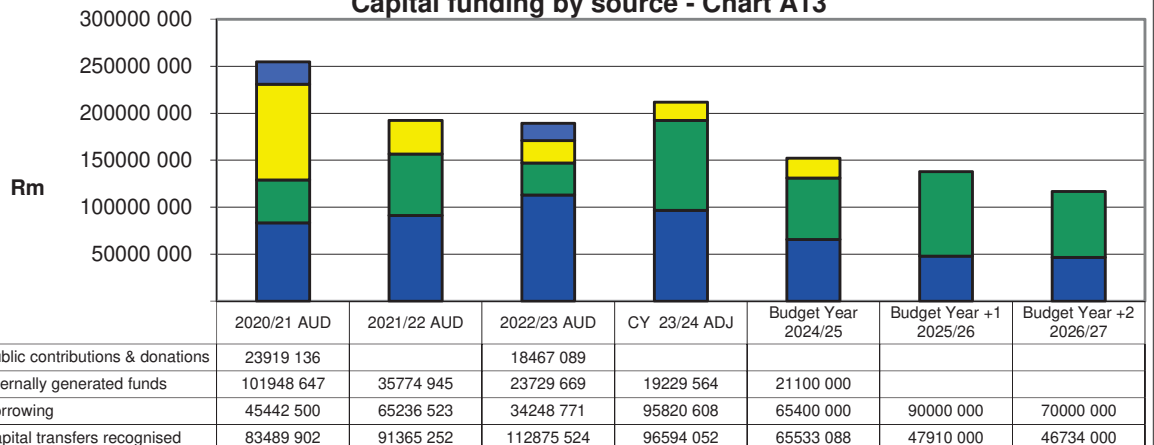


2024/25 MTREF (3 year total)

Capital expenditure program per vote

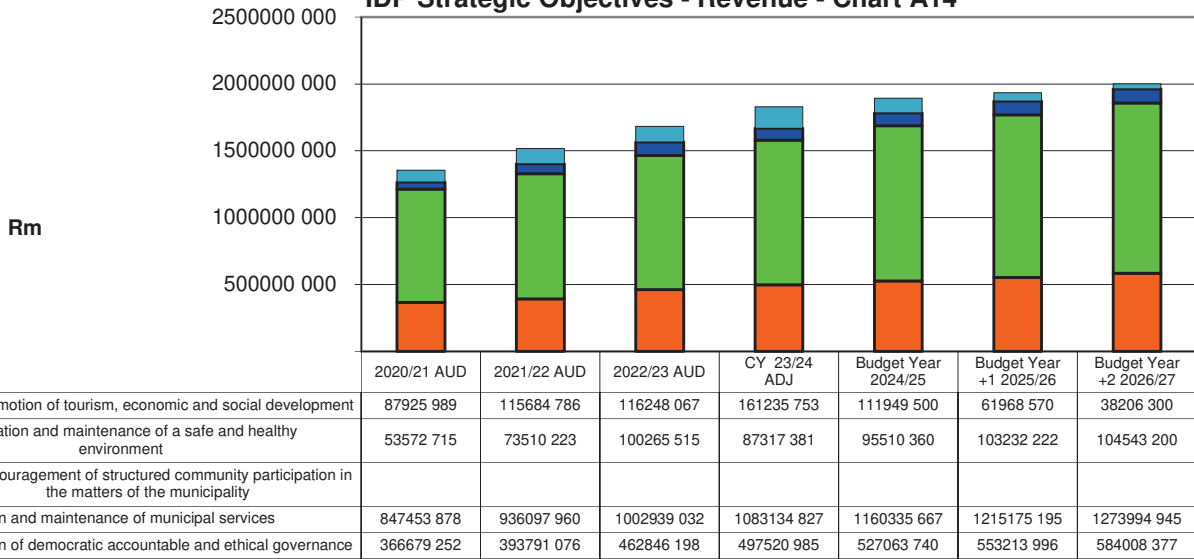


Capital funding by source - Chart A13

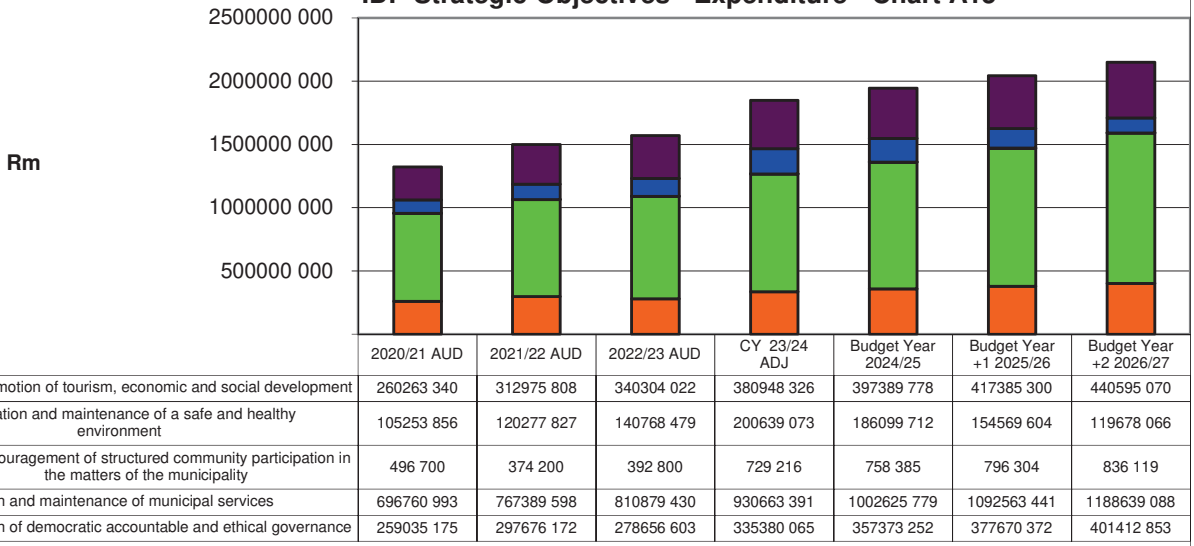


OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2017/2018 BUDGET

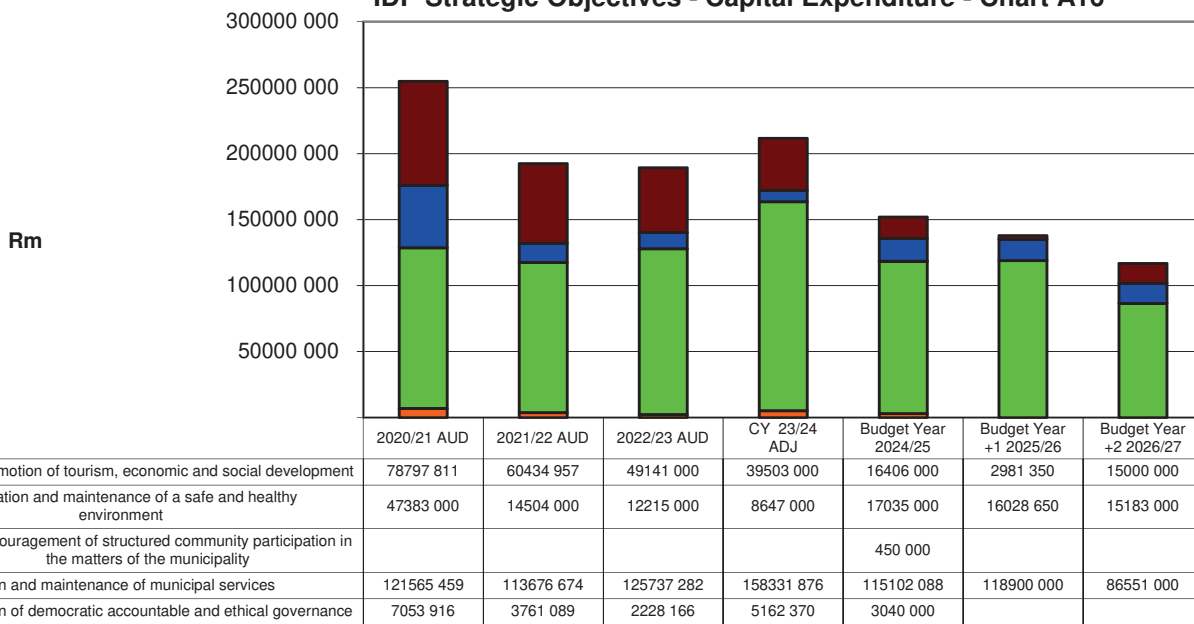
IDP Strategic Objectives - Revenue - Chart A14



IDP Strategic Objectives - Expenditure - Chart A15

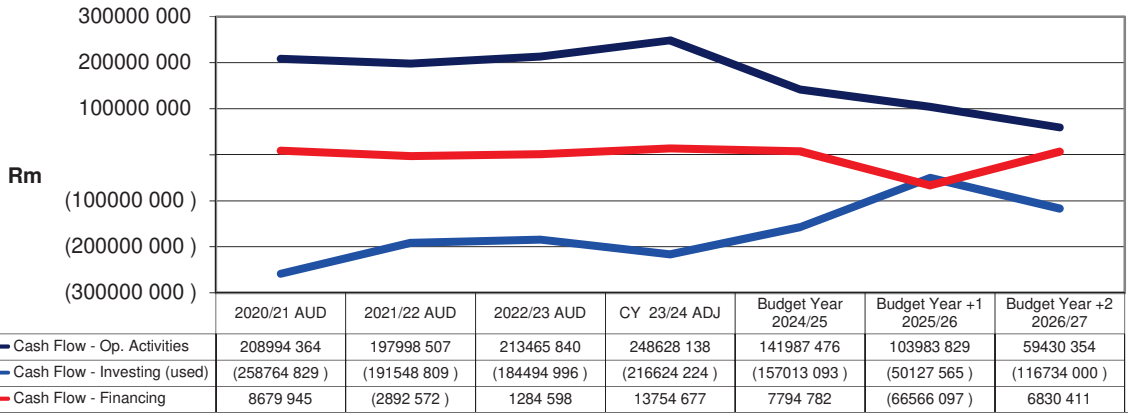


IDP Strategic Objectives - Capital Expenditure - Chart A16

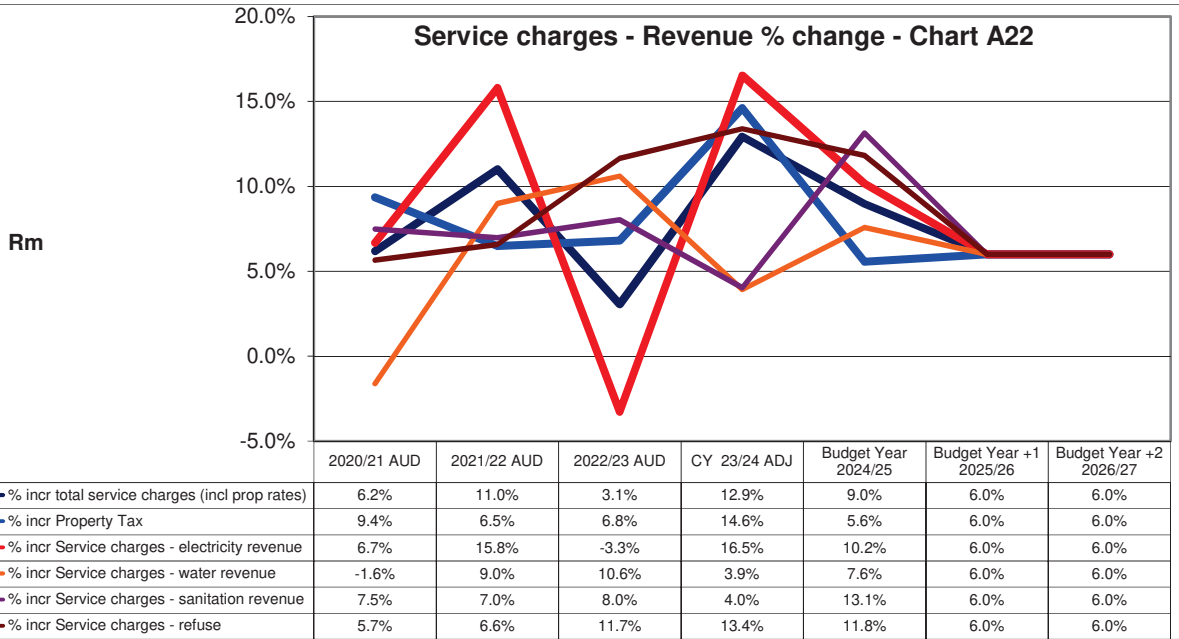


OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2017/2018 BUDGET

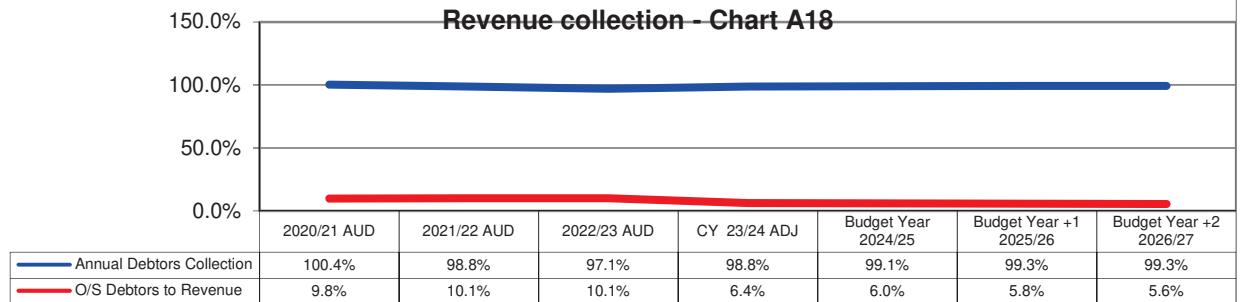
Cash flow trend - Chart A23



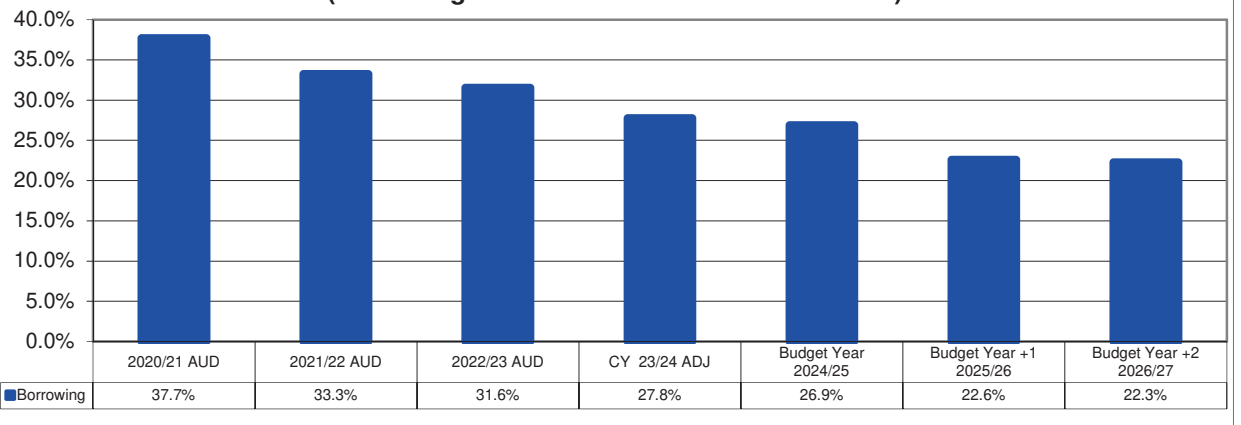
Service charges - Revenue % change - Chart A22



Revenue collection - Chart A18

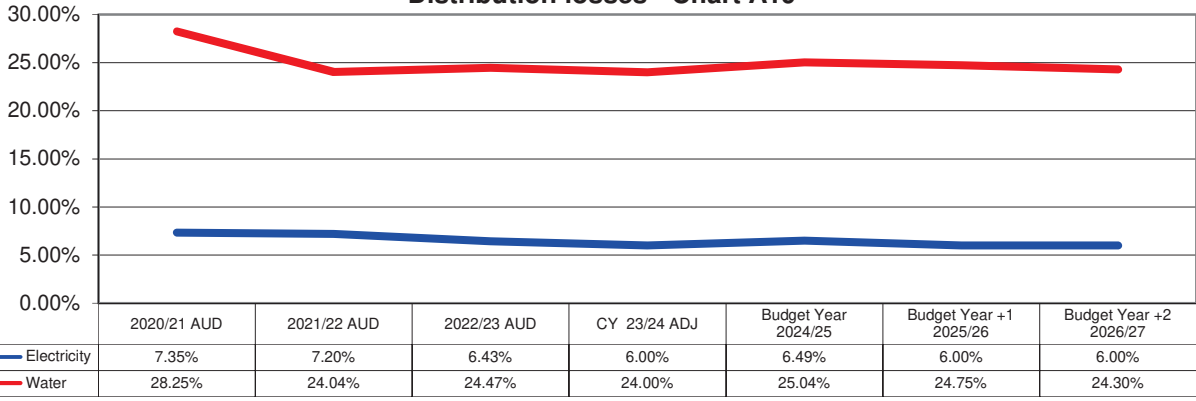


Debt (borrowing as a % of total revenue collection) - Chart A17

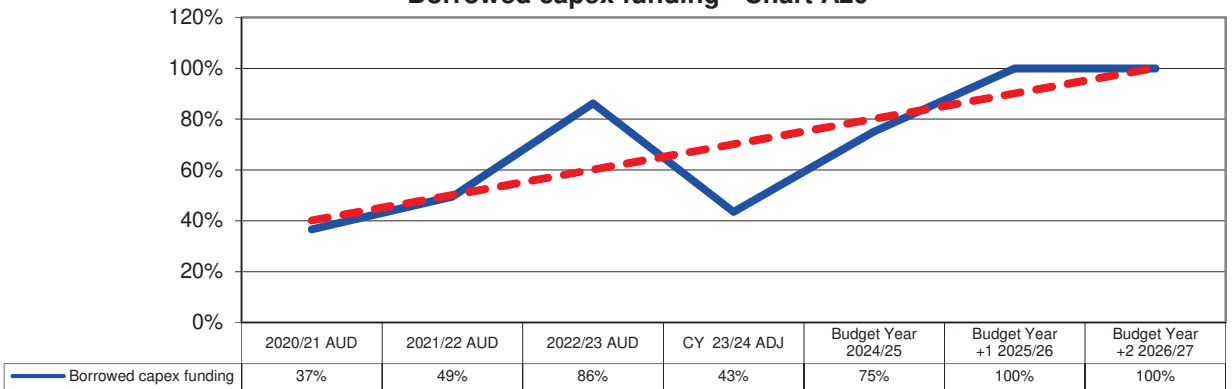


OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2017/2018 BUDGET

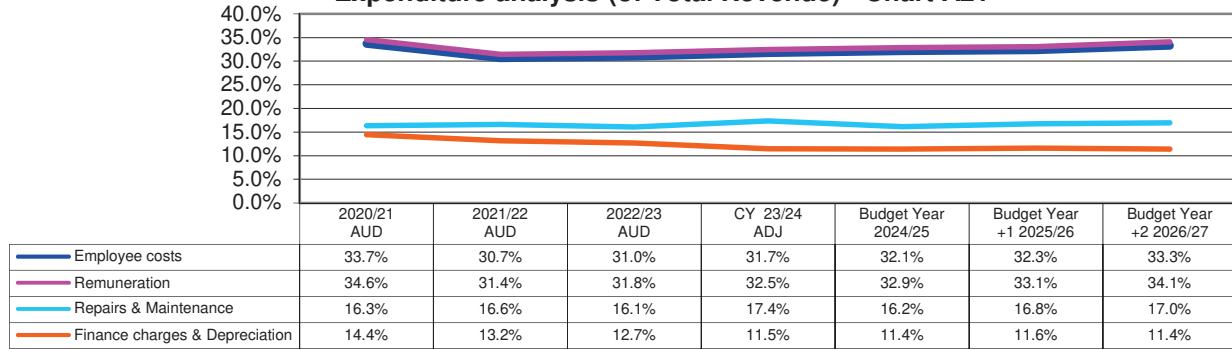
Distribution losses - Chart A19



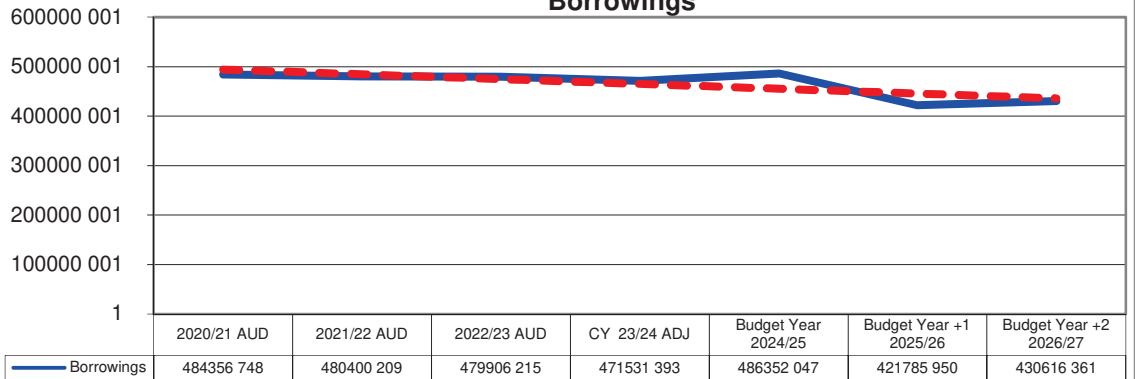
Borrowed capex funding - Chart A20



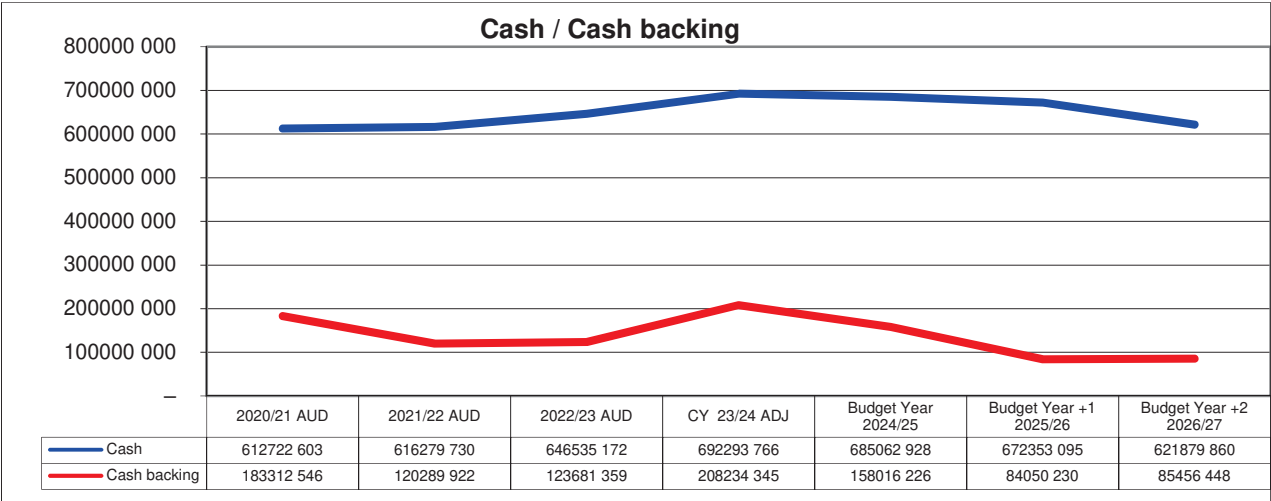
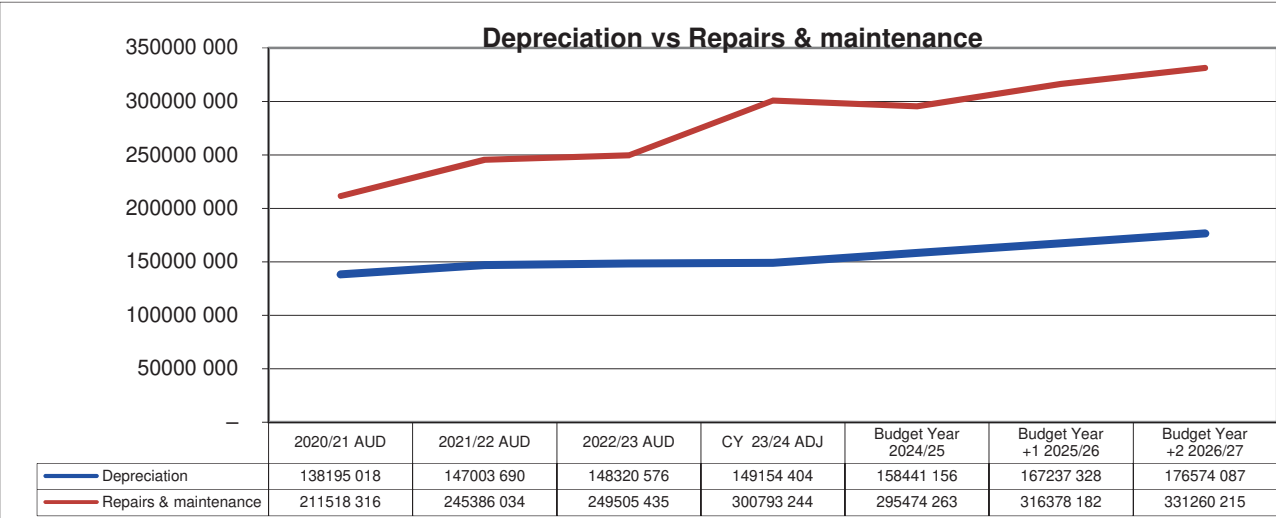
Expenditure analysis (of Total Revenue) - Chart A21



Borrowings



OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2017/2018 BUDGET



ANNEXURE C

RATES AND TARIFFS

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025

RATES TARIFFS

Tariff Code	Detail	2024/2025		2023/2024		
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
		R	R	R	R	
RATES	YEAR OF GENERAL VALUATION: 02 JULY 2022					
RATE1*	Commercial Land with Improvements	0.007957	0.007957	0.007368	0.007368	8.00%
RATE2*	Residential Land with Improvements <i>* See attached schedule of Exemptions and Rebates applicable</i>	0.004547	0.004547	0.004210	0.004210	8.00%
RATE3	Municipal Properties: Investment Properties	Applicable tariff for Commercial or Residential	Applicable tariff for Commercial or Residential	Applicable tariff for Commercial or Residential	Applicable tariff for Commercial or Residential	
RATE4	Municipal Properties: Property, Plant and Equipment	0.000000	0.000000	0.000000	0.000000	
RATE6	Building Clause	Equals to tariff for rates on property	Equals to tariff for rates on property	Equals to tariff for rates on property	Equals to tariff for rates on property	
RATE7	Farm/Agriculture (Bona-fide)	0.001137	0.001137	0.001053	0.001053	8.00%
RATE8	Undeveloped erven	0.006820	0.006820	0.006315	0.006315	8.00%
	Special Rating Areas					
RAT11	HSRA (Hermandus)	0.000440	0.000440	0.000423	0.000423	4.00%
RAT12	KSRA (Kleinmond)	0.000346	0.000346	0.000333	0.000333	4.00%
RAT13	OVSRA (Onrus-Vermont)	0.000240	0.000240	0.000231	0.000231	4.00%
PLEASE NOTE: VAT IS LEVIED AT A RATE OF 0% ON ASSESSMENT RATES						

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025

ATTACHMENTS TO THE RATES TARIFF SCHEDULE

TARIFF CODE	CLASS TAX	TYPE OF PROPERTY	REBATE OR EXEMPTIONS
BUS	General Tax: Commercial	All business, industries, Bed and Breakfast and Guest Houses	NO exemptions Bed and Breakfast as well as Guesthouses can apply before 30 June for the following rebate on the <u>difference between Bus and Res rate</u> : 3 X lettable room : 75% 4 X lettable room : 50% 5 X lettable room : 25%
BUSO	General Tax: Tourism and Recreational Resorts outside the municipal service areas	Hotels, Guest Houses, Cottages, Caravan Parks and Holiday Resorts, Chalets	50% rebate on the tax applicable on commercial property in urban areas
RES	General Tax: Residential properties within the municipal service areas	Single residential properties, Group housing, Retirement villages, Flats, Sectional schemes, Small holdings not used for bona fide farming purposes	The first R15 000.00 of the rateable value of all residential properties is exempted from property tax as per the Municipal Property Rates Act, Section 17 (1) h A further R35 000.00 of the rateable value is exempted in respect of all residential properties where a residential completion certificate has been issued An Additional rebate of 20% of the levy calculated on such properties is granted Rebate to qualifying property owners as indicated under "Other Retabe" No property rates are applicable on property R300 000 or less
RESO	General Tax: Residential properties outside the municipal service area	Single residential properties, Group housing, Retirement villages, Flats, Sectional schemes	50% of the tax applicable on residential property in urban areas Rebate to qualifying property owners as indicated under "Other Retabe"
FARMS	General Tax: Farming properties	Small holdings used for bona fide farming purposes outside municipal service area	Agricultural purpose in relation to the use of a property, excludes the use of the property for the purpose of ecotourism or for the trading in or hunting game
FARMS	Conservation land	Privately owned properties whether designated or used for conservation purposes	Not rateable in terms of section 17(1)(e) of the Municipal Property Rates Act
	Other Rebates	Single residential properties, Group housing, Retirement villages, Flats, Sectional schemes	- Property zoned single residential must be occupied permanently by the applicant; - The applicant must be the registered owner; - Applicant may not be the registered owner of more than one property
PR100			* A rebate of 100% to approved applicant in terms of the Property Rates Policy, who are older than 60, who's gross monthly household income may not exceed the amount of two times (2X) of state funded social pensions per month
PR070			* A rebate of 70% to approved applicants, in terms of the Property Rates Policy who are older than 60 with a gross monthly household income less than four times (4X) of state funded social pensions per month
PR040			* A rebate of 40% to approved applicants, in terms of the Property Rates Policy who are older than 60 with a gross monthly household income more than four times (4X) but less than eight times (8X) of state funded social pensions per month

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025

EXEMPTIONS FROM PROPERTY RATES (Rates Policy)

Religious organisations	A property registered in the name of and used primarily as a place of public worship by a religious organization/community, including an official residence registered in the name of that organization/community which is occupied by an office bearer who officiates at services at that place of worship in terms of section 17(1)(i) of the MPRA
Health and welfare institutions	Properties used exclusively as a hospital, clinic, mental hospital, orphanage, non-profit retirement village, old age home or benevolent institution, including workshops used by the inmates, laundry or cafeteria facilities, provided that any profits from the use of the property are used entirely for the benefit of the institution and/or to charitable purposes within the boundaries of Overstrand Municipality
Private schools and Educational Institutions	Property used by registered private schools for educational purposes only
Charitable institutions	Properties belonging to not-for-gain institutions or organizations that perform charitable work
Sporting bodies	Property used by an organization whose sole purpose is to use the property for sporting purposes, for gain or not. Assistance to professional sporting organizations may differ from that afforded to amateur bodies. The rebate will be award at the sole discretion of council on an annual basis.
Cutural institutions	Properties declared in terms of the Cultural Institutions Act, Act 29 of 1969 or the Cultural Institutions Act, Act 66 of 1989.
Museums, libraries, art galleries and botanical gardens	Registered in the name of private persons, open to the public and not operated for gain.
Youth development organisations	Property owned and/or used by organizations such as the Boy Scouts, Girls Guides, Voortrekkers or organizations the Council deems to be similar.
Animal protection	Property owned or used by institutions/organizations whose exclusive aim is to protect birds, reptiles and animals on a not-for-gain basis.

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025

SUNDRY TARIFF LIST (ROUNDING APPLICABLE)

Tariff Code	Detail	2024/2025		2023/2024		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
		R	R	R	R	
S1	BOAT LICENSE/PERMITS, LAUNCHING & ENTRANCE FEE					
S1J	<u>Kleinbaai Boat Launching</u>					
S1J1	On site Parking pm	1 145.22	1 317.00	1 080.00	1 242.00	6.04%
S1J2A	Category B1: Shark-view operators/whale-watching (Incl on-site parking) pa	48 040.87	55 247.00	45 321.74	52 120.00	6.00%
S1J2B	Category B2: Shark-view operators/whale-watching (excl on-site parking) pm	3 677.39	4 229.00	3 469.57	3 990.00	5.99%
S1J2C	Category B2: Shark-view operators/whale-watching (excl on-site parking) pa	36 667.83	42 168.00	34 592.17	39 781.00	6.00%
S1J4A	Kelp Collectors pm	4 593.91	5 283.00	4 333.91	4 983.99	6.00%
S1J4B	Kelp Collectors pa	45 421.74	52 235.00	42 850.44	49 278.00	6.00%
S1J4C	Kelp Collectors, Whale Watching and Shark Diving per launch	297.39	342.00	280.87	323.00	5.88%
S1J5	Oversize vessel	tariff + 50%	applicable vat	tariff + 50%	applicable vat	
S1J6A	Nature Conservation	no charge	no vat	no charge	no vat	
S1J6B	Support Service per month	870.44	1 001.00	820.87	944.00	6.04%
S1J6C	Support Service per launch	116.52	134.00	109.57	126.00	6.35%
S1J7A1	Recreational Fishing (Overstrand Consumers) Vessels < 7m pa	586.09	674.00	553.04	636.00	5.98%
S1J7A1A	Recreational Fishing (Overstrand Consumers) Vessels < 7m from 01 July - 31 Dec	293.04	337.00	276.52	318.00	5.97%
S1J7A1B	Recreational Fishing (Overstrand Consumers) Vessels < 7m frpp, 01 January - 30 June	390.44	449.00	368.70	424.00	5.90%
S1J7A2	Recreational Fishing Vessels < 7m per Launch	73.91	85.00	69.57	80.00	6.25%
S1J7A3	Recreational Fishing (Overstrand Consumers) Vessels > 7m pa	781.74	899.00	737.39	848.00	6.01%
S1J7A4	Recreational Fishing Vessels > 7m per Launch	97.39	112.00	92.18	106.00	5.66%
S1J7B1	Commercial Fishing (Overstrand Consumers) Vessels < 7m pa	781.74	899.00	737.39	848.00	6.01%
S1J7B2	Commercial Fishing Vessels > 7m pa	977.39	1 124.00	921.74	1 060.00	6.04%
S1J7B3	Commercial Fishing Vessels < 7m per launch	97.39	112.00	92.18	106.00	5.66%
S1J7B4	Commercial Fishing Vessels > 7m per launch	117.39	135.00	110.44	127.00	6.30%
S1J8A	Passenger Boats pm	1 709.57	1 966.00	1 613.04	1 855.00	5.98%
S1J8B	Passenger Boats per launch	171.30	197.00	161.74	186.00	5.91%
S1J9	Use of Tractor for Boat Launching per month	310.44	357.00	293.04	337.00	5.94%
S1J11	Formal Shop Rental / month	1 066.96	1 227.00	1 006.96	1 158.00	5.96%
S1J12	Informal Trader under cover rental / month	702.61	808.00	662.61	762.00	6.04%
S1M	<u>Kleinmond Slipway</u>					
S1M1	Recreational Fishing (Overstrand Consumers) Vessels < 7m pa	774.78	891.00	731.30	841.00	5.95%
S1M1A	Recreational Fishing (Overstrand Consumers) Vessels < 7m from 01 July - 31 Dec	293.04	337.00	276.52	318.00	5.97%
S1M1B	Recreational Fishing (Overstrand Consumers) Vessels < 7m frpp, 01 January - 30 June	390.44	449.00	368.70	424.00	5.90%
S1M2	Recreational Fishing Vessels < 7m per Launch	73.91	85.00	69.57	80.00	6.25%
S1M3	Recreational Fishing (Overstrand Consumers) Vessels > 7m pa	931.30	1 071.00	878.26	1 010.00	6.04%
S1M4	Recreational Fishing Vessels > 7m per Launch	120.87	139.00	113.91	131.00	6.11%
S1M5	Commercial Fishing (Overstrand Consumers) Vessels < 7m pa	781.74	899.00	737.39	848.00	6.01%
S1M6	Commercial Fishing Vessels > 7m pa	1 120.00	1 288.00	1 056.52	1 215.00	6.01%
S1M7	Commercial Fishing Vessels < 7m per launch	106.96	123.00	100.87	116.00	6.04%
S1M8	Commercial Fishing Vessels > 7m per launch	126.96	146.00	120.00	138.00	5.80%

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025

S1M9	Passenger Boats pm	1 918.26	2 206.00	1 809.57	2 081.00	6.01%
S1M10	Passenger Boats per launch	185.22	213.00	175.13	201.40	5.76%
S1T	Registered Launching Sites managed by the Overstrand Municipality (08:00-16:00) (Western Cape December School Holiday and when declared by Council) EXCLUDING Buffeljahctsbai, Blue Water Bay, Du Toit Street Site to the Kleinriver at Stanford.					
S1T1	Affiliated Members					
S1T1A	Annually	271.30	312.00	255.65	294.00	
S1T1B	Monthly	162.61	187.00	153.04	176.00	
S1T1C	Weekly	80.87	93.00	76.52	88.00	
S1T1D	Daily	28.70	33.00	26.96	31.00	
S1T2	Non- Affiliated Members					
S1T2A	Annually	540.00	621.00	509.57	586.00	
S1T2B	Monthly	243.48	280.00	229.57	264.00	
S1T2C	Weekly	135.65	156.00	127.83	147.00	
S1T2D	Daily	42.61	49.00	40.00	46.00	
S2	BUILDING CONTROL					
S2A1	Building Plan Fees : Minor Building Works	309.57	356.00	292.17	336.00	5.95%
S2A2	Building Plan Fees : 0 up to 30 m ² (Fixed fee)(S2A3 x 30)	1 172.17	1 348.00	1 106.09	1 272.00	5.97%
S2A3	Building Plan Fees : Greater than 30 m ² up to 100 m ² (R/m ²)	39.13	45.00	36.52	42.00	7.15%
S2A4	Building Plan Fees : Greater than 100 m ² up to 200 m ² (R/m ²)	46.09	53.00	43.48	50.00	6.00%
S2A5	Building Plan Fees : Greater than 200 m ² up to 300 m ² (R/m ²)	53.04	61.00	50.44	58.00	5.17%
S2A6	Building Plan Fees : Greater than 300 m ² (R/m ²)	60.00	69.00	56.52	65.00	6.16%
S2A7	Building Plan Fees : Government Subsidized Housing Schemes smaller than 80 m ² (privately constructed)	276.52	318.00	260.87	300.00	6.00%
S2A8	Building Plan Fees : New Government Subsidised Housing Schemes (Government constructed)	no charge	no vat	no charge	no vat	
S2A9	Building Plan Fees : Government Subsidized Housing Schemes (verandas < 15 m ²)	no charge	no vat	no charge	no vat	
S2A10	Building Plan Fees : Agricultural buildings (excluding residential buildings) (R/m ²)	26.09	30.00	24.35	28.00	7.15%
S2A11	Building Plan Fees : Industrial buildings (excluding offices)(R/m ²)	26.09	30.00	24.35	28.00	7.15%
S2A12	Building Plan Fees : Government Buildings (School, etc) (R/m ²)	no charge	no vat	no charge	no vat	
S2A13	Building plan Fees : Application for temporary structures (Wendy House,Stores,Containers,etc.)	687.83	791.00	648.70	746.00	6.03%
S2A14	Building Plan Fees : Application for temporary structures (Tents for events)	687.83	791.00	648.70	746.00	6.03%
S2B1	Plan Scrutiny Fees : 0 up to 200 m ² (Fixed Fee)	687.83	791.00	648.70	746.00	6.03%
S2B2	Plan Scrutiny Fees : Greater than 200 m ² (R/m ²)	6.09	7.00	5.57	6.40	9.43%
S2C1	Demolition application	700.87	806.00	660.87	760.00	6.05%
S2D1	Re-inspection fees and Inspections on complaints, rates clearance etc.	394.78	454.00	372.17	428.00	6.08%
S2E1	Administration / Viewing Request, Filing retrieval and Copying of Plans	77.39	89.00	73.04	84.00	5.96%
S2F1	Plan validity extension	311.30	358.00	293.91	338.00	5.92%
S2G1	Heritage Investigation Minor Alterations (no additions)	619.13	712.00	584.35	672.00	5.95%
S2G2	Heritage Investigation add and alt smaller than 30 m ² (2 X S2G1)	1 238.27	1 424.00	1 168.70	1 344.01	5.95%
S2G3	Heritage Investigation add and alt greater than 30 m ² (2 X S2G2)	2 476.53	2 848.00	2 337.40	2 688.01	5.95%
S2H1	Signage : Application to erect a sign	687.83	791.00	648.70	746.00	6.03%
S2H2	Signage : Application fee for consent (S4.2.1)	605.22	696.00	571.30	657.00	5.94%
S2H3	Signage : Application fee for departure (S4.3.1)	605.22	696.00	571.30	657.00	5.94%

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025

S2H4	Signage : Advertising Costs Local newspapers for departure application	4 773.91	5 490.00	4 503.48	5 179.00	6.00%
S3	BUILDING CONTROL: PLAN PRINTING FEES					
S3A1	Per sheet - Size A0 (Private copy)	80.87	93.00	76.52	88.00	5.68%
S3A2	Size A1 (Private copy)	63.48	73.00	60.00	69.00	5.80%
S3A3	Size A2 (Private copy)	46.96	54.00	44.35	51.00	5.89%
S3A4	Per sheet - Size A0 (Official copy)	63.48	73.00	60.00	69.00	5.80%
S3A5	- Size A1 (Official copy)	46.96	54.00	44.35	51.00	5.89%
S3A6	- Size A2 (Official copy)	36.52	42.00	34.78	40.00	5.00%
S3B1	Per sheet - Size A0 (Private copy) Colour	402.61	463.00	380.00	437.00	5.95%
S3B2	Size A1 (Private copy) Colour	307.83	354.00	290.44	334.00	5.99%
S3B3	Size A2 (Private copy) Colour	205.22	236.00	193.91	223.00	5.83%
S3B4	Per sheet - Size A0 (Official copy) Colour	205.22	236.00	193.91	223.00	5.83%
S3B5	- Size A1 (Official copy) Colour	153.04	176.00	144.35	166.00	6.02%
S3B6	- Size A2 (Official copy) Colour	103.48	119.00	97.39	112.00	6.25%
S5	BUSINESS LICENCE					
S5B1	Business Licence - Formal	983.48	1 131.00	927.83	1 067.00	6.00%
S5B2	Business Licence - Informal	353.04	406.00	333.04	383.00	6.01%
S5B3	Re-inspection Fee	193.91	223.00	182.61	210.00	6.19%
S5B4	Duplicate Licence Fee	193.91	223.00	182.61	210.00	6.19%
S5B5	Liquor Licence per Calender year (January to December) or part there of					
S5B5A	Application for extended Liquor (Trading Hours up to 2am), per annum	1 846.96	2 124.00	2 003.48	2 304.00	-7.81%
S5B5B	Application for extended Liquor (Trading on Sunday) per annum ** (to be applicable according By-law)	1 846.96	2 124.00	2 003.48	2 304.00	-7.81%
S15	CEMETERY					
	Residents (RES):					
S15A	Plot Cost (Fixed)					
	Grave Depths					
Note 1	- Infill grave (between two existing graves) must have a soil coverage of not less than 1 meter; - Other single graves (not infill) must have a soil coverage of not less than 1.5 meters; - Double dept graves (in depth) must have a soil coverage of not less than 1 meters with a 300mm soil between the coffins; - Child grave must have a soil coverage of not less than 1 meter.					
Note 2	Rebate of 50% for grave site: Applicable to Tariffs S15A1, S15A2, S15A4 & S15B1 -Overstrand local household with gross household income per application of 0 - R4100 -Applications must be accompanied by sworn declaration of household income of the immediate family of the deceased.					
S15A1	All cemeteries - single grave	764.35	879.00	720.87	829.00	6.03%
S15A2	All cemeteries - Double graves - depth for two coffins	1 184.35	1 362.00	1 117.39	1 285.00	5.99%
S15A4	Children under 12years	573.04	659.00	540.87	622.00	5.95%
S15A5	Wall of Remembrance Fees	279.13	321.00	263.48	303.00	5.94%
S15A6	Overstrand Reginal Cemetary: COVID-19 related funerals	0.00	0.00	0.00	0.00	0.00%
S15B	Indication of grave					
S15B1	New graves (include inspection before and after funeral)	757.39	871.00	714.78	822.00	5.96%
S15B2	Existing graves	243.48	280.00	229.57	264.00	6.06%

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025

S18	COMMERCIAL FILMING/PHOTOGRAPHING (Tariff of 50% less charged, when compliant to pre-determined criteria)					
S18A	Large per day or part thereof ≥ 50 people	18 080.00	20 792.00	17 056.52	19 615.00	6.00%
S18B	Small per day or part thereof more than 10 but < 50 people	8 793.04	10 112.00	8 295.65	9 540.00	6.00%
S18C	Small per day or part thereof ≤ 10 people	4 885.22	5 618.00	4 608.70	5 300.00	6.00%
S18D	Application Fee per application	2 071.30	2 382.00	1 953.91	2 247.00	6.01%
S18F	Addition to Shoot					
S18F1	Animals (per animal per day or part of a day)	226.96	261.00	213.91	246.00	6.10%
S18F2	Area required for production and catering (per m ² per day or part of a day)	51.30	59.00	48.70	56.00	5.35%
S18F3	Cancellation Fee (per application at full permit fee)	15% of Fee	applicable vat	15% of Fee	applicable vat	
S18F4	Environmental Control Officer: Fees per hour or part thereof	531.30	611.00	500.87	576.00	6.08%
S18F5	Vehicles off Public Roads per Parking Bay (per vehicle per day/part of a day)	190.44	219.00	180.00	207.00	5.80%
S20	CREDIT CONTROL AND DEBT COLLECTION					
S20A1	Admin fee on arrear accounts Notices	239.13	275.00	239.13	275.00	0.00%
S20A2	Admin fee on 24 hour Notices - Bulk users	239.13	275.00	239.13	275.00	0.00%
S20B	Admin fee on arrear accounts Disconnection and Reconnection Fee	561.74	646.00	561.74	646.00	0.00%
S20C	SMS admin fee on arrear accounts Notices	18.26	21.00	18.26	21.00	0.00%
S23	FIRE SERVICES & DISASTER MANAGEMENT					
S23A	Plot Clearing	Actual Cost + R1 374.00 admin. Fee	applicable vat	Actual Cost + R1 296.23 admin. Fee	applicable vat	6.00%
S23B	Re-inspection Fee under By-law	205.22	236.00	193.91	223.00	5.83%
S23C	Extinguishing of Fires					
S23C1	Extinguishing of structural fires per hour or part thereof per incident	R2 325.00 + add cost incurred	applicable vat	R2 193.43 + add cost incurred	applicable vat	6.00%
S23C2	Extinguishing of structural fires - indigent households	no charge	no vat	no charge	no vat	
S23C3	Control and Extinguishing of Veld fires payable by registered owner if fire had its sole origin on said owner's property: per hour or part thereof, excluding goFPA Members	R692.00+ add cost incurred	applicable vat	R653.10 + add cost incurred	applicable vat	5.96%
S23C4	Extinguishing of vehicle/equipment fires per hour or part thereof	R591.00 + add cost incurred	applicable vat	R557.57 + add cost incurred	applicable vat	6.00%
S23C5	Assistance at motor vehicle accidents and rescues	no charge	no vat	no charge	no vat	
S23D	Standby at fire scene					
S23D1	Per hour or part thereof for vehicle and fire fighters excluding goFPA members	776.52	893.00	732.17	842.00	6.06%
S23E	Fire Prevention Inspections					
S23E1	Tank installation - per tank	439.13	505.00	413.91	476.00	6.09%
S23E2	LP Gas - per installation 48Kg and more incl bulk tanks	439.13	505.00	413.91	476.00	6.09%
S23F	Fire Safety (excluding municipal buildings)					
S23F1	1st compliance inspection per 20 minutes	179.13	206.00	168.70	194.00	6.19%
S23F2	2nd and continuing compliance inspection per 20 minutes	179.13	206.00	168.70	194.00	6.19%
S23F3	Rates Clearance Inspection	237.39	273.00	224.35	258.00	5.81%
S23F5	Fire Compliance Certificate excluding goFPA members	592.17	681.00	558.26	642.00	6.07%
S23G	Events					
S23G1	Inspection of location and issuing of Population Certificate	293.04	337.00	276.52	318.00	5.97%
S23G2	Standby at event per event per day or part thereof for vehicle and fire fighters	1 461.74	1 681.00	1 379.13	1 586.00	5.99%
S23H	Burn Permits					

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025

S23H1	Burn Permit Inspection	366.96	422.00	346.09	398.00	6.03%
S23J	Special Services					
S23J1	Ad hoc services	797.39	917.00	752.17	865.00	6.01%
S23J2	Water Supply per hour, excluding water tariff as set out in the water tariff structure	797.39	917.00	752.17	865.00	6.01%
S23L	Transportation Certification					
S23L1	Dangerous Goods Transportation Certification	642.61	739.00	606.00	696.90	6.04%
S25	LAW ENFORCEMENT					
S25B	Impoundment of Abanded or Obstructing items					
S25B1	Per Impoundment	873.04	1 004.00	823.48	947.00	6.02%
S25B2	Storage Fee per day	232.17	267.00	219.13	252.00	5.95%
S25C	Impoundment of Informal Traders (Hawkers) Goods					
S25C1	Per Impoundment	873.04	1 004.00	823.48	947.00	6.02%
S25C2	Removal of illegal structure per structure	3 580.00	4 117.00	3 377.39	3 884.00	6.00%
S25C3	Storage Fee per day	232.17	267.00	219.13	252.00	5.95%
S25D	Pound fee: Dogs and Cats					
S25D1	Impoundment of Dogs and Cats per animal	95.65	110.00	90.44	104.00	5.77%
S25D2	Pound fee: from day 2 per day per animal	60.87	70.00	57.39	66.00	6.06%
S25E	Pound fee: Other Animals (not listed here)					
S25E1	Impoundment fee per week per animal	938.26	1 079.00	885.22	1 018.00	5.99%
S25F	Pound fee: Horses					
S25F1	Impoundment of Horses per animal	946.96	1 089.00	893.04	1 027.00	6.04%
S25F2	Pound fee: per day per animal	237.39	273.00	224.35	258.00	5.81%
S25G	Pound fee: Sheep and Goats					
S25G1	Impoundment of Sheep and Goats per animal	237.39	273.00	224.35	258.00	5.81%
S25G2	Pound fee: per day per animal	119.13	137.00	112.17	129.00	6.20%
S25H	Pound fee: Cattle					
S25H1	Impoundment of Cattle per animal	946.96	1 089.00	893.04	1 027.00	6.04%
S25H2	Pound fee: per day per animal	179.13	206.00	168.70	194.00	6.19%
S25I	Pound fee: Pigs					
S25I1	Impoundment of Pigs per animal	473.91	545.00	446.96	514.00	6.03%
S25I2	Pound fee: per day per animal	179.13	206.00	168.70	194.00	6.19%
S25J	Pound fee: Poultry					
S25J1	Impoundment of Poultry per animal	119.13	137.00	112.17	129.00	6.20%
S25J2	Pound fee: per day per animal	24.35	28.00	23.04	26.50	5.69%
S25K	Pound fee: Shopping Trolley					
S25K1	Impoundment of Shopping Trolley per trolley	531.30	611.00	500.87	576.00	6.08%
S25M	Structures					
S25M1	Demolition of Structures	869.57	1 000.00	new	new	
S25M2	Storage of material per day	217.39	250.00	new	new	
S25P	Bylaw on Outdoor Advertising					
S25P1	Impoundment of illegal Advertising/Agent boards (per board) - small <2400cm ²	95.65	110.00	90.44	104.00	5.77%
S25P2	Impoundment of illegal Advertising/Agent boards (per board) - large >2400cm ²	940.00	1 081.00	886.96	1 020.00	5.98%
S25R	Business & Other Events					
S25R1	Per officer per hour or part thereof - Mon - Sat	597.39	687.00	563.48	648.00	6.02%

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025

S25R2	Per officer per hour or part thereof - Sundays and public Holidays	682.61	785.00	644.35	741.00	5.94%
S25R3	Administrative fee for provision of officers - per application	163.48	188.00	153.91	177.00	6.22%
S28	LIBRARY					
S28A1	Copies: A3 / page	1.74	2.00	1.74	2.00	0.00%
S28A3	Copies: A3 page Colour	5.22	6.00	5.22	6.00	0.00%
S28A5	Copies: A4/page (Library content only)	0.87	1.00	0.87	1.00	0.00%
S28A7	Copies: A4 page Colour	3.48	4.00	3.48	4.00	0.00%
S28B1	Deposit to person/s non-residents - Fiction & Non-Fiction	477.00	no vat	477.00	no vat	0.00%
S28D1	Lost Cards: Laminated (R/card) first time	18.43	21.20	18.43	21.20	0.00%
S28D1A	Lost Cards: Laminated (R/card)(subsequent lost card)	36.87	42.40	36.87	42.40	0.00%
S28D2	Laminated Cost A3	4.61	5.30	4.61	5.30	0.00%
S28D3	Laminated Cost A4	3.65	4.20	3.65	4.20	0.00%
S28E1	Penalty per book per week	2.10	no vat	2.10	no vat	0.00%
S28E2	Penalty per record/CD per week	2.10	no vat	2.10	no vat	0.00%
S28E3	Penalty per video/DVD per day	2.10	no vat	2.10	no vat	0.00%
S28F1	Scanning of Document - Black & White	0.91	1.05	0.91	1.05	0.00%
S28F2	Scanning of Document - Colour	1.83	2.10	1.83	2.10	0.00%
S28G1	Special Requests - Hold per Book	6.44	7.40	6.44	7.40	0.00%
S28G2	Special Requests - ILL per Book	13.91	16.00	13.91	16.00	0.00%
S28H1	Subscriptions/ reader - Adults (Non residents)	180.87	208.00	180.87	208.00	0.00%
S28H2	Subscriptions/ reader - Children (Non residents)	113.91	131.00	113.91	131.00	0.00%
S28H3	Subscriptions/ reader - Family max 5 (Non residents)	445.22	512.00	445.22	512.00	0.00%
S28L1	Hire of Library Hall per Hour - Fundraising event	185.22	213.00	174.78	201.00	5.97%
S28L2	Hire of Library Hall per Hour - NON- Fundraising event	33.91	39.00	32.17	37.00	5.41%
S28M1	Minor Damage to book (per book)	27.83	32.00	27.83	32.00	0.00%
S28M2	Damage or lost library material	As per System Price Rounded	applicable vat	As per System Price Rounded	applicable vat	
S33	OPERATIONAL COST					
S33A	Application fee for Installation of Street Signage (brown direction boards)	cost + 15%	applicable vat	cost + 15%	applicable vat	
S34	PROPERTY ADMINISTRATION					
S34A	Application					
S34A1	Lease or purchase of/or encroachment on or servitude over municipal land (excluding Sport Facilities/Stalls and organs of state)	2 765.22	3 180.00	2 608.70	3 000.00	6.00%
S34A2	Lease or purchase of municipal land - Social Care Institutions / Registered Organisations / NPO's / PBO's/Community organisations	635.65	731.00	600.00	690.00	5.94%
S34A3	Temporary lease of municipal land for the storage of building materials next to building sites or general short term purposes	673.91	775.00	635.65	731.00	6.02%
S34A4	General consents issued in terms of the Administration of Immovable Property Policy (as amended)	635.65	731.00	600.00	690.00	5.94%
S34C	Encroachment Fee:					
S34C1	Encroachments of Veranda, Balcony, Sign, Signboards or similar structure over/onto municipal land (per annum)	586.09	674.00	553.04	636.00	5.98%
S34C2	Encroachments onto municipal land where a lease is not applicable (per annum)	586.09	674.00	553.04	636.00	5.98%

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025

S34C3	Enclosure or exclusive use of portions of the Commonage, Public Open Spaces, Road Reserves or Public Thoroughfares for gardening purposes where a lease is not applicable (per m ² per month)	2.61	3.00	2.46	2.83	6.10%
S34G	<u>Leases</u>					
S34G1	Temporary use (≤12months) of municipal land for the storage of building materials next to building sites or for general purposes (per m ² per month)	6.96	8.00	6.43	7.40	8.18%
S34G2	Lease of municipal land for outdoor seating adjoining a Restaurant (per m ² per month)	38.26	44.00	35.91	41.30	6.54%
S34G3	Lease of municipal land to Social Care Institutions / Registered Organisations / NPO's/ PBO's/ Sport facilities/Community organisations (per month)	188.70	217.00	178.26	205.00	5.85%
S34G6	Lease of municipal land for the displaying or parking of vehicles (per m ² per month)	6.96	8.00	6.70	7.70	3.96%
S34H	<u>Radio Mast</u>					
S34H1	Equipment on municipal mast or municipal assets/infrastructure - per month per mast	2 593.04	2 982.00	2 446.09	2 813.00	6.01%
S34H2	Space in building adjacent to the mast (per m ² per month)	682.61	785.00	644.35	741.00	5.94%
S34H3	Space outside the building adjacent to the mast (per m ² per month)	342.61	394.00	323.48	372.00	5.91%
S34H4	Lease of municipal land with a mast on or for the erection of a new mast (per m ² per month)	342.61	394.00	81.74	94.00	319.15%
S34J	<u>Memorial Benches / Picnic tables</u>					
S34J1	Application for a new memorial bench on municipal land	4 608.70	5 300.00	4 347.83	5 000.00	6.00%
S34J2	Fee for a memorial bench/picnic table on municipal land (per annum)	342.61	394.00	323.48	372.00	5.91%
S34J3	Application for the allocation of a existing memorial bench	2 765.22	3 180.00	2 608.70	3 000.00	6.00%
S34J4	Application for a new memorial / picnic table (including two concrete seats) installed on a concrete slab on municipal land	8 295.65	9 540.00	7 826.09	9 000.00	6.00%
S36	<u>PROPERTY INFORMATION</u>					
S36A1	Clearance Certificate (R/certificate) - ELECTRONIC	130.44	150.00	122.61	141.00	6.38%
S36A2	Clearance Certificate (R/certificate) - MANUAL	394.78	454.00	372.17	428.00	6.08%
S36B1	Deeds office registrations with sales information (R/100 erven or part)	171.30	197.00	161.74	186.00	5.91%
S36B2	Deeds office registrations with sales information (R/erf)	45.22	52.00	42.61	49.00	6.13%
S36C	Extract from the Valuation Roll (R/page)	14.78	17.00	13.91	16.00	6.25%
S36F	Revaluation fee	2 440.00	2 806.00	2 301.74	2 647.00	6.01%
S36G1	Valuation Certificate (R/certificate) - ELECTRONIC	60.87	70.00	57.39	66.00	6.06%
S36G2	Valuation Certificate (R/certificate) - MANUAL	205.22	236.00	193.91	223.00	5.83%
S36H	Access of valuation roll Information on CD	466.96	537.00	440.87	507.00	5.92%
S40	<u>RENTAL: COMMUNITY HALLS</u>					
S40.1	All events hosted where the municipal council or administration is the official host	free of charge	no vat	free of charge	no vat	
S40.3	Elections by the Electoral Commission	as per IEC policy	applicable vat	as per IEC policy	applicable vat	
S40.4	Events of Government Departments directly in interest of community	free of charge	no vat	free of charge	no vat	
S40A	<u>Auditorium & Banqueting Hall</u>					
S40A1	Deposit for all functions (refundable) - excluding meetings	2 320.00	no vat	2 189.00	no vat	
S40A2	Hire of Auditorium and Banqueting Hall per Hour or part of a hour	815.65	938.00	769.57	885.00	5.99%
S40A3	Hire of Auditorium per Hour or part of a hour	476.52	548.00	449.57	517.00	6.00%
S40A4	Hire of Banqueting Hall per Hour or part of a hour	476.52	548.00	449.57	517.00	6.00%

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025

Note	Hiring of Kitchen (Banqueting Hall & Auditorium) used for the serving of food only is included in the hiring fee mentioned above as this facility forms an integral part of the building and cannot be separated there from.					
S40A5	Non-fundraising events for Schools, other training institutions and sport & recreation per day	619.13	712.00	584.35	672.00	5.95%
S40A6	Piano per event	Actual Tuning Cost	applicable vat	Actual Tuning Cost	applicable vat	
S40A7	Use of sound and/or Ligthing Equipment per event per hour	129.57	149.00	122.61	141.00	5.67%
S40A8	Use of Kitchen per day	853.04	981.00	804.35	925.00	6.05%
S40A9	Hire of Glasses or Cups, Sauers and teaspoons per event	249.57	287.00	235.65	271.00	5.90%
S40A10	Local NGO's and CBO's per hour per venue - all events	266.09	306.00	251.30	289.00	5.89%
S40A12	Preparation for event - per hour	168.70	194.00	159.13	183.00	6.01%
S40A13	Meetings: Government departments (private meetings), NGO's and CBO's from outside the municipal area, per hour (Banquet hall)	375.65	432.00	354.78	408.00	5.88%
S40A14	Meetings: Local CBO's & NGO's per hour (Banquet hall only)	35.65	41.00	33.91	39.00	5.13%
S40A15	Weddings, Birthdays and Special Occasions per day (including the Kitchen)	2 366.09	2 721.00	2 232.17	2 567.00	6.00%
S40A16	Festivals/Exhibitions/Events per day (max 14 days). Both venues, excluding extras - more than 14 days refer to general tariffs	815.65	938.00	769.57	885.00	5.99%
S40C	Rental Units - Kleinmond					
S40C1	Hire per room per month	58.26	67.00	54.78	63.00	6.35%
S40E	Baardskeerdersbos / Betty's Bay / Blompark / Buffelsjags /Eluxolweni/Fernkloof Hall /Hawston Abalone Hall /Kleinmond Youth Centre / Kleinmond Club House / Masakane / Moffat Hall /					
S40E4	Fundraising: (Karaoke) Per daytime or evening	375.65	432.00	354.78	408.00	5.88%
S40E5	Funeral Tea (three hours)	155.65	179.00	146.96	169.00	5.91%
S40E6	Local CBO's of vulnerable groups: one booking allowed 24 hours in advance of a social gathering to be scheduled only on week days between 08:00 - 16:30	no charge	no vat	no charge	no vat	
S40E7	Non-fundraising events for Schools, other training institutions and sport & recreation	311.30	358.00	293.91	338.00	5.92%
S40E8	Meetings: Local CBO's and NGO's per hour - Meetings free of charge for Local Organisation for the Elderly	35.65	41.00	33.91	39.00	5.13%
S40E9	Non-fundraising (parties) Per daytime or evening	188.70	217.00	178.26	205.00	5.85%
S40E10	Use of Kitchen - Fundraising events per event	342.61	394.00	323.48	372.00	5.91%
S40E11	Use of Kitchen - Non Fundraising	342.61	394.00	323.48	372.00	5.91%
Note	Daytime = 07:00 - 17:00 // Evening = 18:00 - 24:00 (Charge seperately)					
S40J	Kleinmond Civic Center Hall, & Hawston Thusong Centre					
S40J1	Deposit: (refundable) Government Imbizos & Government Meetings.	676.00	no vat	638.00	no vat	5.96%
S40J2	Deposit (refundable): Hawston Thusong Centre	1 221.00	no vat	1 152.00	no vat	5.99%
S40J3	Fundraising: Karaoke, Disco, competitions, etc. per daytime or evening	853.04	981.00	804.35	925.00	6.05%
S40J4	Church Services per day	118.26	136.00	111.30	128.00	6.25%
S40J5	Funeral Tea (three hours)	155.65	179.00	146.96	169.00	5.91%
S40J6	Government Imbizos (per day)	2 627.83	3 022.00	2 479.13	2 851.00	6.00%
S40J7	Non-fundraising events for Schools, other training institutions and sport & recreation	311.30	358.00	293.91	338.00	5.92%
S40J8	Meetings: Government Departments (private meetings) & CBO's outside Municipal area per hour	375.65	432.00	354.78	408.00	5.88%
S40J9	Meetings: Local CBO's, NGO's, Non-fund-raising indoor sports per hour (only large groups > 30) -	35.65	41.00	33.91	39.00	5.13%
S40J10	Preparation for event - per hour	88.70	102.00	83.48	96.00	6.25%

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025

S40J11	Non-fundraising: Parties, weddings, indoor sports, etc. per daytime or evening	426.96	491.00	402.61	463.00	6.05%
S40J12	Tariff for events continuing after midnight (24h00) per hour	261.74	301.00	246.96	284.00	5.98%
S40J13	Sound OR Ligthing Equipment per event (each item) per hour	131.30	151.00	123.48	142.00	6.33%
S40J14	Use of kitchen (per event per day)	411.30	473.00	387.83	446.00	6.05%
S40J15	Use of kitchen for water jugs and glasses or tea cups & sauces (per event per day)	60.00	69.00	56.52	65.00	6.16%
Note	Daytime = 07:00 - 17:00 // Evening = 18:00 - 24:00 (Charge seperately)					
S43	RENTAL: INFORMAL TRADERS' (HAWKERS') STALLS, OPEN SPACES & BEACHES (applicable Overstrand Wide)					
S43A	CBD					
S43A1	All open stalls per day (demarcated area)(excluding Western Cape December Holiday plus Easter Weekend)	35.65	41.00	33.91	39.00	5.13%
S43A2	Open Stalls per day (Western Cape December Holiday plus Easter Weekend)	52.17	60.00	49.57	57.00	5.26%
S43B	Outside the CBD					
S43B1	Open Stalls Rental –December - January pm	117.39	135.00	110.44	127.00	6.30%
S43B2	Open Stalls Rental - February to November pm	49.57	57.00	46.96	54.00	5.55%
S43D	Events: Any Public Open Space, Beaches, Gardens, Nature Reserves, Parks, Caravan Parks.					
S43D1	Car Park - Private Car Sales per day (demarcated areas)	46.96	54.00	44.35	51.00	5.89%
S43D2	Profitable Organisations, sporting events, markets, music festivals etc as per the Events By-Law and Policy (Excluding other services eg. Refuse collection, electricity, etc.) per event	7 373.91	8 480.00	6 956.52	8 000.00	6.00%
S43D3	Non-profitable Organisations, birthday parties, weddings, creches, school events, religious events, awareness campaigns (Excluding other services eg. Refuse collection, electricity, etc.) per event	460.87	530.00	434.78	500.00	6.00%
S43F	Beaches					
S43F2	Rental December to January pm	293.04	337.00	276.52	318.00	5.97%
S43F3	Rental February to November pm	97.39	112.00	92.17	106.00	5.66%
S43G	Leases					
S43G4	Lease of stalls/containers on municipal land for informal trading (full stall/container) (per month)	228.70	263.00	215.65	248.00	6.05%
S43G5	Lease of stalls/containers on municipal land for informal trading (half a stall/container) (per month)	94.78	109.00	89.57	103.00	5.82%
S46	RENTAL: OFFICE					
S46A	Rental for office space (Hermanus Administration) (per m ² per month)	155.65	179.00	146.96	169.00	5.91%
S46A1	Rental for office space (Gansbaai, Stanford & Kleinmond Administrations) (per m ² per month)	77.39	89.00	73.04	84.00	5.96%
S46A2	Rental for office space to NGO's/NPO's/Government Departments/State Owned Enterprises irrespective of area (per m ² per month)	46.96	54.00	44.35	51.00	5.89%
S46B	Rental for office space - Local Council Functions	no charge	no vat	no charge	no vat	
S48	RENTAL: SPORT FACILITIES					
S48A	Spaces for Sport - Blompark/Eloxlweni/Gansbaai Communal Sport Centre(S4S) / Hawston /Masakane/ Kleinmond / Mount Pleasant / Overhills / Stanford / Zwelihle					
S48A1	Club House - per hour (private events)	213.91	246.00	201.74	232.00	
S48A2	Club House - Sport events hosted by affiliated Sport and Recreation structures per hour	52.17	60.00	49.57	57.00	
S48A3	Club House - Sport event hosted by Non-affiliated Sport and Recreation structures - per hour	107.83	124.00	101.74	117.00	
S48A4	Club House Education, Welfare & NPO's/NGO's, Churches per hour	52.17	60.00	49.57	57.00	
S48A5	Club House - Schools & Non-fundraising events per day	52.17	60.00	49.57	57.00	
S48A6	Club House– All events hosted where the municipality is the official host	no charge	no charge	no charge	no charge	

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025

S48A7	Club House - All events hosted by Government Departments directly benefiting the community	no charge	no charge	no charge	no charge	
S48A8	Club House - Hiring of kitchen per day	322.61	371.00	304.35	350.00	6.00%
S48A9	Club House - Breakage deposit	848.00	no vat	800.00	920.00	6.00%
S48A10	Club House - Gatherings/meetings (non-fundraising) per hour	29.57	34.00	27.83	32.00	6.23%
S48A11	Club House - Gatherings/meetings/private functions & fundraising events per hour	185.22	213.00	174.78	201.00	5.97%
S48B	Sport grounds					
S48B1	Sportgrounds - Use of field: Affiliated members & schools per month per field	184.35	212.00	173.91	200.00	6.00%
S48B2	Sportgrounds - use of field: Affiliated members & schools per day per field	92.17	106.00	86.96	100.00	5.99%
S48B3	Sportgrounds - Festivals/Non-fundraising events per day	921.74	1 060.00	869.57	1 000.00	6.00%
S48B4	Sportgrounds - Exhibitions/shows/private events per day	921.74	1 060.00	869.57	1 000.00	6.00%
Note	Sportgrounds refer to playing surfaces					
S48C	Affiliation fees					
S48C1	Affiliation fees - Overstrand sport clubs per annum	184.35	212.00	173.91	200.00	6.00%
S48C2	Affiliation fees - Overstrand schools per annum	184.35	212.00	173.91	200.00	6.00%
S48D	Tennis/Netball/Basketball Courts					
S48D1	Tennis/Netball/Basketball Courts - Affiliated members & schools per month	92.17	106.00	86.96	100.00	6.00%
S48D2	Tennis/Netball/Basketball Courts - Non-affiliated members & individuals per month	46.09	53.00	43.48	50.00	6.00%
S49	RENTAL: VACANT SERVICED ERVEN FOR LOW COST HOUSING					
S49A	Wetcore Stands (Social Housing) - rent per month	44.35	51.00	41.74	48.00	6.25%
S50	SCHUSS HOUSES KLEINMOND (Meerenvlei)					
S50A	Rental per unit per month	1 263.48	1 453.00	1 192.17	1 371.00	5.98%
S55	SUNDRY					
S55A	Access to Information as per Act (2 of 2000) - Tariffs	As Stipulated in the Act	applicable vat	As Stipulated in the Act	applicable vat	
S55B1	Administration Cost - RD ACB	actual cost + R58.00	applicable vat	actual cost + R55.12	applicable vat	5.22%
S55B2	Administration Cost - RD cheques, Post Dated Cheques	actual cost + R58.00	applicable vat	actual cost + R55.12	applicable vat	5.22%
S55B3	Administration Cost - Trace of Direct Deposit	actual cost + R119.00	applicable vat	actual cost + R112.36	applicable vat	5.91%
S55D1	Copies: A3 page	5.22	6.00	4.96	5.70	5.24%
S55D2	Copies: A3 page Colour	9.57	11.00	9.04	10.40	5.81%
S55D3	Copies: A4 page	2.26	2.60	2.17	2.50	4.15%
S55D4	Copies: A4 page Colour	6.44	7.40	6.09	7.00	5.75%
S55E	Foreign Bank Cost	actual cost	applicable vat	actual cost	applicable vat	
S55F1	Fax per page - excluding 0865/6 numbers	6.44	7.40	6.09	7.00	5.67%
S55F2	Fax per page - 0865/6 numbers	10.70	12.30	10.09	11.60	6.00%
S55G1	Interest on accounts in arrear	prime + 4%	no vat	prime + 4%	no vat	
S55G2	Placard / Poster Deposit for Elections	5 919.00	no vat	5 584.00	no vat	6.00%
S55G4	Placard / Poster Deposit for Political Parties	5 919.00	no vat	5 584.00	no vat	6.00%
S55H	Placard / Poster each	20.87	24.00	20.00	23.00	4.35%
S55I	Multiple Duplicate Consumer Accounts per request	10.44	12.00	9.57	11.00	9.10%
S55I1	Duplicate PayDay pay slip	10.44	12.00	9.57	11.00	9.10%
S55J	Section 62 of local Government: Systems Act: appeal deposit (refundable if appeal is upheld)	1 908.00	no vat	1 800.00	no vat	6.00%
S55K1A	Tender objection deposit (refundable if appeal is upheld)	1 908.00	no vat	1 800.00	no vat	6.00%
S55K1B	Tender objection deposit (partially upheld -50% refundable)	954.00	no vat	900.00	no vat	6.00%
S55K2	Tender documentation Fee: (less than 50 pages)	36.52	42.00	34.78	40.00	5.00%

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025

S55K3	Tender documentation Fee: (more than 51 pages less than 200 pages)	138.26	159.00	130.44	150.00	6.00%
S55K4	Tender documentation Fee: (more than 200 pages)	230.44	265.00	217.39	250.00	6.00%
S55K5	Tender documentation Fee (Consultant/CIDB colour-coded pages)	553.04	636.00	521.74	600.00	6.00%
S55L	Advertising Signs Auctioneers per 14days	315.65	363.00	297.39	342.00	6.14%
S55K1	Laminated Cost A3	8.26	9.50	7.83	9.00	5.49%
S55K2	Laminated Cost A4	5.22	6.00	4.78	5.50	9.21%
S60	SWIMMING POOL					
S60A	Daily Tariffs (01 December - 31 March & Easter Weekend & Events approved by the Administration)					
S60A1	Persons older than 12years of age - per person per DAY or part of a day	4.35	5.00	4.35	5.00	0.00%
S60A2	Children (< 12years) per child per day or part of a day	No Charge	no vat	No Charge	no vat	
S60A4	Galas	112.17	129.00	106.09	122.00	5.73%
S60A5	Training sessions (Schools & Clubs) per season	178.26	205.00	167.83	193.00	6.21%
S65	TOP MANAGEMENT CONSULTATIONS					
S65A1	Consultation Fee (Top Management) per hour	1 255.65	1 444.00	1 184.35	1 362.00	6.02%
S72	TOWN PLANNING: APPLICATION FEES					
S72A	Amendment, deletion or additional conditions in respect of an existing approval	2 575.65	2 962.00	2 429.57	2 794.00	6.01%
S72A1	Phasing, amendment, or cancellation of a plan of subdivision or a part thereof, including a General Plan or diagram	2 740.87	3 152.00	2 586.09	2 974.00	5.99%
S72A2	Permission required in terms of condition of approval	2 740.87	3 152.00	2 586.09	2 974.00	5.99%
S72B	Application for deviation of SDF/Sectoral Plans	3 226.96	3 711.00	3 044.35	3 501.00	6.00%
S72F	Amendment, Suspension or Deletion of Restrictive Conditions					
S72F1	Erven 150m ² and smaller	317.39	365.00	299.13	344.00	6.10%
S72F2	Erven between 150 m ² and 400 m ²	634.78	730.00	599.13	689.00	5.95%
S72F3	Erven 400 m ² and larger	4 829.57	5 554.00	4 556.52	5 240.00	5.99%
S72G	Consolidations (if combined with a subdivision application, only the subdivision fee is payable)					
S72G1	Erven 150m ² and smaller	296.52	341.00	280.00	322.00	5.90%
S72G2	Erven between 150 m ² and 400 m ²	598.26	688.00	564.35	649.00	6.01%
S72G3	Erven 400 m ² and larger	3 409.57	3 921.00	3 216.52	3 699.00	6.00%
S72H	Subdivision (cumulative)					
S72H1	up to 5 erven	4 608.70	5 300.00	4 347.83	5 000.00	6.00%
S72H2	6 to 10 erven	7 845.22	9 022.00	7 400.87	8 511.00	6.00%
S72H3	More than 10	7 845.22	9 022.00	7 400.87	8 511.00	6.00%
S72H3A	Additional per erf after 10	118.26	136.00	111.30	128.00	6.25%
S72I	Application for Consent Use					
S72I1	Erven 150m ² and smaller	270.44	311.00	254.78	293.00	6.14%
S72I2	Erven between 150m ² and 400m ²	718.26	826.00	677.39	779.00	6.03%
S72I3	Erven 400 m ² and larger	3 410.44	3 922.00	3 217.39	3 700.00	6.00%
S72J	Application for Rezoning and Closure of Public Place					
S72J1	Erven 150 m ² and smaller	718.26	826.00	677.39	779.00	6.03%
S72J2	Erven between 150 m ² and 400 m ²	1 173.91	1 350.00	1 107.83	1 274.00	5.96%
S72J3	Erven between 400m ² and 5000m ²	7 845.22	9 022.00	7 400.87	8 511.00	6.00%

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025

S72J4	Erven 5000m ² and larger	8 983.48	10 331.00	8 474.78	9 746.00	6.00%
S72K	Departure ito Section 16(2)(b) and (c) of OM Land Use Planning Bylaw					
S72K1A	Erven 150m and smaller	270.44	311.00	254.78	293.00	6.14%
S72K1B	Erven between 150m ² and 400m ²	597.39	687.00	563.48	648.00	6.02%
S72K1C	Erven 400 m ² and larger	3 410.44	3 922.00	3 217.39	3 700.00	6.00%
S72L	Appeal deposit in terms of Section 79(5) of the Bylaw on Municipal Land Use Planning (refundable if appeal is upheld)					
S72L1	Erven 150m ² and smaller	389.00	no vat	367.00	no vat	5.99%
S72L2	Erven between 150m ² and 400 m ²	729.00	no vat	688.00	no vat	5.96%
S72L3	Erven 400 m ² and larger	3 935.00	no vat	3 712.00	no vat	6.01%
	Note: No appeal fee payable in case of appeal submitted by the Municipal Manager					
S72M	Amendment of site development plan, Constitution/Architectural Guidelines, Phasing, amendement or cancellation of a plan of subdivision or a part thereof	2 481.74	2 854.00	2 340.87	2 692.00	6.02%
S72N	Zoning Determination					
S72N1	Erven 150m ² and smaller	718.26	826.00	677.39	779.00	6.03%
S72N2	Erven between 150 m ² and 400 m ²	2 257.39	2 596.00	2 129.57	2 449.00	6.00%
S72N3	Erven 400 m ² and larger	3 410.44	3 922.00	3 217.39	3 700.00	6.00%
S72N4	Disestablishment of HOA	3 410.44	3 922.00	3 217.39	3 700.00	6.00%
S72P	Relaxation of Title Deed (if combined with departure application only the highest fee applies)					
S72P0	Erven 150m ² and smaller	306.09	352.00	288.70	332.00	6.03%
S72P1	Erven between 150m ² and 400m ²	597.39	687.00	563.48	648.00	6.02%
S72P2	Erven larger than 400m ²	3 395.65	3 905.00	3 203.48	3 684.00	6.00%
S72Q	permission in terms of zoning scheme including permission for the reconstruction of an existing building that constitutes a non-conforming use					
S72Q1	Erven 150m ² and smaller	270.44	311.00	254.78	293.00	6.14%
S72Q2	Erven between 150m ² and 400m ²	597.39	687.00	563.48	648.00	6.02%
S72Q3	Erven 400 m ² and larger	3 410.44	3 922.00	3 217.39	3 700.00	6.00%
S72R	Extension of Time period of validity of an approval	857.39	986.00	808.70	930.00	6.02%
S72S	Exemption in terms of Section 26	135.65	156.00	127.83	147.00	6.12%
S72T	Departure from trading hours in terms of the Oversstrand Liquor Trading By-law	3 411.30	3 923.00	3 217.79	3 700.46	6.01%
S75	TOWN PLANNING: LAND USE PLANNING FEE					
S75A1	Advertising Costs Government Gazette	4 773.91	5 490.00	4 503.48	5 179.00	6.00%
S75A2	Advertising Costs Local newspapers	4 773.91	5 490.00	4 503.48	5 179.00	6.00%
S75A3	Advertising Costs Local Newspaper (Removal of Restriction only)	9 546.96	10 979.00	9 006.96	10 358.00	6.00%
S75A4	Advertising Costs - Placing of Final Notice in the Government Gazette	1 349.57	1 552.00	1 273.04	1 464.00	6.01%
S75B	Regulations of Zoning schemes (printing)	306.96	353.00	289.57	333.00	6.01%
S75C	Spatial Development Framework (printing)	306.96	353.00	289.57	333.00	6.01%
S75D	Zoning Certificate	342.61	394.00	323.48	372.00	5.91%
S75D1	Zoning Certificate - Non Profit Organisation (NPO)	No Charge	no vat	No Charge	no vat	
S75E	Registered Letters - more than 10 letters, applicant to pay applicable tariffs according to the South African Post Office Rates	applicable rate	applicable vat	applicable rate	applicable vat	
S75G	Search Fee	342.61	394.00	323.48	372.00	5.91%
S75H	Section 30(2) Certification / Clearance (only for the first transfer) (tariff not applicable in case of transfer op property between spheres of government, housing projects (municipal, provincial or national government) or registered NPO's	2 022.61	2 326.00	1 907.83	2 194.00	6.02%

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025

S75I	Determination of Administrative Penalty: % as determined in terms of Section 90(5) of the Overstrand Municipality Land Use Planning Amendment By-Law, 2020	applicable rate	applicable vat	applicable rate	applicable vat	
S75I1	Formal structure - habitable (erven 150m ² and smaller) per sqm	5 871.30	6 752.00	5 539.13	6 370.00	6.00%
S75I2	Formal structure - habitable (erven larger than 150m ²) per sqm	17 611.30	20 253.00	16 614.78	19 107.00	6.00%
S75I3	Formal structure non-habitable per sqm	average of two formal quotations	average of two formal quotations	average of two formal quotations	average of two formal quotations	
S80	TRAFFIC					
S80J	Business & Other Events					
S80J1	Per officer per hour or part thereof - Mon - Sat	597.39	687.00	563.48	648.00	6.02%
S80J2	Per officer per hour or part thereof - Sundays and public Holidays	682.61	785.00	644.35	741.00	5.94%
S80J4	Administrative fee for provision of officers - per application	163.48	188.00	153.91	177.00	6.22%
S80K	Removal of Vehicles/Towing Fee					
S80K1	Removal of Vehicles per vehicle	1 433.04	1 648.00	1 352.17	1 555.00	5.98%
S80K2	Storage Fees per day	393.91	453.00	371.30	427.00	6.09%
S80K3	Towing Charge	Cost plus 15%	applicable vat	Cost plus 15%	applicable vat	
S80K4	Wheel Clamping per vehicle	531.30	611.00	500.87	576.00	6.08%
S80L	Traffic Cones					
S80L1	Hire of Traffic Cones per Cone per day	85.22	98.00	80.00	92.00	6.53%
S80P	Disabled Parking Token					
S80P1	Disabled Parking Token per application - valid for 2year period	156.52	180.00	147.83	170.00	5.88%
S80R	Impoundment of Boats					
S80R1	Impoundment Fee per boat	2 123.48	2 442.00	2 003.48	2 304.00	5.99%
S80T1	NLTA impoundments of public transport vehicles according the Government Notice 5/2009	6 839.13	7 865.00	6 452.17	7 420.00	6.00%
S80T2	NLTA Deviating of the routes public transport	2 442.61	2 809.00	2 304.35	2 650.00	6.00%
S85	WAYLEAVES AND THE USE OF MUNICIPAL ROAD RESERVES FOR THE INSTALLATION OF SERVICES					
S85A	Administration and Supervision Fee					
S85A2	Administration fee for a wayleave or permit to use the road reserve to install an underground service per permit/event/incident	1 795.65	2 065.00	1 693.91	1 948.00	6.01%
S85B	Remedying, Repairing and Cleaning					
S85B1	Remedying substandard reinstatement or reinstatement which does not comply with the road reserve or other Overstrand Municipality infrastructure; cleaning the site; or ensuring compliance with any other requirement the Overstrand Municipality . For the costs incurred by the Overstrand Municipality resulting from any work in, or use of, the road reserve by any person other than the Overstrand Municipality .	Actual costs plus 10% administration fee	applicable vat	Actual costs plus 10% administration fee	applicable vat	
S85C	Roadway Trench Fee					
S85C2	Tariff for unauthorised trenching across a roadway: Local Road per m - measured from 0.5m behind kerb face or road edge (where no kerb is present)	12 180.00	14 007.00	11 490.44	13 214.00	6.00%

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2024

REFUSE (SOLID WASTE) TARIFFS (ROUNDING APPLICABLE)

Tariff Code	Detail	2024/2025		2023/2024		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
		R	R	R	R	
DOMESTIC WASTE						
SAN1A	Residential (All registered erven/unit with approved building plan) 1 x removal per week (R/Month)	253.08	291.04	228.00	262.20	11.00%
SA1A2	Residential Indigent subsidy as per paragraph A of the Indigent Policy (All registered erven/unit with approved building plan) 1 x removal per week (R/Month)	253.08	291.04	228.00	262.20	11.00%
BUSINESS WASTE						
SAN1C	Commercial/Business (Hostels, Old Age Homes, Caravan Sites, Semi-permanent Resorts etc) (R/Month)	253.08	291.04	228.00	262.20	11.00%
SA1N1	Bulk Container 240L (Wheeley bin) (R/Month) 1 X per week (if available)	253.08	291.04	228.00	262.20	11.00%
SAN1N	Bulk Container 240L (Wheeley bin) (R/Month) 2 X per week (if available)	506.16	582.08	455.99	524.39	11.00%
SA1N3	Bulk Container 240L (Wheeley bin) (R/Month) 3 X per week CBD (if available)	759.24	873.13	683.97	786.57	11.00%
SA1N4	Bulk Container 240L (Wheeley bin) (R/Month) 4 X per week CBD (if available)	1 012.32	1 164.17	911.97	1 048.77	11.00%
SA1N2	Bulk Container 240L (Wheeley bin) (R/Month) 5 X per week CBD (if available)	1 265.40	1 455.21	1 139.97	1 310.97	11.00%
SAN1O	Camphill Route (R/Month) (If available)	1 988.42	2 286.68	1 791.37	2 060.08	11.00%
SAN1P	Additional Removals per week on Saturday per Bin (R/Month) per removal	379.62	436.56	341.98	393.28	11.01%
SA1P1	Additional Removals on request Central Town (CBD) per bin (R/Month) (Sunday or Public Holidays) per removal	506.16	582.08	455.98	524.38	11.00%
SA1P2	All CBD's additional Removal during normal working week, per Bin, per removal	58.52	67.30	52.72	60.63	11.00%
SA1P3	All CBD's additional Removal on Saturday, per Bin per removal	87.78	100.95	79.07	90.93	11.01%
SA1P4	All CBD's additional Removal during Sunday or Public Holidays, per Bin per removal	117.04	134.59	105.43	121.24	11.01%
SA1Q	Caravan Sites, Chalets, Semi-permanent & Resorts (R/Month) (Uilenskraalmond Vakansieoord; Franskraal Vakansieoord; Pearly Beach Camp, Micheal Fuchs Guesthouse) NO REMOVAL (per unit/site)	81.42	93.63	73.35	84.35	11.00%
SAN1R	Departmental Consumption (Municipal Consumption per removal site per month)	253.08	291.04	228.00	262.20	11.00%
SAN1U	Schools (R/Month)	253.08	291.04	228.00	262.20	11.00%
SAN1T	Removal outside service area (per removal per hour) (If available)	1 898.03	2 182.74	1 709.94	1 966.43	11.00%
SAN1V	Single Quarters & Transit Camps per unit	81.34	93.54	73.28	84.27	11.00%
SAN1W	Guesthouses, Bed & Breakfast (R/Month)	253.08	291.04	228.00	262.20	11.00%
SAN1X	Removal of food waste for safe disposal (R/per Collection)	503.87	579.45	453.94	522.03	11.00%
SAN2	SELF DUMPING TRANSFER STATIONS & DROP OFF'S: SAND AND CLEAN BUILDERS RUBBLE: (rounding applicable)					
SA2A1	Vehicles up to 1 ton load capacity: clean builders rubble (<250mm) and sand: only at Kleinmond Transfer Station, Stanford Drop Off, Pearly Beach Drop Off, Hawston Drop Off and Zwelihle Drop Off. (All vehicles above 1 ton load capacity only to landfills).	no Charge	no vat	no Charge	no vat	
SAN2B	SELF DUMPING TRANSFER STATIONS & DROP OFF'S: GENERAL AND GARDEN REFUSE					
SA2B1	Vehicles up to 1 Ton per vehicle load capacity (maximum volume of 5m³)	no Charge	no vat	no Charge	no vat	
SA2B2	Vehicles >1 & up to 2 Ton per vehicle load capacity (2 X SAN3B)	581.40	668.61	523.79	602.36	11.00%

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2024

SA2B3	Vehicles >2 & up to 3 Ton per vehicle load capacity (3 X SAN3B)	872.09	1 002.91	785.68	903.53	11.00%
SAN2C	WEIGH BRIDGE - SELF DUMPING ZWELIHLE DROP OFF: GENERAL REFUSE (rounding applicable)					
SA2C1	Up to 1 ton load weighed	no Charge	no vat	no Charge	no vat	
SA2C2	Above 1 ton load weighed per ton load weighed (maximum 3 tons)	290.70	334.30	261.89	301.17	11.00%
SA2C3	Weighing - Commercial vehicles (Cars, pick-ups / bakkies, campers, caravans and trailers)	225.75	259.61	203.38	233.89	11.00%
SA2C4	Weighing - Large vehicles (trucks and busses)	579.34	666.24	521.93	600.22	11.00%
SAN3	WEIGH BRIDGE - GANSBAAI LANDFILL (rounding applicable)					
SAN3A	Up to 1 ton load weighed	no Charge	no vat	no Charge	no vat	
SAN3B	Above 1 ton load weighed per ton load weighed	290.70	334.30	261.89	301.17	11.00%
SAN3D	Clean builders rubble and sand	no Charge	no vat	no Charge	no vat	
SAN3F	Mixed builders rubble per ton weighed (load contaminated with waste eg wood, plasitc, paper , cardboard, etc)	290.70	334.30	261.89	301.17	11.00%
SAN3G	Weighing - Commercial vehicles (Cars, pick-ups / bakkies, campers, caravans and trailers)	225.46	259.28	203.12	233.59	11.00%
SAN3H	Weighing - Large vehicles (trucks and busses)	579.78	666.74	522.32	600.67	11.00%
SAN4	BASIC FEE REFUSE SERVICE (Erven without approved building plans)					
SAN4A	All registered erven without approved building plans (R/Month)	126.53	145.51	113.99	131.09	11.00%
SAN5	SUNDRIES (rounding applicable)					
SAN5A	Rental of Bulk Container per day (including disposal)	126.96	146.00	120.00	138.00	5.80%
SAN5B	Deposit - rental of bulk containers per 4 bins or less	957.00	no vat	903.00	no vat	5.98%
SAN5C	Asbestos Sheet - per unit (Limited to max 10m ² per six month period)	153.91	177.00	145.22	167.00	5.98%
SAN5D	Baboon Resistant 240L Wheeley bin with lock delivered to homes - projects	1 507.83	1 734.00	1 422.61	1 636.00	5.99%
SAN5E	Replacement lock on baboon resistant wheelie bin	469.57	540.00	442.61	509.00	6.09%
SAN5F	Chipped Organic Material at Gansbaai landfill site					
SAN5F1	Per ton (when available and for self loading)	0.00	0.00	0.00	0.00	
SAN5F2	Per cubic (m ³) (when available and for self loading)	0.00	0.00	0.00	0.00	

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025 BEFORE NERSA APPROVAL

ELECTRICITY TARIFFS (ROUNDING APPLICABLE) (BEFORE NERSA approval)

Tariff Code	Detail		2024/2025		2023/2024		
			Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
ED	CONSUMER DEPOSITS						
ED1	Large Power User Group tariff E5 (excluding Kleinmond)	R	0.00	no vat	0.00	no vat	
ED2	Large Power User Group tariff E5 Kleinmond 2 weeks highest average consumption	R	calculated	no vat	calculated	no vat	
ED3	Domestic & Commercial Single Phase Credit Meter (Two Part Tariff) Electricity	R	3 628.38	no vat	3 423.00	no vat	6.00%
ED4	Domestic Three Phase Credit Meter (Two Part Tariff)- Electricity	R	6 360.00	no vat	6 000.00	no vat	6.00%
ED5	Commercial Three Phase Credit Meter (Two Part Tariff) - Electricity	R	14 535.78	no vat	13 713.00	no vat	6.00%
ED6	Domestic & Commercial Single Phase Pre-paid (Two Part Tariff) - Electricity	R	836.34	no vat	789.00	no vat	6.00%
ED7	Domestic & Commercial Three Phase Pre-paid (Two Part Tariff) - Electricity	R	1 670.56	no vat	1 576.00	no vat	6.00%
ED8	Indigent Registered (including UISP)	R	269.24	no vat	254.00	no vat	6.00%
EDD	Deposit Defaulters						
EDD1	Large Power User Group tariff E5 : Two Times average consumption during the preceding 12 months	R	calculated	no vat	calculated	no vat	
EDD2	Domestic & Commercial Single Phase Credit Meter (Two Part Tariff) Electricity : Two Times average consumption during the preceding 12 months	R	calculated	no vat	calculated	no vat	
EDD3	Domestic Three Phase Credit Meter (Two Part Tariff)- Electricity : Two Times average consumption during the preceding 12 months	R	calculated	no vat	calculated	no vat	
EDD4	Commercial Three Phase Credit Meter (Two Part Tariff) - Electricity : Two Times average consumption during the preceding 12 months	R	calculated	no vat	calculated	no vat	
EF	FIXED CHARGES						
EF1	Infrastructure Charge per Meter per month (No 1 end date 30 June 2026)	R	16.65	19.15	16.65	19.15	0.00%
E1	SINGLE PHASE : DOMESTIC						
E1A	Two-Part Tariff: Credit meters up to 60 Amp (13.8 kVA BDMD) (Including Resorts)						
E1A4 EB1A	Basic Monthly charge per meter per month	R	466.10	536.02	504.90	580.64	-7.68%
EC	Capacity Charge per Amp/Phase/Month	R	2.49	2.86	new	new	
EC1D	Capacity Charge : 60Amp	R	149.40	171.81	new	new	
	kWh Unit cost						
E1A2	IBT BLOCK 1 0 - 350 kWh	c	212.53	244.41	193.72	222.78	9.71%
E1A3	IBT BLOCK 2 351 - 600 kWh	c	273.93	315.02	284.52	327.20	-3.72%
E1A4	IBT BLOCK 3 > 600 kWh	c	384.67	442.37	349.57	402.01	10.04%
E1B	Two-Part Tariff: Pre-paid up to 60 Amp (13.8 kVA BDMD) (Including Resorts)						
E1B4 EB1B	Basic Monthly charge per meter per month	R	466.10	536.02	504.90	580.64	-7.68%
EC	Capacity Charge per Amp/Phase/Month	R	2.49	2.86	new	new	
EC1A	Capacity Charge : 30Amp	R	74.70	85.91	new	new	
EC1B	Capacity Charge : 40Amp	R	99.60	114.54	new	new	
EC1C	Capacity Charge : 50Amp	R	124.50	143.18	new	new	
EC1D	Capacity Charge : 60Amp	R	149.40	171.81	new	new	
	kWh Unit cost						
E1B2	IBT BLOCK 1 0 - 350 kWh	c	200.33	230.38	178.95	205.79	11.95%
E1B3	IBT BLOCK 2 351 - 600 kWh	c	273.93	315.02	268.11	308.33	2.17%
E1B4	IBT BLOCK 3 > 600 kWh	c	369.76	425.22	336.02	386.42	10.04%
E1C	SINGLE PHASE : COMMERCIAL						

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025 BEFORE NERSA APPROVAL

E4C4 EB1C	Basic Monthly charge per meter per month	R	466.10	536.02	504.90	580.64	-7.68%
EC	Capacity Charge per Amp/Phase/Month	R	3.82	4.39	new	new	
EC2A	Capacity Charge : 30Amp	R	114.60	131.79	new	new	
EC2B	Capacity Charge : 40Amp	R	152.80	175.72	new	new	
EC2C	Capacity Charge : 50Amp	R	191.00	219.65	new	new	
EC2D	Capacity Charge : 60Amp	R	229.20	263.58	new	new	
	kWh Unit cost						
E1C2	kWh Unit cost - Credit Meters	c	291.29	334.98	289.94	333.43	0.47%
E1C3	kWh Unit cost - Pre-paid meters	c	291.29	334.98	273.22	314.20	6.61%
E1D	Life Line One Two part tariff (Pre-paid meters only) ≤ 30 Amp with Maximum consumption of 350 kWh with average measured over twelve month period. Only available to Informal dwellings						
E1D1	Supply Basic Monthly charge per meter per month	R	49.41	56.82	new	new	Nersa: refer to E6
EC	Supply Capacity Charge per Amp/Phase/Month	R	2.49	2.86	new	new	
EC1D	Supply Capacity Charge : 30Amp	R	74.70	85.91	new	new	
	kWh Unit cost						
E4D4 E1B2	IBT BLOCK 1 0 - 350 kWh	c	172.94	198.88	157.16	180.73	10.04%
E1B3	IBT BLOCK 2 351 - 600 kWh	c	273.93	315.02	new	new	
E1B4	IBT BLOCK 3 > 600 kWh	c	329.97	379.47	new	new	
E1E	One- Two part tariff (Pre-paid meters only) Local Economic Development Projects						
E1E1	Basic Monthly charge per meter per month	R	49.41	56.82	new	new	
EC	Capacity Charge per Amp/Phase/Month	R	3.82	4.39	new	new	
EC2A	Capacity Charge : 30Amp	R	114.60	131.79	new	new	
EC2B	Capacity Charge : 40Amp	R	152.80	175.72	new	new	
EC2C	Capacity Charge : 50Amp	R	191.00	219.65	new	new	
EC2D	Capacity Charge : 60Amp	R	229.20	263.58	new	new	
	kWh Unit cost						
E1E1	IBT BLOCK 1 0 - 350 kWh kWh Unit cost	c	309.96	356.45	312.54	359.42	-0.83%
E3	THREE PHASE: COMMERCIAL & DOMESTIC						
E3E	Two-Part Tariff: Credit up to 100A (70 kVA BDMD) DOMESTIC						
E3E4 EB2A	Basic Monthly charge per meter per month	R	893.30	1 027.30	1 009.78	1 161.25	-11.54%
EC	Capacity Charge per Amp/Phase/Month	R	2.49	2.86	new	new	
EC3A	Capacity Charge : 40Amp	R	298.80	343.62	new	new	
EC3B	Capacity Charge : 60Amp	R	448.20	515.43	new	new	
EC3C	Capacity Charge : 80Amp	R	597.60	687.24	new	new	
EC3D	Capacity Charge : 100Amp	R	747.00	859.05	new	new	
	kWh Unit cost						
E3E2	IBT BLOCK 1 0 - 350 kWh	c	201.74	232.00	195.55	224.88	3.17%
E3E3	IBT BLOCK 2 351 - 600 kWh	c	274.84	316.07	285.69	328.54	-3.80%
E3E4	IBT BLOCK 3 > 600 kWh	c	382.29	439.63	347.41	399.52	10.04%
E3E	Two-Part Tariff: Pre-paid up to 100A (70 kVA BDMD) DOMESTIC						
E3E5 EB2B	Basic Monthly charge per meter per month	R	893.30	1 027.30	1 009.78	1 161.25	-11.54%
EC	Capacity Charge per Amp/Phase/Month	R	2.49	2.86	new	new	
EC3A	Capacity Charge : 40Amp	R	298.80	343.62	new	new	
EC3B	Capacity Charge : 60Amp	R	448.20	515.43	new	new	
EC3C	Capacity Charge : 80Amp	R	597.60	687.24	new	new	
EC3D	Capacity Charge : 100Amp	R	747.00	859.05	new	new	

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025 BEFORE NERSA APPROVAL

	kWh Unit cost							
E3E6	IBT BLOCK 1 0 - 350 kWh	c	201.74	232.00	180.65	207.75		11.67%
E3E7	IBT BLOCK 2 351 - 600 kWh	c	274.84	316.07	269.22	309.60		2.09%
E3E8	IBT BLOCK 3 > 600 kWh	c	367.47	422.59	333.94	384.03		10.04%
E3E	Two-Part Tariff: Credit up to 100A (70 kVA BDMD) COMMERCIAL							
E3E9 EB2C	Basic Monthly charge per meter per month	R	893.30	1 027.30	1 009.78	1 161.25		-11.54%
EC	Capacity Charge per Amp/Phase/Month	R	3.82	4.39	new	new		
EC3A	Capacity Charge : 40Amp	R	458.40	527.16	new	new		
EC3B	Capacity Charge : 60Amp	R	687.60	790.74	new	new		
EC3C	Capacity Charge : 80Amp	R	916.80	1 054.32	new	new		
EC3D	Capacity Charge : 100Amp	R	1 146.00	1 317.90	new	new		
E3E10 E3E3	kWh Unit cost	c	291.29	334.98	289.94	333.43		0.47%
E3E	Two-Part Tariff: Pre-paid up to 100A (70 kVA BDMD) COMMERCIAL							
E3E11 EB2D	Basic Monthly charge per meter per month	R	893.30	1 027.30	1 009.78	1 161.25		-11.54%
EC	Capacity Charge per Amp/Phase/Month	R	3.82	4.39	new	new		
EC3A	Capacity Charge : 40Amp	R	458.40	527.16	new	new		
EC3B	Capacity Charge : 60Amp	R	687.60	790.74	new	new		
EC3C	Capacity Charge : 80Amp	R	916.80	1 054.32	new	new		
EC3D	Capacity Charge : 100Amp	R	1 146.00	1 317.90	new	new		
E3E12 E3E4	kWh Unit cost	c	277.50	319.13	273.22	314.20		1.57%
E3G	One-Part Tariff: Pre-paid only; up to 100A (70 kVA BDMD) Businesses, Flats, Sport grounds, Churches.(minimum of 800kWh average for twelve months)							
E1E1	Basic Monthly charge per meter per month	R	49.41	56.82	new	new		
EC	Capacity Charge per Amp/Phase/Month	R	3.82	4.39	new	new		
EC3A	Capacity Charge : 40Amp	R	458.40	527.16	new	new		
EC3B	Capacity Charge : 60Amp	R	687.60	790.74	new	new		
EC3C	Capacity Charge : 80Amp	R	916.80	1 054.32	new	new		
EC3D	Capacity Charge : 100Amp	R	1 146.00	1 317.90	new	new		
E3G1	kWh Unit cost	c	336.62	387.11	344.86	396.59		-2.39%
E5	TIME OF USE TARIFF							
E5A	TIME OF USE TARIFF MV							
E5A1	Administrative and Service Charge Medium Voltage per month Basic charge	R	4 864.79	5 594.51	4 801.58	5 521.82		1.32%
E5A3 E5A2	Network Capacity Charge kVA: Notified Maximum Demand (NMD)	R	43.43	49.94	47.36	54.46		-8.30%
E5A2 E5A3	Network Demand Charge kVA: Utilised capacity	R	62.81	72.23	37.75	43.41		66.38%
E5A6 E5A4	Peak kWh Unit Charge Hi-Demand: Peak kWh Unit Charge	C	551.96	634.75	466.19	536.12		18.40%
E5A5	Standard kWh Unit Charge Hi-Demand: Standard kWh Unit Charge	C	176.20	202.63	143.45	164.97		22.83%
E5A4 E5A6	Off Peak kWh Unit Charge Hi-Demand: Off Peak kWh Unit Charge	C	101.86	117.14	79.68	91.63		27.84%
E5A9 E5A7	Low Demand: Peak kWh Unit Charge	C	446.21	513.14	472.17	543.00		-5.50%
E5A8	Low Demand: Standard kWh Unit Charge	C	163.90	188.49	149.41	171.82		9.70%
E5A7 E5A9	Low Demand: Off Peak kWh Unit Charge	C	98.38	113.14	85.68	98.53		14.82%
E5A10	Reactive Energy charge, per kilo volt amps reactive hours	C	5.37	6.18	new	new		
E5B	TIME OF USE TARIFF LV							
E5A1A E5B1	Administrative and Service Charge Low Voltage per month Basic charge	R	3 750.55	4 313.13	4 246.56	4 883.54		-11.68%
E5A3 E5B2	Network Capacity Charge kVA: Notified Maximum Demand (NMD)	R	49.30	56.70	47.36	54.46		4.10%
E5A2 E5B3	Network Demand Charge kVA: Utilised capacity	R	76.39	87.85	37.75	43.41		102.36%

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025 BEFORE NERSA APPROVAL

E5A6 E5B4	Peak kWh Unit Charge Hi-Demand: Peak kWh Unit Charge	C	557.91	641.60	466.19	536.12	19.67%
E5B5	Standard kWh Unit Charge Hi-Demand: Standard kWh Unit Charge	C	182.13	209.45	143.45	164.97	26.96%
E5A4 E5B6	Off-Peak kWh Unit Charge Hi-Demand: Off Peak kWh Unit Charge	C	107.82	123.99	79.68	91.63	35.32%
E5A9 E5B7	Low Demand: Peak kWh Unit Charge	C	452.16	519.98	472.17	543.00	-4.24%
E5B8	Low Demand: Standard kWh Unit Charge	C	169.83	195.30	149.41	171.82	13.67%
E5A7 E5B9	Low Demand: Off Peak kWh Unit Charge	C	104.35	120.00	85.68	98.53	21.79%
E5B10	Reactive Energy charge, per kilo volt amps reactive hours	C	5.37	6.18	new	new	
E5C	TIME OF USE TARIFF SMALL CUSTOMER <100 kVA						
E5C1	Basic charge	R	425.69	489.54	new	new	
E5C2	Network Capacity Charge R/Amp/phase/month	R	12.64	14.54	new	new	
E5C3	Hi-Demand: Peak kWh Unit Charge	C	674.30	775.45	new	new	
E5C4	Hi-Demand: Standard kWh Unit Charge	C	236.72	272.23	new	new	
E5C5	Hi-Demand: Off Peak kWh Unit Charge	C	149.85	172.33	new	new	
E5C6	Low Demand: Peak kWh Unit Charge	C	251.32	289.02	new	new	
E5C7	Low Demand: Standard kWh Unit Charge	C	187.50	215.63	new	new	
E5C8	Low Demand: Off Peak kWh Unit Charge	C	135.95	156.34	new	new	
E5C9	Reactive Energy charge, per kilo volt amps reactive hours	C	21.47	24.69	new	new	
E5A10 E5D	Exceed NOTIFIED MAXIMUM DEMAND (NMD) per kVA Per month R	R	1 921.40	2 209.61	1 280.56	1 472.64	50.04%
E6	SUBSIDIZED TARIFFS: Grant to be shown separately						
E6A	Basic Monthly Charge: Residential Indigent and Life-line consumer as per paragraph A of the Indigent Policy per meter (Based on Single phase basic charge + 30Amp capacity charge)	R	540.80	621.92	504.90	580.64	7.11%
E7	PUBLIC LIGHTING & CCTV						
E7A1	Streetlights & CCTV (metered) per kWh (no basic charge)	c	184.09	211.70	117.22	134.80	57.05%
E7A2	Streetlights & CCTV (consumption) (per unit/per month) (no basic charge) per 100 Watt per month	R	64.39	74.05	44.20	50.83	45.68%
E7A5	Illuminated street sign boards per month	R	64.39	74.05	44.20	50.83	45.68%
E7A6	Maintenance charge per light per month		34.64	39.84	31.36	36.06	10.46%
E8	CASUAL SUPPLIES						
E8A1	Per connection includes disconnection excluding hire of kiosk	R	1 914.79	2 202.00	1 740.08	2 001.09	10.04%
E8A2	Consumption per day if not metered	R	124.41	143.07	113.06	130.02	10.04%
E8A3	Hire of temporary distribution kiosk, per kiosk, per occasion	R	750.44	863.00	681.87	784.15	10.06%
E8A4	Deposit (Usage will be subtracted)	R	2 254.00	no vat	2 162.00	no vat	4.26%
E8A5	One part tariff : Prepaid or Credit Casual Supply	c	377.37	433.98	342.94	394.38	10.04%
E9	NETWORK CHARGES: SERVICED LAND						
E9A1	Network charge per serviced plot per month	R	578.11	664.83	504.90	580.64	14.50%
E9A2	Infrastructure Charge per Meter per month (No 1 end date 30 June 2026)	R	16.65	19.15	16.65	19.15	0.00%
E10	SUNDRY CHARGES						
E10A1	Call-out Fee - office hours (Based on 2 hours for electr & assist + 30km)	R	885.22	1 018.00	834.78	960.00	6.04%
E10A2	Call-out Fee - after hours: Weekdays & Saturdays (Based on 2 hrs (time and a half) for electr & assist + 30km)	R	1 242.61	1 429.00	1 172.17	1 348.00	6.01%
E10A3	Call-out Fee - after hours: Sundays & Public Holidays (Based on 2 hrs (double time) for electr & assist + 30km)	R	1 598.26	1 838.00	1 507.83	1 734.00	6.00%
E10A4	MV. Switching on Council's equipment office hours (Based on 3 hours for superintendent & electr + 60km)	R	2 577.39	2 964.00	2 431.30	2 796.00	6.01%

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025 BEFORE NERSA APPROVAL

E10A5	MV. Switching on Council's equipment -after hours: Weekdays & Saturdays (Based on 3 hours (time and a half) for a superintendent and an electrician plus 60km)	R	3 693.04	4 247.00	3 484.35	4 007.00	5.99%
E10A6	MV. Switching on Council's equipment -after hours: Sundays & Public holidays (Based on 3 hours (double time) for a superintendent and an electrician plus 60km)	R	4 810.44	5 532.00	4 538.26	5 219.00	6.00%
E10A7	Contractor Inspection 2nd	R	866.09	996.00	817.39	940.00	5.96%
E10A8	Contractor Inspection 3rd	R	1 307.83	1 504.00	1 233.91	1 419.00	5.99%
E10A9	Disconnection	R	425.22	489.00	400.87	461.00	6.07%
E10A10	Reconnection	R	425.22	489.00	400.87	461.00	6.07%
E10A11	Verification of a Meter Reading	R	425.22	489.00	400.87	461.00	6.07%
E10A12	Administration fee - recalculation due to no meter access	R	220.87	254.00	208.70	240.00	5.83%
E10A13	Test of Meter: 1 & 3 Phase (Conditionally Refundable) External testing	R	815.65	938.00	769.57	885.00	5.99%
E10A14	Test of Meter: All other Meters (Conditionally Refundable) External testing	R	cost + 15%	applicable vat	cost + 15%	applicable vat	
E10A15	Tariff change - change between one part and two-part	R	289.57	333.00	273.04	314.00	6.05%
E10A16	Damage elect meter (based on meter cost + call out X 2)	R	2 901.74	3 337.00	2 737.39	3 148.00	6.00%
E10A16A	Damage Indigent household elect meter (bona fide)	R	0.00	0.00	new	new	
E10A17	Damage elect meter 3 phase (based on meter cost + call out X 2)	R	4 430.44	5 095.00	4 180.00	4 807.00	5.99%
E10A18	Replacement of CIU (Meter keypad) (Based on keypad cost and call out fee)	R	1 460.87	1 680.00	1 378.26	1 585.00	5.99%
E10A19	Damage of Bulk meter-(Based on 3 hours for a superintendent and electrician + 60km + bulk meter cost + modem cost)	R	9 590.44	11 029.00	9 047.83	10 405.00	6.00%
E10A20	Commission of Bulk meter, supplied by customer (call out fee x 3)	R	2 655.65	3 054.00	2 504.34	2 879.99	6.04%
E10A21	Damage of HV Cable	R	cost + R48 366.00	applicable vat	cost + R45 628.73	applicable vat	6.00%
E10A22	Damage of MV Cable	R	cost + R12 644.00	applicable vat	cost + R11 927.89	applicable vat	6.00%
E10A23	Damage of LV Cable	R	cost + R 5 092.00	applicable vat	cost + R 4 803.88	applicable vat	6.00%
E10A24	Damage of Service Connection Cable	R	cost + R 1 274.00	applicable vat	cost + R 1 201.56	applicable vat	6.03%
E10A25	Working without Way leave	R	6 527.83	7 507.00	6 158.26	7 082.00	6.00%
E10A26	Refundable Wayleave deposit for HV cables	R	93 215.00	no vat	87 940.00	no vat	6.00%
E10A27	Refundable Way leave deposit for MV cables	R	23 304.00	no vat	21 985.00	no vat	6.00%
E10A28	Refundable Way leave deposit for LV cables	R	5 036.00	no vat	4 751.00	no vat	6.00%
E10A29	Cancellation Fee of requested service	R	15% of Service Value	no vat	15% of Service Value	no vat	
E10A30	Erection and removal of Banners, signs & lights (per hour) (Vehicle cost + labour)	R	1 056.52	1 215.00	996.52	1 146.00	6.02%
E10A31	Replacement of damaged overhead service connection cable (Tariff E13A9 - E10A18)	R	4 485.22	5 158.00	4 231.30	4 866.00	6.00%
E10A32	Removal of Meter (based on call out fee)	R	885.22	1 018.00	834.78	960.00	6.04%
E10A33	Repositioning of Meter (excl. cable) (based on call out fee)	R	885.22	1 018.00	834.78	960.00	6.04%
E10A34	Repositioning of Meter (incl. cable) (based on call out fee + 30m cable)	R	2 920.00	3 358.00	2 754.78	3 168.00	6.00%
E10A35	Request for bulk meter profile for 12 months per request (Based on 3 hours for Snr Superintendent + 30km)	R	1 473.91	1 695.00	1 390.44	1 599.00	6.00%
E11	UPGRADE OR DOWNGRADE (Network dependant)						
E11A1	Change of Circuit Breaker - S/Phase(1/annum) contact Electricity Department for approval (Based on Circuit Breaker cost + 1 hour for an electrician and assistant + 30km)	R	693.04	797.00	653.91	752.00	5.98%
E11A2	Change of Circuit Breaker - 3 Phase(1/annum) contact Electricity Department for approval (Based on Circuit Breaker cost + 1 hour for an electrician and assistant + 30km)	R	1 766.09	2 031.00	1 666.09	1 916.00	6.00%
E12	CONVERSION OF METERS						
E12A1	Convert Credit Meter to Pre-paid: SP (no cable work) (based on meter cost + call out)	R	2 017.39	2 320.00	1 903.48	2 189.00	5.98%
E12A2	Convert Credit Meter to Pre-paid: 3P (no cable work) (based on meter cost + call out)	R	3 546.96	4 079.00	3 346.09	3 848.00	6.00%

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025 BEFORE NERSA APPROVAL

E12A3	Convert Credit Three Phase to Single Phase Pre-paid meter (based on meter cost + call out + CB)	R	2 245.22	2 582.00	2 118.26	2 436.00	5.99%
E12A4	Convert Credit Three Phase to Single Phase Credit (Commercial only)	R	1 374.78	1 581.00	1 297.39	1 492.00	5.97%
E12A5	Convert Pre-paid Single Phase to Three Phase Pre-paid (based on tariff E13A8) cost includes cable to boundary	R	R14 689.00 + ext fee	applicable vat	R13 857.51 + ext fee	applicable vat	6.00%
E12A6	Convert pre-paid Three phase to Single phase pre-paid (based on meter cost + call out + CB)	R	2 245.22	2 582.00	2 118.26	2 436.00	5.99%
E12A7	Change to Time of Use (with existing bulk meter) + Deposit	R	865.22	995.00	816.52	939.00	5.96%
E12A8	Change to Time of Use (without existing bulk meter) + Deposit	R	15 448.70	17 766.00	14 573.91	16 760.00	6.00%
E12A9	Change to SSEG Three Phase	R	9 590.44	11 029.00	9 047.83	10 405.00	6.00%
E12A10	Change to SSEG Single Phase	R	4 327.83	4 977.00	4 082.61	4 695.00	6.01%
E13	SERVICE CONNECTIONS						
E13A1	Builders connection (plus applicable service connection tariff)	R	1 121.74	1 290.00	1 058.26	1 217.00	6.00%
E13A4	Single Phase (Credit - 60A) option for Commercial users only (Based on 30m cable + meter cost + average labour cost + 15% admin fee)	R	7 956.52	9 150.00	7 506.09	8 632.00	6.00%
E13A6	Single Phase - (Pre-paid meters - 60A) applicable to Domestic users (Network Permitted) (Based on: 30m cable + meter cost + average labour cost + 15% admin fee)	R	7 956.52	9 150.00	7 506.09	8 632.00	6.00%
E13A7	Three Phase : (Credit - 60A) Plus Extension fee : Extension fee not applicable to Industrial erven up to 60 Amp (Based on 30m (25mm) cable + meter cost + average labour +circuit breaker + 15% admin fee)	R	R14 203.00 + ext fee	applicable vat	R14 342.50 + ext fee	applicable vat	6.00% 0.00%
E13A8	Three Phase : (Pre-paid - 60A) Plus Extension fee : Extension fee not applicable to Industrial erven up to 60 Amp (Based on 30m (25mm) cable + meter cost + average labour +circuit breaker + 15% admin fee)	R	R14 203.00 + ext fee	applicable vat	R14 342.50 + ext fee	applicable vat	6.00% 0.00%
E13A9	Non Standard : Pre-paid 30 Amp Single phase (Sub economic connections) (Based on 30m (10mm) cable + meter cost + average labour cost + 15% admin fee)	R	7 387.83	8 496.00	6 969.57	8 015.00	6.00%
E13A14	Any other none standard connections		cost + 15% admin	applicable vat	cost + 15% admin	applicable vat	
E14	ILLEGAL AND UNSAFE CONNECTION / TAMPERING FEE (Including SSEG and damage or bypass of the DSM Hot Water Cylinder Control Unit)						
E14A1	1 st Offence	R	5 168.00	no vat	4 875.00	no vat	6.01%
E14A2	2 nd Offence (E14A1 X 2)	R	10 335.00	no vat	9 750.00	no vat	6.00%
E14A3	3 rd Offence and re-occurrence (Disconnection of service and remedial action fee = double previous* offence fee) *based on current tariffs		2 X E14A2	no vat	2 X E14A2	no vat	
E14A4	Unsafe / Illegal supply of electricity (per visit) (reconnection fee included)	R	2 315.00	no vat	2 183.48	2 511.00	6.02%
E15	UPGRADING CONTRIBUTIONS (BULK INFRASTRUCTURE CONTRIBUTION LEVIES - BICL) (Network permitted : to be approved by Electricity Department)						
E15A1	Primary Cost p/kVA -include all HV Equipment UP to HV Substation or identified point of supply excluding Dist. TF	R	1 441.74	1 658.00	1 360.00	1 564.00	6.01%
E15A2	Primary Cost p/kVA -include all MV. Equipment UP to Main Substation or identified point of supply excluding Dist. TF	R	4 292.17	4 936.00	4 049.57	4 657.00	5.99%
E15A3	Secondary Cost p/kVA -include all MV. Equipment UP to Main Substation or identified point of supply including Dist. TF	R	5 231.30	6 016.00	4 934.78	5 675.00	6.01%
E15A4	Secondary Cost p/kVA -include all MV. Equipment UP to Main Substation or identified point of supply including Dist. TF and Kiosk	R	6 825.22	7 849.00	6 439.13	7 405.00	6.00%
E15A5	Buying/Refund of spare capacity cost/kVA	R	100% of approved installation cost	applicable vat	100% of approved installation cost	applicable vat	
E15A6	Investigation Fee	R	5 127.83	5 897.00	4 837.39	5 563.00	6.00%
E15A7	FACTOR OF 0,36 APPLICABLE ON DOMESTIC USERS : TARIFF : applicable on E15A3 AND E15A4 (Commercial /Business no factor apply)	R	Factor 0.36	applicable vat	Factor 0.36	applicable vat	
E18	SMALL SCALE EMBEDDED GENERATION (SSEG)						

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025 BEFORE NERSA APPROVAL

	This tariff is available only for approved SSEG connections, where the customers offset their small scale generation against purchases from the Municipality, provided that their purchases exceed their generation. The consumer will stay on his existing tariff (All prepaid customers excluded) Prepaid customers to convert to credit meter and tariff.						
E18A2	Feed-in Tariff c/kWh (based on 85% of Eskom Standard Rate proportional over 12 months)	c	114.21	131.34	103.79	119.36	10.04%
DC2	DEVELOPMENT CONTRIBUTIONS (BULK INFRASTRUCTURE CONTRIBUTION LEVIES - BICL)						
DC2A	<u>Sub Division of existing erf</u>						
DC2A1	Single Phase 60 AMP (5 kVA) Domestic X Tariff E15A4 = P/ERF PLUS STANDARD CONNECTION FEES	R	34 127.83	39 247.00	32 195.65	37 025.00	6.00%
DC2B	<u>New Developments</u>						
DC2B1	Standard fee per Singel Phase Domestic erf - infrastructure provide by developer (13.8 kVA xE15A2 x.36)	R	21 323.48	24 522.00	20 116.52	23 134.00	6.00%
DC2B2	Standard fee per Three Phase Domestic erf - infrastructure provide by developer (42kVA x E15A2x.36)	R	64 897.39	74 632.00	61 224.35	70 408.00	6.00%
DC2C	MV/LV Bulk Supply with metering point cost / kVA= Tariff E15A2	R	4 325.22	4 974.00	4 080.00	4 692.00	6.01%
DC2C1	LV Bulk Supply if capacity is available on existing TF cost / kVA = Tariff E15A3	R	5 270.43	6 060.99	4 972.17	5 718.00	6.00%

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025

SEWER TARIFFS (ROUNDING APPLICABLE)

Tariff Code	Detail	2024/2025		2023/2024		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
SE7A	SEWERAGE - SINGLE AND INTERMEDIATE RESIDENTIAL (Dwelling house and Duplex flats, Conventional Sewers, small bore sewers and conservancy tanks)					
SE7A1	0 - 35kl per kl (based on 70% of max 50kl water usage) - per unit per month , Conservancy tank service only during office hours per month. For after hours service, refer to tariff SE9B.	18.18	20.90	16.69	19.19	8.90%
SE7A2	Where no municipal water is used - per RUE per month. Conservancy tank service only during office hours per month. For after hours service, refer to tariff SE9B.	161.41	185.62	148.22	170.45	8.90%
SE7A3	Call out fee for Tank Service request but no service due to another defect/no acces to tank	737.71	848.37	677.42	779.03	8.90%
SE7A5	Double the basic charge levied where networks are available but client is not connected	320.72	368.83	294.51	338.69	8.90%
	SEWERAGE - REGISTERED INDIGENT HOUSEHOLDS					
SE7A4	0 - 7 kl - subsidised	18.18	20.90	16.69	19.19	8.90%
SE7A5	8 - 35kl per kl (based on 70% of max 50kl water usage) - per unit per month , Conservancy tank service only during office hours per month. For after hours service, refer to tariff SE9B.	18.18	20.90	16.69	19.19	8.90%
SE7B	SEWERAGE - GENERAL RESIDENTIAL (Blocks of flats and Residential Buildings)					
SE7B1	0 - 45kl per kl (based on 90% of max 50kl water usage) per unit per month	18.18	20.90	16.69	19.19	8.90%
SE7B2	Call out fee for Tank Service request but no service due to another defect/no acces to tank	737.71	848.37	677.42	779.03	8.90%
SE7C	SEWERAGE - GUEST HOUSE; BED & BREAKFAST ESTABLISHMENTS					
SE7C1	per kl (based on 70% of water usage) per unit per month.	18.18	20.90	16.69	19.19	8.90%
SE7D	CONSUMPTION - ALL OTHER (Including Commercial, Industrial, School, Sport, etc)					
SE7D1	per kl (based on 90% of water usage) per unit per month - this percentage may be adjusted according to the Tariff Policy after investigation	18.18	20.90	16.69	19.19	8.90%
SE7D2	Call out fee for Tank Service request but no service due to another defect/no acces to tan	737.71	848.37	677.42	779.03	8.90%
SE7E	CONSUMPTION - DEPARTMENTAL					
SE7E1	0 - 35 kl per kl (based on 70% of max 50kl water usage) per unit per month	18.18	20.90	16.69	19.19	8.90%
SE8	BASIC CHARGE					
SE8A	Basic Monthly Charge Developed sites per erf/unit per month	160.52	184.60	147.40	169.51	8.90%
SE8A1	Basic Monthly Subsidy Residential Indigent as per paragraph A of the Indigent Policy per month	160.52	184.60	147.40	169.51	8.90%
SE8B	Basic Monthly Charge Undeveloped sites - can not connect to the network per erf/unit per month	108.16	124.38	99.32	114.22	8.90%
SE8C	Basic Monthly Charge Undeveloped sites - can connect to the network per erf/unit per month	160.51	184.58	147.39	169.50	8.90%
SE8D	Basic Monthly Charge Developed sites - with a septic Tank per erf/unit per month	108.16	124.38	99.32	114.22	8.90%
SE8E	Basic Monthly Charge - Low Cost Housing & Single Quarters per erf/unit per month	108.16	124.38	99.32	114.22	8.90%
SE8F	Infrastructure					
SE8F1	Fixed Infrastructure Basic Charge per erf/unit per month (No 1 end date 30 June 2026	9.60	11.04	9.60	11.04	0.00% Fixed
SE8F2	Fixed Infrastructure Basic Charge per erf/unit per month (No 2 end date 30 June 2029	3.43	3.94	3.43	3.94	0.00% Fixed
SE8F3	Subsidised Fixed Infrastructure Basic Charge per erf/unit per month - Registered Indigent Households	3.43	3.94	3.43	3.94	0.00% Fixed

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025

SE9	OTHER SEWERAGE CHARGES					
SE9A	<u>Vacuum Tanker Service for users not paying tariffs SE7 above - PROVIDED ON REQUEST</u>					
SE9A1	Vacuum Tanker Service provided on request < 6kl (per 6kl or part thereof)	737.71	848.37	677.42	779.03	8.90%
SE9A2	Vacuum Tanker Service provided on request < 5kl (per 5kl or part thereof)	737.71	848.37	677.42	779.03	8.90%
SE9A4	Vacuum Tanker Service provided on request > 6kl (per 6kl or part thereof)	737.71	848.37	677.42	779.03	8.90%
SE9A5	Call out fee for Tank Service request but no service due to another defec	737.71	848.37	677.42	779.03	8.90%
SE9A6	More than 3 pipes an additional fee per pipe for users not paying tariff SE7 above	108.06	124.27	99.23	114.11	8.90%
SE9B	<u>After Hours Vacuum Tanker Service - PROVIDED ON REQUEST</u>					
SE9B1	After Hours - per request < 6kl (per 6kl or part thereof)	1 475.42	1 696.73	1 354.84	1 558.07	8.90%
SE9B2	After Hours - per request > 6kl (per 6kl or part thereof)	1 475.42	1 696.73	1 354.84	1 558.07	8.90%
SE9B3	After Hours - per request < 5kl (per 5kl or part thereof)	1 475.42	1 696.73	1 354.84	1 558.07	8.90%
SE9B2	After Hours Businesses with Public Toilets per removal	443.02	509.47	406.81	467.83	8.90%
SE9C	<u>Vacuum Tanker Service outside urban areas - PROVIDED ON REQUEST</u>					
SE9C1	Normal Applicable Tariff (SE9A1 or SE9A2 or SE9A4) PLUS additional per hour PLUS SE9C2	443.02	509.47	406.81	467.83	8.90%
SE9C2	Normal Applicable Tariff (SE9A2) plus additional per km	21.63	24.87	19.86	22.84	8.90%
	<u>After Hours for Vacuum Tanker Service outside urban areas - PROVIDED ON REQUEST</u>					
SE9C6	After Hours Applicable Tariff (SE9B1 or SE9B2 or SE9B3) PLUS additional per hour PLUS SE9C7	443.02	509.47	406.81	467.83	8.90%
SE9C7	After Hours Applicable Tariff (SE9B2) plus additional per km	21.63	24.87	19.86	22.84	8.90%
SE10	SUNDRY CHARGES					
SE9D	<u>Testing and Connection Fees</u>					
SE9D1	Testing of the septic and conservancy tanks per test	1 854.78	2 133.00	1 749.57	2 012.00	6.01%
SE9D2	Smallbore sewerage connection fee + tank test	8 509.57	9 786.00	8 027.83	9 232.00	6.00%
SE9D3	Sewer Connection	6 385.22	7 343.00	6 023.48	6 926.99	6.01%
SE9E	<u>Disposal with own tanker truck</u>					
SE9E1	Charge per kl or part thereof	17.39	20.00	16.52	19.00	5.27%
SE11	ILLEGAL CONNECTION / TAMPERING FEE					
SE11A	1st Offence	8 745.00	no vat	8 250.00	no vat	6.00%
SE11B	2nd Offence (SE11A X 2)	17 490.00	no vat	16 500.00	no vat	6.00%
NOTE: Any requests for tanker services after 15:00 will be charged at the after hour rate						

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025

WATER TARIFFS (ROUNDING APPLICABLE)

Tariff Code	Detail	2024/2025		2023/2024		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
WD	CONSUMER DEPOSITS					
WD1	Domestic - Water	765.00	no vat	719.00	no vat	6.40%
WD2	Commercial - Water - Consumption < 40kl	3 044.00	no vat	2 872.00	no vat	5.99%
WD3	Commercial - Water - Consumption 40 - 100kl	10 651.00	no vat	10 048.00	no vat	6.00%
WD4	Commercial - Water - Consumption 100 kl +	18 257.00	no vat	17 224.00	no vat	6.00%
WD5	Domestic - Water RUE's	Applicable Rue's X WD1A	no vat	Applicable Rue's X WD1A	no vat	
WD6	Indigent - registered (including UISP)	244.00	no vat	230.00	no vat	6.09%
WDD	Deposit Defaulters					
WDD1	Domestic - Water - Two Times average monthly consumption during the preceding 12 months (Defaulters)	calculated	no vat	calculated	no vat	
WDD2	Commercial - Water - Consumption < 40kl Two Times average monthly consumption during the preceding 12 months (Defaulters)	calculated	no vat	calculated	no vat	
WDD3	Commercial - Water - Consumption 40 - 100kl Two Times average monthly consumption during the preceding 12 months (Defaulters)	calculated	no vat	calculated	no vat	
WDD4	Commercial - Water - Consumption 100 kl + Two Times average monthly consumption during the preceding 12 months (Defaulters)	calculated	no vat	calculated	no vat	
WDD5	Domestic - Water RUE's Two Times average monthly consumption during the preceding 12 months (Defaulters)	calculated	no vat	calculated	no vat	
W1	BASIC CHARGE					
W1A1	Basic Monthly Charge per erf/unit per month	175.68	202.04	165.74	190.60	6.00%
W1A2A	Basic Monthly Subsidy : Residential Indigent as per paragraph A of the Indigent Policy per erf/unit per month	175.68	202.04	165.74	190.60	6.00%
W1A3	Infrastructure					
W1A3A	Fixed Infrastructure Basic Charge per erf/unit per month (No 1 end date 30 June 2026)	15.45	17.77	15.45	17.77	0.00% Fixed
W1A3B	Fixed Infrastructure Basic Charge per erf/unit per month (No 2 end date 30 June 2029)	8.41	9.67	8.41	9.67	0.00% Fixed
W1A3C	Subsidised Fixed Infrastructure Basic Charge per erf/unit per month - Registered Indigent Households (No 2 end date 30 June 2029)	8.41	9.67	8.41	9.67	0.00% Fixed
	<i>See attachment for the amount of RUE's allocated to different household consumers</i>					
W1B	CONSUMPTION - HOUSEHOLDS					
	Normal Tariff & Level 1 water restrictions					
W1B1	0 - 6 kl per kl	7.22	8.30	6.81	7.83	6.00%
W1B2	7 - 18 kl per kl	14.81	17.03	13.97	16.07	6.00%
W1B4	19 - 45 kl per kl	31.04	35.69	29.28	33.67	6.00%
W1B5	46 - 60 kl per kl	62.06	71.37	58.55	67.33	6.00%
W1B6	>60kl per kl	82.76	95.18	78.08	89.79	6.00%
	Restriction Tariff 1 (level 2 & 3 water restrictions)					
W1B7	0 - 6 kl per kl	7.22	8.30	6.81	7.83	6.00%
W1B8	7 - 18 kl per kl	19.25	22.14	18.16	20.89	6.00%
W1B10	19 - 45 kl per kl	40.35	46.40	38.06	43.77	6.00%
W1B11	46 - 60 kl per kl	80.68	92.78	76.12	87.53	6.00%
W1B12	>60kl per kl	107.59	123.73	101.50	116.73	6.00%

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025

	Restriction Tariff 2 (level 4 & 5 water restrictions)					
W1B13	0 - 6 kl per kl	7.22	8.30	6.81	7.83	6.00%
W1B14	7 - 18 kl per kl	23.69	27.25	22.35	25.70	6.00%
W1B16	19 - 45 kl per kl	49.66	57.11	46.85	53.88	6.00%
W1B17	46 - 60 kl per kl	99.30	114.20	93.68	107.73	6.00%
W1B18	>60kl per kl	132.42	152.29	124.93	143.67	6.00%
	Restriction Tariff 3 (level 6 water restrictions)					
W1B19	0 - 6 kl per kl	7.22	8.30	6.81	7.83	6.00%
W1B20	7 - 18 kl per kl	29.62	34.06	27.94	32.13	6.00%
W1B22	19 - 45 kl per kl	62.07	71.38	58.56	67.34	6.00%
W1B23	46 - 60 kl per kl	124.13	142.74	117.10	134.67	6.00%
W1B24	>60kl per kl	165.53	190.36	156.16	179.58	6.00%
W1BI	CONSUMPTION - REGISTERED INDIGENT HOUSEHOLDS					
	Normal Tariff & Level 1 water restrictions					
W1BI1	0 - 10 kl per kl - subsidised	7.22	8.30	6.81	7.83	6.00%
W1BI2	11 - 18 kl per kl	14.81	17.03	13.97	16.07	6.00%
W1BI4	19 - 45 kl per kl	31.04	35.69	29.28	33.67	6.00%
W1BI5	46 - 60 kl per kl	62.06	71.37	58.55	67.33	6.00%
W1BI6	>60kl per kl	82.76	95.18	78.08	89.79	6.00%
	Restriction Tariff 1 (level 2 & 3 water restrictions)					
W1BI7	0 - 10 kl per kl - subsidised	7.22	8.30	6.81	7.83	6.00%
W1BI8	11 - 18 kl per kl	19.25	22.14	18.16	20.89	6.00%
W1BI10	19 - 45 kl per kl	40.35	46.40	38.06	43.77	6.00%
W1BI11	46 - 60 kl per kl	80.68	92.78	76.12	87.53	6.00%
W1BI12	>60kl per kl	107.59	123.73	101.50	116.73	6.00%
	Restriction Tariff 2 (level 4 & 5 water restrictions)					
W1BI13	0 - 10 kl per kl - subsidised	7.22	8.30	6.81	7.83	6.00%
W1BI14	11 - 18 kl per kl	23.69	27.25	22.35	25.70	6.00%
W1BI16	19 - 45 kl per kl	49.66	57.11	46.85	53.88	6.00%
W1BI17	46 - 60 kl per kl	99.30	114.20	93.68	107.73	6.00%
W1BI18	>60kl per kl	132.42	152.29	124.93	143.67	6.00%
	Restriction Tariff 3 (level 6 water restrictions)					
W1BI19	0 - 10 kl per kl - subsidised	7.22	8.30	6.81	7.83	6.00%
W1BI20	11 - 18 kl per kl	29.62	34.06	27.94	32.13	6.00%
W1BI22	19 - 45 kl per kl	62.07	71.38	58.56	67.34	6.00%
W1BI23	46 - 60 kl per kl	124.13	142.74	117.10	134.67	6.00%
W1BI24	>60kl per kl	165.53	190.36	156.16	179.58	6.00%
W1C	CONSUMPTION - ALL OTHER					
	Normal Tariff & Level 1 water restrictions					
W1C1	0 - 18 kl per kl	16.38	18.83	15.45	17.77	6.00%
W1C3	19 - 45 kl per kl	36.99	42.54	34.90	40.14	6.00%
W1C4	46 - 60 kl per kl	48.04	55.25	45.32	52.12	6.00%
W1C5	>60 kl per kl	64.06	73.66	60.43	69.49	6.00%
	Restriction Tariff 1 (level 2 & 3 water restrictions)					
W1C6	0 - 18 kl per kl	21.29	24.48	20.09	23.10	6.00%
W1C8	19 - 45 kl per kl	48.09	55.31	45.37	52.18	6.00%

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025

W1C9	46 - 60 kl per kl	62.45	71.82	58.92	67.75	6.00%	
W1C10	>60 kl per kl	83.27	95.76	78.56	90.34	6.00%	
	Restriction Tariff 2 (level 4 & 5 water restrictions)						
W1C11	0 - 18 kl per kl	26.20	30.13	24.72	28.43	6.00%	
W1C13	19 - 45 kl per kl	59.19	68.07	55.84	64.22	6.00%	
W1C14	46 - 60 kl per kl	76.86	88.39	72.51	83.39	6.00%	
W1C15	>60 kl per kl	102.49	117.86	96.69	111.19	6.00%	
	Restriction Tariff 3 (level 6 water restrictions)						
W1C16	0 - 18 kl per kl	32.75	37.67	30.90	35.54	6.00%	
W1C18	19 - 45 kl per kl	73.99	85.09	69.80	80.27	6.00%	
W1C19	46 - 60 kl per kl	96.08	110.49	90.64	104.24	6.00%	
W1C20	>60 kl per kl	128.11	147.33	120.86	138.99	6.00%	
W1D	OTHER CONSUMERS						
W1D1	Departmental per Kl (Including temporary connection for municipal purposes)	30.29	34.83	29.63	34.07	2.23%	Cost Price
W1D2	Fire Hoses: Basic per Month	224.20	257.83	211.51	243.24	6.00%	
W1D3	bulk usage (unconnected to networks) per Kl - Consumers Permanently residing within Overstrand municipality area	18.14	20.86	17.11	19.68	6.00%	
W1D3A	Restriction Tariff 1 (level 2 & 3 water restrictions)	23.58	27.11	22.24	25.58	6.00%	
W1D3B	Restriction Tariff 2 (level 4 & 5 water restrictions)	29.02	33.37	27.38	31.48	6.00%	
W1D3C	Restriction Tariff 3 (level 6 water restrictions)	36.27	41.71	34.22	39.35	6.00%	
W1D4	Kid Brooke (Van Cauter 0 - 8000kl per year)	0.08	0.09	0.08	0.09	0.00%	fixed
W1D5	Onrus Small Holdings tariff 2 (Van Cauter)	0.08	0.09	0.08	0.09	0.00%	fixed
W1D6	Onrus Small Holdings tariff 4 (Per agreement)	1.11	1.28	1.11	1.28	0.00%	fixed
W1D7	Contractors water consumption - temporary connection (only for municipal purposes)	30.29	34.83	29.63	34.07	2.23%	Cost Price
W1D8	Bulk usage (Unconnected to networks) per Kl - People residing outside the Overstrand municipal area	67.25	77.33	63.44	72.96	6.00%	
W1D8A	Restriction Tariff 1 (level 2 & 3 water restrictions)	87.42	100.53	82.47	94.84	6.00%	
W1D8B	Restriction Tariff 2 (level 4 & 5 water restrictions)	107.59	123.73	101.50	116.73	6.00%	
W1D8C	Restriction Tariff 3 (level 6 water restrictions)	134.49	154.67	126.88	145.91	6.00%	
W1E	WET COMMERCIAL, SPORT, PARKS etc (must apply for this tariff)						
	Normal Tariff & Level 1 water restrictions						
W1E1	0 - 500kl per kl	23.83	27.40	22.48	25.85	6.00%	
W1E2	501 - 1000kl per kl	36.05	41.46	34.01	39.11	6.00%	
W1E3	>1000kl per kl	48.06	55.27	45.34	52.14	6.00%	
	Restriction Tariff 1 (level 2 & 3 water restrictions)						
W1E4	0 - 300kl per kl	30.98	35.62	29.22	33.61	6.00%	
W1E5	301 - 700kl per kl	46.87	53.90	44.21	50.84	6.00%	
W1E6	>700kl per kl	62.48	71.85	58.94	67.78	6.00%	
	Restriction Tariff 2 (level 4 & 5 water restrictions)						
W1E7	0 - 250kl per kl	38.13	43.84	35.97	41.36	6.00%	
W1E8	251 - 500kl per kl	57.68	66.33	54.42	62.58	6.00%	
W1E9	>500kl per kl	76.90	88.43	72.54	83.43	6.00%	
	Restriction Tariff 3 (level 6 water restrictions)						
W1E10	0 - 100kl per kl	47.66	54.81	44.96	51.70	6.00%	
W1E11	>100 kl per kl	96.12	110.54	90.68	104.28	6.00%	
W1F	WET INDUSTRY (Marine etc. must apply for this tariff) (Average of 100kl per day over previous 365 days)						

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025

Normal Tariff & Level 1 water restrictions						
W1F1	0 - 5800kl per kl	24.83	28.55	23.42	26.93	6.00%
W1F2	> 5800kl per kl	48.06	55.27	45.34	52.14	6.00%
Restriction Tariff 1 (level 2 & 3 water restrictions)						
W1F3	0 - 5800kl per kl	32.27	37.11	30.45	35.01	6.00%
W1F4	> 5800kl per kl	62.48	71.85	58.94	67.78	6.00%
Restriction Tariff 2 (level 4 & 5 water restrictions)						
W1F5	0 - 5800kl per kl	39.72	45.68	37.47	43.09	6.00%
W1F6	> 5800kl per kl	76.90	88.43	72.54	83.43	6.00%
Restriction Tariff 3 (level 6 water restrictions)						
W1F7	0 - 5 800kl per kl	49.65	57.10	46.84	53.87	6.00%
W1F8	>5 800 kl per kl	96.12	110.54	90.68	104.28	6.00%
W2A	AVAILABILITY CHARGES					
W2A1	Overstrand per month	175.68	202.04	165.74	190.60	6.00%
W2A2	Farms connected to water pipe line	175.68	202.04	165.74	190.60	6.00%
W2J	REBATED COST (This can be granted by the Municipal Manager after application) refer to Policy # 6.8.1					
W2J1	Kl above average - per kl	18.17	20.90	17.78	20.45	2.19% Cost Price
W3A	IRRIGATION WATER ("LEI WATER") & RAW WATER					
W3A1	Use and pump water (80-90 min) per MONTH Stanford	53.84	61.91	50.79	58.41	6.00%
W3A2	Pearly Beach Small Holdings: Basic	65.71	75.57	61.99	71.29	6.00%
W3A3	Pearly Beach Small Holdings: Consumption 0- 70 kl per kl	5.12	5.89	4.83	5.55	6.00%
W3A4	Pearly Beach Small Holdings: Consumption >70 kl per kl	12.03	13.84	11.35	13.05	6.00%
W3A5	Others per kl	5.12	5.89	4.83	5.55	6.00%
W3A6	Farm Rem 1/722 Stanford as per agreement, 0.875% of raw water abstraction from municipal boreholes, to a maximum of 4380 kl/a, per kl	0.00	0.00	0.00	0.00	0.00%
W3A6A	Farm 10/722 Stanford as per agreement, 0.875% of raw water abstraction from municipal boreholes, to a maximum of 4380 kl/a, per kl	0.00	0.00	0.00	0.00	0.00%
W3A6B	Farms Rem 1/722 and 10/722 Stanford as per agreement, raw water abstraction from boreholes in excess of 0.875% of municipal abstraction per property, per kl	5.12	5.89	4.83	5.55	6.00%
W3A6C	Farms 7/722 and 8/722 Stanford as per agreement, raw water consumption up to 100 kl/month	0.00	0.00	0.00	0.00	0.00%
W3A6D	Farm 7/722 and 8/722 Stanford as per agreement, raw water consumption in excess of 100 kl/month	5.12	5.89	4.83	5.55	0.00%
W3A7	Farm 586 Volmoed raw water from De Bos pipeline consumption 0 - 300 kl/month per kl	0.00	0.00	0.00	0.00	0.00%
W3A8	Farm 586 Volmoed raw water from De Bos pipeline consumption >300 kl/month per kl	5.12	5.89	4.83	5.55	6.00%
W3B	IRRIGATION WATER - (TREATED EFFLUENT)					
W3B2	Hermanus Golf Club per month	58 449.63	67 217.07	55 141.16	63 412.33	6.00%
W3B3	All other per kl	3.30	3.79	3.11	3.58	6.00%
W3B4	Schools, municipal sports grounds & project sport grounds as per agreement	no charge	no vat	no charge	no vat	
W3B5	Curro Holdings - 250kl free per day as per deed of sale	3.30	3.79	3.11	3.58	6.00%
W4	SUNDRY CHARGES					
W4A1	Testing of a Meter (Call-out Fee incl)	1 163.48	1 338.00	1 097.39	1 262.00	6.02%
W4A2	Testing of a Meter (Ind/Bulk Meter) <i>*Minimum charge of R500</i>	Cost plus 15%	applicable vat	Cost plus 15%	applicable vat	
W4A3	Disconnection	526.96	606.00	497.39	572.00	5.95%
W4A4	Reconnection	526.96	606.00	497.39	572.00	5.95%
W4A5	Reconnection After Normal Working Hours	1 056.52	1 215.00	996.52	1 146.00	6.02%

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025

W4A6	Administration fee - recalculation due to no meter access	205.22	236.00	193.91	223.00	5.83%
W4A7	Verification of a Meter Reading	289.57	333.00	273.04	314.00	6.05%
W4A8	Final and Special Readings	264.35	304.00	249.57	287.00	5.92%
W4A9	Call-out Fee - Normal Working Hours	526.09	605.00	496.52	571.00	5.96%
W4A10	Call-out Fee - After Hours	1 054.78	1 213.00	994.78	1 144.00	6.03%
W4A11	Replacement of damage meter	1 414.78	1 627.00	1 334.78	1 535.00	5.99%
W4A12	Removal / Re-install of Meter (based on call out fee)	1 163.48	1 338.00	1 097.39	1 262.00	6.02%
W4A13	Registration of Borehole (Including inspection fee)	394.78	454.00	372.17	428.00	6.08%
W4A14	Repositioning of Meter (excl. pipe)	1 158.26	1 332.00	1 093.04	1 257.00	5.97%
W4A15	Convert to Water Flow Restrictor Meter	3 773.04	4 339.00	3 559.13	4 093.00	6.01%
W4A16	Temporary Connections - Deposit	9 926.90	no vat	9 365.00	no vat	6.00%
W4A17	Temporary Connection - Usage per kl	30.29	34.83	29.63	34.07	2.23% cost price
W4A18	Damage of Water Meter	Actual cost plus 15%	applicable vat	Actual cost plus 15%	applicable vat	
W4A19	Damage of Watermain	Actual cost plus R3 991.00	applicable vat	Actual cost plus R3 764.76	applicable vat	6.01%
W4A20	Damage of Service Connection (including water meter)	Actual cost plus R1 049.00	applicable vat	Actual cost plus R989.57	applicable vat	6.01%
W5	ILLEGAL CONNECTION / TAMPERING FEE					
W5A1	1st Offence	8 806.00	no vat	8 308.00	no vat	5.99%
W5A2	2 nd Offence Must convert to a flow-restriction watermeter at applicable tariff plus	10 333.00	no vat	9 748.00	no vat	6.00%
W5A3	3rd Offence (Restriction of service and remedial action fee = double previous offence fee)	Previous offence amount X 2	no vat	Previous offence amount X 2	no vat	
W6	CONNECTION FEE					
W6A1	20 mm Connection Conventional Meter	6 451.30	7 419.00	6 086.09	6 999.00	6.00%
W6A2	20 mm Connection Water Flow Restrictor Meter	7 662.61	8 812.00	7 228.70	8 313.00	6.00%
W6A3	Other Connections	Actual cost plus 15%	applicable vat	Actual cost plus 15%	applicable vat	
W6A4	Connections (Erf Boundary - by Developer)	1 677.39	1 929.00	1 582.61	1 820.00	5.99%
W7	BULK SERVICES DEVELOPMENT FEES					
	Tariffs set out in Development Contribution Tariff list					

ANNEXURE TO WATER TARIFFS
 ALLOCATION OF RUE's TO CATEGORIES OF CONSUMERS

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

RUE = Residential Unit Equivalent

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025

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

Tariff Code	Detail	2024/2025		2023/2024		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
		R	R	R	R	
DC1	WATER					1.060
DC1A	Standard Fee per Equivalent Unit	23 998.26	27 598.00	22 640.00	26 036.00	
DC2	ELECTRICITY					
DC2A	Sub Division of Existing Erf					
DC2A1	Single Phase 60 AMP (5 kVA) Domestic X Tariff E15A4 = P/ERF PLUS Standard Connection Fees	34 127.83	39 247.00	32 195.65	37 025.00	6.00%
DC2B	New Developments					
DC2B1	Standard fee per Singel Phase Domestic erf - infrastructure provide by developer (Based on 13.8 kVA xE15A2 x.36)	21 323.48	24 522.00	20 116.52	23 134.00	6.00%
DC2B2	Standard fee per Three Phase Domestic erf - infrastructure provide by developer (Based on 42kVA x E15A2x.36)	64 897.39	74 632.00	61 224.35	70 408.00	6.00%
DC2C	MV/LV Bulk Supply with metering point cost / kVA= Tariff E15A2	4 325.22	4 974.00	4 080.00	4 692.00	6.01%
DC2C1	LV Bulk Supply if capacity is available on existing TF cost / kVA = Tariff E15A3	5 270.43	6 060.99	4 972.17	5 718.00	6.00%
DC3	SEWERAGE					
DC3A	Standard Fee per Equivalent Unit	17 152.17	19 725.00	16 181.13	18 608.30	6.00%
DC4	ROADS					
DC4A	Standard Fee per Equivalent Unit	7 691.30	8 845.00	7 255.93	8 344.32	6.00%
DC5	STORMWATER					
DC5A	Standard Fee per Equivalent Unit	8 873.91	10 205.00	8 371.23	9 626.91	6.00%
DC6	SOLID WASTE					
DC6A	Standard Fee per Equivalent Unit	1 538.26	1 769.00	1 450.82	1 668.44	6.03%
DC7	OFF-GRID DEVELOPMENT/UNITS					
DC7A	As per signed agreement as recommended by the Director: Infrastructure and Planning and approval by the Municipal Manager	as per agreement	applicable vat	as per agreement	applicable vat	
DC8	EVALUATION/INVESTIGATION LEVIES are payable OVER and ABOVE the Bulk Service Levies					
DC8A	Water					
	No. of Equivalent units					
DC8A1	1 - 4	no charge	no vat	no charge	no vat	
DC8A2	5 - 10	10 654.78	12 253.00	10 051.30	11 559.00	6.00%
DC8A3	11 - 25	17 940.87	20 632.00	16 925.22	19 464.00	6.00%
DC8A4	26 - 50	24 684.35	28 387.00	23 286.96	26 780.00	6.00%
DC8A5	51 - 100	28 325.22	32 574.00	26 721.74	30 730.00	6.00%
DC8A6	101 - 250	31 427.83	36 142.00	29 648.70	34 096.00	6.00%
DC8A7	251 - 500	36 687.83	42 191.00	34 611.30	39 803.00	6.00%
DC8A8	501 - 2000	41 407.83	47 619.00	39 064.35	44 924.00	6.00%
DC8A9	2000 – 5000	49 771.30	57 237.00	46 953.91	53 997.00	6.00%

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025

DC8A10	> 5001	56 516.52	64 994.00	53 317.39	61 315.00	6.00%
DC8E	Sanitation					
	No. of Equivalent units					
DC8E1	1 - 4	no charge	no vat	no charge	no vat	
DC8E2	5 - 10	10 654.78	12 253.00	10 051.30	11 559.00	6.00%
DC8E3	11 - 25	17 940.87	20 632.00	16 925.22	19 464.00	6.00%
DC8E4	26 - 50	24 684.35	28 387.00	23 286.96	26 780.00	6.00%
DC8E5	51 - 100	28 325.22	32 574.00	26 721.74	30 730.00	6.00%
DC8E6	101 - 250	31 427.83	36 142.00	29 648.70	34 096.00	6.00%
DC8E7	251 - 500	36 687.83	42 191.00	34 611.30	39 803.00	6.00%
DC8E8	501 - 2000	41 407.83	47 619.00	39 064.35	44 924.00	6.00%
DC8E9	2000 – 5000	49 771.30	57 237.00	46 953.91	53 997.00	6.00%
DC8E10	> 5001	56 516.52	64 994.00	53 317.39	61 315.00	6.00%

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025

RESORTS TARIFF LIST (ROUNDING APPLICABLE)

Tariff Code	Detail	2024/2025		2023/2024		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
	** A deposit of 50% of the total amount payable is applicable to secure the booking					1.1004
	** On cancellation of the booking an administration fee of 15% will deducted from the deposit					electricity
	** On cancellation of the booking less than 14 days prior to the commencement of the booking period, the deposit will not be paid back					
R 1	PALMIET & KLEINMOND CARAVAN PARKS					
R1A	Peak Season - 1 December - 31 January & Easter Weekend					
R1A1	A Stands per day	506.09	582.00	477.39	549.00	6.01%
R1A2	B Stands per day	406.09	467.00	383.48	441.00	5.90%
R1A3	C Stands per day	361.74	416.00	340.87	392.00	6.12%
R1B	Off-Peak Season - 1 February - 30 November (Excluding Easter Weekend)					
R1B1	A Stands per day	280.00	322.00	264.35	304.00	5.92%
R1B2	B Stands per day	241.74	278.00	227.83	262.00	6.11%
R1B3	C Stands per day	220.87	254.00	208.70	240.00	5.83%
	The above tariffs include for up to four (4) persons and one (1) vehicle with one trailer or caravan or small boat per day					
R1F	Sundry Costs					
R1F1	Electricity if available per stand per day	35.51	40.84	32.27	37.11	10.04%
R1F2	Additional persons up to a maximum of two (2) - per person per day	73.91	85.00	69.57	80.00	6.25%
R1F3	Additional vehicle or small trailer or small boat to maximum of 2 units - per unit per day	42.61	49.00	40.00	46.00	6.52%
R1F4	Day visitors for campers up to a maximum of four (4) per person per day	73.91	85.00	69.57	80.00	6.25%
R1F5	Day visitors vehicle per day	55.65	64.00	52.17	60.00	6.67%
	NOTE: Special arrangements must be made with the Camp Manager to allow day visitors					
R1F6	Children under two (2) years	no charge	no vat	no charge	no vat	
R1F7	Children under twelve (12)	35.65	41.00	33.91	39.00	5.13%
R1F8	Gate Card / Key Deposit per set - Refundable	212.00	no vat	200.00	no vat	6.00%
R1J	Off-Peak: Pensioners, Caravan Clubs more than 10 caravans, Mobile Camper Vehicles & RV groups (not caravans) more than 20 campers					
	Note: Pensioners to be defined as persons sixty (60) years and older					
R1J1	May get a discount on the stands	50%	applicable vat	50%	applicable vat	
R1J2	Qualify for a reduced tariff for a period of 30 days	3 409.57	3 921.00	3 216.52	3 699.00	6.00%
R 10	KLEINMOND: FRANK ROBB HUT					
R10A	Camping per person per day (Maximum of 10 persons)	120.00	138.00	113.04	130.00	6.16%
R 30	ONRUS CARVAN PARK					
R30A	Peak Season - 1 December - 31 January & Easter Weekend					
R30A1	A Stands per day	583.48	671.00	550.44	633.00	6.00%
R30A2	B Stands per day	504.35	580.00	475.65	547.00	6.03%
R30A3	C Stands per day	386.96	445.00	365.22	420.00	5.95%
R30B	Off-Peak Season - 1 February - 30 November (Excluding Easter Weekend)					
R30B1	A Stands per day	337.39	388.00	318.26	366.00	6.01%

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025

R30B2	B Stands per day	339.13	390.00	320.00	368.00	5.98%
R30B3	C Stands per day	286.09	329.00	269.57	310.00	6.13%
The above tariffs include for up to six (6) persons and one (1) vehicle with one trailer or caravan or small boat per day						
R30F	Sundry Costs					
R30F2	Additional persons - per person per day	80.87	93.00	76.50	87.98	5.71%
R30F3	Additional vehicle or small trailer or small boat to maximum of 2 units - per unit per day	44.35	51.00	41.48	47.70	6.92%
R30F7	Full 30 day Rental	5 451.30	6 269.00	5 142.61	5 914.00	6.00%
R30F8	Gate Card / Key Deposit per set - Refundable	212.00	no vat	200.00	no vat	6.00%
R30J	Annual Rental					
R30J1	Rental per annum	33 182.61	38 160.00	31 304.35	36 000.00	6.00%
Plus:						
R30J2	Pergola with covering per annum	1 911.30	2 198.00	1 803.48	2 074.00	5.98%
R30J3	Water tap per annum	407.83	469.00	384.35	442.00	6.11%
R30J4	Structure for storing purposes per annum	407.83	469.00	384.35	442.00	6.11%
R30J5	Permanent fireplace structure per annum	407.83	469.00	384.35	442.00	6.11%
R30J6	Electricity per stand per annum	1 798.48	2 068.26	1 634.39	1 879.55	10.04%
R30J7	Additional caravan at semi-permanent per day	27.83	32.00	26.09	30.00	6.69%
R30L	Off-Peak: Pensioners, Caravan Clubs more than 10 caravans, Mobile Camper Vehicles & RV groups (not caravans) more than 20 campers					
Note: Pensioners to be defined as persons sixty (60) years and older						
R30L1	May get a discount on the stands	50%	applicable vat	50%	applicable vat	
R30L2	Qualify for a reduced tariff for a period of 30 days	3 747.83	4 310.00	3 535.65	4 066.00	6.00%
R 60	GANSBAAAI CARAVAN PARK					
R60A	Peak Season - 1 December - 31 January & Easter Weekend					
R60A1	A+ Stands per day	449.57	517.00	424.35	488.00	5.94%
R60A2	A Stands per day	357.39	411.00	337.39	388.00	5.93%
R60A3	B Stands per day	280.00	322.00	264.35	304.00	5.92%
R60A4	C Stands per day	255.65	294.00	240.87	277.00	6.14%
R60B	Off-Peak Season - 1 February - 30 November (Excluding Easter Weekend)					
R60B1	A+ Stands per day	306.96	353.00	289.57	333.00	6.01%
R60B2	A Stands per day	265.22	305.00	250.44	288.00	5.90%
R60B3	B Stands per day	240.87	277.00	226.96	261.00	6.13%
R60B4	C Stands per day	220.00	253.00	207.83	239.00	5.86%
The above tariffs include for up to four (4) persons and one (1) vehicle with one trailer or caravan or small boat per day						
R60F	Sundry Costs					
R60F1	Additional persons up to a maximum of two (2) - per person per day	73.91	85.00	69.57	80.00	6.25%
R60F2	Additional vehicle or small trailer or small boat - per unit per day	52.17	60.00	49.57	57.00	5.26%
R60F3	Children under two (2) years	no charge	no vat	no charge	no vat	
R60F4	Children under twelve (12)	35.65	41.00	33.91	39.00	5.13%
R60F5	Day visitors for campers up to a maximum of four (4) per person per day	52.17	60.00	49.57	57.00	5.26%
R60F6	Gate Card / Key Deposit per set - Refundable	211.00	no vat	199.00	no vat	6.03%

OVERSTRAND MUNICIPALITY TARIFF LIST 2024/2025

R60J	Annual Rental					
R60J1	Rental per annum	22 121.74	25 440.00	20 869.57	24 000.00	6.00%
E60K	Off-Peak: Pensioners, Caravan Clubs more than 10 caravans, Mobile Camper Vehicles & RV groups (not caravans) more than 20 campers					
	Note: Pensioners to be defined as persons sixty (60) years and older					
R60K1	May get a discount on the stands	50%	applicable vat	50%	applicable vat	
R 80	HAWSTON DAY CAMPING SITE					
R80A	Peak Season - 1 December - 31 January & Easter Weekend					
R80A1	Camping Sites	241.74	278.00	227.83	262.00	6.11%
R80A2	Parking Fees per vehicle (excluding busses >20 seats)	18.26	21.00	17.39	20.00	5.00%
R80A3	Per Bus >20 seats	206.09	237.00	194.78	224.00	5.81%
R80A4	Entrance Fee: Adults (per person)	18.26	21.00	17.39	20.00	5.00%
R80A5	Entrance Fee: Children (per child < 12)	5.22	6.00	4.78	5.50	9.21%
R80B	Off-Peak Season - 1 February - 30 November (Excluding Easter Weekend)					
R80B1	Camping Sites	131.30	151.00	123.48	142.00	6.33%
R80B2	Parking Fees per vehicle (excluding busses >20 seats)	18.26	21.00	17.39	20.00	5.00%
R80B3	Per Bus >20 seats	206.09	237.00	194.78	224.00	5.81%
R80B4	Entrance Fee: Adults (per person)	18.26	21.00	17.39	20.00	5.00%
R80B5	Entrance Fee: Children (per child < 12)	5.22	6.00	4.78	5.50	9.21%
R80B6	The above tariffs include for up to six (6) persons and one (1) vehicle with one trailer or caravan or small boat per day					
R80E	Sundry Costs					
R80E1	Electricity if available per stand per day	36.35	41.80	33.03	37.98	10.04%
R80E2	Additional vehicle or small trailer or small boat - per unit per day	49.57	57.00	46.96	54.00	5.55%
R80J	Off-Peak: Pensioners, Caravan Clubs more than 10 caravans, Mobile Camper Vehicles & RV groups (not caravans) more than 20 campers					
	Note: Pensioners to be defined as persons sixty (60) years and older					
R80J1	May get a discount on the stands	50%	applicable vat	50%	applicable vat	

ANNEXURE D

TARIFF BASKETS

MONTHLY BASKET OF TARIFFS 2024/2025

SINGLE RESIDENTIAL		Year	Year	Increase/Decrease	
High Consumption		2023/2024	2024/2025	Amount	%
Valuation	R3 500 000				
Rates		968.30	1 045.76	77.46	8.00
Sewer	SE7A1+SE8A	381.06	414.97	33.91	8.90
Infrastructure Basic Charge Water, Electricity & Sewer		53.54	53.54	0.00	0.00
Refuse	1X Per Week	228.00	253.08	25.08	11.00
Water	20 kl	432.80	458.77	25.97	6.00
SUB TOTAL		2 063.70	2 226.13	162.43	7.87
VAT	15%	164.31	177.05	24.36	14.83
TOTAL		2 228.01	2 403.18	186.79	8.38
SRA Rate as might be applicable to be added					

High Consumption with prepaid elect meter		2023/2024	2024/2025	Amount	%
Valuation	R3 500 000				
Rates		968.30	1 045.76	77.46	8.00
Sewer	SE7A1+SE8A	381.06	414.97	33.91	8.90
Infrastructure Basic Charge Water, Electricity & Sewer		53.54	53.54	0.00	0.00
Refuse	1X Per Week	228.00	253.08	25.08	11.00
Water	20 kl	432.80	458.77	25.97	6.00
SUB TOTAL		2 063.70	2 226.13	162.43	7.87
VAT	15%	164.31	177.05	24.36	14.83
TOTAL		2 228.01	2 403.18	186.79	8.38
SRA Rate as might be applicable to be added					

Medium Consumption		2023/2024	2024/2025	Amount	%
Valuation	R2 500 000				
Rates		687.63	742.64	55.01	8.00
Sewer	SE7A1+SE8A	322.65	351.36	28.72	8.90
Infrastructure Basic Charge Water, Electricity & Sewer		53.54	53.54	0.00	0.00
Refuse	1X Per Week	228.00	253.08	25.08	11.00
Water	15 kl	332.33	352.27	19.94	6.00
SUB TOTAL		1 624.15	1 752.89	128.75	7.93
VAT	15%	140.48	151.54	19.31	13.75
TOTAL		1 764.63	1 904.43	148.06	8.39
SRA Rate as might be applicable to be added					

Medium Consumption with prepaid elect meter		2023/2024	2024/2025	Amount	%
Valuation	R2 500 000				
Rates		687.63	742.64	55.01	8.00
Sewer	SE7A1+SE8A	322.65	351.36	28.72	8.90
Infrastructure Basic Charge Water, Electricity & Sewer		53.54	53.54	0.00	0.00
Refuse	1X Per Week	228.00	253.08	25.08	11.00
Water	15 kl	332.33	352.27	19.94	6.00
SUB TOTAL		1 624.15	1 752.89	128.75	7.93
VAT	15%	140.48	151.54	19.31	13.75
TOTAL		1 764.63	1 904.43	148.06	8.39
SRA Rate as might be applicable to be added					

Low Consumption		2023/2024	2024/2025	Amount	%
Valuation	R1 000 000				
Rates		266.63	287.96	21.33	8.00
Sewer	SE7A1+SE8A	322.65	351.36	28.72	8.90
Infrastructure Basic Charge Water, Electricity & Sewer		53.54	53.54	0.00	0.00
Refuse	1X Per Week	228.00	253.08	25.08	11.00
Water	15 kl	332.33	352.27	19.94	6.00
SUB TOTAL		1 203.15	1 298.21	95.07	7.90
VAT	15%	140.48	151.54	14.26	10.15
TOTAL		1 343.63	1 449.75	109.33	8.14
SRA Rate as might be applicable to be added					

Low Consumption with prepaid elect meter		2023/2024	2024/2025	Amount	%
Valuation	R1 000 000				
Rates		266.63	287.96	21.33	8.00
Sewer	SE7A1+SE8A	322.65	351.36	28.72	8.90
Infrastructure Basic Charge Water, Electricity & Sewer		53.54	53.54	0.00	0.00
Refuse	1X Per Week	228.00	253.08	25.08	11.00
Water	15 kl	332.33	352.27	19.94	6.00
SUB TOTAL		1 203.15	1 298.21	95.07	7.90
VAT	15%	140.48	151.54	14.26	10.15
TOTAL		1 343.63	1 449.75	109.33	8.14

MONTHLY BASKET OF TARIFFS 2024/2025

SRA Rate as might be applicable to be added					
Low Consumption					
Valuation	R500 000	2023/2024	2024/2025	Amount	%
Rates		126.30	136.40	10.10	8.00
Sewer	SE7A1+SE8A	322.65	351.36	28.72	8.90
Infrastructure Basic Charge Water, Electricity & Sewer		53.54	53.54	0.00	0.00
Refuse	1X Per Week	228.00	253.08	25.08	11.00
Water	15 kl	332.33	352.27	19.94	6.00
SUB TOTAL		1 062.82	1 146.65	83.84	7.89
VAT	15%	140.48	151.54	12.58	8.95
TOTAL		1 203.29	1 298.19	96.42	8.01
SRA Rate as might be applicable to be added					

Low Consumption with prepaid elect meter					
Valuation	R500 000	2023/2024	2024/2025	Amount	%
Rates		126.30	136.40	10.10	8.00
Sewer	SE7A1+SE8A	322.65	351.36	28.72	8.90
Infrastructure Basic Charge Water, Electricity & Sewer		53.54	53.54	0.00	0.00
Refuse	1X Per Week	228.00	253.08	25.08	11.00
Water	15 kl	332.33	352.27	19.94	6.00
SUB TOTAL		1 062.82	1 146.65	83.84	7.89
VAT	15%	140.48	151.54	12.58	8.95
TOTAL		1 203.29	1 298.19	96.42	8.01
SRA Rate as might be applicable to be added					

Sub-Economic Consumption (Indigent)					
Valuation	R190 000	2023/2024	2024/2025	Amount	%
Rates		39.29	42.44	3.14	8.00
Sewer	SE7A1	43.39	47.26	3.86	8.90
Infrastructure Basic Charge Water, Electricity & Sewer		41.70	41.70	0.00	0.00
Refuse	1X Per Week	0.00	0.00	0.00	0.00
Water	18 kl	374.24	396.69	22.45	6.00
SUB TOTAL		498.63	528.09	29.46	5.91
VAT	15%	68.90	72.85	4.42	6.41
TOTAL		567.53	600.93	33.88	5.97
SRA Rate as might be applicable to be added					

Sub-Economic Consumption (Non Indigent)					
Valuation	R190 000	2023/2024	2024/2025	Amount	%
Rates		39.29	0.00	-39.29	-100.00
Sewer	SE7A1	357.69	389.53	31.83	8.90
Infrastructure Basic Charge Water, Electricity & Sewer		53.54	53.54	0.00	0.00
Refuse	1X Per Week	228.00	253.08	25.08	11.00
Water	18 kl	374.24	396.69	22.45	6.00
SUB TOTAL		1 052.77	1 092.84	40.08	3.81
VAT	15%	152.02	163.93	6.01	3.95
TOTAL		1 204.79	1 256.77	46.09	3.83
SRA Rate as might be applicable to be added					

Low Consumption					
Valuation	R170 000	2023/2024	2024/2025	Amount	%
Rates		33.68	0.00	-33.68	-100.00
Sewer	SE7A1+SE8A	240.86	262.30	21.44	8.90
Infrastructure Basic Charge Water, Electricity & Sewer		53.54	53.54	0.00	0.00
Refuse	1X Per Week	228.00	253.08	25.08	11.00
Water	8 kl	234.54	248.61	14.07	6.00
SUB TOTAL		790.62	817.53	26.91	3.40
VAT	15%	113.54	122.63	4.04	3.55
TOTAL		904.17	940.16	30.95	3.42
SRA Rate as might be applicable to be added					

Low Consumption with prepaid elect meter					
Valuation	R170 000	2023/2024	2024/2025	Amount	%
Rates		33.68	0.00	-33.68	-100.00
Sewer	SE7A1+SE8A	240.86	262.30	21.44	8.90
Infrastructure Basic Charge Water, Electricity & Sewer		53.54	53.54	0.00	0.00
Refuse	1X Per Week	228.00	253.08	25.08	11.00
Water	8 kl	234.54	248.61	14.07	6.00
SUB TOTAL		790.62	817.53	26.91	3.40
VAT	15%	113.54	122.63	4.04	3.55

MONTHLY BASKET OF TARIFFS 2024/2025

TOTAL	904.17	940.16	30.95	3.42
SRA Rate as might be applicable to be added				

Sub-Economic Consumption (Indigent)		2023/2024	2024/2025	Amount	%
Valuation	R100 000				
Rates		14.03	0.00	-14.03	-100.00
Sewer	SE7A1	0.00	0.00	0.00	#DIV/0!
Infrastructure Basic Charge Water, Electricity & Sewer		41.70	41.70	0.00	0.00
Refuse	1X Per Week	0.00	0.00	0.00	0.00
Water	10 kl	0.00	0.00	0.00	0.00
SUB TOTAL		55.73	41.70	-14.03	-25.18
VAT	15%	6.26	6.26	0.00	0.00
TOTAL		61.99	47.96	-14.03	-22.64
SRA Rate as might be applicable to be added					

Life-Line Consumption (ONE PART) (Indigent)		2023/2024	2024/2025	Amount	%
Valuation	R50 000				
Rates		0.00	0.00	0.00	0.00
Sewer	SE7A1	0.00	0.00	0.00	0.00
Infrastructure Basic Charge Water, Electricity & Sewer		41.70	41.70	0.00	0.00
Refuse	1X Per Week	0.00	0.00	0.00	0.00
Water	8 kl	0.00	0.00	0.00	0.00
SUB TOTAL		41.70	41.70	0.00	0.00
VAT	15%	6.26	6.26	0.00	0.00
TOTAL		47.96	47.96	0.00	0.00
SRA Rate as might be applicable to be added					

Sub-Economic Consumption (Indigent)		2023/2024	2024/2025	Amount	%
Valuation	R50 000				
Rates		0.00	0.00	0.00	0.00
Sewer	SE7A1	0.00	0.00	0.00	0.00
Infrastructure Basic Charge Water, Electricity & Sewer		41.70	41.70	0.00	0.00
Refuse	1X Per Week	0.00	0.00	0.00	0.00
Water	6 kl	0.00	0.00	0.00	0.00
SUB TOTAL		41.70	41.70	0.00	0.00
VAT	15%	6.26	6.26	0.00	0.00
TOTAL		47.96	47.96	0.00	0.00
SRA Rate as might be applicable to be added					

Conservancy Tanks		2023/2024	2024/2025	Amount	%
If tariff SE7 is not applicable					
Smaller than 6kl		677.42	737.71	60.29	8.90
Greater than 6kl		677.42	737.71	60.29	8.90
Outside urban area Plus	per km	19.86	21.63	1.77	8.90
Plus	Per hour	406.81	443.02	36.21	8.90
After hours					
Smaller than 6kl		1 354.84	1 475.42	120.58	8.90
Greater than 6kl		1 354.84	1 475.42	120.58	8.90

BUSINESS

Business - Large (Time of Use)		2023/2024	2024/2025	Amount	%
Valuation	R35 000 000				
Rates		21 490.00	23 209.20	1 719.20	8.00
Sewer	SE7D1+SE8A 30	11 331.66	12 340.18	1 008.52	8.90
Infrastructure Basic Charge Water, Electricity & Sewer		53.54	53.54	0.00	0.00
Refuse	Bins 2X Per Week 30	13 679.70	15 184.80	1 505.10	11.00
Water	460 kl	26 237.94	27 812.22	1 574.28	6.00
SUB TOTAL		72 792.84	78 599.93	5 807.09	7.98
VAT	15%	7 695.43	8 308.61	871.06	11.32
TOTAL		80 488.27	86 908.54	6 678.16	8.30
SRA Rate as might be applicable to be added					

Business - Medium (Three Phase)		2023/2024	2024/2025	Amount	%
Valuation	R3 200 000				
Rates		1 964.80	2 121.98	157.18	8.00
Sewer	SE7D1+SE8A 1	447.82	487.68	39.86	8.90
Infrastructure Basic Charge Water, Electricity & Sewer		53.54	53.54	0.00	0.00
Refuse	1X Per Week 3	684.00	759.24	75.24	11.00
Water	20 kl	513.64	544.46	30.82	6.00

MONTHLY BASKET OF TARIFFS 2024/2025

SUB TOTAL		3 663.80	3 966.90	303.10	8.27
VAT	15%	254.85	276.74	45.46	17.84
TOTAL		3 918.65	4 243.64	348.56	8.89
SRA Rate as might be applicable to be added					

Business - Small (Three Phase)		2023/2024	2024/2025	Amount	%
Valuation	R3 200 000				
Rates		1 964.80	2 121.98	157.18	8.00
Sewer	SE7D1+SE8A 1	447.82	487.68	39.86	8.90
Infrastructure Basic Charge Water, Electricity & Sewer					
		53.54	53.54	0.00	0.00
Refuse	1X Per Week 2	456.00	506.16	50.16	11.00
Water	20 kl	513.64	544.46	30.82	6.00
SUB TOTAL		3 435.80	3 713.82	278.02	8.09
VAT	15%	220.65	238.78	41.70	18.90
TOTAL		3 656.45	3 952.59	319.72	8.74
SRA Rate as might be applicable to be added					

Business - Small (Three Phase)		2023/2024	2024/2025	Amount	%
Valuation	R3 200 000				
Rates		1 964.80	2 121.98	157.18	8.00
Sewer	SE7D1+SE8A 1	447.82	487.68	39.86	8.90
Infrastructure Basic Charge Water, Electricity & Sewer					
		53.54	53.54	0.00	0.00
Refuse	1X Per Week 2	456.00	506.16	50.16	11.00
Water	20 kl	513.64	544.46	30.82	6.00
SUB TOTAL		3 435.80	3 713.82	278.02	8.09
VAT	15%	220.65	238.78	41.70	18.90
TOTAL		3 656.45	3 952.59	319.72	8.74
SRA Rate as might be applicable to be added					

Business - Small (Three Phase) Prepaid Electricity		2023/2024	2024/2025	Amount	%
Valuation	R3 200 000				
Rates		1 964.80	2 121.98	157.18	8.00
Sewer	SE7D1+SE8A 1	447.82	487.68	39.86	8.90
Infrastructure Basic Charge Water, Electricity & Sewer					
		53.54	53.54	0.00	0.00
Refuse	1X Per Week 2	456.00	506.16	50.16	11.00
Water	20 kl	513.64	544.46	30.82	6.00
SUB TOTAL		3 435.80	3 713.82	278.02	8.09
VAT	15%	220.65	238.78	41.70	18.90
TOTAL		3 656.45	3 952.59	319.72	8.74
SRA Rate as might be applicable to be added					

VACANT ERVEN

Valuation High		2023/2024	2024/2025	Amount	%
Valuation	R780 000				
Rates		410.48	443.31	32.84	8.00
Sewer can connect	Availability	147.39	160.51	13.12	8.90
Refuse	Availability	113.99	126.53	12.54	11.00
Electricity	Availability	504.90	578.11	73.21	14.50
Water	Availability	165.74	175.68	9.94	6.00
Infrastructure Basic Charge Water, Electricity & Sewer					
		53.54	53.54	0.00	0.00
SUB TOTAL		1 396.04	1 537.68	141.65	10.15
VAT	15%	147.83	140.08	21.25	14.37
TOTAL		1 543.87	1 677.76	162.90	10.55
SRA Rate as might be applicable to be added					

Valuation Average		2023/2024	2024/2025	Amount	%
Valuation	R250 000				
Rates		131.56	142.09	10.53	8.00
Sewer can connect	Availability	147.39	160.51	13.12	8.90
Refuse	Availability	113.99	126.53	12.54	11.00
Electricity	Availability	504.90	578.11	73.21	14.50
Water	Availability	165.74	175.68	9.94	6.00
Infrastructure Basic Charge Water, Electricity & Sewer					
		53.54	53.54	0.00	0.00
SUB TOTAL		1 117.12	1 236.46	119.34	10.68
VAT	15%	147.83	140.08	17.90	12.11
TOTAL		1 264.96	1 376.54	137.24	10.85
SRA Rate as might be applicable to be added					

Valuation Lower		2023/2024	2024/2025	Amount	%
Valuation	R110 000				

MONTHLY BASKET OF TARIFFS 2024/2025

Rates			57.89	62.52	4.63	8.00
Sewer can connect	Availability		147.39	160.51	13.12	8.90
Refuse	Availability		113.99	126.53	12.54	11.00
Electricity	Availability		504.90	578.11	73.21	14.50
Water	Availability		165.74	175.68	9.94	6.00
Infrastructure Basic Charge Water, Electricity & Sewer			53.54	53.54	0.00	0.00
SUB TOTAL			1 043.45	1 156.89	113.44	10.87
VAT		15%	147.83	140.08	17.02	11.51
TOTAL			1 191.28	1 296.97	130.46	10.95
SRA Rate as might be applicable to be added						

Valuation Low			2023/2024	2024/2025	Amount	%
	Valuation	R15 000				
Rates			7.89	8.53	0.63	8.00
Sewer can connect	Availability		147.39	160.51	13.12	8.90
Refuse	Availability		113.99	126.53	12.54	11.00
Electricity	Availability		504.90	578.11	73.21	14.50
Water	Availability		165.74	175.68	9.94	6.00
Infrastructure Basic Charge Water, Electricity & Sewer			53.54	53.54	0.00	0.00
SUB TOTAL			993.45	1 102.90	109.44	11.02
VAT		15%	147.83	140.08	16.42	11.10
TOTAL			1 141.29	1 242.98	125.86	11.03
SRA Rate as might be applicable to be added						

OVERSTRAND MUNICIPALITY: BASKET OF ELECTRICITY TARIFFS
2024/2025

SINGLE RESIDENTIAL 2024/2025

MONTHLY BASKET OF TARIFFS - RESIDENTIAL, INDIGENT & LIFE-LINE

Residential		Year	Year	Increase/Decrease	
High Consumption with PREPAID elect meter		2023/2024	2024/2025	Amount	%
Electricity	1000 kWh				
Basic		504.90	466.10		
Capacity Charge		new	149.40		
	Sub-total	504.90	615.50	110.60	21.91
Block - 0 - 350 kWh	350	626.33	701.16	74.83	11.95
351 - 600 kWh	250	670.28	684.83	14.55	2.17
> 600 kWh	400	1 344.08	1 479.03	134.95	10.04
SUB-TOTAL		3 145.58	3 480.51	334.93	10.65
VAT		471.84	522.08	50.24	10.65
TOTAL		3 617.42	4 002.58	385.16	10.65

Residential		Year	Year	Increase/Decrease	
High Consumption with PREPAID elect meter		2023/2024	2024/2025	Amount	%
Electricity	1000 kWh				
Basic		504.90	466.10		
Capacity Charge		new	124.50		
	Sub-total	504.90	590.60	85.70	16.97
Block - 0 - 350 kWh	350	626.33	701.16	74.83	11.95
351 - 600 kWh	250	670.28	684.83	14.55	2.17
> 600 kWh	400	1 344.08	1 479.03	134.95	10.04
SUB-TOTAL		3 145.58	3 455.61	310.03	9.86
VAT		471.84	518.34	46.50	9.86
TOTAL		3 617.42	3 973.95	356.53	9.86

Residential		Year	Year	Increase/Decrease	
High Consumption with PREPAID elect meter		2023/2024	2024/2025	Amount	%
Electricity	1000 kWh				
Basic		504.90	466.10		
Capacity Charge		new	99.60		
	Sub-total	504.90	565.70	60.80	12.04
Block - 0 - 350 kWh	350	626.33	701.16	74.83	11.95
351 - 600 kWh	250	670.28	684.83	14.55	2.17
> 600 kWh	400	1 344.08	1 479.03	134.95	10.04
SUB-TOTAL		3 145.58	3 430.71	285.13	9.06
VAT		471.84	514.61	42.77	9.06
TOTAL		3 617.42	3 945.31	327.89	9.06

Residential		Year	Year	Increase/Decrease	
High Consumption with PREPAID elect meter		2023/2024	2024/2025	Amount	%
Electricity	1000 kWh				
Basic		504.90	466.10		
Capacity Charge		new	74.70		
	Sub-total	504.90	540.80	35.90	7.11
Block - 0 - 350 kWh	350	626.33	701.16	74.83	11.95
351 - 600 kWh	250	670.28	684.83	14.55	2.17
> 600 kWh	400	1 344.08	1 479.03	134.95	10.04
SUB-TOTAL		3 145.58	3 405.81	260.23	8.27
VAT		471.84	510.87	39.03	8.27
TOTAL		3 617.42	3 916.68	299.26	8.27

Residential		Year	Year	Increase/Decrease	
Medium Consumption with PREPAID elect meter		2023/2024	2024/2025	Amount	%
Electricity	800 kWh				
Basic		504.90	466.10		
Capacity Charge		new	149.40		
	Sub-total	504.90	615.50	110.60	21.91
Block - 0 - 350 kWh	350	626.33	701.16	74.83	11.95
351 - 600 kWh	250	670.28	684.83	14.55	2.17
> 600 kWh	200	672.04	739.51	67.47	10.04
SUB-TOTAL		2 473.54	2 740.99	267.45	10.81
VAT		371.03	411.15	40.12	10.81

OVERSTRAND MUNICIPALITY: BASKET OF ELECTRICITY TARIFFS
2024/2025

TOTAL	2 844.57	3 152.14	307.57	10.81
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Residential	Year	Year	Increase/Decrease	
Medium Consumption with PREPAID elect meter	2023/2024	2024/2025	Amount	%
Electricity 800 kWh 50A				
Basic	504.90	466.10		
Capacity Charge	new	124.50		
Sub-total	504.90	590.60	85.70	16.97
Block - 0 - 350 kWh 350	626.33	701.16	74.83	11.95
351 - 600 kWh 250	670.28	684.83	14.55	2.17
> 600 kWh 200	672.04	739.51	67.47	10.04
SUB-TOTAL	2 473.54	2 716.09	242.55	9.81
VAT	371.03	407.41	36.38	9.81
TOTAL	2 844.57	3 123.51	278.94	9.81

Residential	Year	Year	Increase/Decrease	
Medium Consumption with PREPAID elect meter	2023/2024	2024/2025	Amount	%
Electricity 800 kWh 40A				
Basic	504.90	466.10		
Capacity Charge	new	99.60		
Sub-total	504.90	565.70	60.80	12.04
Block - 0 - 350 kWh 350	626.33	701.16	74.83	11.95
351 - 600 kWh 250	670.28	684.83	14.55	2.17
> 600 kWh 200	672.04	739.51	67.47	10.04
SUB-TOTAL	2 473.54	2 691.19	217.65	8.80
VAT	371.03	403.68	32.65	8.80
TOTAL	2 844.57	3 094.87	250.30	8.80

Residential	Year	Year	Increase/Decrease	
Medium Consumption with PREPAID elect meter	2023/2024	2024/2025	Amount	%
Electricity 800 kWh 30A				
Basic	504.90	466.10		
Capacity Charge	new	74.70		
Sub-total	504.90	540.80	35.90	7.11
Block - 0 - 350 kWh 350	626.33	701.16	74.83	11.95
351 - 600 kWh 250	670.28	684.83	14.55	2.17
> 600 kWh 200	672.04	739.51	67.47	10.04
SUB-TOTAL	2 473.54	2 666.29	192.75	7.79
VAT	371.03	399.94	28.91	7.79
TOTAL	2 844.57	3 066.24	221.67	7.79

Residential	Year	Year	Increase/Decrease	
Low Consumption with PREPAID elect meter	2023/2024	2024/2025	Amount	%
Electricity 600 kWh 60A				
Basic	504.90	466.10		
Capacity Charge	new	149.40		
Sub-total	504.90	615.50	110.60	21.91
Block - 0 - 350 kWh 350	626.33	701.16	74.83	11.95
351 - 600 kWh 250	670.28	684.83	14.55	2.17
SUB-TOTAL	1 801.50	2 001.48	199.98	11.10
VAT	270.23	300.22	30.00	11.10
TOTAL	2 071.73	2 301.70	229.98	11.10

Residential	Year	Year	Increase/Decrease	
Low Consumption with PREPAID elect meter	2023/2024	2024/2025	Amount	%
Electricity 600 kWh 50A				
Basic	504.90	466.10		
Capacity Charge	new	124.50		
Sub-total	504.90	590.60	85.70	16.97
Block - 0 - 350 kWh 350	626.33	701.16	74.83	11.95
351 - 600 kWh 250	670.28	684.83	14.55	2.17
SUB-TOTAL	1 801.50	1 976.58	175.08	9.72
VAT	270.23	296.49	26.26	9.72
TOTAL	2 071.73	2 273.07	201.34	9.72

OVERSTRAND MUNICIPALITY: BASKET OF ELECTRICITY TARIFFS
2024/2025

Residential	Year		Increase/Decrease	
	2023/2024	2024/2025	Amount	%
Low Consumption with PREPAID elect meter				
Electricity	600 kWh	40A		
Basic			504.90	466.10
Capacity Charge			new	99.60
	Sub-total		504.90	565.70
Block - 0 - 350 kWh	350		626.33	701.16
351 - 600 kWh	250		670.28	684.83
SUB-TOTAL			1 801.50	1 951.68
VAT			270.23	292.75
TOTAL			2 071.73	2 244.43
			150.18	12.04
			74.83	11.95
			14.55	2.17
			150.18	8.34
			22.53	8.34
			172.71	8.34

Residential	Year		Increase/Decrease	
	2023/2024	2024/2025	Amount	%
Low Consumption with PREPAID elect meter				
Electricity Credit Meter	600 kWh	30A		
Basic			504.90	466.10
Capacity Charge			new	74.70
	Sub-total		504.90	540.80
Block - 0 - 350 kWh	350		626.33	701.16
351 - 600 kWh	250		670.28	684.83
SUB-TOTAL			1 801.50	1 926.78
VAT			270.23	289.02
TOTAL			2 071.73	2 215.80
			144.07	6.95
			125.28	6.95
			14.55	2.17
			125.28	6.95
			18.79	6.95
			144.07	6.95

Residential	Year		Increase/Decrease	
	2023/2024	2024/2025	Amount	%
Low Consumption with PREPAID elect meter				
Electricity	300 kWh	60A		
Basic			504.90	466.10
Capacity Charge			new	149.40
	Sub-total		504.90	615.50
Block - 0 - 350 kWh	300		536.85	600.99
SUB-TOTAL			1 041.75	1 216.49
VAT			156.26	182.47
TOTAL			1 198.01	1 398.96
			110.60	21.91
			64.14	11.95
			174.74	16.77
			26.21	16.77
			200.95	16.77

Residential	Year		Increase/Decrease	
	2023/2024	2024/2025	Amount	%
Low Consumption with PREPAID elect meter				
Electricity	300 kWh	50A		
Basic			504.90	466.10
Capacity Charge			new	124.50
	Sub-total		504.90	590.60
Block - 0 - 350 kWh	300		536.85	600.99
SUB-TOTAL			1 041.75	1 191.59
VAT			156.26	178.74
TOTAL			1 198.01	1 370.33
			85.70	16.97
			64.14	11.95
			149.84	14.38
			22.48	14.38
			172.32	14.38

Residential	Year		Increase/Decrease	
	2023/2024	2024/2025	Amount	%
Low Consumption with PREPAID elect meter				
Electricity	300 kWh	40A		
Basic			504.90	466.10
Capacity Charge			new	99.60
	Sub-total		504.90	565.70
Block - 0 - 350 kWh	300		536.85	600.99
SUB-TOTAL			1 041.75	1 166.69
VAT			156.26	175.00
TOTAL			1 198.01	1 341.69
			60.80	12.04
			64.14	11.95
			124.94	11.99
			18.74	11.99
			143.68	11.99

Residential	Year		Increase/Decrease	
	2023/2024	2024/2025	Amount	%
Low Consumption with PREPAID elect meter				
Electricity Credit Meter	300 kWh	30A		
Basic			504.90	466.10
Capacity Charge			new	74.70
	Sub-total		504.90	540.80
Block - 0 - 350 kWh	300		536.85	600.99
SUB-TOTAL			1 041.75	1 141.79
VAT			156.26	171.27
			15.01	9.60
			100.04	9.60

OVERSTRAND MUNICIPALITY: BASKET OF ELECTRICITY TARIFFS
2024/2025

TOTAL	1 198.01	1 313.06	115.05	9.60
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Residential INDIGENT				
	Year	Year	Increase/Decrease	
	2023/2024	2024/2025	Amount	%
Low Consumption with PREPAID elect meter				
Electricity	500 kWh	30A		
Basic			504.90	466.10
Minus: Subsidy			-504.90	-466.10
Capacity Charge			new	74.70
Minus: Subsidy if POLICY CHANGE			new	-74.70
Block - 0 - 350 kWh	500		894.75	1 001.65
Minus 50 kWh	-70	-50	-89.48	-140.23
SUB-TOTAL			805.28	861.42
VAT			120.79	129.21
TOTAL			926.07	990.63

Residential INDIGENT				
	Year	Year	Increase/Decrease	
	2023/2024	2024/2025	Amount	%
Low Consumption with PREPAID elect meter				
Electricity	250 kWh	30A		
Basic			504.90	466.10
Minus: Subsidy			-504.90	-466.10
Capacity Charge			new	74.70
Minus: Subsidy if POLICY CHANGE			new	-74.70
Block - 0 - 350 kWh	250		447.38	500.83
Minus 50 kWh	-70	-50	-89.48	-140.23
SUB-TOTAL			357.90	360.59
VAT			53.69	54.09
TOTAL			411.59	414.68

Residential INDIGENT				
	Year	Year	Increase/Decrease	
	2023/2024	2024/2025	Amount	%
Low Consumption with PREPAID elect meter				
Electricity	150 kWh	30A		
Basic			504.90	466.10
Minus: Subsidy			-504.90	-466.10
Capacity Charge			new	74.70
Minus: Subsidy if POLICY CHANGE			new	-74.70
Block - 0 - 350 kWh	150		268.43	300.50
Minus 50 kWh	-70	-50	-89.48	-140.23
SUB-TOTAL			178.95	160.26
VAT			26.84	24.04
TOTAL			205.79	184.30

Life-line Consumption (was one part) Indigent				
	Year	Year	Increase/Decrease	
	2023/2024	2024/2025	Amount	%
Low Consumption with PREPAID elect meter				
Electricity	300 kWh	30A		
Supply Basic			new	49.41
Minus: Subsidy			new	-49.41
Supply Capacity Charge			new	74.70
Minus: Subsidy			new	-74.70
Block - 0 - 350 kWh	300		471.48	518.82
Minus 50 kWh	-70	-50	-78.58	-121.06
SUB-TOTAL			392.90	397.76
VAT			58.94	59.66
TOTAL			451.84	457.42

Business - Large Time of Use				
	Year	Year	Increase/Decrease	
	2023/2024	2024/2025	Amount	%
Time of Use Tariff MV				
Basic Charge			4 801.58	4 864.79
Network Capacity Charge kVA: Notified Maximum Demand (NMD)	450		21 312.00	19 543.50
Network Demand Charge kVA: Utilised capacity	436		16 459.00	27 385.16
Hi-Demand: Peak kWh Unit Charge	20428		95 233.29	112 754.39
Hi-Demand: Standard kWh Unit Charge	40761		58 471.65	71 820.88
Hi-Demand: Off Peak kWh Unit Charge	47562		37 897.40	48 446.65
Low Demand: Peak kWh Unit Charge	20428		96 454.89	91 151.78
Low Demand: Standard kWh Unit Charge	40761		60 901.01	66 807.28
Low Demand: Off Peak kWh Unit Charge	47562		40 751.12	46 791.50
Reactive Energy charge	150		new	8.06
SUB-TOTAL			432 281.95	489 573.98

OVERSTRAND MUNICIPALITY: BASKET OF ELECTRICITY TARIFFS
2024/2025

VAT	64 842.29	73 436.10	8 593.81	13.25
TOTAL	497 124.24	563 010.08	65 885.84	13.25

Business - Large Time of Use		Year	Year	Increase/Decrease	
Time of Use Tariff LV		2023/2024	2024/2025	Amount	%
Basic Charge		4 246.56	3 750.55	-496.01	-11.68
Network Capacity Charge kVA: Notified Maximum Demand (NMD)	450	21 312.00	22 185.00	873.00	4.10
Network Demand Charge kVA: Utilised capacity	436	16 459.00	33 306.04	16 847.04	102.36
Hi-Demand: Peak kWh Unit Charge	20428	95 233.29	113 969.85	18 736.56	19.67
Hi-Demand: Standard kWh Unit Charge	40761	58 471.65	74 238.01	15 766.35	26.96
Hi-Demand: Off Peak kWh Unit Charge	47562	37 897.40	51 281.35	13 383.95	35.32
Low Demand: Peak kWh Unit Charge	20428	96 454.89	92 367.24	-4 087.64	-4.24
Low Demand: Standard kWh Unit Charge	40761	60 901.01	69 224.41	8 323.40	13.67
Low Demand: Off Peak kWh Unit Charge	47562	40 751.12	49 630.95	8 879.83	21.79
Reactive Energy charge	150	new	8.06	#VALUE!	#VALUE!
SUB-TOTAL		431 726.93	509 961.46	78 234.53	18.12
VAT		64 759.04	76 494.22	11 735.18	18.12
TOTAL		496 485.97	586 455.67	89 969.71	18.12

Business - Large Time of Use		Year	Year	Increase/Decrease	
Time of Use Tariff Small Customer <100kVA		2023/2024	2024/2025	Amount	%
Basic Charge		new	425.69	#VALUE!	#VALUE!
Network Capacity Charge kVA: Notified Maximum Demand (NMD)	450	new	5 688.00	#VALUE!	#VALUE!
Network Demand Charge kVA: Utilised capacity	436	new	2 939.95	#VALUE!	#VALUE!
Hi-Demand: Peak kWh Unit Charge	20428	new	48 357.16	#VALUE!	#VALUE!
Hi-Demand: Standard kWh Unit Charge	40761	new	61 080.36	#VALUE!	#VALUE!
Hi-Demand: Off Peak kWh Unit Charge	47562	new	119 532.82	#VALUE!	#VALUE!
Low Demand: Peak kWh Unit Charge	20428	new	38 302.50	#VALUE!	#VALUE!
Low Demand: Standard kWh Unit Charge	40761	new	55 414.58	#VALUE!	#VALUE!
Low Demand: Off Peak kWh Unit Charge	47562	new	10 211.56	#VALUE!	#VALUE!
Reactive Energy charge	150	0.00	0.00	0.00	#DIV/0!
SUB-TOTAL		0.00	341 952.62	341 952.62	#DIV/0!
VAT		0.00	51 292.89	51 292.89	#DIV/0!
TOTAL		0.00	393 245.51	393 245.51	#DIV/0!

Business - Large (Three Phase)				Year	Year	Increase/Decrease	
				2023/2024	2024/2025	Amount	%
Electricity Credit Meter	7000 kWh	100A					
Basic				1 009.78	893.30	-116.48	-11.54
Capacity Charge				new	1 146.00	#VALUE!	#VALUE!
Flat rate	7000			20 295.80	20 390.30	94.50	0.47
SUB-TOTAL				21 305.58	22 429.60	1 124.02	5.28
VAT				3 195.84	3 364.44	168.60	5.28
TOTAL				24 501.42	25 794.04	1 292.62	5.28

Business - Large (Three Phase)				Year	Year	Increase/Decrease	
				2023/2024	2024/2025	Amount	%
Electricity Credit Meter	7000 kWh	80A					
Basic				1 009.78	893.30	-116.48	-11.54
Capacity Charge				new	916.80		
Flat rate	7000			20 295.80	20 390.30	94.50	0.47
SUB-TOTAL				21 305.58	22 200.40	894.82	4.20
VAT				3 195.84	3 330.06	134.22	4.20
TOTAL				24 501.42	25 530.46	1 029.04	4.20

Business - Large (Three Phase)				Year	Year	Increase/Decrease	
				2023/2024	2024/2025	Amount	%
Electricity Credit Meter	7000 kWh	60A					
Basic				1 009.78	893.30	-116.48	-11.54
Capacity Charge				new	687.60	#VALUE!	#VALUE!
Flat rate	7000			20 295.80	20 390.30	94.50	0.47
SUB-TOTAL				21 305.58	21 971.20	665.62	3.12
VAT				3 195.84	3 295.68	99.84	3.12
TOTAL				24 501.42	25 266.88	765.46	3.12

Business - Large (Three Phase)				Year	Year	Increase/Decrease	
				2023/2024	2024/2025	Amount	%
Electricity Credit Meter	7000 kWh	40A					

OVERSTRAND MUNICIPALITY: BASKET OF ELECTRICITY TARIFFS
2024/2025

Basic		1 009.78	893.30	-116.48	-11.54
Capacity Charge		new	458.40		
Flat rate	7000	20 295.80	20 390.30	94.50	0.47
SUB-TOTAL		21 305.58	21 742.00	436.42	2.05
VAT		3 195.84	3 261.30	65.46	2.05
TOTAL		24 501.42	25 003.30	501.88	2.05

Business - Large (Three Phase)					
		Year	Year	Increase/Decrease	
		2023/2024	2024/2025	Amount	%
Electricity Prepaid Meter	7000 kWh	100A			
Basic		1 009.78	893.30	-116.48	-11.54
Capacity Charge		new	1 146.00		
Flat rate	7000	19 125.40	19 425.00	299.60	1.57
SUB-TOTAL		20 135.18	21 464.30	1 329.12	6.60
VAT		3 020.28	3 219.65	199.37	6.60
TOTAL		23 155.46	24 683.95	1 528.49	6.60

Business - Large (Three Phase)					
		Year	Year	Increase/Decrease	
		2023/2024	2024/2025	Amount	%
Electricity Prepaid Meter	7000 kWh	80A			
Basic		1 009.78	893.30	-116.48	-11.54
Capacity Charge		new	916.80	#VALUE!	#VALUE!
Flat rate	7000	19 125.40	19 425.00	299.60	1.57
SUB-TOTAL		20 135.18	21 235.10	1 099.92	5.46
VAT		3 020.28	3 185.27	164.99	5.46
TOTAL		23 155.46	24 420.37	1 264.91	5.46

Business - Large (Three Phase)					
		Year	Year	Increase/Decrease	
		2023/2024	2024/2025	Amount	%
Electricity Prepaid Meter	7000 kWh	60A			
Basic		1 009.78	893.30	-116.48	-11.54
Capacity Charge		new	687.60	#VALUE!	#VALUE!
Flat rate	7000	19 125.40	19 425.00	299.60	1.57
SUB-TOTAL		20 135.18	21 005.90	870.72	4.32
VAT		3 020.28	3 150.89	130.61	4.32
TOTAL		23 155.46	24 156.79	1 001.33	4.32

Business - Large (Three Phase)					
		Year	Year	Increase/Decrease	
		2023/2024	2024/2025	Amount	%
Electricity Prepaid Meter	7000 kWh	40A			
Basic		1 009.78	893.30	-116.48	-11.54
Capacity Charge		new	458.40	#VALUE!	#VALUE!
Flat rate	7000	19 125.40	19 425.00	299.60	1.57
SUB-TOTAL		20 135.18	20 776.70	641.52	3.19
VAT		3 020.28	3 116.51	96.23	3.19
TOTAL		23 155.46	23 893.21	737.75	3.19

Business - Medium (Three Phase)					
		Year	Year	Increase/Decrease	
		2023/2024	2024/2025	Amount	%
Electricity Credit Meter	4000 kWh	100A			
Basic		1 009.78	893.30	-116.48	-11.54
Capacity Charge		new	1 146.00	#VALUE!	#VALUE!
Flat rate	4000	11 597.60	11 651.60	54.00	0.47
SUB-TOTAL		12 607.38	13 690.90	1 083.52	8.59
VAT		1 891.11	2 053.64	162.53	8.59
TOTAL		14 498.49	15 744.54	1 246.05	8.59

Business - Medium (Three Phase)					
		Year	Year	Increase/Decrease	
		2023/2024	2024/2025	Amount	%
Electricity Credit Meter	4000 kWh	80A			
Basic		1 009.78	893.30	-116.48	-11.54
Capacity Charge		new	916.80	#VALUE!	#VALUE!
Flat rate	4000	11 597.60	11 651.60	54.00	0.47
SUB-TOTAL		12 607.38	13 461.70	854.32	6.78
VAT		1 891.11	2 019.26	128.15	6.78
TOTAL		14 498.49	15 480.96	982.47	6.78

Business - Medium (Three Phase)					
		Year	Year	Increase/Decrease	
		2023/2024	2024/2025	Amount	%

OVERSTRAND MUNICIPALITY: BASKET OF ELECTRICITY TARIFFS
2024/2025

Electricity Credit Meter	4000 kWh	60A				
Basic			1 009.78	893.30	-116.48	-11.54
Capacity Charge			new	687.60	#VALUE!	#VALUE!
Flat rate	4000		11 597.60	11 651.60	54.00	0.47
SUB-TOTAL			12 607.38	13 232.50	625.12	4.96
VAT			1 891.11	1 984.88	93.77	4.96
TOTAL			14 498.49	15 217.38	718.89	4.96

Business - Medium (Three Phase)

Year	Year	Increase/Decrease	
2023/2024	2024/2025	Amount	%
Electricity Credit Meter	4000 kWh	40A	
Basic			
		1 009.78	893.30
Capacity Charge		new	458.40
		#VALUE!	#VALUE!
Flat rate	4000	11 597.60	11 651.60
		54.00	0.47
SUB-TOTAL		12 607.38	13 003.30
		395.92	3.14
VAT		1 891.11	1 950.50
		59.39	3.14
TOTAL		14 498.49	14 953.80
		455.31	3.14

Business - Medium (Three Phase)

Year	Year	Increase/Decrease	
2023/2024	2024/2025	Amount	%
Electricity Prepaid Meter	4000 kWh	100A	
Basic			
		1 009.78	893.30
Capacity Charge		new	1 146.00
		#VALUE!	#VALUE!
Flat rate	4000	10 928.80	11 100.00
		171.20	1.57
SUB-TOTAL		11 938.58	13 139.30
		1 200.72	10.06
VAT		1 790.79	1 970.90
		180.11	10.06
TOTAL		13 729.37	15 110.20
		1 380.83	10.06

Business - Medium (Three Phase)

Year	Year	Increase/Decrease	
2023/2024	2024/2025	Amount	%
Electricity Prepaid Meter	4000 kWh	80A	
Basic			
		1 009.78	893.30
Capacity Charge		new	916.80
		#VALUE!	#VALUE!
Flat rate	4000	10 928.80	11 100.00
		171.20	1.57
SUB-TOTAL		11 938.58	12 910.10
		971.52	8.14
VAT		1 790.79	1 936.52
		145.73	8.14
TOTAL		13 729.37	14 846.62
		1 117.25	8.14

Business - Medium (Three Phase)

Year	Year	Increase/Decrease	
2023/2024	2024/2025	Amount	%
Electricity Prepaid Meter	4000 kWh	60A	
Basic			
		1 009.78	893.30
Capacity Charge		new	687.60
		#VALUE!	#VALUE!
Flat rate	4000	10 928.80	11 100.00
		171.20	1.57
SUB-TOTAL		11 938.58	12 680.90
		742.32	6.22
VAT		1 790.79	1 902.14
		111.35	6.22
TOTAL		13 729.37	14 583.04
		853.67	6.22

Business - Medium (Three Phase)

Year	Year	Increase/Decrease	
2023/2024	2024/2025	Amount	%
Electricity Prepaid Meter	4000 kWh	40A	
Basic			
		1 009.78	893.30
Capacity Charge		new	458.40
		#VALUE!	#VALUE!
Flat rate	4000	10 928.80	11 100.00
		171.20	1.57
SUB-TOTAL		11 938.58	12 451.70
		513.12	4.30
VAT		1 790.79	1 867.76
		76.97	4.30
TOTAL		13 729.37	14 319.46
		590.09	4.30

Business - Small (Three Phase)

Year	Year	Increase/Decrease	
2023/2024	2024/2025	Amount	%
Electricity Credit Meter	1000 kWh	100A	
Basic			
		1 009.78	893.30
Capacity Charge		new	1 146.00
		#VALUE!	#VALUE!
Flat rate	1000	2 899.40	2 912.90
		13.50	0.47
SUB-TOTAL		3 909.18	4 952.20
		1 043.02	26.68
VAT		586.38	742.83
		156.45	26.68
TOTAL		4 495.56	5 695.03
		1 199.47	26.68

Business - Small (Three Phase)

Year	Year	Increase/Decrease	

OVERSTRAND MUNICIPALITY: BASKET OF ELECTRICITY TARIFFS
2024/2025

			2023/2024	2024/2025	Amount	%
Electricity Credit Meter	1000 kWh	80A				
Basic			1 009.78	893.30	-116.48	-11.54
Capacity Charge			new	916.80	#VALUE!	#VALUE!
Flat rate		1000	2 899.40	2 912.90	13.50	0.47
SUB-TOTAL			3 909.18	4 723.00	813.82	20.82
VAT			586.38	708.45	122.07	20.82
TOTAL			4 495.56	5 431.45	935.89	20.82

Business - Small (Three Phase)

			Year	Year	Increase/Decrease	
			2023/2024	2024/2025	Amount	%
Electricity Credit Meter	1000 kWh	60A				
Basic			1 009.78	893.30	-116.48	-11.54
Capacity Charge			new	687.60	#VALUE!	#VALUE!
Flat rate		1000	2 899.40	2 912.90	13.50	0.47
SUB-TOTAL			3 909.18	4 493.80	584.62	14.96
VAT			586.38	674.07	87.69	14.96
TOTAL			4 495.56	5 167.87	672.31	14.96

Business - Small (Three Phase)

			Year	Year	Increase/Decrease	
			2023/2024	2024/2025	Amount	%
Electricity Credit Meter	1000 kWh	40A				
Basic			1 009.78	893.30	-116.48	-11.54
Capacity Charge			new	458.40	#VALUE!	#VALUE!
Flat rate		1000	2 899.40	2 912.90	13.50	0.47
SUB-TOTAL			3 909.18	4 264.60	355.42	9.09
VAT			586.38	639.69	53.31	9.09
TOTAL			4 495.56	4 904.29	408.73	9.09

Business - Small (Three Phase)

			Year	Year	Increase/Decrease	
			2023/2024	2024/2025	Amount	%
Electricity Prepaid Meter	1000 kWh	100A				
Basic			1 009.78	893.30	-116.48	-11.54
Capacity Charge			new	1 146.00	#VALUE!	#VALUE!
Flat rate		1000	2 732.20	2 775.00	42.80	1.57
SUB-TOTAL			3 741.98	4 814.30	1 072.32	28.66
VAT			561.30	722.15	160.85	28.66
TOTAL			4 303.28	5 536.45	1 233.17	28.66

Business - Small (Three Phase)

			Year	Year	Increase/Decrease	
			2023/2024	2024/2025	Amount	%
Electricity Prepaid Meter	1000 kWh	80A				
Basic			1 009.78	893.30	-116.48	-11.54
Capacity Charge			new	916.80	#VALUE!	#VALUE!
Flat rate		1000	2 732.20	2 775.00	42.80	1.57
SUB-TOTAL			3 741.98	4 585.10	843.12	22.53
VAT			561.30	687.77	126.47	22.53
TOTAL			4 303.28	5 272.87	969.59	22.53

Business - Small (Three Phase)

			Year	Year	Increase/Decrease	
			2023/2024	2024/2025	Amount	%
Electricity Prepaid Meter	1000 kWh	60A				
Basic			1 009.78	893.30	-116.48	-11.54
Capacity Charge			new	687.60	#VALUE!	#VALUE!
Flat rate		1000	2 732.20	2 775.00	42.80	1.57
SUB-TOTAL			3 741.98	4 355.90	613.92	16.41
VAT			561.30	653.39	92.09	16.41
TOTAL			4 303.28	5 009.29	706.01	16.41

Business - Small (Three Phase)

			Year	Year	Increase/Decrease	
			2023/2024	2024/2025	Amount	%
Electricity Prepaid Meter	1000 kWh	40A				
Basic			1 009.78	893.30	-116.48	-11.54
Capacity Charge			new	458.40	#VALUE!	#VALUE!
Flat rate		1000	2 732.20	2 775.00	42.80	1.57
SUB-TOTAL			3 741.98	4 126.70	384.72	10.28
VAT			561.30	619.01	57.71	10.28
TOTAL			4 303.28	4 745.71	442.43	10.28

ANNEXURE E

CAPITAL BUDGET & HOUSING PROGRAMME

DRAFT CAPITAL BUDGET 2024/25 MTREF

				2024/25 BUDGET			2025/26 BUDGET			2026/27 BUDGET				
Area	Local Area	Ward	Project Description	Project Manager	Funding Source	COUNCIL FUNDED	EXTERNAL (GRANTS)	TOTAL	COUNCIL FUNDED	EXTERNAL (GRANTS)	TOTAL	COUNCIL FUNDED	EXTERNAL (GRANTS)	TOTAL
EXECUTIVE & COUNCIL						520 000		520 000						
Overstrand	Overstrand	Overstrand	MINOR ASSETS COUNCIL	D Arrison	Surplus	55 000		55 000						
Overstrand	Overstrand	Overstrand	COMMUNITY PROJECTS	D O'Neill	Surplus	450 000		450 000						
Overstrand	Overstrand	Overstrand	MINOR ASSETS-OFFICE OF THE MUNICIPAL MANAGER	D O'Neill	Surplus	15 000		15 000						
FINANCE AND ADMINISTRATION						2 970 000		2 970 000						
Overstrand	Overstrand	Overstrand	DELL EMC STARAOGE ARRAY REPLACEMENT - EOL	C Johnson	Surplus	2 200 000		2 200 000						
Overstrand	Overstrand	Overstrand	MINOR ASSETS FINANCIAL SERVICES	S Reyneke	Surplus	60 000		60 000						
Overstrand	Overstrand	Overstrand	MINOR ASSETS CORPORATE SERVICES	D Arrison	Surplus	60 000		60 000						
Overstrand	Overstrand	Overstrand	MINOR ASSETS ICT ORGANIZATION WIDE	C Johnson	Surplus	650 000		650 000						
PUBLIC SAFETY						2 950 000		2 950 000						
Overstrand	Overstrand	Overstrand	VEHICLES-PUBLIC SAFETY	R Fraser	Surplus	800 000		800 000						
Overstrand	Overstrand	Overstrand	PURCHASE OF DOGS -EXPLOSIVE & ROAD OPERATIONS	R Fraser	Surplus	350 000		350 000						
Overstrand	Overstrand	Overstrand	REPLACEMENT OF 3XDOGS	R Fraser	Surplus-Non	350 000		350 000						
Overstrand	Overstrand	Overstrand	DRONES - ANTI-LAND INVASION MONITORING	R Fraser	Surplus-Non	400 000		400 000						
Gansbaai	Gansbaai	Multi-ward G	UPGRADING OF GANSBAAI FIRE STATION	L Smith	Surplus-Non	750 000		750 000						
Overstrand	Overstrand	Overstrand	MINOR ASSETS PUBLIC SAFETY	N Micheals	Surplus	300 000		300 000						
PLANNING & DEVELOPMENT						975 000		975 000						
Overstrand	Overstrand	Overstrand	MINOR ASSETS PLANNING AND DEVELOPMENT	Vacant	Surplus	30 000		30 000						
Overstrand	Overstrand	Overstrand	VEHICLES-PLANNING AND DEVELOPMENT	S Muller	Surplus	600 000		600 000						
Overstrand	Overstrand	Overstrand	MINOR ASSETS INFRASTRUCTURE SERVICES	S Muller	Surplus	345 000		345 000						
COMMUNITY SERVICES						2 235 000		2 235 000						
Overstrand	Overstrand	Overstrand	VEHICLES-COMMUNITY SERVICES	T Steenberg	Surplus	500 000		500 000						
Overstrand	Overstrand	Overstrand	UPGRADING OF COMMUNITY HALLS-OVERSTRAND	S Swartz	Surplus	1 000 000		1 000 000						
Overstrand	Overstrand	Overstrand	MINOR ASSETS COMMUNITY SERVICES	S Swartz	Surplus	735 000		735 000						
SPORT & RECREATION						1 450 000	10 400 000	11 850 000		16 028 650	16 028 650		15 183 000	15 183 000
Hermanus	Hawston	Ward 08	UPGRADE HAWSTON SPORT COMPLEX (NEW STADIUM)(F1/2)	D Hendriks	MIG		9 000 000	9 000 000		5 240 550	5 240 550		3 000 000	3 000 000
Hermanus	Hawston	Ward 08	UPGRADE HAWSTON SPORT COMPLEX(NEW STADIUM)(F2/2)	D Hendriks	Surplus-Non	900 000		900 000						
Hermanus	Mount Pleas	Ward 04	UPGRADE MOUNT PLEASANT SPORT GROUNDS	D Hendriks	MIG					2 000 000	2 000 000		4 183 000	4 183 000
Gansbaai	Gansbaai	Multi-ward G	UPGRADING OF PLAYGROUNDS-GANSBAAI	J Solomons	Surplus	275 000		275 000						
Kleinmond	Kleinmond	Multi-ward K	UPGRADING OF PLAYGROUNDS-KLEINMOND	D Van Rhodie	Surplus	275 000		275 000						
Kleinmond	Kleinmond	Ward 09	UPGRADE OF KLEINMOND SPORT FACILITIES	D Hendriks	MIG		1 400 000	1 400 000		2 788 100	2 788 100		3 000 000	3 000 000
Kleinmond	Mooiuitsig	Ward 10	MOOIUITSIG SPORTS GROUNDS	D Hendriks	MIG								2 000 000	2 000 000
Hermanus	Zwelihle	Ward 06	UPGRADE SPORTGROUNDS	D Hendriks	MIG					3 000 000	3 000 000		3 000 000	3 000 000
Hermanus	Hawston	Ward 08	UPGRADE HAWSTON SWIMMING POOL	D Hendriks	MIG					3 000 000	3 000 000		3 000 000	3 000 000
HOUSING							13 129 000	13 129 000					9 000 000	9 000 000
Overstrand	Overstrand	Overstrand	LCH SERVICES	D Hendriks	Prov Gr-HSDG		13 129 000	13 129 000					9 000 000	9 000 000
ROADS						1 500 000	802 000	2 302 000		2 981 350	2 981 350		6 000 000	6 000 000
Gansbaai	Masakhane	Ward 02	REHABILITATE ROADS AND SIDEWALKS MASAKHANE	D Hendriks	MIG					2 981 350	2 981 350		2 000 000	2 000 000
Hermanus	Zwelihle	Ward 06	REHABILITATE ROADS & STORMWATER	D Hendriks	MIG		802 000	802 000						
Hermanus	Hawston	Ward 08	HAWSTON ALMAR CIRCLE	T Marx	Surplus	150 000		150 000						
Hermanus	Mount Pleas	Ward 04	TAXI HOLDING FACILITY	T Marx	Surplus-Non	1 350 000		1 350 000						
Hermanus	Mount Pleas	Ward 04	REHABILITATE ROADS	D Hendriks	MIG								4 000 000	4 000 000
ELECTRICITY						25 250 000	19 334 000	44 584 000	37 000 000	9 900 000	46 900 000	28 000 000	9 551 000	37 551 000
Gansbaai	Gansbaai	Multi-ward G	GANSBAAI STANFORD MV LV UPGRADE REPLACEMENT	D Maree	EL25/26	3 000 000		3 000 000		5 000 000	5 000 000			
Gansbaai	Gansbaai	Multi-ward G	FKRAAL KBAAI MV/LV UPGRADE AS PER RETICMASTER	D Maree	EL27							3 000 000		3 000 000
Overstrand	Overstrand	Overstrand	ELECTRIFICATION OF LOW COST HOUSING AREAS (F1/2)	S Muller	INEP		19 334 000	19 334 000		5 000 000	5 000 000		4 000 000	4 000 000
Overstrand	Overstrand	Overstrand	ELECTRIFICATION OF LOW COST HOUSING AREAS (F1/2)	S Muller	EL25	3 000 000		3 000 000						
Hermanus	Hermanus	Ward 03	HERMANUS MV/LV UPGRADE REPLACEMENT	S Muller	EL25/26/27	5 000 000		5 000 000		10 000 000	10 000 000		10 000 000	10 000 000
Kleinmond	Kleinmond	Ward 09	KLEINMOND MV/LV NETWORK UPGRADE	S Muller	EL25/26/27	2 000 000		2 000 000		5 000 000	5 000 000		2 000 000	2 000 000
Hermanus	Hawston	Ward 08	HAWSTON MV/LV UPGRADE REPLACEMENT	S Muller	EL25/26/27	2 000 000		2 000 000		3 500 000	3 500 000		3 000 000	3 000 000
Overstrand	Overstrand	Overstrand	VEHICLES-ELECTRICITY	S Muller	Surplus	2 250 000		2 250 000						
Hermanus	Onrus	Ward 13	ADDITIONAL WORKSPACE AT ELECTRICAL DEPOT-ONRUS	S Muller	EL25/26	1 500 000		1 500 000		1 500 000	1 500 000			
Hermanus	Hermanus	Ward 03	NEW STILL STREET 66KV 11KV SUBSTATION	S Muller	EL25/26/27	5 000 000		5 000 000		10 000 000	4 900 000	14 900 000	10 000 000	5 551 000
Overstrand	Overstrand	Overstrand	ELECTRICITY TRANSFORMERS CAPITAL REPLACEMENT CONT	S Muller	EL25/26	1 500 000		1 500 000		2 000 000	2 000 000			

DRAFT CAPITAL BUDGET 2024/25 MTREF

					2024/25 BUDGET			2025/26 BUDGET			2026/27 BUDGET			
Area	Local Area	Ward	Project Description	Project Manager	Funding Source	COUNCIL FUNDED	EXTERNAL (GRANTS)	TOTAL	COUNCIL FUNDED	EXTERNAL (GRANTS)	TOTAL	COUNCIL FUNDED	EXTERNAL (GRANTS)	TOTAL
WATER						26 900 000	14 800 000	41 700 000	30 500 000	12 000 000	42 500 000	16 960 000		16 960 000
Overstrand	Overstrand	Overstrand	REFURBISHMENT OF BULK WATER INFRASTRUCTURE	H Blignaut	EL25/26/27	1 000 000		1 000 000	1 000 000		1 000 000	1 000 000		1 000 000
Overstrand	Overstrand	Overstrand	FENCING AT WATER INSTALLATIONS	H Blignaut	EL25/26/27	500 000		500 000	500 000		500 000	500 000		500 000
Overstrand	Overstrand	Overstrand	REPLACEMENT OF OVERSTRAND WATER PIPES	H Blignaut	EL25/26/27	7 000 000		7 000 000	9 500 000		9 500 000	7 660 000		7 660 000
Overstrand	Overstrand	Overstrand	WATER FACILITIES CONTINGENCY	H Blignaut	EL25/26/27	500 000		500 000	500 000		500 000	500 000		500 000
Kleinmond	Kleinmond	Multi-ward K	REFURBISHMENT OF BUFFELS RIVER WTW	H Blignaut	EL25/26/27	5 000 000		5 000 000	10 000 000		10 000 000	7 000 000		7 000 000
Hermanus	Hermanus	Multi-ward H	UPGRADE HERMANUS WELL FIELDS PHASE 2(F1/2)	H Blignaut	EL25/26	2 100 000		2 100 000	2 700 000		2 700 000			
Hermanus	Hermanus	Multi-ward H	UPGRADE HERMANUS WELL FIELDS PHASE 2(F1/2)	H Blignaut	WSIG			8 000 000		12 000 000	12 000 000			
Kleinmond	Kleinmond	Ward 09	REPLACEMENT OF WATER PIPES PROTEADORP	H Blignaut	MIG		6 800 000	6 800 000						
Gansbaai	De Kelders	Ward 14	DE KELDERS WTW MEMBRANE REPLACEMENT	H Blignaut	EL25	800 000		800 000						
Gansbaai	Pearly Beach	Ward 11	PEARLY BEACH WATER TOWER REFURBISH	H Blignaut	EL25	1 000 000		1 000 000						
Gansbaai	Pearly Beach	Ward 11	PEARLY BEACH WTW PROCESS UPGRADE	H Blignaut	EL25	5 000 000		5 000 000						
Hermanus	Hermanus	Multi-ward H	NEW DISINFECTION SYSTEM AT PREEKSTOEL WTW	H Blignaut	EL25/26	3 000 000		3 000 000	6 000 000		6 000 000			
Overstrand	Overstrand	Overstrand	VEHICLES-WATER	J Solomons	Surplus	1 000 000		1 000 000						
Overstrand	Overstrand	Overstrand	TELEMETRY SYSTEM UPGRADE-WATER	H Blignaut	EL26/27				300 000		300 000	300 000		300 000
SEWERAGE						15 550 000		15 550 000	18 000 000	7 000 000	25 000 000	21 200 000	7 000 000	28 200 000
Overstrand	Overstrand	Overstrand	SEWERAGE FACILITIES CONTINGENCY	H Blignaut	EL25/26	700 000		700 000	700 000		700 000			
Kleinmond	Kleinmond	Ward 09	KLEINMOND SEWER NETWORK EXTENSION	H Blignaut	EL27							2 000 000		2 000 000
Gansbaai	Gansbaai	Ward 02	GANSBAAI CBD SEWER NETWORK EXTENSION	H Blignaut	EL27							2 000 000		2 000 000
Overstrand	Overstrand	Overstrand	FENCING AT SEWERAGE INSTALLATIONS	H Blignaut	EL25/26	600 000		600 000	600 000		600 000			
Overstrand	Overstrand	Overstrand	UPGRADING OF PUMPSTATIONS & RISING MAINS	H Blignaut	EL25/26/27	2 550 000		2 550 000	10 000 000		10 000 000	7 000 000		7 000 000
Hermanus	Hermanus	Multi-ward H	HERMANUS WWTW UPGRADE SCREENS RAS SLUDGE DEWATH	H Blignaut	EL25/26	3 200 000		3 200 000	1 500 000		1 500 000			
Hermanus	Hawston	Ward 08	HAWSTON WWTW REFURBISH AND UPGRADE(F1/2)	H Blignaut	EL26/27-MI		0	0		7 000 000	7 000 000	10 000 000	7 000 000	17 000 000
Hermanus	Hawston	Ward 08	HAWSTON WWTW REFURBISH AND UPGRADE(F2/2)	H Blignaut	EL26				4 000 000		4 000 000			
Overstrand	Overstrand	Overstrand	TELEMETRY SYSTEM UPGRADE-SEWERAGE	H Blignaut	EL25/26/27	500 000		500 000	200 000		200 000	200 000		200 000
Overstrand	Overstrand	Overstrand	NEW DISINFECTION SYSTEMS AT WASTEWATER TREATMENT	H Blignaut	EL25/26	8 000 000		8 000 000	1 000 000		1 000 000			
STORMWATER						3 750 000	6 963 000	10 713 000						
Overstrand	Overstrand	Overstrand	VEHICLES-STORMWATER	J Solomons	Surplus	500 000		500 000						
Kleinmond	Betty's Bay	Ward 10	UPGRADE/NEW STORMWATER INFRASTRUCTURE	D van Rhodie	Surplus-Nor	1 250 000		1 250 000						
Hermanus	Fisherhaven	Ward 08	STORMWATER SYSTEM UPGRADING	T Marx	Surplus-Nor	2 000 000		2 000 000						
Kleinmond	Proteadorp	Ward 09	UPGRADE STORMWATER INFRASTRUCTURE- PROTEADORP, ND Hendriks	MIG			6 963 000	6 963 000						
WASTE MANAGEMENT						2 450 000	105 088	2 555 088	4 500 000		4 500 000	3 840 000		3 840 000
Kleinmond	Kleinmond	Multi-ward K	UPGRADING OF KLEINMOND TRANSFER STATION	C Mitchell	EL26				500 000		500 000			
Gansbaai	Gansbaai	Multi-ward G	TROMMEL SCREEN FOR GANSBAAI LANDFILL	C Mitchell	EL26/27				4 000 000		4 000 000	3 000 000		3 000 000
Gansbaai	Gansbaai	Multi-ward G	GANSBAAI LANDFILL WEIGHBRIDGE NEW REPLACEMENT DEC	C Mitchell	EL27							840 000		840 000
Hermanus	Hermanus	Ward 03	REFURBISHMENT OF HERMANUS TRANSFER STATION(F1/2)	T Marx	EL24 -R/O	400 000		400 000						
Hermanus	Hermanus	Ward 03	REFURBISHMENT OF HERMANUS TRANSFER STATION(F2/2)	T Marx	DBSA-R/O-	0	105 088	105 088						
Hermanus	Hermanus	Muilt-ward H	GENERATOR FOR HERMANUS MRF	C Mitchell	EL25	490 000		490 000						
Hermanus	Hermanus	Muilt-ward H	LARGE UPS FOR WEIGHBRIDGE(IF NO GENERATOR INSTALLEI	C Mitchell	EL25	60 000		60 000						
Overstrand	Overstrand	Overstrand	VEHICLES-WASTE MANAGEMENT	J Solomons	Surplus	1 500 000		1 500 000						
GRAND TOTAL						86 500 000	65 533 088	152 033 088	90 000 000	47 910 000	137 910 000	70 000 000	46 734 000	116 734 000
FUNDING:														
					EXTERNAL LOAN 25/26/27(GENERAL CAPITAL)	65 000 000		65 000 000	90 000 000		90 000 000	70 000 000		70 000 000
					EXTERNAL LOAN 24(ROLL OVER)	400 000		400 000						
					SURPLUS	14 100 000		14 100 000						
					SURPLUS-NON-TARIFF	7 000 000		7 000 000						
					DBSA-PUBLIC CONTRIBUTION 21-22(ROLL OVER)		105 088	105 088						
					PROV GR-HUMAN SETTLEMENTS DEVELOPMENT GRANT		13 129 000	13 129 000				9 000 000		9 000 000
					MUNICIPAL INFRASTRUCTURE GRANT		24 965 000	24 965 000		26 010 000	26 010 000	28 183 000		28 183 000
					INTERGRATED NATIONAL ELECTRIFICATION PROGRAMME		19 334 000	19 334 000		9 900 000	9 900 000	9 551 000		9 551 000
					WATER SERVICES INFRASTRUCTURE GRANT		8 000 000	8 000 000		12 000 000	12 000 000			
GRAND TOTAL						86 500 000	65 533 088	152 033 088	90 000 000	47 910 000	137 910 000	70 000 000	46 734 000	116 734 000

DRAFT 3 YEAR HOUSING BUDGET 2024-2027

Project	2024/2025	2025/2026	2026/2027
Blompark TS Phase 4 (139)	R 31 525 000.00	R 309 000.00	
Masakhane TS (Transfers)	R 385 000.00		
Stanford TS Phase 1 (150)	R 52 500 000.00	R 46 410 000.00	R 10 500 000.00
<u>TOTAL OPEX</u>	R 84 410 000.00	R 46 719 000.00	R 10 500 000.00
Masakhane UISP (104 sites)	R 5 200 000.00		
Masakhane UISP Wetcores Phase 4	R 1 200 000.00	R -	
Mount Pleasant IRDP Infill Phase 3 (85 sites)	R 4 900 000.00	R -	
Buffeljagsbaai			
Kleinmond IRDP	R 800 000.00	R -	R 8 000 000.00
Kleinmond Overhills UISP	R 1 029 000.00	R -	R 1 000 000.00
Afdakrivier Purchase	R -	R -	
<u>TOTAL CAPEX</u>	R 13 129 000.00	R -	R 9 000 000.00
GRAND TOTAL	R 97 539 000.00	R 46 719 000.00	R 19 500 000.00

HUMAN SETTLEMENTS DEVELOPMENT GRANT	R 90 110 000.00	R 46 719 000.00	R 18 500 000.00
INFORMAL SETTLEMENT UPGRADING PARTNERSHIP GRANT	R 7 429 000.00	R -	R 1 000 000.00
	R 97 539 000.00	R 46 719 000.00	R 19 500 000.00

*** INFORMAL SETTLEMENT UPGRADING PARTNERSHIP**

GRANT - DHS - SCHULPHOEK	R 16 000 000.00
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* THE PROVINCIAL DEPARTMENT OF HUMAN SETTLEMENTS PLANS TO SPEND THE ABOVE MENTIONED R16 000 000.

NOTE: THE ABOVE BUDGET WAS DONE IN ACCORDANCE WITH THE PROVINCIAL HUMAN SETTLEMENT BUSINESS PLAN AS SUBMITTED TO THE NATIONAL DEPARTMENT OF HUMAN SETTLEMENTS FOR APPROVAL

ANNEXURE F

SERVICE LEVEL STANDARDS

Province: Municipality(WC032) - Schedule of Service Delivery Standards - Draft Budget 2024/2025	
Description	
Standard	Service Level 2024/2025
Solid Waste Removal	
Premise based removal (Residential Frequency)	WEEKLY
Premise based removal (Business Frequency)	UP TO 7 TIMES PER WEEK (AS PER REQUEST)
Bulk Removal (Frequency)	NO
Removal Bags provided(Yes/No)	NO
Garden refuse removal Included (Yes/No)	YES (1 bag)
Street Cleaning Frequency in CBD	DAILY
Street Cleaning Frequency in areas excluding CBD	DAILY ON ROTATIONAL BASIS
How soon are public areas cleaned after events (24hours/48hours/longer)	WITHIN 24 HRS
Clearing of illegal dumping (24hours/48hours/longer)	48 HOURS (from notification)
Recycling or environmentally friendly practices(Yes/No)	Yes
Licensed landfill site(Yes/No)	Yes
Water Service	
Water Quality rating (Blue/Green/Brown/N0 drop)	Overstrand Green Drop Score 2022: 89% Blue Drop Assessment Report 2023: 99,9% Overstrand No Drop Score 2023: 101%
Is free water available to all? (All/only to the indigent consumers)	Indigent Consumers only
Frequency of meter reading? (per month, per year)	Monthly
Are estimated consumption calculated on actual consumption over (two month's/three month's/longer period)	Estimate consumption are calculated over a 12 months period (Estimates are only done in exceptional cases eg meter readers capacity challenges)
On average for how long does the municipality use estimates before reverting back to actual readings? (months)	1 Month
Duration (hours) before availability of water is restored in cases of service interruption (complete the sub questions)	
One service connection affected (number of hours)	4.00
Up to 5 service connection affected (number of hours)	4.00
Up to 20 service connection affected (number of hours)	8.00
Feeder pipe larger than 800mm (number of hours)	N/A
What is the average minimum water flow in your municipality?	Average 4.3 Bar pressure
Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No)	Yes. Groundwater Monitoring Programs
How long does it take to replace faulty water meters? (days)	5 days
Do you have a cathodic protection system in place that is operational at this stage? (Yes/No)	No
Electricity Service	
What is your electricity availability percentage on average per month?	98,78% (Eskom Loadshedding included) 99.7% (Eskom Loadshedding excluded)
Do your municipality have a ripple control in place that is operational? (Yes/No)	YES
How much do you estimate is the cost saving in utilizing the ripple control system?	R 1 477 732.00 p/a
What is the frequency of meters being read? (per month, per year)	PER MONTH
Are estimated consumption calculated at consumption over (two month's/three month's/longer period)	N/A
On average for how long does the municipality use estimates before reverting back to actual readings? (months)	N/A
Duration before availability of electricity is restored in cases of breakages (immediately/one day/two days/longer)	IMMEDIATE
Are accounts normally calculated on actual readings? (Yes/no)	YES
Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No)	NO
How long does it take to replace faulty meters? (days)	1

Description	
Standard	Service Level 2024/2025
<p>Do you have a plan to prevent illegal connections and prevention of electricity theft? (Yes/No)</p> <p>How effective is the action plan in curbing line losses? (Good/Bad)</p> <p>How soon does the municipality provide a quotation to a customer upon a written request? (days)</p> <p>How long does the municipality takes to provide electricity service where existing infrastructure can be used? (working days)</p> <p>How long does the municipality takes to provide electricity service for low voltage users where network extension is not required? (working days)</p> <p>How long does the municipality takes to provide electricity service for high voltage users where network extension is not required? (working days)</p> <p>Sewerage Service</p> <p>Are your purification system effective enough to put water back in to the system after purification?</p> <p>To what extent do you subsidize your indigent consumers?</p> <p>How long does it take to restore sewerage breakages on average</p> <p>Severe overflow? (hours)</p> <p>Sewer blocked pipes: Large pipes? (Hours)</p> <p>Sewer blocked pipes: Small pipes? (Hours)</p> <p>Spillage clean-up? (hours)</p> <p>Replacement of manhole covers? (Hours)</p>	<p>YES</p> <p>GOOD</p> <p>7</p> <p>5</p> <p>5</p> <p>21</p> <p>YES, effective in general to put water back into water resources in accordance with license conditions.</p> <p>Basic charges plus 7kl of sewer unit charges</p> <p>6.00</p> <p>6.00</p> <p>8.00</p> <p>8.00</p> <p>4.00</p>
<p>Road Infrastructure Services</p> <p>Time taken to repair a single pothole on a major road? (Hours)</p> <p>Time taken to repair a single pothole on a minor road? (Hours)</p> <p>Time taken to repair a road following an open trench service crossing? (Hours)</p> <p>Time taken to repair walkways? (Hours)</p> <p>Property valuations</p> <p>How long does it take on average from completion to the first account being issued? (one month/three months or longer)</p> <p>Do you have any special rating properties? (Yes/No)</p> <p>Financial Management</p> <p>Is there any change in the situation of unauthorised and wasteful expenditure over time? (Decrease/Increase)</p> <p>Are the financial statement outsources? (Yes/No)</p> <p>Are there Council adopted business process tsructuing the flow and managemet of documentation feeding to Trial Balalnce?</p> <p>How long does it take for an Tax/Invoice to be paid from the date it has been received?</p> <p>Is there advance planning from SCM unit linking all departmental plans quaterly and annualy including for the next two to three years procurement plans?</p> <p>Administration</p> <p>Reaction time on enquiries and requests?</p> <p>Time to respond to a verbal customer enquiry or request? (working days)</p> <p>Time to respond to a written customer enquiry or request? (working days)</p> <p>Time to resolve a customer enquiry or request? (working days)</p> <p>What percentage of calls are not answered? (5%,10% or more)</p> <p>How long does it take to respond to voice mails? (hours)</p> <p>Does the municipality have control over locked enquiries? (Yes/No)</p>	<p>24.00</p> <p>72.00</p> <p>72.00</p> <p>72.00</p> <p>3 months</p> <p>yes</p> <p>Increase (Non Cash)</p> <p>No</p> <p>Standard Operating Procedures</p> <p>30 days</p> <p>Yes</p> <p>1 to 10</p> <p>1 to 10</p> <p>10</p> <p>10</p> <p>1</p> <p>N/A</p> <p>yes</p>





Description	
Standard	Service Level 2024/2025
<p>Is there a reduction in the number of complaints or not? (Yes/No)</p> <p>How long does it take to open an account to a new customer? (1 day/ 2 days/ a week or longer)</p> <p>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?</p>	<p>no</p> <p>1 day</p> <p>Weekly progress reports and monthly Demand Management Plan reports</p>
<p>Community safety and licensing services</p> <p>How long does it take to register a vehicle? (minutes)</p> <p>How long does it take to renew a vehicle license? (minutes)</p> <p>How long does it take to issue a duplicate registration certificate vehicle? (minutes)</p> <p>How long does it take to de-register a vehicle? (minutes)</p> <p>How long does it take to renew a drivers license? (minutes)</p> <p>What is the average reaction time of the fire service to an incident? (minutes)</p> <p>What is the average reaction time of the ambulance service to an incident in the urban area? (minutes)</p> <p>What is the average reaction time of the ambulance service to an incident in the rural area? (minutes)</p> <p>Economic development</p> <p>How many economic development projects does the municipality drive?</p> <p>How many economic development programme are deemed to be catalytic in creating an enabling environment to unlock key economic growth projects?</p> <p>What percentage of the projects have created sustainable job security?</p> <p>Does the municipality have any incentive plans in place to create an conducive environment for economic development? (Yes/No)</p> <p>Other Service delivery and communication</p> <p>Is a information package handed to the new customer? (Yes/No)</p> <p>Does the municipality have training or information sessions to inform the community? (Yes/No)</p> <p>Are customers treated in a professional and humanly manner? (Yes/No)</p>	<p>30min</p> <p>10min</p> <p>72hours</p> <p>10min</p> <p>30min</p> <p>4,25 min</p> <p>15 min</p> <p>40 min</p> <p>9</p> <p>6</p> <p>39</p> <p>Yes - Overstrand Business Corridors and Public Trade Policy (Plans to be gazetted)</p> <p>Yes - available on www.overstrand.gov.za Monthly news letters and Social Media</p> <p>Yes</p> <p>Yes</p>





ANNEXURE G

WATER & WASTE WATER QUALITY

4.20 Overstrand Local Municipality

Municipal Blue Drop Score		
Blue Drop Score 2023	%	99.99%
Blue Drop Score 2014	%	90.79%
Blue Drop Score 2012	%	96.82%
Blue Drop Score 2011	%	90.56%

Key Performance Area	Weight	Baardskeerdersbos	Buffeljags Bay	Buffelsrivier	Greater Gansbaai
					
Bulk/WSP		-	-	-	-
Capacity Management	15%	100.00%	100.00%	100.00%	100.00%
DWQ Risk Management	20%	96.00%	95.00%	96.00%	95.29%
Financial Management	10%	100.00%	100.00%	100.00%	100.00%
Technical Management	20%	98.50%	83.50%	100.00%	98.81%
DWQ Compliance	35%	98.00%	100.00%	100.00%	100.00%
Bonus	10%	100.00%	100.00%	100.00%	100.00%
Penalties	10%	0.00%	0.00%	0.00%	0.00%
Disqualifiers		None	None	None	None
Blue Drop Score 2023	%	99.70%	98.20%	99.99%	99.99%
Blue Drop Score 2014	%	63.90%	71.80%	87.20%	88.30%
Blue Drop Score 2012	%	91.60%	93.80%	95.00%	97.10%
Blue Drop Score 2011	%	93.70%	75.40%	95.10%	95.10%
System Design Capacity	kL/d	185	80	5 500	8 100
System Available Capacity	kL/d	185	28	5 500	8 100
System Input Value	kL/d	37	14	2 020	3 743
Capacity Utilisation	%	20.00%	50.00%	36.73%	46.22%
Average Daily Consumption	l/p/d	289	92	610	183
Resource Abstracted From		Boreholes	Borehole	Buffels River Dam	Klipgat & De Kelders Grotte Fountain, Kraaibosch & Franskraal Dams
Microbiological Compliance	%	98.70%	99.99%	99.99%	99.05%
Chemical Health Compliance	%	98.51%	98.28%	99.47%	98.85%
Risk Defined Compliance	%	97.97%	98.04%	96.79%	99.70%
VROOM	Rand	-	-	R311 735	-
BDRR 2023	%	9.57%	14.21%	15.08%	19.97%
BDRR 2022	%	12.80%	16.20%	16.70%	17.00%

Key Performance Area	Weight	Greater Hermanus	Kleinmond	Pearly Beach	Stanford
					
Bulk/WSP		-	-	-	-
Capacity Management	15%	100.00%	100.00%	100.00%	100.00%
DWQ Risk Management	20%	96.00%	96.00%	96.00%	96.00%
Financial Management	10%	100.00%	100.00%	100.00%	100.00%
Technical Management	20%	100.00%	98.50%	98.50%	98.50%
DWQ Compliance	35%	100.00%	100.00%	100.00%	100.00%
Bonus	10%	100.00%	100.00%	100.00%	100.00%
Penalties	10%	0.00%	0.00%	0.00%	0.00%
Disqualifiers		None	None	None	None
Blue Drop Score 2023	%	99.99%	99.99%	99.99%	99.99%
Blue Drop Score 2014	%	96.40%	85.60%	87.40%	90.90%
Blue Drop Score 2012	%	97.90%	95.00%	95.20%	92.70%
Blue Drop Score 2011	%	87.20%	93.10%	94.30%	95.20%
System Design Capacity	kL/d	38 000	5 800	1 440	1 000
System Available Capacity	kL/d	38 000	5 800	1 440	2 000
System Input Value	kL/d	11 154	2 260	380	720
Capacity Utilisation	%	29.35%	38.97%	26.39%	36.00%
Average Daily Consumption	l/p/d	159	273	301	119
Resource Abstracted From		De Bos Dam; Gateway Borehole Field (5 boreholes); Volmoed and Camphill borehole fields (7 boreholes)	Palmiet River and Dorpsfontein	Pearly Beach Dam & Koekemoer Dam	Stanford Spring Kouevlakte Boreholes
Microbiological Compliance	%	98.53%	99.99%	97.30%	98.77%
Chemical Health Compliance	%	99.76%	98.73%	98.80%	98.11%
Risk Defined Compliance	%	99.59%	99.71%	99.43%	99.05%
VROOM	Rand	R2 153 802	-	-	-
BDRR 2023	%	18.44%	14.53%	13.39%	15.98%
BDRR 2022	%	20.70%	16.20%	13.80%	17.80%

Introductions

The Overstrand Local Municipality (OLM) supplies approximately 109 703 people with potable water through its 8 water supply systems, with a total SIV of 20.33 Ml/day and a combined design capacity of 61.11 Ml/day. The OLM is the Water Services Authority responsible for 100% of the total SIV and sub-contracts the operation of all the treatment plants to VEOLIA water service providers. The distribution network is solely maintained by the Overstrand Local Municipality:

- The Baardskeerdersbos Supply system abstracts raw water from boreholes for treatment at the Baardskeerdersbos WTP (OLM) which serves 128 people, delivered at an SIV of 37 kl/d.
- The Buffeljags Bay Supply system abstracts raw water from boreholes for treatment at the Buffelsjags Bay WTW (OLM) which serves 154 people, delivered at an SIV of 14 kl/d.
- The Buffelsrivier Supply system abstracts raw water from the Buffels River Dam for treatment at the Buffelsrivier WTP (OLM) which serves 3 312 people, delivered at an SIV of 2 020 kl/d.

- The Greater Gansbaai Supply system serves 20 479 people, delivered at a total SIV of 37 kl/d. The system abstracts raw water from the Klipgat & De Kelders Grotte Fountain for treatment at the De Kelders WTP (OLM) at an SIV of 763 kl/d, and the Kraaibosch and Franskraal Dams for treatment at the Franskraal WTP (OLM) at an SIV of 2 980 kl/d.
- The Greater Hermanus Supply system abstracts raw water from the De Bos Dam, Gateway Borehole Field (5 boreholes) and Volmoed and Camphill borehole fields (7 boreholes) for treatment at the Preekstoel WTP (OLM) which serves 70 038 people, delivered at an SIV of 11 154 kl/d.
- The Kleinmond Supply system abstracts raw water from the Palmiet River and Dorpsfontein for treatment at the Kleinmond WTP (OLM) which serves 8 279 people, delivered at an SIV of 2 260 kl/d.
- The Pearly Beach Supply system abstracts raw water from the Pearly Beach and Koekemoer Dams for treatment at the Pearly Beach WTP (OLM) which serves 1 263 people, delivered at an SIV of 380 kl/d.
- The Stanford Supply system abstracts raw water from the Stanford Spring Kouevlakte Boreholes for treatment at the Stanford Water Treatment Works (OLM) which serves 6 050 people, delivered at an SIV of 720 kl/d.

Regulator's Comments

The Overstrand Local Municipality (OLM) was represented by the Director of Engineering planning and accompanied by two technical managers as well as the operations manager from VEOLIA appointed for the operation of all the treatment works for the OLM. The WSI representatives were very well prepared for the Blue Drop assessment, well informed of all aspects of their systems, and provided an outstanding portfolio of evidence which made the audit process easy and efficient. The OLM had a significant decline in its Blue Drop score history from 93.70% in 2011 to 63.90% in 2014.

The regulator would like to applaud the OLM for their commitment to a high standard of service delivery by taking the initiative in appointing VEOLIA for the operation of their treatment plants. With very-low risk ratings, and excellent compliance for both microbiological and chemical acute health across all their systems it is plain to see the value added by this appointment is plain to see, which resulted in a praiseworthy overall Blue Drop score of 99.99%.

The WSI completed comprehensive high-quality water safety plans for all their systems including extensive proof of implementation and monthly reports on the performance and O&M expenditures on all their plants. Their operational monitoring, data capturing, and analysis is commendable, and they have well-defined and implemented compliance monitoring and risk-based monitoring programs. The team was questioned on their knowledge of the risks identified in the WaSP and was able to readily identify the major risk in the catchments, at the treatment works and within the network including the mitigation measures and status of implementation thereof.

The WSI provided detailed system assessments informed by high-quality process audits including technical site assessments, water reticulation inspections/assessments, and IWA water balances.

The maintenance teams are sufficiently capacitated and managed with competent staff and term contracts are in place for outsourcing of specialised maintenance.

A capital budget was provided together with a five-year forecast. The budget for the audit year was R7.17 mil for bulk (delivery and treatment) projects and R30.16 Mil for network/distribution with respective expenditures of R7.15 mil and R29.48 mil. The projects were listed as follows:

Capital works executed under bulk contract:

- Security Fencing Water Facilities. Hawston and Pearly Beach Booster WPS (budget R1.0 mil; spent: R0.99 mil)
- Replace Kraaibosch Booster Pump; Replace membranes at Pearly Beach WTW; Replace Membranes at De Bos WTW; Refurbish sand filters; install solar pump and DAF upgrade at Pearly Beach (budget R 2.18 mil; spent: R 2.17 mil)
- Refurbishment of Bulk Water Pipelines (All systems) (budget R1.988 mil; expenditure: R1.986 mil).
- Upgrade access roads to Kleinmond and Buffelsrivier WTW (budget R2.0 mil; expenditure: R1.99 mil)

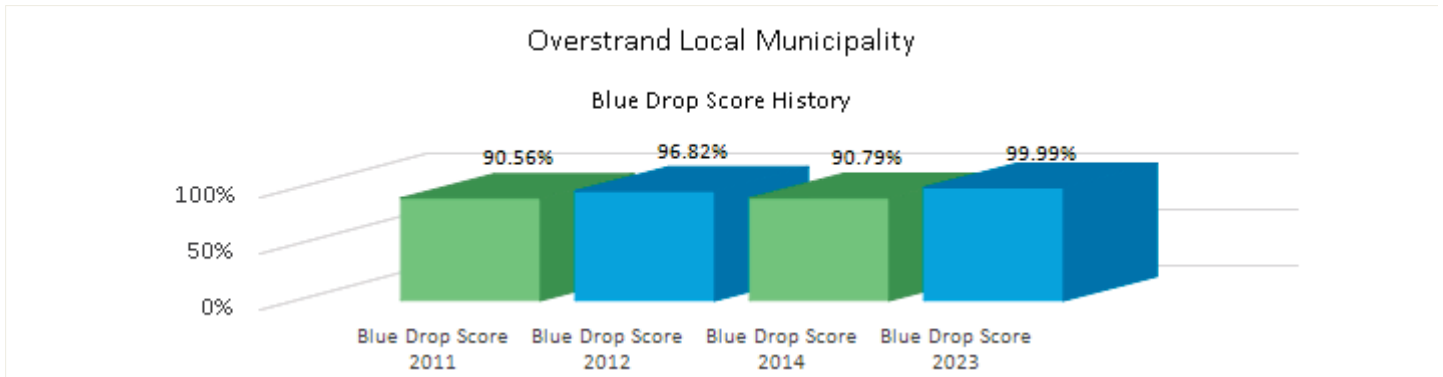
Capital projects implemented by the Municipality:

- Replacement of Overstrand water pipes (f1/3) - (budget R7.05 mil; expenditure: R7.05 mil).
- Replacement of Overstrand water pipes (f2/3) - (budget R8.00mil; expenditure: R8.00 mil).
- Replacement of Overstrand water pipes (f3/3) - (budget R3.62 mil; expenditure: R3.62 mil).
- Upgrade Hermanus well fields phase 2- (budget R3.59 mil; expenditure: R3.58 mil).
- Water master plan implementation- (budget R7.22 mil; expenditure: R7.22 mil).

Blue Drop Findings

The OLM, across all their system, has very few shortcomings.

- The WSI should ensure that all their Water Use Licenses are in place for Raw Water Abstraction.
- The WSI to ensure Up-to-date proof of accuracy for flow meters of the Buffelsjags WSS.
- Although the WSI are complying with the regulations for Process controllers and supervisors required for this audit period, the WSI should ensure compliance with the newly promulgated requirement of regulation 3630 for future.



Technical Site Assessment

The **Preekstoel WTP** was inspected to verify the Blue Drop audit findings and received a technical site assessment score of 94%. The plant is owned by the Overstrand LM and operated by a private company, Veolia. The works comprises of 3 plants, a 21 ML/d conventional treatment, a 7 ML/d chemical oxidation plant (KMnO₄), and a 10 ML/d biological filter plant for Fe & Mn removal giving a combined treatment capacity of 38 ML/d. The works was found to be in prime condition, excellently managed and maintained and only required some minor general concrete repairs and general upkeep of the buildings. The inspected raw water pump station requires refurbishment of corroded valves and pipes, and a gland leakage sump / pump should be considered. Due to the chemical oxidation process, non-corrosive materials should be considered in areas. All considered the total VROOM amount comes to R 56 679/ML. The final water quality produced by the treatment plant is excellent with a Microbiological (Acute Health) compliance of 98.53% (samples taken fortnightly), and a Chemical compliance (Acute and Chronic Health) of >99.90% and 99.75% respectively. The Operational, Aesthetic and Risk Def compliance monitoring are also excellent, scoring 99.23%, 99.91% and 99.59% respectively. The team on site is aware of what is listed in the safety plan on risks associated from the catchment to the reticulation system. Workplace satisfaction has been indicated as 90% with training identified as the only aspect to improve.

The Blue Drop Watch Report 2023 can be consulted for more detail.



Cascading Inlet for conventional treatment - Preekstoel WTW



KMnO₄ treated water entering settling tank - Chemical Oxidation Treatment- Preekstoel WTW



Biofiltration Plant - Preekstoel WTW

4.18 Overstrand Local Municipality

Water Service Institution	Overstrand Local Municipality		
Water Service Provider	Veolia Water		
Municipal Green Drop Score	VROOM Impression (Towards restoring functionality):		
2021 Green Drop Score	89%→	1. Flow distribution to SSTs	
2013 Green Drop Score	89%	2. Lime storage facility	
2011 Green Drop Score	89%	3. Security	
2009 Green Drop Score	63%	4. Scum control	
		VROOM Estimate:	
		- R10,200,000	

Key Performance Area	Weight	Gansbaai	Hawston	Hermanus	Kleinmond
A. Capacity Management	15%	100.0%	100.0%	100.0%	100.0%
B. Environmental Management	15%	91.0%	85.0%	85.0%	86.0%
C. Financial Management	20%	98.0%	98.0%	98.0%	78.0%
D. Technical Management	20%	97.5%	97.5%	97.5%	93.5%
E. Effluent & Sludge Compliance	30%	70.0%	50.0%	85.0%	64.0%
F. Bonus		94.0%	94.0%	94.0%	94.0%
G. Penalties		0.0%	0.0%	0.0%	0.0%
H. Disqualifiers		None	None	None	None
Green Drop Score (2021)		96%→89%	89%	96%→89%	88%
2013 Green Drop Score		92%	90%	91%	78%
2011 Green Drop Score		76%	88%	92%	83%
2009 Green Drop Score		66%	57%	66%	66%
System Design Capacity	MI/d	2	1	12	2
Design Capacity Utilisation (%)		43%	61%	54%	76%
Resource Discharged into		Irrigation – Sports complex	Maturation Pond into Wetland	Ocean	Reed- bed/wetland area linked to sea
Microbiological Compliance	%	68%	80%	87%	91%
Chemical Compliance	%	86%	74%	98%	51%
Physical Compliance	%	95%	62%	100%	88%
Wastewater Risk Rating (CRR% of CRR_{max})		Gansbaai	Hawston	Hermanus	Kleinmond
CRR (2011)	%	31.0%	33.0%	35.0%	44.0%
CRR (2013)	%	35.3%	29.0%	45.0%	47.0%
CRR (2021)	%	41.2%	52.9%	36.4%	47.1%

Key Performance Area	Weight	Pearly Beach	Stanford
A. Capacity Management	15%	100.0%	100.0%
B. Environmental Management	15%	98.8%	92.0%
C. Financial Management	20%	97.5%	98.0%
D. Technical Management	20%	97.1%	97.5%
E. Effluent & Sludge Compliance	30%	62.5%	50.0%
F. Bonus		56.0%	94.0%
G. Penalties		-25.0%	0.0%
H. Disqualifiers		None	None
Green Drop Score (2021)		88%	90%→89%

Key Performance Area	Weight	Pearly Beach	Stanford
2013 Green Drop Score		NA	93%
2011 Green Drop Score		NA	83%
2009 Green Drop Score		NA	61%
System Design Capacity	MI/d	0.259	1.2
Design Capacity Utilisation (%)		31%	89%
Resource Discharged into		An aquifer	Constructed reed bed to Klein River
Microbiological Compliance	%	100%	82%
Chemical Compliance	%	58%	78%
Physical Compliance	%	27%	82%
Wastewater Risk Rating (CRR% of CRR_{max})		Pearly Beach	Stanford
CRR (2011)	%	NA	44.0%
CRR (2013)	%	NA	29.0%
CRR (2021)	%	52.9%	64.7%

Regulator's Comment:

Overstrand Local Municipality and WSP Veolia delivered a sterling performance that was awarded with an overall 89% Green Drop score. The municipality continues to maintain a remarkable record of 89% over 10 years, marked by a highly committed, competent team. In addition, Gansbaai, Hermanus and Stanford were serious contenders for Green Drop Certification, which regrettably had to be waived due to not achieving excellent standards (>90%) on their final microbiological and/or chemical qualities. The WSA should be able to attain Certification status in 2023 if this matter can be resolved.

The Regulator is impressed with the level of preparation and professional conduct during the audit, represented by managers in various roles, supported by Veolia Water. All required information was loaded onto IRIS for various KPAs prior which ensure a seamless preliminary assessment. The team then used the main audit and verification audit events to maximise their scores by providing clarification and further evidence on sludge classification (landfilling), stormwater- and water demand management and capital projects. The striking performance and sustained services are not surprising if noting the strength of the engineering, technical, scientific, and laboratory competence, supported by committed senior management and municipal leadership. Perfect score (100%) were achieved for KPA Capacity Management for the expertise, supported by comprehensive operation, maintenance, and monitoring plans and records, including financials and energy management. Human capacity is optimised via the adoption of automation and telemetry. This aspect must be taken up with the Regulator to align with capacity requirements to ensure that any risks associated with such innovations are managed. Flow monitoring is in place for inflow and outflow, and online monitoring for night flows (Myciti) is in place. Energy optimisation via LED is standard procedure and CO₂ equivalents are calculated to monitor the benefit. Well done. These best practices set a high standard for wastewater services in South Africa.

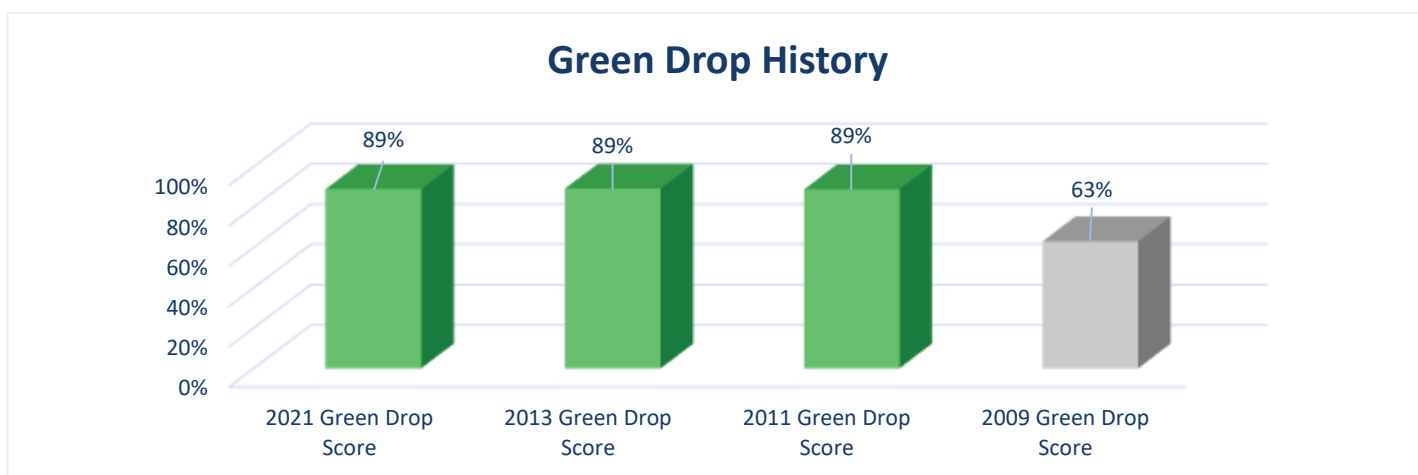
In a nutshell, the municipality performance exceptionally well in all KPA areas (>90%), with the exception of Effluent and Sludge Compliance. Areas for improvement include the laboratory turn-around time, monitoring of dedicated sludge streams and performance evaluation against design expectations, flow meter calibration/verification, sludge classification according to the WRC guidelines (noting new landfill regulations).

The adoption of site specific W₂RAP process is an encouraging; notably that risk management is informed and influenced by a process audit, sewer master plan and supported by budget for implementation. Improvement should focus on having (independent) Risk Reviews every 6 months to monitor (quantify) risk movement. The Regulator congratulates Overstrand and hope the 2023 audit cycle will result in an exponential improvement until Green Drop excellence is achieved for all six (6) systems.

Green Drop findings:

1. All WWTW achieved a full score for capacity management, thereby verifying the availability of registered and qualified process controllers, maintenance teams (inhouse and outsourced services), engineering, technical (technicians and technologists) and scientific expertise tied to wastewater management and asset planning
2. W₂RAPs are in place and implemented, and its impact monitored through operational monitoring and compliance monitoring
3. All systems presented financial evidence viz. allocated budgets and expenditure, treatment cost (R/m³ treated), energy costs (R/kWh), and contracts for external services
4. Six (6) of 6 WWTWs logged full records for compliance monitoring, including biomonitoring

5. Operational monitoring with online meters for most process streams are implemented. Gaps are still noted with regard to sludge monitoring of dedicated streams, e.g. in and output from settlers and thickeners, anaerobic digesters, belt presses, drying beds, etc.
6. High quality reports were presented for process audits, sewage inspection reports, sewer master planning
7. Bylaws are updated and enforced
8. 12 months of data uploaded on IRIS for all 6 WWTWs, supported by relevant site-specific water use authorisation and general authorisations
9. Sludge classification for landfill disposal is done, but not complemented by WRC classification – the latter not only intending to guide disposal but also to monitor the quality of biosolids produced by the site
10. No penalties and no directives were issued for any systems
11. No plants in the critical or high-risk positions
12. Capital projects are part of a three-year plan, with 2021 projects listed as follows:
 - R6,700,000: Sewer network extension in Gansbaai WWTWs and associated infrastructure
 - R16,154,000: Hawston WWTW refurbishment on civil and mechanical equipment's for various unit processes.
 - R8,836,000: Hermanus WWTW refurbishments and associated infrastructure
 - R1,645,000: Kleinmond WWTW refurbishment and associated infrastructure
 - R1,797,000: Stanford WWTW refurbishment and associated infrastructure.



Technical Site Assessment

Hermanus WWTW 74%

The **Hermanus WWTW** was inspected to verify the Green Drop audit findings:

- The network and pumpstation was in good condition, noticed for routine maintenance and adequate response to sewage blockages
- Trespassing seems to be a risk at the WWTW, compounded by land invasion close to the site. Neighbours to the WWTW resort to jumping over the fence to access their residence. Overstrand has plans to raise the wall to secure the facility and mitigate security risks
- Plant infrastructure is aging; however, its lifespan is extended via preventative maintenance strategies. All equipment is functional
- The site office displays certificates for PCs and WWTW – a satisfactory working environment is observed
- Operational monitoring, daily logbook or maintenance records were in place
- Safety signs were displayed at various unit processes i.e., chlorination, belt presses, lime storage, reactors, etc.
- Parts of the site was untidy and not evident of good groundskeeping - used as storage whilst network upgrades/refurbishments underway. Good housekeeping was evident at the maturation ponds
- Sludge drying beds were not well kept and used only during emergency. Belt presses are used for primary sludge handling
- Veolia Water developed a reactor control- and sludge management plan
- All required documents were presented on site including comprehensive O&M manual with manufacturers specs, PFD and model of plant, and record of all maintenance issues (job cards, works orders, tracking of outstanding jobs).



Reactor audit and optimisation studies in pursuit of best practice



MLSS, DO and sludge age maintained at optimal levels by process controllers



Flow distribution uneven and deliver high flows to 1 of 4 clarifiers. Work done during TSA to rectify this design defect.

ANNEXURE H

NT & PT BUDGET CIRCULARS & FINANCIAL RATIOS AND NORMS



Municipal Budget Circular for the 2024/25 MTREF

CONTENTS:

INTRODUCTION	3
1. THE SOUTH AFRICAN ECONOMY AND INFLATION TARGETS	3
2. KEY FOCUS AREAS FOR THE 2024/25 BUDGET PROCESS	4
2.1 LOCAL GOVERNMENT CONDITIONAL GRANTS ALLOCATIONS	4
2.2 PUBLICATION OF ALLOCATIONS FROM THE MUNICIPAL DISASTER RESPONSE GRANT AND CHANGES FROM THE STOPPING AND REALLOCATION PROCESS	6
3. REVENUE MANAGEMENT	7
3.1 MAXIMIZING THE REVENUE GENERATION OF THE MUNICIPAL REVENUE BASE	8
3.2 SETTING THE COST REFLECTIVE TARIFFS	9
3.3 CONSUMER DEPOSITS AND SECURITIES	9
3.4 CONTRACTS WITH CUSTOMERS	9
3.5 INDIGENT MANAGEMENT	10
3.6 VOLUNTARY RESTRICTION OF NOTIFIED MAXIMUM DEMAND (NMD)	10
3.7 PRO-ACTIVELY MANAGING COLLECTION OF MUNICIPAL REVENUE IN Eskom SUPPLIED AREAS	11
3.8 MAXIMISING THE REVENUE GENERATION OF THE MUNICIPAL REVENUE BASE REVENUE ON PROPERTY RATES	11
3.9 SETTING THE COST REFLECTIVE TARIFFS	11
3.10 CRITICAL NOTICE AFFECTING STS METERS AND THE RT29 TRANSVERSAL TENDER FOR SMART METERS	11
3.11 Eskom BULK TARIFF INCREASES	12
3.12 CONSUMER DEPOSITS AND SECURITIES	12
4. FUNDING CHOICES AND MANAGEMENT ISSUES	12
4.1 EMPLOYEE RELATED COSTS	12
4.2 REMUNERATION OF COUNCILLORS	13
5. FUNDING MUNICIPAL BUDGETS	13
5.1 APPROVAL OF DEFICIT BUDGETS	13
5.2 FUNDED BUDGET	13
5.3 CREDIBLE FUNDING PLANS	13
5.4 BUDGETING FOR DEBT IMPAIRMENT LOSS, WRITE OFF OF IRRECOVERABLE DEBT AND REVERSAL OF IMPAIRMENT LOSS	14
5.5 BURIAL OF COUNCILLORS USING PUBLIC FUNDS	14
5.6 THE USE OF MAYORAL DISCRETIONARY ACCOUNTS AND ANY OTHER COUNCIL DISCRETIONARY ACCOUNTS	15
5.7 DEVELOPMENT CHARGES	15
6. MUNICIPAL STANDARD CHART OF ACCOUNTS (MSCOA)	15
6.1 RELEASE OF VERSION 6.8 OF THE CHART	15
6.2 IMPROVING MSCOA DATA STRINGS CREDIBILITY	17
6.3 MSCOA REPORTING ON VALUE ADDED TAX (VAT)	17
6.4 USE OF FUNCTION SEGMENT TO ACHIEVE GRAP 18 SEGMENTAL REPORTING	18
6.5 PERIOD CLOSURE AND RECONCILIATION OF GENERAL LEDGER	18
6.6 MSCOA GOVERNANCE AND IMPLEMENTATION	19
6.7 REGULATING THE MINIMUM BUSINESS PROCESSES AND SYSTEM SPECIFICATIONS FOR MSCOA	19
6.8 TRAINING INITIATIVES	19
7. THE MUNICIPAL BUDGET AND REPORTING REGULATIONS	20
7.1 ASSISTANCE WITH THE COMPILATION OF BUDGETS	20
8. SUBMITTING BUDGET DOCUMENTATION AND A SCHEDULES FOR THE 2024/25 MTREF	21

8.1	TIME FRAMES FOR SUBMISSION	21
8.2	UPDATING OF CONTACT DETAILS ON GoMUNI	22
8.3	SUBMISSION OF MONTHLY SIGN-OFF	22
8.4	TRAINING ON GoMUNI	22

Introduction

This budget circular provides guidance to municipalities with their compilation of the 2024/25 Medium Term Revenue and Expenditure Framework (MTREF). It is linked to the Municipal Budget and Reporting Regulations (MBRR) and the Municipal Standard Chart of Accounts (mSCOA) 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 management 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, mSCOA 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 in areas of the budget preparation that is not covered in this circular.

1. The South African economy and inflation targets

The National Treasury forecasts real GDP growth of 0.8 per cent in 2023, compared with 0.9 per cent projected in the 2023 Budget Review. Growth is projected to average 1.4 per cent from 2024 to 2026. Relative to the 2023 Budget, the weaker projection for 2023 mainly reflects lower household consumption expenditure due to higher inflation and interest rates, and lower net exports. Power cuts are expected to continue for the remainder of this year and to gradually ease in 2024. Faster, determined implementation of energy and logistics reforms remains critical to boosting economic growth.

In the context of weaker global growth and risks to the domestic outlook, government is working to position the economy for sustained growth and resilience to shocks. A combination of a stable macroeconomic framework, the rapid implementation of economic and structural reforms, and improvements in state capability remains central to achieving higher growth, employment, and competitiveness.

Employment growth continues to lag South Africa's post-COVID-19 economic recovery, with 74 000 fewer people in employment in the second quarter of 2023 than in the fourth quarter of 2019. Improving employment growth sustainably over the long term requires faster GDP growth and improved education and skills development.

Headline inflation is expected to decelerate as the energy and food price shocks associated with global supply chain disruptions and the war in Ukraine dissipate. Headline consumer prices are expected to fall from an expected 6 per cent in 2023 to 4.9 per cent in 2024. Fuel prices have fallen since June 2023, largely reflecting base effects. Food price inflation, which peaked at 14.4 per cent in March 2023, slowed to 8.2 per cent by August 2023. However, the pace of deceleration has been slow relative to global food prices. This can be attributed to a weaker rand exchange rate and elevated production costs. Core inflation has remained near 5 per cent for most of 2023 due mainly to higher insurance and vehicle price inflation. Headline inflation is projected to return towards the mid-point of the 3 to 6 per cent target range in 2025.

Household consumption expenditure is expected to slow from 2.5 per cent in 2022 to 0.8 per cent in 2023 due to the cumulative effect of interest rate increases, elevated inflation and falling real disposable income, and generally weak consumer confidence. Growth in credit

extended to households continues to decelerate for both secured and unsecured credit. National Credit Regulator data shows that in the first quarter of 2023, banks rejected 70 per cent of credit applications – the highest rate on record – reflecting concerns over households' ability to repay loans. Household consumption expenditure is expected to average 1.6 per cent from 2024 to 2026.

The following macro-economic forecasts must be considered when preparing the 2024/25 MTREF municipal budgets.

Table 1: Macroeconomic performance and projections, 2022 - 2027

Fiscal year	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Estimate	Forecast		
CPI Inflation	6.9%	6.0%	4.9%	4.6%	4.5%

Source: Medium Term Budget Policy Statement 2023.

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.

The above economic challenges will place pressure on households' ability to pay municipal accounts and Eskom power cuts affect sustainability of small and large businesses. Both these factors have placed pressure on municipal own revenues.

It is therefore noted that variations in regional specifics are possible, however, any variation of assumptions must be explicitly set out and well explained in the budget narratives, in the absence of which the Treasuries will refer the budget back to council for alignment to the macroeconomic performance projections.

2. Key focus areas for the 2024/25 budget process

2.1 Local government conditional grants allocations

Over the 2024 MTEF, the local government equitable share and conditional grants will be reduced by a total of R12.8 billion, made up of R9.6 billion in the local government equitable share and R3.2 billion in direct conditional grants. The general fuel levy sharing with municipalities will be reduced by R5.1 billion. These reductions form part of the government's efforts to drive fiscal consolidation. The implication of these changes will be outlined in more detail in the 2024 Budget Review.

Notable changes to the conditional grants system

While the review of the conditional grants system is on-going and reforms envisaged to be implemented from 2025/26, changes will be considered for the *urban settlements development grant*; *integrated urban development grant*; and *the municipal infrastructure grant* to make better use of regulatory frameworks and improve the water business of urban municipalities from 2024/25.

We kindly advise municipalities to utilise the indicative numbers that were presented in the 2023 Division of Revenue Act when developing their 2024/25 MTREF calculations. It is crucial to also make considerations to the proposed reductions to baselines that were presented in the 2023 MTBPS, as they may have a significant impact. We recommend this be prioritised in all budgetary planning for the upcoming fiscal year. In terms of the outer year allocations (2026/27 financial year), it is proposed that municipalities conservatively limit funding allocations to the indicative numbers as presented in the 2023 Division of Revenue Act for 2024/25. The Division of Revenue Bill, 2023, which includes the annexures outlining allocations to each municipality is available at:

<http://www.treasury.gov.za/documents/national%20budget/2023/default.aspx>

Division Of Revenue Amendment Bill, 2023 (DoRAB)

Declared underspending in the local government equitable share – In January 2023, the National Energy Regulator of South Africa (NERSA) approved a bulk electricity tariff increase of 18.7 per cent for the 2023/24 financial year. The subsidy for free basic electricity in 2023/24 was calculated to include an additional 2 per cent in anticipation of higher municipal tariff increases than that published in January, due to the difference in the financial years of Eskom customers and municipalities. A further R1.4 billion was left unallocated in the local government equitable share to enable additional funding for municipalities should the final municipal tariff increase that was expected to be published between March and June 2023, exceed the 20.7 per cent increase provided for. In June 2023, NERSA approved a municipal tariff increase of 15.1 per cent. The unallocated amount of R1.4 billion in the local government equitable share is therefore surrendered as declared under-expenditure.

Fiscal consolidation reductions – There is a total downward adjustment of R3.4 billion to direct municipal conditional grants. This is made up of reductions of R9 million from the *infrastructure skills development grant*; R58 million from the *programme and project preparation support grant*; R32 million from the *expanded public works programme integrated grant for municipalities*; R1.2 billion from the *municipal infrastructure grant*; R306 million from the informal settlements upgrading partnership grant for municipalities; R553 million from the *urban settlements development grant*; R180 million from the *integrated national electrification programme grant for municipalities*; R40 million from the *neighbourhood development partnership grant*; R600 million from the *public transport network grant*; R237 million from the *regional bulk infrastructure grant*; and R244 million from the *water services infrastructure grant*.

Funds for post disaster repair and recovery – An amount of R1.2 billion is added to the *municipal disaster recovery grant* to fund the reconstruction and rehabilitation of municipal infrastructure damaged by the floods that occurred between February and March 2023.

Top-up of the municipal disaster response grant – Due to the floods that occurred between February and March 2023, the *municipal disaster response grant* was depleted by June 2023. R372 million is added to this grant to enable immediate response by municipalities in the event that a disaster occurs in the remaining months of the 2023/24 financial year.

Conversion of municipal infrastructure grant allocations – R10 million from uThukela Local Municipality's allocation is converted to an indirect allocation for implementation of the Ekuvukeni Water Supply Project by the Department of Cooperative Governance on the municipality's behalf. The project entails the replacement of an asbestos rising main from the Oliphanskop water treatment works. Similarly, R20 million from Emfuleni Local Municipality's allocation is converted to an indirect allocation to address the outfall of sewer in Evaton and Sebokeng.

Conversion of neighbourhood development partnership grant allocations – R88 million in the neighbourhood development partnership grant is converted from the direct to the indirect component of the grant. This is to expedite project implementation in municipalities that are experiencing administrative and financial challenges.

Reduction in the integrated national electrification programme (Eskom) grant – As part of the fiscal consolidation reductions, the integrated national electrification programme (Eskom) grant is reduced by R250 million.

Reprioritisation from the integrated national electrification (Eskom) grant – An amount of R53 million is reprioritised from the integrated national electrification (Eskom) grant to the vote

of the national Department of Mineral Resources and Energy to fund the rehabilitation of derelict and ownerless mines.

Shift of funds from the regional bulk infrastructure grant to the water services infrastructure grant – R309 million has been shifted from the indirect component of the regional bulk infrastructure grant to the indirect component of the water services infrastructure grant. This is to enable the Department of Water and Sanitation to manage contractual obligations, budget pressures, accruals and payables for projects in several municipalities.

Changes to the municipal disaster recovery grant framework – The framework of the municipal disaster recovery grant is amended to ring-fence the additional funds for the repair and reconstruction of municipal infrastructure damaged by the floods that occurred between February and March 2023.

Correction of an error in the indirect allocations of the regional bulk infrastructure grant – An amount of R20 million for the Kirkwood Water project that was erroneously allocated to Dr Beyers Naude Local Municipality is corrected to an allocation to Sundays River Valley Local Municipality.

Amendment to the framework of the *municipal disaster recover grant* – Parliament has approved that the National Treasury amend the framework of the *municipal disaster recover grant* to ring-fence and conditionalize the fund added for the repair and recovery of infrastructure damaged by the floods that occurred in February and March 2023.

Correction of an error in the indirect allocations of the regional bulk infrastructure grant – Parliament has approved that the National Treasury correct an oversight in the indirect allocations of the *regional bulk infrastructure grant*. An amount of R20 million for the Kirkwood Water project that was erroneously allocated to Dr Beyers Naude Local Municipality is corrected to an allocation to Sundays River Valley Local Municipality.

2.2 Publication of allocations from the municipal disaster response grant and changes from the stopping and reallocation process

National Treasury has through Government Gazette No. 49584 dated 30 October 2023 published in terms of the Division of Revenue Act, 2023, (Act No. 5 of 2023) (DoRA), and provided information regarding the disaster allocations and the conversion of disaster grants to municipalities in the 2023/24 financial year. The Gazette further provided for the stopping and reallocation of funds to municipalities and reallocated to their districts.

Allocation of disaster response funding

Transfers in terms of section 27 of the 2022 DoRA

Section 27 of the 2022 DoRA provides:

“(1) Despite the Division of Revenue Act for the 2023/24 financial year not having commenced on 1 April 2023, the National Treasury may determine that an amount, not exceeding 45 per cent of the total amount of each —

- (a) equitable share in terms of section 4(1), be transferred to the relevant province;*
- (b) equitable share in terms of section 5(1), be transferred to the relevant municipality;*
- (c) allocation made in terms of section 7(1) or 8(1), as the case may be, be transferred to the relevant province or municipality.*

(2) An amount transferred in terms of subsection (1)(c) is, with the necessary changes, subject to the applicable framework for the 2022/23 financial year and the other requirements of this Act, as if it is an amount of an allocation for the 2022/23 financial year.”

Using this section of the DoRA, immediate relief funds were transferred to municipalities from the 2023/24 Municipal Disaster Response Grant (MDRG) baseline in June 2023 (before the start of the 2023/24 municipal financial year). Section 27(2) requires that these funds be subject to the 2022/23 MDRG framework and the DoRA as if these were allocations for the 2022/23 financial year. The implications of this:

MDRG condition 1: Funds from this grant must be utilised within six calendar months following the date of the transfer of the funds to the municipality

By approving the release of these funds in June 2023, National Treasury implicitly approved the roll-over of these funds to the 2023/24 financial year. Therefore, the immediate relief funds transferred to municipalities on 15 June 2023 must be spent by 15 December 2023.

In terms of section 25(3)(d) of the Division of Revenue Act, 2023 (Act No. 5 of 2023 – herein referred to as “2023 DoRA”), which is now applicable to the immediate relief funds, the National Treasury may approve that, funds allocated in Schedule 7 be used at any time. In terms of section 25(3)(e) of the 2023 DoRA, funds approved in terms of paragraph (d) must be included in either the provincial adjustments appropriation legislation, municipal adjustments budgets or other appropriate legislation.

Expenditure need not wait for the passing of such adjustments budget as this is emergency spending or unforeseen and unavoidable expenditure, which is provided for in section 29 of the Municipal Finance Management Act, 2003 (“MFMA”).

Municipalities must ensure that the disaster funding and expenditure are ring fenced (isolated) and classified correctly in terms of the *m*SCOA when budgeting and transacting, as per the guidance provided in *m*SCOA Circular No. 14 dated 16 May 2022.

3. Revenue Management

The weak economic growth continues to impact municipal finances and as communicated in MFMA Circular No. 89 this has strained consumers’ ability to pay for services. Coupled with this conundrum is the marginal growth in national transfers as compared to the past. These two critical factors necessitate municipalities to function optimally suggesting that municipal operations, processes and procedures must be efficient. Inefficiencies in this space are guaranteed to manifest on municipal finances. Although some municipalities have managed these challenges well, others have fallen into financial distress and face liquidity challenges. Subsequently, municipalities are unable to meet their payment obligations to Eskom, water boards and other creditors. Therefore, municipalities must maximise their revenue generating potential and collect what is due to them and concurrently, eliminate wasteful and non-core spending. Municipal budgets will be scrutinised to ensure that municipalities adequately provide for their core mandate and to service their debt obligations. Municipalities must ensure that expenditure is limited to the maximum revenue collected and not spend on money that they do not have.

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the financial sustainability of the municipality. The Consumer Price Index (CPI) inflation is forecasted to be within the the 4 to 6 per cent target band; therefore, municipalities are required to justify all increases in excess of the projected inflation target for 2024/25 in

their budget narratives and pay careful attention to the differential incidence of tariff increases across all consumer groups. In addition, municipalities should include details of their revenue growth assumptions for the different service charges in the budget narrative.

3.1 Maximizing the revenue generation of the municipal revenue base

Property Rates

Reference is made to MFMA Circulars No. 93, paragraph 3, 98 paragraph 4.1 and 123 paragraph 5.1. The emphasis in the above mentioned MFMA Circulars is to ensure that municipalities are using their entire revenue base as the basis for the revenue budget projections. The status quo remains. It is essential that municipalities reconcile their most recent consolidated valuation roll data to that of the current billing system data to ensure that revenue anticipated from property rates is realistic. The municipalities should implement a data management strategy and develop internal capacity to perform these reconciliations and investigations to improve completeness of billing.

Requirements of a billing report

The Billing report must at a minimum provide the following per each property:

- Market value;
- Property category;
- Amount billed;
- Unique property identifier (linked to the Valuation Roll);
- Property owner;
- Rebate value;
- Exemption value; and
- Reduction value.

Although the format of the billing reports will vary across municipalities, the billing report will always have the above-mentioned specifics for any municipality regardless of the financial system used as they all use the valuation roll as the basis to update the municipal financial system. Municipalities are advised to engage their service providers in ensuring that there is a standardized billing report that considers the minimum billing report requirements.

Part A and Part B Register

Reference is made to the Municipal Property Rates Act – section 23 of the MPRA reads as follows:

1. A municipality must draw up and maintain a register in respect of properties situated within that municipality, consisting of a Part A and a Part B;
2. Part A of the register consists of the current valuation roll of the municipality, including any supplementary valuation rolls of the municipality prepared in terms of section 78;
3. Part B of the register must specify which properties on the valuation roll or any supplementary valuation rolls are subject to – (a) an exemption from the rate in terms of section 15; (b) a rebate on or a reduction in the rate in terms of section 15; (c) a phasing-in of the rate in terms of section 21; or (d) an exclusion referred to in section 17 (1) (a), (e), (g), (h) and (i); and
4. The register must be open for inspection by the public during office hours. If the municipality has an official website or another website available to it, the register must be displayed on that website. (5) A municipality must at regular intervals, but at least annually, update Part B of the register. Part A of the register must be updated in accordance with the provisions of this Act relating to the updating and supplementing of valuation rolls.

Based on the cited section, municipalities are expected to comply with the provisions of section 23 of the MPRA to ensure that the latest information is used in the reconciliation process. All revenue foregone as supported by municipal policies due to municipal reductions rebates and exemptions must be accounted for in the Part B register and all subsequent supplementary rolls performed are accounted for using a Part A register.

Furthermore, municipalities are also advised and expected to comply with section 8(1) of the MPRA in terms of the billing methodology that should be specified within their policies to ensure that the correct categories (based on the selection made by the municipality) are used in the reconciliation process. A further test would be to reconcile this information with the Deeds Office registry.

In accordance with the MFMA Circular No. 93, municipalities are once more requested to submit their reconciliation of the Valuation roll/ Part A register to the billing system to the National Treasury on a quarterly basis by no later than the 10th working day after the end of the quarter. A detailed action plan must accompany the reconciliation where variances are noted.

The information must be uploaded by the municipality's approved registered user(s) using the GoMuni Upload Portal at: https://lg.treasury.gov.za/ibi_apps/signin.

3.2 Setting the Cost reflective tariffs

Municipalities must ensure that the capital repayment of loans are included in the cost when determining the tariff. In addition, they must ensure that the consumption charges for services are only based on consumption and all other variable costs. Therefore, fixed costs such as salary and wages, etc. should be covered by a fixed charge.

During the budgeting process, provision must be made for revenue to be generated by the tariffs levied for services to address the maintenance of infrastructure. New infrastructure developments in a municipal area of jurisdiction should be obliged to consider and incorporate energy efficiency sources of energy available such as solar or wind to respond to the ongoing global energy crisis.

3.3 Consumer Deposits and securities

Credit control policies should be reviewed and amended to include the raising of consumer deposits, the authority to raise deposits should be deleted where it is still in the Electricity and Water by-laws, this should be included in the credit control and debt collection by-laws. Deposits should be equal or more than two months bulk accounts from water services authorities and Eskom.

3.4 Contracts with customers

All municipalities should ensure that their service agreements with customers address the following matters:

- Requirements of POPIA;
- Digital and Physical Domicilium for the delivery of notices;
- Acceptance of liability in the case of proven tampering of services;
- Acceptance of Magistrates Court Jurisdiction if in arrears and legal action has been taken;
- Acceptance to adhere to Municipal policies and by-laws;

- Acceptance and approval to be handed over to third party if in arrears inclusive of credit bureau;
- Acceptance to give access to meter readers to read meters;
- Municipality accept to render promptly bills; and
- Municipality accept to limit the estimation of consumption on meters.

3.5 Indigent Management

It is critical to progressively manage the restriction of free basic services to national policy limits. Therefore, free basic services to indigent households must be restricted. Where any unlimited supply or supply above national policy limits is provided, the budget narrative must explicitly articulate how this is funded also in a context of facilitating adequate asset management and adequate provision for related debt impairment and ability to maintain payment of Eskom, bulk water and other creditors.

Establishing and maintaining credible indigent register – It is important that the municipalities undertake the following actions to conduct quality control and monitor the indigents:

- Check accuracy and identify any overstatement of the indigent debtor which will enable municipalities to confirm the accuracy of the reported number of indigent debtors;
- Proactively identify indigent citizens and accelerate the registration process through data-driven indigency status verification, as a precursor to tabling applications to Council for approval;
- Verify the status of indigents on the current indigent register thereby reducing the risk of citizens benefiting from the indigent subsidy when they do not qualify for it anymore;
- Create a verifiable indigent register which reduces performance audit risk through the provision of monthly controls and credible, third party, data-driven evidence to support the validity of households registered as indigent;
- Utilise the insight provided regarding indigents to possibly make any necessary amendments to current Indigent Policy; and
- Municipalities are advised to work closely with their respective DCoG (also provincially) to simplify its indigent management registration processes – even considering qualifying criteria that can be independently checked without requiring a hefty administration burden on indigent households that are already financially constrained, including facilitating such on-site close to where indigents may reside. It is noted that the municipality needs to report on all indigent households for water and energy within its demarcation also in the Eskom supplied areas since the LGES: Free basis services (FBS) allocation is targeted at the demarcation as a whole. The municipality must therefore focus in its 2024/25 MTREF Schedule A submission to report on ALL indigent households (also in Eskom supplied areas).

3.6 Voluntary restriction of notified maximum demand (NMD)

Municipalities are advised that Eskom agreed with NT that once a municipality in principle agreed to a Notified Maximum Demand (NMD) restriction with NT, Eskom will within 30 days of NT request advise on its ability to restrict the NMD at bulk supply points in that municipality. Eskom will restrict the NMD or not charge any NMD exceedance charges and penalties to the municipality until 30 June 2027 or earlier as may be agreed between NT and the municipality. Should any municipality with the electricity function not be able to maintain its Eskom bulk account, it is strongly urged to make an application to the National Treasury for such a

voluntary restriction of its NMD by Eskom. The application must include a council resolution to the effect that council approves and agrees to such a voluntary restriction and the effective date thereof. National Treasury will then make an application to Eskom for this purpose.

3.7 Pro-actively managing collection of municipal revenue in Eskom supplied areas

NT notes that in the context of the Electricity Regulation Act, 2006 (ERA) existing section 21(5) prohibiting Eskom to cut supply in their areas to assist municipalities to collect on rates, water, wastewater and refuse removal – municipalities have no other tool but the restriction of water to collect in Eskom supply areas. Until ERA is amended it is critical that municipalities update their By-laws and policies to facilitate and legally allow the restriction of water as part of proper credit control for municipal revenue collection in Eskom supplied areas. The process before the supply of water is restricted/ limited, must honour the water supply rights of the indigent as well as the administrative processes and procedures, as contained in the municipal by-laws and policies read with section 4(3)(a) of the Water Services Act.

3.8 Maximising the revenue generation of the municipal revenue base Revenue on Property rates

(This section should be read in addition to the information provided on MFMA Circular No. 123 and previous circulars pertaining to this matter).

It is important that municipalities who are performing a general valuation (GV) to implement a new valuation roll on 1 July 2024. Furthermore, it must as a best practice compare the current consolidated roll to the new valuation roll. This can identify any anomalies and errors of category of property and market values for review and investigation and the option of lodging an objection by the municipality, where applicable. This process should also identify outliers and shifts in market values by category and area so that tariffs on the new roll can be modelled and determined in an equitable manner to avoid rates shocks.

Municipalities should undertake this exercise as a routine practice during the budget process so that supplementary adjustments to the valuation roll are kept up to date. In order to ensure that the most updated information is used for the reconciliations, municipalities are reminded to adhere and comply with section 23(1) and section 23(2) of the MPRA and therefore use the Part A register as the basis for performing the reconciliations going forward.

3.9 Setting the Cost reflective tariffs

Municipalities must ensure that when tariffs are designed, the capital repayment of loans are also included in the cost to determine the tariff.

Municipalities must ensure that when tariffs are designed that consumption charges for services are only based on consumption and all other variable costs. Fixed costs e.g. salary and wages, etc. should be covered by a fixed charge. The municipality must ensure its budgeting process address the requirement to maintain its infrastructure. New developments in/ a municipality should mandatorily make provision for alternative energy such as solar or wind or any other energy option available.

3.10 Critical Notice Affecting STS Meters and the RT29 Transversal Tender for Smart Meters

As highlighted in MFMA Circulars No. 115 and 123 (dated 04 March 2022 and 03 March 2023 respectively) municipalities are once again alerted that there is still a pending business risk to the prepayment metering industry that requires urgency of action. The token identifiers (TID) used to identify each credit token will run out of available numbers in November 2024, at which point all STS meters will stop accepting credit tokens. The remedy is to enter a special set of key change tokens in order to reset the meter memory. Municipalities are advised that

the National Treasury, through the Office of the Chief Procurement Officer (OCPO), have issued a transversal contract for the provision of auditing, re-calibration and re-configuration services for standard transfer specification compliant prepayment meters that align to minimum and critical technical specifications for local government. In this respect the development of the transversal contract for smart prepaid meters as per NRS 049 (per latest approved version) is at an advanced stage.

Municipalities are cautioned against issuing their own tender to address the STS TID rollover and a smart solution for electricity and water meters as the RT29 tender should be available for municipalities to participate as early as January 2024 for participation.

3.11 Eskom Bulk Tariff increases

The National Energy Regulator of South Africa (NERSA) is responsible for the price determination of the bulk costs of electricity. In the municipal financial year 2023/24, bulk electricity costs increased significantly at 15.1 per cent, compared to 8.61 per cent in the 2022/23 municipal financial year. There has been no change to the second year of the Multi-Year Price Determination (MYPD 5), as such bulk electricity costs are to be calculated using an increase of 12.7 per cent as per MYPD-5 in the 2024/25 financial year.

Given the absence of an approved tariff increase for the outer year of the MTEF, the increase is projected to be 15.7 per cent in 2025/26. This is the average of the approved increases for the two years of the MYPD-5 period. Municipalities in arrears with Eskom should ensure that their payment arrangements are included in the 2024/25 MTREF budget.

3.12 Consumer Deposits and securities

Credit control policies should be reviewed and amended to include the raising of consumer deposits, the authority to raise deposits should be deleted where it is still in the Electricity and Water by-laws, this should be included in the credit control and debt collection by-laws. Deposits should be equal or more than two months bulk accounts from water services authorities and Eskom.

4. Funding choices and management issues

Given the current economic crisis the country faces, Municipalities are under pressure to generate revenue. The ability of customers to pay for services is declining and this means that less revenue will be collected. Municipalities are advised to consider all the advice provided in MFMA Circular No 123 and other previous circulars under this topic to ensure the adoption of surplus and funded budgets.

4.1 Employee related costs

The *Salary and Wage Collective Agreement* for the period 01 July 2021 to 30 June 2024 has come to an end and a new agreement is under consultation, which is anticipated to consider 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 consider their financial sustainability when considering salary increases. It has been observed over the previous years that salary increases were above inflation and has posed challenges to most municipalities' sustainability. In addition, municipalities that could not afford such increases did not apply for exemption as provided by SALGBC.

Therefore, municipalities are urged to consider projecting salary and wage increases that would reflect their affordability given the current economic challenges. Municipalities that are

already not in a position to afford the current wage cost, would have to limit the increase in the 2024/25 MTREF and to exercise the option for exemption for any negotiated increase above the level of their affordability.

4.2 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. Any overpayment to councillors contrary to the upper limits as published by the Minister of Cooperative Governance and Traditional Affairs will be irregular expenditure in terms of section 167 of the MFMA and must be recovered from the councillor(s) concerned.

5. FUNDING MUNICIPAL BUDGETS

5.1 Approval of deficit budgets

National/ Provincial Treasuries encourage municipalities to prepare a surplus budget to avoid placing the municipality's resources in financial difficulties. The adoption of a credible budget starts with the preparation of a surplus budget. With effect from 1 July 2024 all municipal Councils are advised not to approve a deficit budget, as such Mayors who table budgets to Council must be aware of the implications of a deficit budget.

Accounting Officers and their Chief Financial Officers are responsible for preparing budgets and accordingly are tasked with ensuring that the Mayor is guarded against submitting a deficit budget to Council for adoption. Failure thereof may result in Councils implementing section 171 of the MFMA to both the Accounting Officer and Chief Financial Officer.

5.2 Funded Budget

Subsequently, the National Treasury would like to re-emphasise that municipalities must not adopt an unfunded budget. The emphasis is on municipalities to comply with section 18 of the MFMA and ensure that they fund their MTREF budgets from realistically anticipated revenues to be collected. Municipalities are cautioned against assuming collection rates that are unrealistic and unattainable as this is a fundamental reason for municipalities not attaining their desired collection rates. Municipalities are encouraged to limit expenditure according to the anticipated revenue projections. Should their collection rate improve during the financial year, municipalities may bring back initial expenditure items omitted. Municipalities should note that the Office of the Auditor General will soon start auditing those municipalities that have tabled and adopted unfunded budgets over an extended period given that this practice is not only illegal but also compromise their financial sustainability.

5.3 Credible Funding Plans

Municipalities must adopt a credible funding plan in cases where the budget is unfunded (an unfunded budget is not encouraged). Where a funding plan lacks credibility, they will be required to correct the funding plan and ensure that it is credible. The credible funding plan must be immediately adopted by the Municipal Council and the changes to budget must be effected in the mid-year adjustments budget to ensure compliance with section 18 of the MFMA. The funding plan must show progressive improvement in the funding of the budget.

5.4 Budgeting for Debt Impairment Loss, Write Off of irrecoverable debt and Reversal of Impairment Loss

Assessment of the funding position of 2023/24 tabled and adopted municipal budgets revealed that a large number of municipalities incorrectly accounted for debt impairment and the write off of irrecoverable debt with the result that their budgets were assessed as unfunded. The two common mistakes made by most municipalities were:

- Provision for impairment losses was budgeted as Irrecoverable Debt Written Off on Table A4; and
- Provision to write off irrecoverable debt was budgeted for on Table A4 without any adjustment to the Accumulated Provision for Debt Impairment by way of a concomitant reversal of the impairment loss.

Any write off of irrecoverable debt previously impaired and accounted for as an impairment loss should be adjusted as a reversal of impairment loss when the write-off takes place. Failure to adjust the previous impairment loss by the reversal will impact negatively on the net receivables and therefore the funding of the budget. The receivables will be reduced by the amount of the debt written off whilst still providing for the impairment of the receivables already written off.

Municipalities should consider the following when budgeting for the annual Debt Impairment Loss, Write Off of Irrecoverable Debt and Reversal of Impairment Loss. The *m*SCOA chart includes data strings for:

- **Impairment loss** – contribution to the provision for annual non-payment based on the realistic collection rate for the municipality. Any increase in impairment is accounted for per debt type. This is treated as a loss in the Statement of Financial Performance;
- **Reversal of Impairment loss** – used to facilitate the reversal of overstated impairment losses. Any decrease in impairment is accounted for per debt type. This is treated as a gain in the Statement of Financial Performance. The reversal of impairment loss enables the reduction of debt impairment provision. Therefore, the data strings for impairment loss and reversal of impairment loss are aggregated to populate debt impairment on table A4; and
- **Irrecoverable Debts Written Off** – this is no longer written off against the Accumulated Provision for Debt Impairment but is expensed in the Statement of Financial Performance. Therefore, municipalities must record the reversal of impairment loss to reduce the Accumulated Provision for Debt Impairment with the irrecoverable Debts Written Off. The previous versions of the *m*SCOA chart provided for a single expenditure account for the recognition of any bad/ irrecoverable debt written off. However, in version 6.8 the *m*SCOA chart was expanded to include the write off of irrecoverable debt by debt type.

5.5 Burial of councillors using public funds

In terms of National Treasury's Budget Circulars No. 122 and 123 municipalities were urged to ensure that public funds are not used for burial of councillors. The issuance of this requirement in both circulars would have required in certain cases amendment of Council approved policies dealing with these matters.

Therefore, municipalities are reminded to ensure that any policies to this effect are rescinded as this matter will be referred to the Auditor General South Africa (AGSA) to verify during the 2023/24 audit if there have been no instances where public funds are utilised for burial of councillors. If such activities occurred in the municipality w.e.f. the 2023/24 financial year,

each Accounting Officer and Chief Financial Officer will be held responsible, and each Council can deal with such instances in terms of section 171 of the MFMA.

5.6 The use of mayoral discretionary accounts and any other council discretionary accounts

In the previous Budget Circulars municipalities were cautioned against the tendency of utilising Mayoral Discretionary accounts. The risk or danger herein is that public funds are availed/ allocated or given out to other bodies or institutions or individuals by the Mayors of a municipality outside the budget process.

These allocations are at times not known by the Council as they were not disclosed in the budget approved by Council, meaning that there was a lack of transparency during the budgeting processes. Municipalities are reminded that this practice of utilising “Mayoral Discretionary Accounts is not supported by the National Treasury. Therefore, if there are policies developed by municipalities allowing or promoting such activities, those policies must be rescinded when the Council approves the 2024/25 MTREF budget.

Any further use of public funds in that manner will be audited by the AGSA with effect from 1 July 2024 with an intention of ensuring that Accounting Officers/ Executive Mayors and Chief Financial Officers, that allow such practices to continue in their municipalities will be held personally responsible.

5.7 Development charges

Development charges are important components of a sustainable municipal infrastructure financing system, especially for cities and large urban municipalities, as they are used to finance land intensification. Despite their potential as an alternative option for financing infrastructure, municipalities have not fully used development charges due to uncertainty surrounding the regulatory frameworks. To address this uncertainty, amendments to the Municipal Fiscal Powers and Functions Act (2007) are proposed. The Municipal Fiscal Powers and Functions Amendment Bill proposes new, uniform regulations for levying development charges, so strengthening municipalities’ revenue-raising framework. This will allow municipalities to mobilise own revenue resources to fund their infrastructure needs and support economic growth.

Once enacted, these amendments will create legal certainty for municipalities to levy development charges, regulate their applicability and create a more standardised, equitable, and sustainable framework for development charges. The Bill was approved by Cabinet for tabling in Parliament on 17 August 2022 and subsequently introduced in Parliament on 08 September 2022. The Bill is currently being processed in line with the Parliamentary processes. Once the Bill has been enacted, the amendments will take effect from the next municipal financial year (commencing 1 July) or on a date prescribed by the President.

The National Treasury will clearly articulate the budgeting and accounting requirements upon the completion of the Parliamentary processes.

6. Municipal Standard Chart of Accounts (mSCOA)

6.1 Release of Version 6.8 of the Chart

On an annual basis, the mSCOA chart is reviewed to address implementation challenges and correct chart related errors. Towards this end, Version 6.8 is released with this circular. Version 6.8 of the chart will be effective from 2024/25 and must be used to compile the 2024/25 MTREF. The linkages to chart version 6.8 can be downloaded from GoMuni on the following link under the mSCOA/ List mSCOA WIP account linkages menu option:

https://lg.treasury.gov.za/ibi_apps/signin

The reports on the Local Government and Reporting System (LGDRS) are populated from financial and non-financial data strings. Municipalities must use of the linkages on GoMuni referred to above and not the formulas in the regulated Municipal Budget and Reporting (MBRR) Schedules when generating their data strings.

The Municipal Budget and Reporting Regulations (MBRR) Schedules (A to F) and non-financial data string (A1S) was also aligned to chart version 6.8. A protected version of the MBRR Schedules for version 6.8 of the chart and A1S is available on the MFMA Webpage on the link below:

<http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx>

Municipalities must verify that the A1S data string does not contain spaces and special characters prior to submission to the GoMuni Upload portal as this will result in the data not pulling through on table A10 of the A1 system generated schedule.

All municipalities must prepare their 2024/25 MTREF budgets using the budget modules of their ERP systems, generate their financial and non-financial data string and produce the Schedule A1 directly from the ERP system. The manual preparation of these documents outside the ERP system is not allowed in terms of the *m*SCOA Regulations.

For the National Treasury to consider a new chart change in version 6.9 of the chart, the issue must be logged with all relevant detail, supporting documents and screenshots (where applicable) on the *m*SCOA Frequently Asked Question (FAQ) portal by 31 August 2024. The *m*SCOA FAQ portal can be accessed by all registered GoMuni users on the following link:

https://lg.treasury.gov.za/ibi_apps/signin

Importantly, when a FAQ is logged, it is considered by the FAQ committee after it has been investigated. If the FAQ members do not find grounds for a chart change, the FAQ will be closed with an explanation. If there is merit for a chart change in the next version of the chart, the matter is referred to the *m*SCOA Technical and Steering Committees for recommendation and approval. This process only concludes by the end of October annually. The FAQ process will therefore not provide quick responses to queries.

If a query pertains to GoMuni related issues (such as the **A**, **B** and **C** Schedules) and not a chart change, then an email with all relevant detail, supporting documents and screenshots must be send to lgdataqueries@treasury.gov.za.

Please note the following errata in MFMA Circular No.123 on page 5 in relation to property categories that were approved by the Minister of Cooperative Governance for Bitou and Drakenstein municipalities. It was **incorrectly** indicated that the approval was in accordance with section 8(2)(j) of the Municipal Property Rates Act (MPRA) as amended in 2014, and that municipalities may apply for categories other than the categories in 8(2)(a) to (i).

The paragraph is corrected as follows:

Kindly note that, in accordance with section **8(4)** of the Municipal Property Rates Act (MPRA) as amended in 2014, municipalities may apply to the Minister for the authorisation to sub-categorise the property categories in subsection (2). Towards this end the Minister of Cooperative Governance and Traditional Affairs approved the following categories:

- Sports Clubs and Fields for Bitou Municipality and

- Residential sectional title garages for Drakenstein Municipality.

6.2 Improving *m*SCOA data strings credibility

The credibility of the *m*SCOA data strings that have been submitted by municipalities to the GoMuni Upload portal has improved over the last financial year. However, the following areas of concern remain:

- Municipalities continue to **transact against line items without budgets** and as a result exceed the annual budget already in month 1 to 3 (quarter 1) of the new financial year;
- **Opening balances** for the previous year are **not transferred** in the first month (M01) of the current year, and all adjustments made during the preparation of the annual financial statements in periods 14 and 15 are not transferred through journals to the opening balances of the current year in the month of the current year that the adjustments are done;
- **Cash flow tables** (Tables A7, B7 and C7) are still **not populating correctly** and fully. This can be attributed to the fact that several municipalities still do not use balance sheet budgeting and movement accounting. Guidance on the use of balance sheet budgeting and movement accounting to populate tables A7, B7, and C7 correctly was provided in MFMA Budget Circular No. 107 (dated 04 December 2020) and *m*SCOA Circular No. 11 (dated 04 December 2020);
- Budget and transacting for **water inventory** is **not done correctly** in terms of the guidance given in MFMA Budget Circular No.115 (dated 04 March 2022) and MFMA Budget Circular No. 122 (dated 12 December 2022); and
- Some municipalities **do not budget and transact correctly** or completely **for irrecoverable debt written off and impairment loss** as well as the reversal of impairment loss of consumer debtors that have a significant impact on the funding of budgets.

National and provincial treasuries analyse the data strings of municipalities monthly to identify errors and communicate these findings to municipalities. Municipalities must use the feedback received to correct recurring errors in subsequent periods. Going forward, the National Treasury will not allow data string errors made in a previous month to be corrected in the next open period as this skew the monthly figures on the National Treasury Local Government Database and Reporting System (LGDRS). Municipalities must therefore **verify** the credibility and accuracy of the information in their financial system **prior** to submitting the *m*SCOA data strings to the LGDRS. The data on the LGDRS is used by various stakeholders such as the South African Reserve Bank (SARB), STATSSA, SARS, Department of Water Affairs (DWA), NERSA, DCoG, SALGA, AGSA, World Bank universities and the public.

6.3 *m*SCOA reporting on Value Added Tax (VAT)

In terms of the VAT Act, 1991 (Act No. 89 of 1991) and its amendments, municipalities must be VAT registered and must declare Output tax on the taxable supply of goods and services and claim Input tax credits on expenses incurred in the course or furtherance of the enterprise (the taxable supplies). The output tax is declared, and the input tax claimed by completing a VAT 201 return.

The guidance provided in *m*SCOA Circular No. 12 must be followed when reporting on VAT. It should be noted that the South African Revenue Services (SARS) will be using the data on the LGDRS submitted by municipalities to verify the VAT 201 return in 2024/25. It is therefore

crucial that municipalities report their VAT transaction correctly on their ERP systems and in their *mSCOA* data strings.

6.4 Use of function segment to achieve GRAP 18 segmental reporting

GRAP 18 is applicable to all entities on the accrual basis of accounting. The standard applies to separate (or individual) financial statements of an entity, as well as to consolidated financial statements of an economic entity. Municipalities control significant public resources and provide a wide variety of goods or services in different geographic areas with different socio-economic conditions. Consolidated financial statements provide an overview of assets, liabilities, revenues and costs etc. of an entity, but a greater level of aggregation is necessary to provide information which is relevant for accountability and decision-making purposes.

The objective of the disclosures is to enable users of the financial statements to evaluate the nature and financial effects of the activities in which it engages and the economic environment in which it operates. To achieve the objective, disclosures are required on two levels, namely:

- Specific segment disclosures
- Geographic disclosures

Detailed guidance on GRAP 18 reporting was provided by the National Treasury in the Accounting Guideline on GRAP 18 Segment Reporting (February 2020) which is available on the following link:

<https://ag.treasury.gov.za/>

The *mSCOA* function and region segments must be used to comply with the GRAP 18 reporting requirements.

The function segment records the major activities that generate the most economic benefits or service potential of the municipality. The implication will be that all income and expenditure transactions related to a specific trading service (function) must be budgeted for and transacted within that function. Therefore, where grants are allocated to trading services, the grant must be budgeted for and transacted in the Trading Services function. Municipalities must review their classification of the function segment as to whether the function is correctly identified as a core or non-core function.

The region segment identifies the lowest relevant geographical regional indicator of the intended contributor or beneficiaries that will contribute/ benefit directly from the given service or capital investment. Municipalities must ensure that they identify the lowest geographical regional indicator in the region segment when they budget, transact and report to provide data on the geographic disclosures required in GRAP 18.

Municipalities are also reminded to include the GPS Longitude for capital projects on supporting table SA36 on the A Schedule.

6.5 Period closure and reconciliation of General Ledger

Section 65 (2)(j) of the MFMA states that the accounting officer must take all reasonable steps to ensure that all financial accounts of the municipality are closed at the end of each month and reconciled with its records.

Annexure B of MFMA Circular No. 80 (08 March 2016) provides guidance on the minimum system requirements in this regard, namely that the ERP system must contain the functionality for:

- Period closures (i.e. budget process, month-end and year-end) and certification within the statutory reporting dates;
- Reconciliations and balancing of the sub-system and the General Ledger of the core ERP System with control accounts as a condition of all period closures;
- System generated transfer of opening balance to month 1 in the following year subsequent to the year-end closures period 12 as at 30 June (of the current year);
- Automated roll-over of the closing balance from month 12 into period 13 of the current financial year and month 01 of the new financial year; and
- Automated roll-over of the closing balance from period 13 to 14 and 15 of the current financial year and the corresponding month in the new financial year.

Guidance on the required period closures will be provided in *mSCOA* Circular No. 15 that will be issued in 2024.

6.6 *mSCOA* governance and implementation

Municipalities that have not yet achieved the required level of *mSCOA* implementation, must develop and implement a road map (action plan) to fast track the implementation of *mSCOA*. The focus areas that should be considered (at a minimum) when developing the road map are articulated in **Annexure A** attached to this circular.

6.7 Regulating the minimum business processes and system specifications for *mSCOA*

The National Treasury will regulate the minimum business processes and system specifications for *mSCOA* towards the end of 2025/26. This project will also include the following outputs:

- Review and update the set of minimum business processes and system specifications for *mSCOA* (currently articulated in MFMA Circular No. 80) to incorporate new legislative requirements that have been issued since the circular was published;
- Update and develop the standard operating procedures (SOPs) for *mSCOA*;
- Align the current ICT due diligence assessment for *mSCOA* to the new Regulations;
- Consultation with key stakeholders on draft regulations; and
- Training on the new Regulations to ensure that there is a fair understanding of the new regulation by stakeholders.

Further communication will be issued on the consultation processes and training in due course.

6.8 Training Initiatives

The National Treasury has introduced several training initiatives to capacitate municipalities, government departments, system vendors and other stakeholders on *mSCOA*. In 2024, these training initiatives will include:

- **Virtual Master classes:** This training is hosted by CIGFARO at no cost via zoom on a monthly basis and deals with technical and accounting aspects of the use of *mSCOA* chart;

- **Provincial training on mSCOA:** This is a new training initiative and will be hosted at a physical venue by CIGFARO at a cost (to cover expenses) and will include the fundamentals (part 1) and technical and accounting aspects (part 2) of mSCOA. Delegates will be required to pass a test on each part of the training to receive a certificate of completion;
- **mSCOA eLearning:** This self-paced web-based course hosted by the National School of Government (NSG) at no cost (until further notice) aims to equip learners with the fundamental of mSCOA. Municipal and government officials can register for the course at on the following link:

<https://www.thensg.gov.za/elearning>

- **Annual CIGFARO/mSCOA workshop:** This annual workshop provides a platform to share lessons learnt, best practices, technical aspects of mSCOA implementation and planned new developments by the National Treasury.

The full training program for 2024 is available on the GoMuni/ Go Training portal) on the following link:

https://lg.treasury.gov.za/ibi_apps/portal

7. The Municipal Budget and Reporting Regulations

7.1 Assistance with the compilation of budgets

If municipalities require advice with the compilation of their respective budgets, specifically the budget documents or Schedule A, 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 Buffalo City	Matjatji Mashoeshoe Pitso Zwane Mandla Gilimani	012-315 5553 012-315 5171 012-315 5807	Matjatji.Mashoeshoe@treasury.gov.za Pitso.Zwane@Treasury.gov.za Mandla.Gilimani@treasury.gov.za
Free State	Sifiso Mabaso Cethekile Moshane	012-315 5952 012-315 5079	Sifiso.mabaso@treasury.gov.za Cethekile.moshane@treasury.gov.za
Gauteng City of Tshwane and City of Johannesburg City of Ekurhuleni	Matjatji Mashoeshoe Pitso Zwane Oreal Tshidino Willem Voigt Makgabo Mabotja Enock Ndlovu Kgomotso Baloyi	012-315 5553 012-315 5171 012-315 5830 012-315 5156 012-315 5866	Matjatji.Mashoeshoe@treasury.gov.za Pitso.Zwane@Treasury.gov.za Oreal.Tshidino@Treasury.gov.za WillemCordes.Voigt@treasury.gov.za Makgabo.Mabotja@treasury.gov.za Enock.Ndlovu@treasury.gov.za Kgomotso.Baloyi@treasury.gov.za
KwaZulu-Natal eThekweni	Kgomotso Baloyi Kevin Bell Sifiso Mabaso	012-315 5866 012-315 5725 012-315 5952	Kgomotso.Baloyi@treasury.gov.za Kevin.Bell@treasury.gov.za Sifiso.mabaso@treasury.gov.za
Limpopo	Sifiso Mabaso	012-315 5952	Sifiso.Mabaso@treasury.gov.za
Mpumalanga	Mandla Gilimani Lesego Leqasa	012-315 5807	Mandla.Gilimani@treasury.gov.za Lesego.Leqasa@treasury.gov.za
Northern Cape	Mandla Gilimani Sibusisiwe Mchani	012-315 5807 012-315 5539	Mandla.Gilimani@treasury.gov.za Sibusisiwe.Mchani@treasury.gov.za
North West	Willem Voigt Makgabo Mabotja	012-315 5830 012-315 5156	WillemCordes.Voigt@treasury.gov.za Makgabo.Mabotja@treasury.gov.za
Western Cape Cape Town George	Willem Voigt Enock Ndlovu Kgomotso Baloyi Mandla Gilimani	012-315 5830 012-315 5385 012-315 5866 012-315 5807	WillemCordes.Voigt@treasury.gov.za Enock.Ndlovu@treasury.gov.za Kgomotso.Baloyi@treasury.gov.za Mandla.Gilimani@treasury.gov.za
Technical issues on GoMuni Website	Data management		lgdataqueries@treasury.gov.za

8. Submitting budget documentation and A schedules for the 2024/25 MTREF

8.1 Time frames for submission

The LGDRS will be locked at 00:00 on the 10th working day of every month for the submission of data strings due, as required in terms of section 71 of the MFMA. Closed periods will not be opened to correct errors or to accommodate non-submission of data strings, regardless of whether a Schedule G application was done or not.

Municipalities must therefore verify the credibility and accuracy of the information in their financial system prior to closing the month on the ERP system and submitting the *m*SCOA data strings to the LGDRS.

Annexure A (attached) provides a list of the deadline dates for the submission of *m*SCOA data strings and documents to the GoMuni Upload portal in the 2024/25 MTREF. The GoMuni Upload portal can be accessed by registered users on the following link:

https://lg.treasury.gov.za/ibi_apps/signin

Since the 2020/21 MTREF, municipalities are no longer required 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. PDF versions of documents must be submitted to the GoMuni Upload portal.

8.2 Updating of contact details on GoMuni

Municipalities must ensure that their contact details on GoMuni are updated as soon as changes occur. Often emails containing important information and deadlines do not reach the intended GoMuni users due to outdated users contact information.

To update the contact details, municipalities (registered users) must download the excel report from GoMuni under Database/Contacts/Reporting/Contact information on the following link:

https://lg.treasury.gov.za/ibi_apps/signin

Changes/ additions made must be forwarded to lgdocuments@treasury.gov.za.

8.3 Submission of monthly sign-off

From 2024/25, municipalities will be required to sign off on the *m*SCOA data strings submitted for section 71 and grant reporting monthly. Currently this is being done manually on a quarterly basis. These monthly sign-off certificates will be system generated from the LGDRS and must be uploaded monthly with the data string submission to the GoMuni Upload portal.

8.4 Training on GoMuni

The training schedule and GoMuni links for 2024 to assist those users that require new or refresher training on how to draw reports on the LGDRS, is available on the GoMuni/ Go Training portal on the following link:

https://lg.treasury.gov.za/ibi_apps/portal

Contact



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

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

JH Hattingh
Chief Director: Local Government Budget Analysis
07 December 2023

Annexure A

The following focus areas should be considered (at a minimum) when developing the road map and the road map should detail action steps, assign responsibilities, and specify time frames to address the implementation gap:

- a. **ICT Architecture**, which includes the hardware, servers, software, licences required to run the ERP management systems.
- b. **Governance and Institutional Requirements** - which includes:
 - A functioning *m*SCOA steering committee or equivalent structure to monitor and report on progress against the road map. This committee consist of the heads of all business units and meet regularly (at least quarterly).
 - Regular reporting on *m*SCOA implementation to Management and Executive Committees and Council.
 - Appointment of a *m*SCOA champion to drive the *m*SCOA implementation at the municipality.
 - Appointment of a suitably qualified System Administrator.
 - The development and adoption of the required IT policies and securities.
 - Establishment of data back-up and disaster recovery procedures.
- c. **System Functionality** - which includes:
 - The ERP modules and 3rd party systems used. These must give effect to the minimum business processes and system requirements specified in MFMA Circular No. 80. Municipalities must budget adequately to procure the required functionality and upgrade to the *m*SCOA enabling version of the ERP.
 - Seamless and full integration of data in the ERP system, including 3rd party systems used by the municipality and its entities. The ERP system vendor sets the requirements for the integration.

An ICT due diligence assessment must be conducted 6 months before the Service Level Agreements (SLA) with an existing system vendor comes to an end to determine if an ERP system changes or extension of the existing SLA is required. Municipalities must follow the due diligence processes set out in MFMA Budget Circulars No. 93, 98, 123 and *m*SCOA Circulars No. 5 and 6 prior to procuring a new ERP system. Guidance on procurement processes were also provided in MFMA Circular No. 107 (4 December 2020).

The ERP system represents the General Ledger. Any 3rd-party system with a direct impact on the General Ledger must integrate fully and seamlessly with the ERP system in terms of the mSCOA Regulations. This means that data contained in the 3rd party system must synchronise without any human or manual intervention integrate to the ERP system without human or manual intervention in real time or at least daily and drill down from the ERP system to the General Ledger of the 3rd party system must be possible.

d. **User Proficiency and Training**

- The relevant municipal officials and interns must be sufficiently capacitated on the

mSCOA chart, basic accounting, balance sheet budgeting and movement accounting and all system modules and functionalities to use the ERP systems solution. Consideration should be given to training, the establishment of User Support Groups and the availability of user manuals on the system.

- Change management initiatives to ensure that mSCOA is institutionalised as an organisational reform and not only a financial reform.

Annexure B

SUBMISSION CHECKLIST 2024/25 MTREF BUDGET DOCUMENTS:

Category	Documents Required	mSCOA Data Strings Required	Due Date	Date for Closing LGDRS Submission
BUDGET DOCUMENTS				
Tabled Budget	<ol style="list-style-type: none"> 1. A1 Schedule Draft 2. Budget Document Draft 3. Council Resolution Draft 4. Quality Certificate Draft 5. IDP Draft 6. SDBIP Draft 7. Spatial Development Framework Draft 8. Long Term Financial Strategies Draft 9. Service Standards Draft 10. Rates Billing Draft 11. Tariff List Draft 12. Property Rates and Tariffs List Draft 13. Draft Tariff Policies on: <ol style="list-style-type: none"> a. Property Rates and Service charges b. Borrowing c. Budget Implementation and Management d. Cash Management and Investment e. Credit Control and Debt Collection f. Funding and Reserves g. Indigents h. Long-term Financial Planning i. Management and Disposal of Assets Draft j. Infrastructure Investment & Capital Projects k. Supply Chain Management 14. mSCOA Road Map Draft 15. Fixed Asset Register Draft 	<ol style="list-style-type: none"> 1. TABB – Tabled Budget 2. PRTA – Tabled Project Details 3. A1D – Tabled non-financial data 	Immediately (within 24 hours) after tabling by council	15 April 2024

Category	Documents Required	mSCOA Data Strings Required	Due Date	Date for Closing LGDRS Submission
	16. Funding Plan Draft 17. Indigent Register Draft 18. General Valuation Roll (GVR) Draft			
Adopted Budget	1. A1 Schedule Final 2. Budget Document Final 3. Council Resolution Final 4. Quality Certificate Final 5. Budget locking certificate Final 6. IDP Final 7. SDBIP Final 8. Spatial Development Framework Final 9. Long Term Financial Strategies Final 10. Service standards Final 11. Rates Billing Final 12. Tariff List Final 13. Property Rates and Tariffs List Final 14. Final Tariff Policies on: <ul style="list-style-type: none"> a. Property Rates and Service charges b. Borrowing c. Budget Implementation and Management d. Cash Management and Investment e. Credit Control and Debt Collection f. Funding and Reserves g. Indigents h. Long-term Financial Planning i. Management and Disposal of Assets j. Infrastructure Investment & Capital Projects k. Supply Chain Management 15. mSCOA Road Map Final 16. Fixed Asset Register Final	1. ORGB – Original (adopted) Budget 2. PROR – Project Details Original Budget 3. A1F – Final non-financial data	10 working days after approval by council	12 July 2024

Category	Documents Required	mSCOA Data Strings Required	Due Date	Date for Closing LGDRS Submission
	17. Funding Plan Final 18. Indigent Register Final 19. General Valuation Roll (GVR) Final 20. D Schedule (entities) 21. MTREF Budget Schedule Time Table			
Adjustment Budget	1. Mid-Year Budget Perform Assessment S72 2. Resolution Mid-Year Budget Perf Assess S72 3. Adjusted Budget 4. B Schedule 5. Council Resolution 6. Quality Certificate 7. Budget locking certificate Revised 8. E schedule (entities)	1. ADJB - Adjusted Budget 2. PRAD - Project details Adjusted Budget	10 working days after approval by council	14 March 2024
In-year Reporting	1. S71 monthly report 2. Monthly C Schedule 3. Monthly Quality Certificate 4. Monthly Primary Bank Statements 5. Monthly Primary Bank Recon 6. Monthly Trial Balance 7. Signed S71 Monthly Report to Council 8. Signed Conditional Grant Monthly Report to Council 9. Monthly F Schedule (entities) 10. Quarterly mSCOA Implementation Progress Reports 11. Quarterly S52d Performance Reports	1. M01 – M12 - Monthly Actuals 2. CR01 – CR12 - Monthly Creditors 3. DB01 – DB12 - Monthly Debtors 4. BMQ1 – BMQ4 – Quarterly Borrowing Monitoring 5. IMQ1 – IMQ4 - Quarterly Investment Monitoring	10 working days after the end of month/quarter	15 August 2024 13 September 2024 14 October 2024 14 November 2024 13 December 2024 15 January 2025 14 February 2025 14 March 2025 14 April 2025 15 May 2025 13 June 2025 14 July 2025
YEAR-END DOCUMENTS				
Pre-audit	1. Pre-audited AFS	PAUD - Pre-audited AFS CRPA – Creditors DBPA - Debtors	Immediately (within 24 hours) after submission to AGSA	13 September 2024
Audit	2. Audited AFS	1. AUDA - Audited AFS 2. CRAU – Creditors	Immediately (within 24 hours) after conclusion of audit	14 March 2025

Category	Documents Required	mSCOA Data Strings Required	Due Date	Date for Closing LGDRS Submission
		3.DBAU - Debtors		
Restated	4. Restated AFS	RAUD - Restated AFS	Immediately (within 24 hours) after approved by Council	2022/23: 15 August 2024
Annual Report	5. Annual Report 6. Council Oversight Report	Not applicable	Within nine months after the end of a financial year deal	15 May 2025
REVENUE MANAGEMENT DOCUMENTS				
Revenue	<ol style="list-style-type: none"> 1. Tariff Tool Draft and Final 2. Tariff Tool Final 3. Bulk Suppliers (water and electricity) proof of payment-M01 to M12 4. Proof of payment 3rd party (Staff benefits, SARS)-M01 to M12 5. Bulk Suppliers - repayment plans 6. Repayment plan (with any of its creditors excluding bulk suppliers) 7. Municipality Valuation Roll Reconciliation-Q1 to Q4 8. Revenue Enhancement Strategy 9. Municipality Revenue Assessment Tool 10. Schedule for the new general valuation roll 11. Supplementary Valuation Roll 12. Municipal Debt relief Application 	Not applicable	<ol style="list-style-type: none"> 1. Annually 2. Monthly 3. Monthly 4. As applicable* 5. As applicable* 6. As applicable 7. Quarterly 8. Every 3 years* 9. Every 3 years* 10. Annually 11. Annually 	
MFRS DOCUMENTS				
MFRS	1. Mandatory FRP Progress Report-M01 to M12	Not applicable	Monthly*	Not applicable



Municipal Budget Circular for the 2024/25 MTREF

INTRODUCTION	2
1. THE SOUTH AFRICAN ECONOMY AND INFLATION TARGETS	2
2. KEY FOCUS AREAS FOR THE 2024/25 BUDGET PROCESS	3
2.1. LOCAL GOVERNMENT CONDITIONAL GRANTS AND UNCONDITIONAL GRANTS ALLOCATIONS	3
2.2. POST 2023 MTBPS CHANGES	4
2.3. REVIEW OF THE LOCAL GOVERNMENT FISCAL FRAMEWORK	5
2.4. UPDATE ON THE REVIEW OF THE CONDITIONAL GRANTS	5
2.5. FUNDING FOR LOCAL ECONOMIC DEVELOPMENT (LED) PROGRAMMES	6
2.6. REFORMS TO IMPROVE THE EFFICIENCY AND FINANCIAL SUSTAINABILITY OF METRO'S TRADING SERVICES	6
2.7. CRITERIA FOR THE RELEASE OF THE EQUITABLE SHARE:	7
3. REVENUE MANAGEMENT	7
3.1. UPDATE ON MUNICIPAL DEBT RELIEF (MFMA CIRCULAR NO. 124)	8
3.2. SMART METER GRANT	8
3.3. TRANSVERSAL TENDER RT-29	9
4. CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES	9
4.1. CRITERIA FOR THE ROLLOVER OF CONDITIONAL GRANT FUNDS	9
4.2. UNSPENT CONDITIONAL GRANT FUNDS FOR 2023/24	11
5. FUNDING CHOICES AND MANAGEMENT ISSUES	11
5.1. EMPLOYEE RELATED COSTS	12
5.2. REMUNERATION OF COUNCILLORS	12
5.3. GOVERNANCE, PERFORMANCE, AND INVESTMENT MATTERS	12
5.4. ENVIRONMENTAL POLLUTION	13
6. MUNICIPAL STANDARD CHART OF ACCOUNTS (MSCOA)	14
6.1. GO LIVE ON VERSION 6.8 OF THE CHART	14
6.2. MSCOA DATA STRINGS CREDIBILITY	14
6.3. REGULATING THE MINIMUM BUSINESS PROCESSES AND SYSTEM SPECIFICATIONS FOR MSCOA	15
7. SUBMITTING DOCUMENTS TO THE GOMUNI UPLOAD PORTAL	16
7.1. SUBMISSIONS TO THE NATIONAL TREASURY	16
7.2. UPDATING OF CONTACT DETAILS ON GOMUNI	16
7.3. SUBMISSION OF ADDITIONAL REPORTS	16
7.4. PROCUREMENT SPEND REPORTING	16
8. THE MUNICIPAL BUDGET AND REPORTING REGULATIONS	17
8.1. ASSISTANCE WITH THE COMPILATION OF BUDGETS	17

Introduction

This budget circular is a follow-up to MFMA Circular No. 126 that was issued on 07 December 2023. It aims to provide further guidance to municipalities with the preparation of their 2024/25 Medium Term Revenue and Expenditure Framework (MTREF) budgets and should be read together with the budget circulars that have been issued previously.

The grant allocations as per the 2024 Budget Review and the 2024 Division of Revenue Bill are also key focus areas in this circular. Municipalities are reminded to refer to the annual budget circulars of the previous years for guidance in areas of the budget preparation that are not covered in this circular.

1. The South African economy and inflation targets

Over the next three years, South Africa's economy is forecast to grow at an average of 1.6 per cent, a moderate improvement on the 1.4 per cent average expected at the time of the 2023 MTBPS. The outlook is supported by an expected recovery in household spending as inflation declines, and an increase in energy-related fixed investments.

Power cuts and operational problems in freight rail and ports continue to disrupt economic activity and limit the country's export potential. Comprehensive reforms are underway in these sectors, although it will take time to see recovery in growth. Household consumption is under pressure from high living costs, and investment remains low due to weak confidence and challenging business conditions linked to structural constraints.

South Africa has experienced over a decade of weak economic growth, GDP has averaged only 0.8 per cent annually since 2012, entrenching high levels of unemployment and poverty. To turn the tide and raise economic growth sustainably, government is prioritising energy and logistics reforms, along with measures to arrest the decline in state capacity. Successful efforts to improve the fiscal position, complete structural reforms and bolster the capacity of the state will, in combination, reduce borrowing costs, raise confidence, increase investment and employment, and accelerate economic growth.

The National Treasury estimates real economic growth of 0.6 per cent in 2023. This is a decrease from growth of 0.8 per cent projected in the 2023 MTBPS due to weaker than expected outcomes in the third quarter of 2023, resulting in downward revisions to household spending growth and spending on gross fixed investment. GDP growth is projected to average 1.6 per cent from 2024 to 2026 as the frequency of power cuts declines, lower inflation supports household consumption, and employment and credit extensions recover gradually. New energy projects will improve fixed investments and business sentiment.

To accelerate GDP growth after an extended period of weak economic performance, South Africa needs large-scale private investment. Government is working to improve the fiscal position, complete structural reforms and bolster the capacity of the state to reduce borrowing costs, raise confidence, increase investment, and put the economy on a higher job creating growth path.

The following macro-economic forecasts must be considered when preparing the 2024/25 MTREF municipal budgets.

Table 1: Macroeconomic performance and projections, 2022 – 2027

Fiscal year	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Estimate	Forecast		
CPI Inflation	6.9%	6.0%	4.9%	4.6%	4.6%

Source: 2024 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.

Headline inflation is projected to moderate from 6 per cent in 2023 to 4.9 per cent in 2024 and 4.6 per cent in 2025 and 2026 as food and fuel inflation continue to decline. In 2023 food inflation slowed less than expected due to power cuts and rand depreciation, keeping imported food costs high. An avian influenza outbreak also increased the costs for poultry and eggs. These factors are expected to dissipate over the medium term.

The current economic challenges in the country place pressure on households' ability to pay municipal accounts, therefore municipal own revenue generation gets affected.

It is noted that variations in regional specifics are possible, however, any variation of assumptions must be explicitly set out and well explained in the budget narratives, in the absence of which the Treasuries will refer the budget back to council for alignment to the macroeconomic performance projections.

Fiscal strategy to contain debt (fiscal consolidation) through reduction of budgets and reprioritisation

The 2024 budget balances development and sustainable public finances. In the context of persistent low economic growth, government will protect critical services, support economic growth through reforms and public investment and stabilise public debt. Although South Africa continues to confront difficult economic conditions, a moderate recovery is forecast in the economic outlook. Broad reforms are underway in energy, freight, water and telecommunications. Yet it will take time to reverse the consequences of operational, maintenance and government failures at state owned companies responsible for electricity, rail and ports. Rapid growth in debt- service costs choke the economy and the public finances. Government is staying the course to narrow the budget deficit and stabilise debt. This year, for the first time since 2008/09, government will achieve a primary budget surplus. Debt will stabilise in 2025/26.

The balanced approach to fiscal consolidation includes expenditure restraint and moderate revenue increases, while continuing to support the social wage and ensuring additional funding for critical services. Government will after extensive consultation propose a binding fiscal anchor for future sustainability. In the interim, the debt stabilisation primary surplus will anchor fiscal policy.

The consolidated budget includes the main budget framework and spending by provinces, social security funds, public entities including municipalities finances from their own revenue sources. Government remains committed to fiscal consolidation that balances the needs of the most vulnerable in society and protects the public finances for future generations.

2. Key focus areas for the 2024/25 budget process

2.1. Local government conditional grants and unconditional grants allocations

Net reductions of R80.6 billion to main budget non-interest expenditure are identified across the three spheres of government over the MTEF in comparison to the 2023 budget estimates. Among these 2024 MTEF fiscal consolidation reductions, local government has the smallest contribution. Over the 2024 MTEF, the local government equitable share and direct conditional grants will be reduced by a total of R15.5 billion, made up of R9.6 billion in the local government equitable share and R5.9 billion in direct conditional grants. Despite reduction, local government equitable share growth remains high with transfers to local government significantly increasing by 5.2 per cent annually, driven mainly by the strong growth of local government equitable share by 6.1 per cent. National revenue share increases by 2.6 per cent annually, while transfers to provinces grow by 3.8 per cent annually, with the equitable share growing faster than conditional grants. There were no proposed reductions on the sharing of the general fuel levy to the metropolitan municipalities.

Notable changes to the conditional grants system

Given the ongoing review of the conditional grants system, very minimal changes were proposed to local government conditional grants. The proposed changes indicate a continued focus on enabling municipalities to improve service delivery to communities.

New conditional grant for smart prepaid meters

A new indirect grant, which will be managed by the National Treasury will be introduced in 2024/25. This grant will present an important opportunity for municipalities in the debt relief programme. While debt relief is a critical component of supporting struggling municipalities, it is important to also provide the municipalities with the tools and the necessary funding to improve their operations and long-term sustainability.

This new indirect conditional grant for smart prepaid meters is a meaningful step towards providing municipalities with the financial support they need to better manage their utilities, by ensuring timely and accurate billing; reducing losses; and enhancing operational sustainability. Municipalities will be able to manage their utility services and provide to water and electricity services effectively and efficiently. The grant will initially focus on providing debt relief for Eskom and will be implemented targeting specific municipalities in its initial years.

Improving regulatory levers and reforms

By enhancing the usage of regulatory frameworks in the conditional grants system, the government is taking steps to ensure that municipalities prioritise critical projects and utilise resources effectively. The use of results from the Department of Water and Sanitation's Watch Reports in the prioritisation of water and sanitation projects funded from general-purpose grants such as the integrated urban development grant (IUDG), and municipal infrastructure grant (MIG), will improve the quality and impact of these projects. Further, requiring municipalities to use the results of green drop, blue drop and no drop assessments in planning and prioritising projects will drive greater accountability and transparency in the use of grant funds, promoting sustainable and effective service delivery.

2.2. Post 2023 MTBPS changes

A number of reductions that were proposed in the 2023 MTBPS have been reversed but revised downwards, and several further cuts and other reprioritisations effected to make funds available for other government priorities. These include:

Reductions reversed: Previous reductions proposed on the sharing of the general fuel levy to the metropolitan municipalities, the rural roads asset management systems and the water services infrastructure grants have been reversed.

Reductions revised downwards: The previous reduction of R218 million to the integrated national electrification programme municipal grant is revised to R204 million; the previous reduction of R49 million to the municipal disaster response grant is revised to R35 million; and the previous reduction of R48 million to the municipal systems improvement grant is revised to R27 million.

Further reductions: To make funds available for other government priorities, reductions have been made to some municipal conditional grants over the 2024 MTEF period. These include an additional reduction of R3.5 billion to the integrated national electrification programme Eskom grant; an additional reduction of R73 million to the integrated urban development grant; an additional reduction of R14 million to the energy efficiency and demand-side management grant; an additional reduction of R4 million to the public transport network grant; an additional reduction of R127 million to the direct component of the regional bulk infrastructure grant; and an additional reduction of R852 million to the indirect component of the regional bulk infrastructure grant.

Reprioritisations: Reprioritisations over the MTEF period include the following: R58.3 million from the direct component of the municipal infrastructure grant is converted to the indirect component of the grant; R587 million from the direct component of the regional bulk infrastructure grant is converted to the indirect component; R91 million from the integrated urban development grant and R1.4 billion from the municipal infrastructure grant are shifted to the municipal disaster recovery grant to fund the repair and reconstruction of municipal infrastructure damaged by the floods that occurred between February and March 2023; R400 million from the first two years of the MTEF period are shifted to the outer year in the public transport network grant; R2 billion is reprioritised from the integrated national electrification programme municipal grant to fund the baseline for the new smart meters grant; and R432 million is reprioritised from the integrated national electrification programme Eskom grant to fund other priorities in the energy sector.

2.3. Review of the local government fiscal framework

Government's five-year programme of action to improve local governance, as endorsed by the Budget Forum, includes efforts to improve the funding model for local government. The National Treasury is reviewing a draft report for regulating municipal surcharges on electricity and identifying alternative sources of revenue to replace these. The next step will be consultation with external stakeholders.

The local government equitable share formula is being updated in various ways, including improving its responsiveness to the different functions assigned to district and local municipalities. In addition, the formula will be refined with reforms such as exploring the feasibility of introducing a cost differential model, community services components for health services and firefighting functions, objective criteria for benchmarking municipalities in relation to their administrative functions. The Department of Cooperative Governance, the National Treasury, the South African Local Government Association, the Financial and Fiscal Commission and statistics South Africa are identifying areas for refinement over the 2024 MTEF period.

2.4. Update on the review of the conditional grants

The South African government initiated a review of the existing grant system amid concerns of its effectiveness, including underspending on infrastructure grants and fragmentation in

the provincial and municipal grant systems. The review involved stakeholder consultations and literature reviews of conditional grant programmes to gain insights and make evidence-based recommendations for reform.

In April and May 2024, multiple consultation platforms will be set up to share the preliminary findings with the multi-stakeholder team. While some changes resulting from the review were reflected in the 2024 Budget, further proposed reforms are likely to be considered in the 2025 budget process and implemented gradually in a phased manner.

2.5. Funding for Local Economic Development (LED) Programmes

National Treasury is mindful of the essential role played by municipalities in driving economic development and job creation to mitigate inequality and attract private investment. In addition to the infrastructure grants, municipalities also receive about 66 per cent of their allocations in unconditional grants, which can be utilised to fund operational parts of the LED initiatives. However, it is important to note that economic development does not rely solely on a single funding pot, but on various forms of government programmes and grants. This includes support and initiatives from the Department of Trade, Industry and competition funded by provinces through their equitable share.

Whilst there is a call for creation of conditional grant, it is worth noting that the creation of a dedicated grant for LED initiatives comes with its challenges. In the past, when such grants were introduced, government institutions reprioritised funds that were initially funding the LED programmes, leading to over-reliance on conditional grants. This dependence undermines the purpose and sustainability of these programmes, as their funding is primarily dependent on the availability of funds from the fiscus and the performance of the economy. Therefore, there is a need to align conditional grants with economic development areas while also ensuring their integration with other government spheres to support the developmental mandate effectively.

In addition, it is also crucial for municipalities to provide essential services such as electricity, water, and sanitation efficiently. The efficient provision of these services is crucial for attracting private investment, fostering economic growth, and promoting a conducive environment for businesses to thrive. Therefore, National Treasury urges municipalities to prioritise the provision of these services to enhance economic development and improve the quality of life for their residents.

2.6. Reforms to improve the efficiency and financial sustainability of metro's trading services

Due to years of neglect and inadequate infrastructure maintenance, South Africa's municipalities face severe utility services issues, including in water, wastewater, and electricity. A loss of essential management and technical skills has also contributed to the decline in service quality and reliability. Metro water services alone suffer from an investment gap of R9 billion per year. These inefficiencies threaten economic growth and job creation and increases poverty. Government transferred substantial monetary allocations to local government in the successive Budgets to support water services, but the outcome and value for money of these transfers is low. To address this, an incentive grant system is being explored for 2025/26 to increase investments, change management and governance structures, promote professional management, and ensure transparency, starting with metros.

These reforms are commencing in the 2024/25 municipal financial year with the conditions being introduced in the Urban Settlement Development Grant (USDG). Thereafter, the reform will be extended to other revenue-generating trading services.

2024/25 USDG Financing Component for Trading Services

Municipalities must submit the following to the transferring officer and the National Treasury to qualify for making an application for the financing component:

- A council approved turnaround strategy to the Department of Human Settlement (DHS) and the National Treasury by 31 July 2024;
- A roadmap on the institutional reforms for improved management and governance to be submitted to DHS and National Treasury by 30 September 2024; and
- A business and investment plan that is consistent with the services development plan by 30 September 2024.

In support of these conditions, National Treasury will issue a guidance note by 1 April 2024, on requirements for turnaround strategies, institutional reforms and business plans for the financing component on trading services.

2025/26 onwards Improving the efficiency of urban utility services

Beyond 2024/25, the intention is to extend the reform agenda beyond water services to other revenue-generating trading services, including electricity and solid waste management. The Explanatory Memorandum, **Annexure W1**, to the 2024 Division of Revenue Bill provides the following direction on future work on municipal fiscal frameworks linked to trading/ utility services.

The grant reforms will aim to:

- Increase the level of investments in utility services (water, wastewater, electricity and solid waste) by leveraging grant finance with loan finance, linked to improved operational and financial performance of services providers;
- Catalyse changes in the structure, management, and governance of utility services businesses to support improvements in operational, technical and financial performance;
- Promote professional management with a single point of management accountability for utility services in cities, suitable managerial autonomy and the technical skills necessary to manage an effective service; and
- Promote and ensure full financial transparency, including by making the financial relationship between municipalities and the utility services explicit.

2.7. Criteria for the release of the Equitable Share:

- The criteria for the release of the equitable share were covered in Circulars No. 122 remains relevant and are still applicable for the release of equitable share instalments in the 2024/25 financial year.
- Failure to comply with the criteria will result in National Treasury invoking Section 38 of the MFMA which empowers National Treasury to withhold a municipality's equitable share if the municipality commits a serious or persistent breach of the measures established in terms of Section 216(2) of the Constitution which includes reporting obligations set out in the MFMA and National Treasury requests for information in terms of Section 74 of the MFMA.

3. Revenue Management

3.1. Update on Municipal Debt Relief (MFMA Circular No. 124)

Accounting Guidance

Municipalities whose Municipal Debt Relief applications were approved must fully account for and correctly report on the write-off of their Eskom arrear debt and related benefits. Municipalities should note the guidance in this regard provided in *MFMA Circular No. 124: Supplementary Guide on the accounting- and mSCOA reporting requirements that can be accessed on the MFMA website at the following link: <http://mfma.treasury.gov.za/Circulars/Pages/default.aspx>.*

It is recommended that all municipalities familiarise themselves with the guidance as far as it relates to correctly budgeting- and accounting for free basic services as well as raising and paying their bulk accounts.

Debt relief reporting requirements

Municipalities approved for debt Relief (in terms of their National Treasury approvals), must ensure that their MFMA s.71 statements, over-and-above the normal MFMA s.71 requirements, include the following as a minimum:

- The municipality's self-assessment in the format of the compliance certificate issued in MFMA Circular No. 124: Annexure A2 (signed by the Municipal Manager) – municipalities should use the latest format of the compliance certificate issued during February 2024 available under MFMA Circular No. 124 and included as **Annexure B** to this circular;
- The municipality's progress towards restricting free basic services to the national policy limits (condition 6.6) and in the format included as **Annexure C** to this circular;
- The municipality's progress towards achieving a minimum average quarterly collection of 80 per cent (condition 6.7) and in the format included as **Annexure D** to this circular;
- If the municipality's 2023/24 and/ or 2024/25 MTREF is not funded, the MFMA Section 71 statement must monthly include the municipality's progress against its approved Budget Funding Plan – if the municipality has an approved the Financial Recovery Plan (FRP), the monthly FRP progress report must include the municipality's progress against the components of the FRP aimed to achieve a funded budget and revenue enhancement initiatives;
- The high-level summary of its monthly property rates reconciliation (in the National Treasury template format already shared with the municipality during the application process); and
- The municipality's progress in addressing any variances evident from its monthly property rates reconciliation; etc.

3.2. Smart Meter Grant

With regard to the smart meter grant referred under 2.1 above, the National Treasury has targeted MFMA Circular No. 124 debt relief applicants for the initial implementation of this grant.

The potential beneficiaries of the smart meter grant will be invited by National Treasury and a compulsory template will be circulated for completion by municipalities. This invitation will be sent out before 15 March 2024. Furthermore, the grant conditions require a council resolution endorsing the application.

A completed template with supporting documentation and council resolution must be submitted to revenuemanagement@treasury.gov.za and sadesh.ramjathan@treasury.gov.za before 30 April 2024.

The applications will be evaluated before 31 May 2024 and allocations will be completed determined the commencement of the municipal budget year.

3.3. Transversal tender RT-29

The National Treasury is finalising the RT-29 transversal tender for a smart metering solution, and the appointed panel is available to all municipalities from March 2024. The transversal tender is targeting smart meter solutions for the water and electricity functions, STS meters compliance and load reduction systems. It will also enable municipalities to implement bi-directional smart metering systems. Municipalities are once again cautioned not to contract any smart metering systems or solutions without considering the RT-29 transversal tender which provides a competitive pricing comparison and cost saving on procurement. Municipalities wishing to participate in the RT-29 transversal must make their interest known to the Office of the Chief Procurement Officer (OCPO) on the email TCcontract1@treasury.gov.za. These municipalities must show evidence of a budget allocation in the current budget as well as future budgets for participation.

4. Conditional Grant Transfers to Municipalities

4.1. Criteria for the rollover of conditional grant funds

In terms of Section 21 of the Division of Revenue Act, 2023 (Act No.5 of 2023) (DoRA) in conjunction with the Division of Revenue Amendment Act, 2023 (Act No. 24 of 2023), the Act requires that any conditional allocation or a portion thereof that is not spent at the end of the 2023/24 financial year reverts to the National Revenue Fund (NRF), 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 21(2) of the 2023 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 21(2) of the 2023 DoRA;
2. A list of all the projects that are linked to the unspent conditional grants and a breakdown of how much was allocated, spent and the balance per project;
3. The following evidence indicating that work on each of the projects has commenced, as applicable to the specific rollover(s):
 - a) Proof that the service provider was appointed for delivery of the project before 29 March 2024; or
 - b) Proof of project tender and tender submissions published and closed before 31 March 2024 or with the appointment of contractor or service provider for delivery of service before 30 June 2024 in cases where additional funding was allocated during the course of the financial year of the project;
 - c) Incorporation of the Appropriation Statement; and
 - d) Evidence that all projects linked to an allocation will be fully utilised by 30 June 2024 (attach cash flow projection for the applicable grant).

4. A progress report (also reflecting 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 on the original allocation per the DoRA;
7. Rollover of rollovers will not be considered. Municipalities must therefore 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 because 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 2024, 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 2023 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 2024;
3. Accurate disclosure of grant performance in the 2023/24 pre-audited Annual Financial Statements, (i.e. correct disclosure of grant receipts and spending in the notes to the AFS);
4. Despite the fact that local government is required to comply with different norms and standards prescribed by different legislations, municipalities are expected to fully comply with the provisions of DoRA that relate to rollover processes and disclose conditional grant performance in the 2023/24 pre-audited Annual Financial Statements (i.e. Cash coverage and unspent conditional grants in the Statement of Financial Position) in order to verify grant expenditure; and
5. Cash available reflected in the Statement of Financial Position and Cash Flow Statements and the bank (net position including short term investments) as at 30 June 2024 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 2023/24 allocation to the municipality. In cases where 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 2023/24 allocation;

2. Rollover request of the same grant for the third consecutive time. In a case where a municipality is applying for rollover as a result of additional funding, the application will be carefully considered;
3. Funding for projects procured through Regulation 32 and 37 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 March 2024. All invoices issued to the municipality before 31 March 2024 should be paid within the same year against the allocated conditional grants. i.e invoices must be paid within 30 days.

4.2. Unspent conditional grant funds for 2023/24

The process to ensure the return of unspent conditional grants for the 2023/24 financial year will be managed in accordance with Section 21 of the DoRA. In addition to the previous MFMA Circulars, the following practical arrangements will apply:

- Step 1: Municipalities must submit their June 2024 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 reconciles;
- 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 2024. The unspent grant values must be determined based on the guidance that was provided in *mSCOA Circular No. 13* in as far as VAT, retention and interest is concerned; and
- Step 3: If the receiving officer wants to motivate in terms of Section 21(2) of the 2023 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 2024.

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 2024;
- Step 5: National Treasury will communicate the unspent conditional grants amount by 12 November 2024. A municipality must return the remaining unspent conditional grant funds that are not subject to a specific repayment arrangement to the National Revenue Fund by 18 November 2024; and
- Step 6: Any unspent conditional grant funds that should have but has not been repaid to the National Revenue Fund by 18 November 2024, and for which a municipality has not requested a repayment arrangement, will be offset against the municipality's 04 December 2024 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.

5. Funding choices and management issues

Given the current economic crisis the country faces, Municipalities are under pressure to generate revenue. The ability of customers to pay for services is declining and this means that less revenue will be collected. Municipalities are advised to consider all the advice

provided in MFMA Circular No 126, 123 and other previous circulars under this topic to ensure the adoption of surplus and funded budgets.

5.1. Employee related costs

The *Salary and Wage Collective Agreement* for the period 01 July 2021 to 30 June 2024 has come to an end and a new agreement is under consultation, which is anticipated to consider 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 consider their financial sustainability when considering salary increases. It has been observed over the previous years that salary increases were above inflation and this has posed challenges to most municipalities' sustainability. In addition, municipalities that could not afford such increases did not apply for exemption as provided by SALGBC.

Therefore, municipalities are urged to consider projecting salary and wage increases that would reflect their affordability given the current economic challenges. The 2022 State of Local Government Finance Report revealed that 157 municipalities are in financial distress. These municipalities need to ensure that they seek an early exemption from this dispensation of this salary agreement. Municipalities should also avoid paying out leave in cash while having major financial challenges.

5.2. 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 consider the fiscal constraints. Municipalities should also consider guidance provided above on salary increases for municipal officials during this process. Any overpayment to councillors contrary to the upper limits as published by the Minister of Cooperative Governance and Traditional Affairs will be irregular expenditure in terms of Section 167 of the MFMA and must be recovered from the councillor(s) concerned.

5.3 Governance, performance, and investment matters

South Africa has reached a stage where all of government including municipalities need to play in pivotal role in igniting the economy of the country. There is a need for a concerted effort to put initiatives that will attract the investments which will stimulate the economy. The investments take place in the local government and municipalities in particular as the custodian of the spatial planning and enabling infrastructure.

Critical infrastructure such as water, sanitation and electricity to stimulate the economy is owned, maintained and developed by the municipalities. In the last 30 years, there has been investment in ensuring that access to basic services – water, electricity and refuse - is improved markedly.

However, there has been little to no investment on bulk infrastructure such as water treatment works, wastewater treatment works and electrical substations which are the backdrop for enabling investment in municipalities.

Of concern is that budget for operation and maintenance have been negligible. If the trends continue without arresting the decline, the municipalities will in all likelihood not experience

growth. This will reduce the prospect for economic growth leading to high unemployment and less economic activities in general.

As such, the municipalities need to take the responsibility to create initiatives which will attract more investment. Key initiatives to improve this are investing in bulk and connector infrastructure as well as strengthening good governance.

The budget allocation to address infrastructure requirements are not sufficient. As such, the municipalities should improve governance and the overall financial health which will allow for the financier to be attracted to borrow municipalities to finance enabling infrastructure.

Urban management and in particular cleaning of the environment is critical for ensuring that municipal area is attractive. Thus, ability to attract investment should also include clearly defined initiatives that ensure the city is continuously clean. This will retain existing investors and also enable the municipalities to attract new investors who wishes to locate in the municipal area.

A firm's decision to invest is influenced by factors such as infrastructure and land availability, the institutional and regulatory environment, skills availability and innovation levels and the availability of enterprise support and finance. Municipalities have key roles that influence a decision to invest and expand in a particular space. Poorly performing spaces – such as industrial parks, CBDs, logistics hubs, townships – discourage investment and encourage disinvestment. Poorly performing economic assets, such as roads, ports, rail, communications, do the same. Many of the reasons for poor performing spaces and assets lie within the ambit of the public sector, but not all within the local sphere. In some instances, municipalities are directly responsible for what needs to be done, in other areas the municipality needs to mediate inter-governmental solutions.

To turnaround these spaces and unlock their economic potential the immediate focus must be on getting the basics right first –

- Ensure reliable and sustainable service delivery – water, sanitation, stormwater, roads, lighting and waste management;
- Ensure effective land governance – urgently resolve inter-governmental issues that inhibit performance;
- Undertake bulk infrastructure repair and maintenance;
- Address business and community safety issues;
- Operationalise and manage public open spaces and assets; and
- Manage the spaces – at minimum put in place municipal transversal teams responsible for ensuring the basics are in place.

The quality and transparency of municipal governance has a direct impact on economic performance. Dysfunctional municipalities discourage new investment and result in job loss. Ensuring the effective management of municipal businesses through evidenced-based decision making and sound financial management is essential to attract and retain firms. Improving the efficiency and transparency of municipal business processes that impact on the private sector – such as registering property, getting electricity connections, construction permits, obtaining wayleaves, getting a water connection, and issuing an informal trader permit – goes a long way to building business confidence and municipal credibility.

5.4 Environmental Pollution

The deteriorating quality of water resources in urban and rural areas due to pollution, failing infrastructure such as wastewater treatment and the lack of enforcement of by-laws, legislation and urban management, exacerbates water scarcity, and increases costs of providing potable water.

Municipalities are urged to anticipate the imminent approval of the water pricing strategy, which introduces a waste discharge charge. This penalty underscores the need for municipalities to ensure that they comply with and enforce all legislation and by-laws governing urban and environmental management. This requires municipalities to prioritise effective and efficient service delivery, including sufficient investment in asset maintenance, expansion and renewal for solid waste management, wastewater treatment, as well as by-law enforcement to mitigate the continuous pollution of streams and rivers.

Collaboration among municipalities, sector departments, NGOs, citizens, and the private sector are essential for mobilising resources to prevent further deterioration and restoration of water resources. Such efforts need to only prevent pollution at source but also safeguard water quality for future generations, making the strategic investment in water resources a cornerstone of sustainability, economic growth and healthy environments.

6. Municipal Standard Chart of Accounts (*m*SCOA)

6.1. Go Live on Version 6.8 of the Chart

*m*SCOA version 6.8 will go live on 20 March 2024, whereafter municipalities will be able to upload their tabled budget (TABB) and tabled project files (PRTA) data strings for the 2024/25 MTREF on the GoMuni portal.

After going live on version 6.8 of the chart, all the reports available on the LGDRS will be aligned to *m*SCOA chart version 6.8. This includes the format of the Section 71 report for Q3 and Q4 of 2023/24.

The Municipal Budget and Reporting Regulations (MBRR) Schedules (A to F) and non-financial data string (A1S) was also aligned to version 6.8 of the chart. A **protected** version of the MBRR Schedules for version 6.8 of the chart and A1S is available on the on the MFMA Webpage on the link below:

<http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx>

The reports on the Local Government and Reporting System (LGDRS) are populated from financial and non-financial data strings. Municipalities must use the linkages on GoMuni referred to above and not the formulas in the regulated Municipal Budget and Reporting (MBRR) Schedules when generating their A schedule from the financial system.

In terms of the *m*SCOA Regulations, municipalities must generate the regulated MBRR schedules that is tabled and adopted by Council directly from their financial ERP systems and not import or captured it on the system at a later stage. This is necessary to ensure that there is 'one version of the truth', namely the data in the financial ERP system is the same as the report tabled and adopted by Council and the information submitted to the National Treasury and other stakeholders.

6.2. *m*SCOA data strings credibility

Municipalities must verify the credibility and accuracy of the tabled budget (TABB) and project file (PRTA) data strings **prior and post** to uploading it to the National Treasury Local Government Database and Reporting System (LGDRS). These data strings will be the sole source used by National and Provincial Treasuries to analyse and determine if the municipality's budget is funded and the credibility is therefore of utmost importance.

Registered users from municipalities, provincial treasuries and National Treasury have full access to their data on the LGDRS and can draw the information to verify the accuracy of the figures for their respective municipalities or province (in the case of provincial treasuries). The LGDRS reports can be accessed by registered users on the following link:

https://lg.treasury.gov.za/ibi_apps/signin

From 2025/26, the National Treasury will open the access to all reports available on the LGDRS to the public. Municipalities should make a concerted effort to resolve their *m*SCOA data strings credibility issues as soon as possible to avoid facing the consequences of financial misconduct in terms of Section 171(1)(d) of the MFMA.

The LGDRS also provides information on municipal budgets and performance to the public through the Municipal Money portal. The information on the Municipal Money portal is sourced from the Consolidated Section 71 Reports published quarterly by the National Treasury. The Municipal Money portal is part of South Africa's Open Government Partnership (OGP) 5th National Action Plan to improve transparency and public participation in government processes and a link to the Municipal Money portal is available on the OGP website (76 countries and 104 municipalities are members).

6.3. Regulating the minimum business processes and system specifications for *m*SCOA

The National Treasury commenced with the work to regulate the minimum business processes and system specifications for *m*SCOA towards the end of 2025/26. The following working groups will be established to ensure that relevant stakeholders are consulted during the review processes:

- a. **Corporate governance** including internal and external audit, oversight committees, performance management, IT system requirements and management, municipal websites, document management, reporting mechanisms;
- b. **Municipal budgeting, planning and financial modelling** including IDP, Budgets Management, Revenue, Human Resources (HR) /Payroll, Assets;
- c. **Financial accounting** including general ledger, accounts receivables and payables, financial reporting, AFS reporting, insurance management, consolidation reporting;
- d. **Costing and reporting** including cost planning and cost management and reporting;
- e. **Project accounting** including project creation and planning, project management and reporting, contract management;
- f. **Treasury and cash management** including cash management and reporting, grant management and reporting, investment management and reserves, borrowings management, provisions and contingent liabilities;
- g. **Supply chain management** including supply chain management and inventory;
- h. **Full asset life cycle management** including maintenance management and asset management;
- i. **Real estate management** including property register and rental management and general processes;
- j. **Human resource and payroll management** including human resources, time management, payroll management and reporting;
- k. **Revenue management**, customer care, credit control and debt collection including revenue management and billing, credit control, customer management, debt collection, indigent management;
- l. **Valuation roll management**; and
- m. **Land use building control** including land use and building control.

Municipalities are urged to ensure that the officials that participate in the working groups have the technical knowledge and experience to participate meaningfully in these forums. Integrated Consultative Forums will also be held quarterly to keep **all** stakeholders informed and provide them with an opportunity to provide inputs on the business processes and system specification that will be regulated. A dedicated email address will be created for comment and inputs relating to the review processes underpinning these Regulations.

7. Submitting documents to the GoMuni Upload Portal

7.1. Submissions to the National Treasury

Municipalities are reminded to submit documents and queries to the correct portals/ mailboxes. These portals/ mailboxes are:

- https://lg.treasury.gov.za/ibi_apps/welcome (GoMuni Upload Portal) – All documents required in terms of legislation by approved registered users, including: • mSCOA Data Strings; • Budget-related, in-year and year-end documents and schedules (A, B and C); and • Revenue and MFRS Documents (as per MFMA Circular No. 126);
- lgdataqueries@treasury.gov.za – Database related and submission queries; and
- lgdocuments@treasury.gov.za – Only Provincial Treasuries may send contact details to lgdocuments@treasury.gov.za.

Any document/ queries that are submitted to the incorrect portal/ mailbox will not be processed and the submission status report will continue to reflect the documents as outstanding.

7.2. Updating of contact details on GoMuni

From 1 April 2024, municipalities (registered users) will be able to make changes/ additions to their own contact details directly on the LGDRS. To municipalities and their respective provincial treasury must select and update the relevant details on GoMuni under Database/Contacts/Reporting/Contact information on the following link:

https://lg.treasury.gov.za/ibi_apps/signin

Municipalities must ensure that their contact details on GoMuni are updated as soon as changes occur.

7.3. Submission of additional reports

From 14 March 2024, municipalities whose debt relief applications were approved will be required to submit reports to the GoMuni Upload portal as indicated in MFMA Circular No 124 dated 31 March 2024. The list of the required debt relief reports is attached as **Annexure A**.

7.4. Procurement spend reporting

In order for government to fulfil its social responsibility to channel procurement spending towards certain designated groups and to unlock economies of scale in government procurement expenditure, a single standardised view needs to be created into the

procurement spend information across all spheres of government on a transactional level for spend and trend analysis purposes.

The OCPO designed and built a Data Warehouse that serves as common repository for procurement related data with the necessary capabilities to produce standardised information in a dashboard format via various Business Intelligence tools. Currently procurement spend data of all National and Provincial departments from 2017 to date is hosted and analysed in the Data Warehouse.

From 1 March 2024, municipalities must on monthly basis report all goods and services related payments at a transactional level monthly. Towards this end, municipalities must complete and submit the template attached as **Annexure E** and submit it to the GoMuni Upload portal under the folder Documents/ Other. These reports are due by the 15th of the month that follows the reporting month. The first report is therefore due on 15 April 2024. This information is only required for municipalities and not for municipal entities.

A Data Upload Tool is also available that allows municipalities to capture their spending data manually or extract the relevant information from the municipality's payment system automatically. Information captured on the Data Upload Tool will be submitted directly into the OCPOs Data Warehouse once the various online input validations to ensure the accuracy and completeness of the data has been passed. To access the tool, an email request must be sent to ocpodatarequest@treasury.gov.za to obtain a User ID and Password that is institution specific. Training on the use of the OCPO Data Upload Tool as well as technical integration information will be provided after the institution has received a User ID and Password.

The submission status of the OCPO Spend Report will be included on the status report of document submissions available on the LGDRS. Municipalities that opt to use the Data Upload Tool instead of submitting the excel template to GoMuni must submit a 'not applicable form' to the GoMuni Upload portal for their non-submission is not classified as outstanding.

8. The Municipal Budget and Reporting Regulations

8.1 Assistance with the compilation of budgets

If municipalities require advice with the compilation of their respective budgets, specifically the budget documents or **Schedule A**, 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 Buffalo City	Matjatji Mashoeshoe Pitso Zwane Mandla Gilimani	012-315 5553 012-315 5171 012-315 5807	Matjatji.Mashoeshoe@treasury.gov.za Pitso.Zwane@Treasury.gov.za Mandla.Gilimani@treasury.gov.za
Free State	Sifiso Mabaso Cethekile Moshane	012-315 5952 012-315 5079	Sifiso.mabaso@treasury.gov.za Cethekile.moshane@treasury.gov.za
Gauteng City of Tshwane and City of Johannesburg City of Ekurhuleni	Matjatji Mashoeshoe Pitso Zwane Oreal Tshidino Willem Voigt Makgabo Mabotja Enock Ndlovu Kgomotso Baloyi Lunathi Dumani	012-315 5553 012-315 5171 012-315 5830 012-315 5156 012-315 5385 012-315 5866	Matjatji.Mashoeshoe@treasury.gov.za Pitso.Zwane@Treasury.gov.za Oreal.Tshidino@Treasury.gov.za WillemCordes.Voigt@treasury.gov.za Makgabo.Mabotja@treasury.gov.za Enock.Ndlovu@treasury.gov.za Kgomotso.Baloyi@treasury.gov.za Lunathi.dumani@treasury.gov.za
KwaZulu-Natal Msunduzi eThekweni uMhlathuze	Kgomotso Baloyi Lunathi Dumani Sifiso Mabaso Kevin Bell	012-315 5866 012-315 5866 012-315 5952 012-315 5725	Kgomotso.Baloyi@treasury.gov.za Lunathi.dumani@treasury.gov.za Sifiso.mabaso@treasury.gov.za Kevin.bell@treasury.gov.za
Limpopo	Sifiso Mabaso Jabulile Ngwenya	012-315 5952	Sifiso.Mabaso@treasury.gov.za Jabulile.ngwenya@treasury.gov.za
Mpumalanga	Mandla Gilimani Sibusisiwe Mchani	012-315 5807 012-315 5539	Mandla.Gilimani@treasury.gov.za Sibusisiwe.Mchani@treasury.gov.za
Northern Cape	Mandla Gilimani Sibusisiwe Mchani	012-315 5807 012-315 5539	Mandla.Gilimani@treasury.gov.za Sibusisiwe.Mchani@treasury.gov.za
North West	Willem Voigt Makgabo Mabotja	012-315 5830 012-315 5156	WillemCordes.Voigt@treasury.gov.za Makgabo.Mabotja@treasury.gov.za
Western Cape Cape Town George	Willem Voigt Enock Ndlovu Kgomotso Baloyi Mandla Gilimani	012-315 5830 012-315 5385 012-315 5866 012-315 5807	WillemCordes.Voigt@treasury.gov.za Enock.Ndlovu@treasury.gov.za Kgomotso.Baloyi@treasury.gov.za Mandla.Gilimani@treasury.gov.za
Technical issues on GoMuni Website	Data management		lgdataqueries@treasury.gov.za
Local government Conditional Grants	Conditional Grants team	012-315 5183	Sello.mashaba@treasury.gov.za Unathi.lekonyana@treasury.gov.za Pretty.mavhungu@treasury.gov.za Marvin.ngobeni@treasury.gov.za Akanyang.modise@treasury.gov.za

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 2024

ANNEXURE A – LIST OF REQUIRED REPORTS TO BE SUBMITTED TO NATIONAL TREASURY FOR DEBT RELIEF PROGRAMME (TEMPLATE)

ANNEXURE B – MUNICIPAL CERTIFICATE OF COMPLIANCE FOR DEBT RELIEF PROGRAMME (TEMPLATE)

ANNEXURE C – MUNICIPAL DEBT RELIEF – MONTHLY REPORTING – INDIGENT HOUSEHOLDS INFORMATION (TEMPLATE)

ANNEXURE D – MUNICIPAL DEBT RELIEF – MONTHLY REVENUE COLLECTION REPORTING (TEMPLATE)

ANNEXURE D – PROCUREMENT SPENT REPORTING (TEMPLATE)



Reference: RCS/C.5

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8000

TREASURY CIRCULAR MUN. NO. 06/2024

THE MAYOR, CITY OF CAPE TOWN
 THE MAYOR, WEST COAST DISTRICT MUNICIPALITY
 THE MAYOR, MATZIKAMA MUNICIPALITY
 THE MAYOR, CEDERBERG MUNICIPALITY
 THE MAYOR, BERGRIVIER MUNICIPALITY
 THE MAYOR, SALDANHA BAY MUNICIPALITY
 THE MAYOR, SWARTLAND MUNICIPALITY
 THE MAYOR, CAPE WINELANDS DISTRICT MUNICIPALITY
 THE MAYOR, WITZENBERG MUNICIPALITY
 THE MAYOR, DRAKENSTEIN MUNICIPALITY
 THE MAYOR, STELLENBOSCH MUNICIPALITY
 THE MAYOR, BREEDE VALLEY MUNICIPALITY
 THE MAYOR, LANGEBERG MUNICIPALITY
 THE MAYOR, OVERBERG DISTRICT MUNICIPALITY
 THE MAYOR, THEEWATERSKLOOF MUNICIPALITY
 THE MAYOR, OVERSTRAND MUNICIPALITY
 THE MAYOR, CAPE AGULHAS MUNICIPALITY
 THE MAYOR, SWELLENDAM MUNICIPALITY
 THE MAYOR, GARDEN ROUTE DISTRICT MUNICIPALITY
 THE MAYOR, KANNALAND MUNICIPALITY
 THE MAYOR, HESSEQUA MUNICIPALITY
 THE MAYOR, MOSSEL BAY MUNICIPALITY
 THE MAYOR, GEORGE MUNICIPALITY
 THE MAYOR, OUDTSHOORN MUNICIPALITY
 THE MAYOR, BITOU MUNICIPALITY
 THE MAYOR, KNYSNA MUNICIPALITY
 THE MAYOR, CENTRAL KAROO DISTRICT
 THE MAYOR, LAINGSBURG MUNICIPALITY
 THE MAYOR, PRINCE ALBERT MUNICIPALITY
 THE MAYOR, BEAUFORT WEST MUNICIPALITY

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THE MUNICIPAL MANAGER, CITY OF CAPE TOWN: MR L MBANDAZAYO
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THE CHIEF DIRECTOR: MFMA IMPLEMENTATION – NATIONAL TREASURY

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THE ACCOUNTING OFFICER: VOTE 4: POLICE OVERSIGHT AND COMMUNITY SAFETY (ADV. Y PILLAY)
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THE ACCOUNTING OFFICER: VOTE 6: HEALTH AND WELLNESS (DR K CLOETE)
THE ACCOUNTING OFFICER: VOTE 7: SOCIAL DEVELOPMENT (DR R MACDONALD)
THE ACCOUNTING OFFICER: VOTE 8: MOBILITY (MS M MOORE)
THE ACCOUNTING OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR G GERBER)
THE ACCOUNTING OFFICER: VOTE 10: INFRASTRUCTURE (ADV. C SMITH)
THE ACCOUNTING OFFICER: VOTE 11: AGRICULTURE (DR M SEBOPETSA)
THE ACCOUNTING OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MR V DUBE)
THE ACCOUNTING OFFICER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MR G REDMAN)
THE ACCOUNTING OFFICER: VOTE 14: LOCAL GOVERNMENT (MR G PAULSE)

TABLE OF CONTENTS

1. INTRODUCTION	3
2. LEGISLATIVE CONTEXT.....	3
3. FISCAL AND ECONOMIC CONTEXT	4
4. NATIONAL AND PROVINCIAL BUDGET GUIDELINES.....	6
5. 2024/25 STRATEGIC INTEGRATED MUNICIPAL ENGAGEMENTS (SIME) PROCESS.....	14
6. NATIONAL AND PROVINCIAL GOVERNMENT ELECTIONS	18
7. CONCLUSION	18

MUNICIPAL BUDGET CIRCULAR FOR THE 2024/25 MTREF AND ASSOCIATED 2024 STRATEGIC INTEGRATED MUNICIPAL ENGAGEMENTS

1. INTRODUCTION

This Circular should be read in conjunction with National Treasury (NT) MFMA Circulars No. 126 and No. 128 issued on 7 December 2023 and 8 March 2024 respectively.

The purpose of this circular is to:

- Provide an overview of the current fiscal and economic context and key highlights from the 2024 Provincial Budget;
- Provide guidance to municipalities with the **finalisation of the 2024/25 Medium Term Revenue and Expenditure Framework (MTREF) Budgets** and accompanied budget documentation; and
- **Brief municipalities on the 2024 Strategic Integrated Municipal Engagements (SIME) process** and related matters.

2. LEGISLATIVE CONTEXT

The Western Cape Provincial Government (WCG) has institutionalised the Strategic Integrated Municipal Engagements (SIME; previously referred to as LG MTEC) 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 2024 SIME process builds on the 2023 integrated municipal and provincial processes to strengthen alignment between municipal and provincial planning and budgeting and drives the theme of “**Integrated service delivery**”, as municipalities are preparing for the third year of the 2022 - 2027 Integrated Development Planning Cycle.

3. FISCAL AND ECONOMIC CONTEXT

3.1 Economic and Fiscal Environment

For more than ten years, the South Africa's economy has experienced slow growth. Since 2012, the GDP has averaged just 0.8 per cent annually, further entrenching the country's high rates of unemployment and poverty.

South Africa's economy is predicted to expand at an average rate of 1.6 per cent during the next three years, which signifies marginal improvement over the 1.4 per cent average predicted at the time of the 2023 National MTBPS. The forecast is bolstered by anticipated increases in energy-related fixed investments and a rebound in consumer expenditure as inflation drops.

Power outages and issues with freight train and port operations continue to hinder economic activity and reduce the nation's export potential. Though it may take some time to see development rebound, these sectors are undergoing extensive reforms. High living expenses are putting pressure on household consumption, while limited investment is the result of low confidence and difficult business environment brought on by structural limitations.

The National government is giving energy and logistics reforms top priority in addition to steps to stop the deterioration of state capacity to reverse the trend and boost economic development sustainably. Effective initiatives to strengthen the state's capability, finish structural reforms, and strengthen the fiscal position will all work together to lower borrowing costs, boost confidence, boost investment and employment, and quicken economic growth.

The current economic difficulties continue to put strain on households' capacity to pay municipal accounts, which has an impact on municipalities' ability to generate their own revenue.

Given the pressure on the economy as detailed above, the following macro-economic forecasts for Consumer Price Index (CPI) inflation must be considered when preparing the 2024/25 MTREF municipal budgets.

Table 1 Macroeconomic performance and projections, 2022 – 2027

Fiscal year	2022/23 Actual	2023/24 Estimate	2024/25	2025/26	2026/27
CPI Inflation	6.9%	6.0%	4.9%	4.6%	4.5%

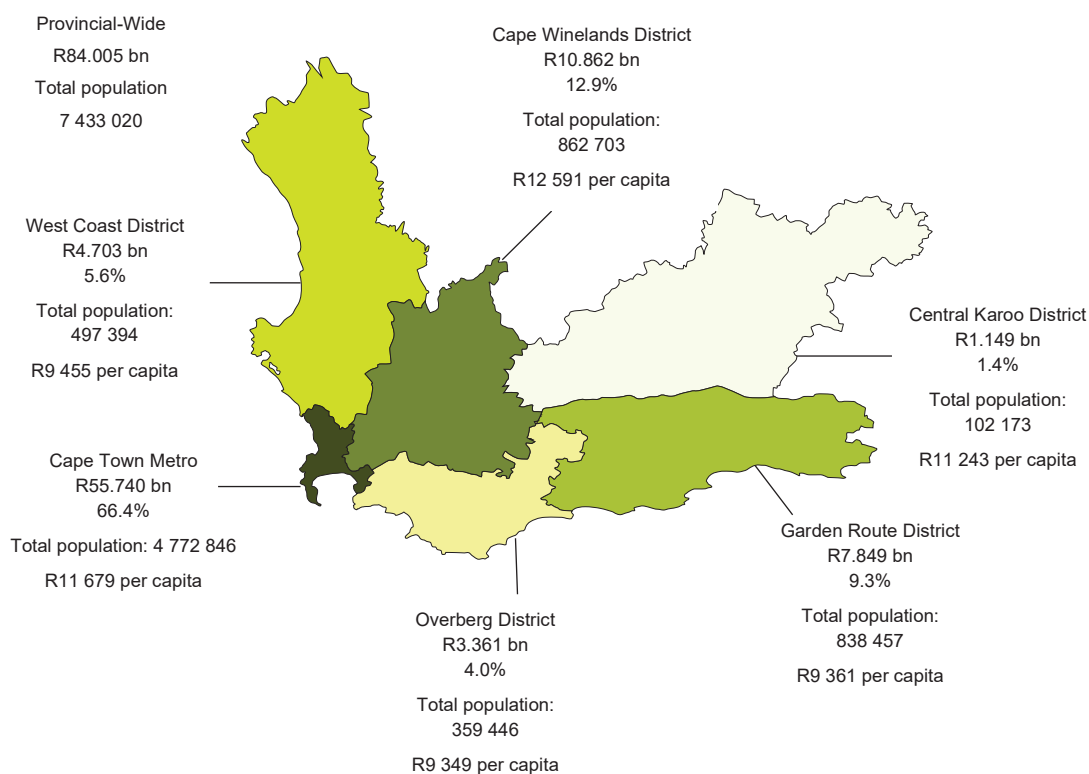
Source: NT MFMA Budget Circular No. 128

3.2 2024 Western Cape Provincial Budget

On Thursday, 7 March 2024, the Western Cape Minister for Finance and Economic Opportunities, Ms. M Wenger, tabled the 2024 Western Cape Budget in the Provincial legislature. The Western Cape's 2024 Budget solidifies the Western Cape Governments commitments to the residents of the province by delivering a budget to 'keep building a Western Cape that works for all.' Key highlights of the provincial budget include:

- Over the three years of the 2024 MTEF, R45.35 billion has been allocated to boost economic growth and create opportunities for our citizens. Additionally, R5.08 billion is allocated to ensure safer communities and R182.35 billion has been allocated to ensure the wellbeing of residents in the Western Cape, which includes key services such as Education and Health.
- By functional area, the three largest expenditures in 2024/25 are; education (R75.82 billion), health (R80.12 billion), and infrastructure and economic affairs (R19.14 billion).

- The 2024 Budget continues the investment in energy resilience in the Western Cape with R759.2 million set aside for the MTEF period. The WCG aims to reduce the impact of loadshedding, improve advances in the green economy and the installation of Solar PV for schools and WCG health facilities.
- The Province will spend R84.0 billion across all municipal areas in the Province in 2024/25. The 2024 expenditure distribution per region is as follows:



- The Provincial budget allocated R3.2 billion in transfers to municipalities in 2024/25 that must be taken up in municipal budgets. These allocations, as well as forward projections for the rest of the 2024/25 MTREF period are set out in the Provincial gazette number 8 892 of 7 March 2024(available with the rest of the Provincial budget documents at the link below). The allocations to each municipality have also been summarised in an allocation letter sent to each municipality. These grants cover a wide range of functions, from strengthening the capacity of municipalities to deliver on their mandates to funding capital projects and delivering services on behalf of the province. The purpose of each grant is set out in its grant framework in the gazette.
- Municipalities are encouraged to refer to Chapter 5 of the *2024 Overview of Provincial Revenue and Expenditure (OPRE)* which outlines the spatial distribution and the sectoral breakdown of education, health and wellness, infrastructure, and other Provincial expenditure across the Metro, district, and local municipalities in the Western Cape. Additionally, Chapter 3 of the *2024 Overview of Provincial Municipal Infrastructure Investment (OPMII)* summarises the Provincial Government's infrastructure investment plans in each municipality. For further information on provincial allocations, kindly direct queries to: Budgetoffice.provincialtreasury@westerncape.gov.za
- The 2024 Provincial Budget documentation can be accessed [here](#).

4. NATIONAL AND PROVINCIAL BUDGET GUIDELINES

The NT and PT circulars provide guidance to municipalities on revenue, expenditure and accounting related matters for consideration when compiling their 2024/25 MTREF budgets. Please note the following important matters:

- Municipalities are advised to consult MFMA Circulars No. 126 (2023) and No. 128 (2024) for guidance in respect of planning and budgeting towards the 2024 MTREF, available at this [link](#).
- Municipalities MUST include the National and Provincial Treasury Budget Circulars as part of the source documents consulted in the preparation of the 2024 MTREF Budget documents and table it as part of the budget documentation in the municipal council.

4.1 Key focus areas for the 2024/25 budget process

The 2024/25 MTREF budget should be constructed within a well-defined municipal fiscal strategy that shapes both the revenue envelope, inclusive of both national and provincial transfers and carefully evaluates expenditure allocations. This fiscal strategy should include maximizing opportunities to diversify revenue streams as well as implementing measures to control spending while maintaining service delivery.

Ahead of finalisation of municipal budgets, municipalities are requested to frame their fiscal strategy with clearly outlined fiscal and budget principles and related targets.

4.1.1 Local government conditional and unconditional grant allocations

- Net reductions of R80.6 billion to main budget non-interest expenditure are identified across the three spheres of government over the MTEF in comparison to the 2023 budget estimates. Among these 2024 MTEF fiscal consolidation reductions, local government has the smallest contribution.

Over the 2024 MTEF, the local government equitable share and direct conditional grants will be reduced by a total of R15.5 billion, made up of R9.6 billion in the local government equitable share and R5.9 billion in direct conditional grants. Despite reduction, local government equitable share growth remains high with transfers to local government significantly increasing by 5.2 per cent annually, driven mainly by the strong growth of local government equitable share by 6.1 per cent. National revenue share increases by 2.6 per cent annually, while transfers to provinces grow by 3.8 per cent annually, with the equitable share growing faster than conditional grants. There were no proposed reductions on the sharing of the general fuel levy to the metropolitan municipalities.

4.1.2 Post 2023 National MTBPS changes

- Several reductions that were proposed in the 2023 MTBPS have been reversed or revised downwards, and several further cuts and other reprioritisations effected to make funds available for other government priorities. The detail regarding the reductions is outlined in MFMA Circular 128. Municipalities are encouraged to take note of the revisions.

4.2 THE REVENUE BUDGET

4.2.1 Municipal tariff structure and design

Municipalities must ensure that when tariffs are designed, the capital repayment of loans are included in the cost to determine the tariff. Municipalities must also ensure that consumption charges for services are only based on consumption and all other variable costs. Fixed costs e.g. salary and wages, etc. should be covered by a fixed charge.

A municipality must also ensure that its budgeting process addresses the requirement to maintain municipal infrastructure. New developments in a municipality should mandatorily make provision for alternative energy such as solar or wind as well as any other energy option available.

4.2.2 Setting cost reflective and affordable tariffs

National Treasury specifies that municipalities 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 at 4.9 per cent for 2024/25 and subsequently municipalities are required to justify all increases in excess of the projected inflation target for 2024/25 in their budget narratives and pay careful attention to the differential incidence of tariff increases across all consumer groups. Municipalities should include details of their revenue growth assumptions for the different service charges in the budget narrative.

As requested by Provincial Treasury, National Treasury has agreed to provide municipal training via the MFIP Advisors Programme for the Cost Reflective Tariff Tool on the 19th of March 2024 from 09h00 - 13h00. The information regarding this training session was circulated to Municipal CFOs, Municipal Managers and eMonitor Champions.

Provincial Treasury has partnered with the UCT graduate school of business to rollout a "Financial Modelling for Utility Tariff Setting course" starting in March and finalising in April 2024. The tariff design as well as the related structuring and participatory processes (in conjunction with maximising the revenue available from tariffs) are identified as key municipal sustainability factors. This Financial Modelling course provides a basic understanding of the building blocks of a tariff-setting financial model. It is envisaged to enable delegates to build a financial model that can run sensitivity analyses and provide various tariff paths.

As communicated to Municipal Managers and CFO's, municipalities were requested to nominate one official to attend the course, noting that officials will have to sign agreements to reimburse Provincial Treasury if the course is not completed. As per the course dynamics, there will be a week (22 – 26 April 2024) where the selected officials are expected to attend in person in Cape Town.

4.2.3 Electricity Tariff Increases

The approach by NERSA of using the benchmarking and guideline approach has been reviewed, set aside and declared unlawful by the High Court. The Municipal Tariff Guideline was consequently revised by NERSA to render it compliant with section 15 of the Electricity regulation Act. NERSA, SALGA and Sustainable Energy Africa have made available to all municipal licensees a simplified cost of Supply (COS) tool. This tool does not replace the need to conduct a fully-fledged COS.

This tool shows a link between the required revenue and the cost associated with supplying a category of customers, the classification of costs between fixed and variable as well as energy related, demand related and customer related costs.

The practical effect of the judgement is that all tariff applications from 2024/25 FY should be supported by a COS study – otherwise the breach becomes a contempt of court. The municipality needed to undertake such a study and if it is unable to do so; the NERSA's approved COS model should have been used as a guide to perform the study (submission deadline to the Energy Regulator is noted as the 4th of March). Licensees were required to submit three-year budget projections in a D-form format. It is noted that the increase in revenues were to be aligned to the following assumptions:

- Bulk purchase will increase by 12.72 per cent in line with Eskom's electricity tariff increase for municipalities;
- The consumer price index;(CPI)
- Salary and wage increases, which is also aligned to inflation;
- Interest rate decrease of 1 per cent in line with the Reserve Bank forecast for 2024/25;
- Other expenses increased by CPI; and
- Sales forecast assumption should be realistic and practical taking into account historical sales trend analysis.

As per the SIME assessment, Provincial Treasury will assess electricity tariffs within the aforementioned band ranges as per the municipal quantum differential. This is based on NERSA's letter informing electricity distributors that the guideline and benchmarks that had been supplied in the past will no longer be published for annual electricity distributor tariff price increases; as each distributor's tariff increase will be based on related costs.

Provincial Treasury notes that a revenue requirement template had been developed for municipalities to complete their 2023/24 projections and revenue requirements for the 2024/25 financial year. It is acknowledged that municipalities applying for an increase that is outside of the above assumptions will have to justify their increases to the Energy Regulator and the approval will be based on the following requirements:

- The additional revenue should be quantified per customer category, including the forecast sales assumptions; and
- A detailed plan on the projects on which the additional funds will be used should be provided.

4.3 Property Rates

As emphasised by National Treasury, municipalities are to reconcile their most recent consolidated valuation roll data to that of the current billing system data to ensure that revenue anticipated from property rates is realistic. This will also facilitate compliance with the provisions of section 23 of the MPRA; as well as compliance with section 8(1) in terms of specifying the billing methodology within the municipal policy. An additional dimension would be to reconcile this information with the Deeds Office registry.

Municipalities should implement a data management strategy and develop internal capacity to perform these reconciliations and investigations to improve completeness of billing. All revenue foregone as supported by municipal policies due to municipal reductions rebates and exemptions, must be accounted for.

4.4 Development Charges

A new chapter 3A in the Municipal Fiscal Powers and Functions Amendment Bill that regulates the power of the municipalities to levy/apply development charges in a uniform manner has been introduced. Once the Bill is enacted, the amendments will take effect from the next municipal financial year (commencing 1 July) or on a date prescribed by the President. These amendments will create legal certainty for municipalities to levy development charges, regulate their applicability and create a more standardised, equitable, and sustainable framework for development charges. The National Treasury will clearly articulate the budgeting and accounting requirements upon the completion of the Parliamentary processes.

The amendments to the Municipal Fiscal Powers and Functions Act (Act 12 of 2007) include 12 sections, namely:

- Power to levy development charges
- Adoption and contents of policy on development charges
- Community participation
- By-laws to give effect to policy on development charges.
- Rebate and exemption
- Engineering services agreement
- Installation of external engineering services by applicant
- Non-installation of bulk engineering services by municipality
- Bulk and link engineering services as part of internal engineering services
- Dispute resolution
- Delegations
- Financial misconduct

An in-depth assessment was applied by National Treasury, to understand the gaps and the extent of municipal capacity to implement development charges. The capacity assessment was based on the National Treasury 2018 Guidelines for the implementation of Municipal development charges in South Africa. The capacity assessment report was availed on the 30th of June 2023. Based on the gaps identified in this report – training and capacity development materials have been developed.

National Treasury conducted training for Provincial Treasuries and Municipal officials on development charges to equip municipal officials with the necessary knowledge and skills needed to effectively implement development charges in a uniform manner, in line with the new Municipal Fiscal Powers and Functions Amendment Bill. The training was centered around the updated 2018 Guidelines for the implementation of development charges, including the excel calculator.

Municipalities are encouraged to familiarise themselves with the proposed Municipal Fiscal Powers and Functions Amendment Bill and the updated 2018 Guidelines for the implementation of development charges. As highlighted above, the objective is to enhance uniformity in the implementation of development charges in the province.

National Treasury has identified development charges as an important infrastructure financing mechanism and has taken steps to facilitate the more effective use in the municipal financing mix. Development charges envisaged as a cost sharing measure between municipalities and the developers, could assist in easing some fiscal pressures on municipalities. This relates to funds recouped from levying development charges, which could be redirected to other underfunded priorities.

4.5 New support mechanisms for revenue management

● New conditional grant for smart prepaid meters

In 2024/25, a new indirect grant will be implemented, overseen by the National Treasury. Municipalities will have a significant opportunity to participate in the debt alleviation program thanks to this grant. While debt relief is an essential part of helping financially distressed municipalities, it's also imperative to give municipalities the resources and money they need to enhance their day-to-day operations and long-term viability. In order to provide municipalities with the financial support

they need to manage their utilities more effectively—by guaranteeing timely and accurate billing, cutting losses, and improving operational sustainability—this new indirect conditional grant for smart prepaid meters is an important first step. Municipalities will have the ability to manage their utility services effectively and efficiently, including the provision of energy and water. The grant will initially focus on providing support to municipalities that are part of the Municipal Debt Relief programme but is expected to be expanded to other municipalities in future. Western Cape municipalities that form part of the debt relief programme are encouraged to apply for funding and can request the Provincial Treasury to assist them with their applications.

■ **Transversal Tender RT-29**

The National Treasury is in the process of finalising the RT-29 transversal tender for a smart metering solution, and the appointed panel is available to all municipalities from March 2024. Targeted in the transversal tender are smart meter solutions for load reduction, compliance with STS meters, and water and electricity functions. Municipalities will be able to install bi-directional smart metering systems thanks to it as well. Municipalities are urged once more to investigate the RT-29 transversal tender, which offers a competitive pricing comparison and procurement cost savings, before entering into any contracts for smart metering systems or solutions. Municipalities interested in participating in the RT-29 transversal should send an email to TCcontract1@treasury.gov.za, the Office of the Chief Procurement Officer (OCPO), expressing their interest. These localities have to provide proof of a budgetary allocation in the current budget and future budgets for participation.

4.6 Additional risks to revenue

■ **Traffic Services**

Municipalities are reminded of the implementation of the Administrative Adjudication of Road Traffic Offences (AARTO) Act which will come into effect on 01 July 2024. Over and above the financial implications of the new system, the legislation places additional administrative responsibilities on municipalities which will increase the cost of employment and new systems will have to be introduced. Municipalities are encouraged budget for these additions accordingly.

■ **STS TID Pre-paid roll-over process**

Municipalities should be aware of the nature of this roll-over process and why the timeous completion thereof will strengthen municipal financial sustainability. Provincial Treasury notes that most municipalities are using of service providers (or existing vendors) to facilitate the roll-over process and that adequate financial provision has been made to reset all meters within the municipal jurisdiction. Municipalities must however consider making provision for contingency funding to support the roll-over of pre-paid meters within the Eskom designated areas. Eskom is responsible to reset these meters, but based on current progress reports, municipalities must prepare for the likelihood that not all households will be serviced before the deadline in November 2024. The STS TID process must therefore be added to the municipal risk register in cases where the deadline will not be met.

4.7 THE EXPENDITURE BUDGET

4.7.1 Cost Containment

The National Treasury is still working on reviewing the Municipal Cost Containment Regulations (MCCR) (2019) to allow for a more differentiated approach. Municipalities should in the interim continue to set clear and quantifiable targets as part of its cost cutting commitments and to timeously adhere to the MCCR reporting requirements. Failure to comply with the terms of the Regulations will constitute financial misconduct as defined in sections 171 and 172 of the MFMA. The failure to timeously submit the in-year and annual returns as required by the Regulations will

furthermore amount to noncompliance with section 74 of the MFMA (General Reporting Obligations).

Please consult MFMA Circulars 82 (2016), 97 (2019) and 10 (2023) for further guidance especially as it relates to following a strategic approach towards cost containment.

4.7.2 Cost Drivers

It is crucial for each municipality to critically review the cost drivers within its expenditure framework ahead of the tabling of the 2024/25 budget. Some of the most prominent expenditure drivers to be considered as part of a municipality's budget assumptions are as follows:

- *Cost of Employment:* The Salary and Wage Collective Agreement for the period 1 July 2021 to 30 June 2024 has come to an end and a new agreement is under consultation, which is anticipated to consider 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), National Treasury has advised municipalities to consider their financial sustainability when considering salary increases.

Budget assumptions should account for wage increases and the potential to reduce costs through management of overtime, allowances and other related costs. The growth in the total cost of employment can also be managed through reducing staff numbers through attrition. In the absence of clarity on the collective bargaining agreement, municipalities are advised to target maintaining or gradually reducing cost of employment as a share of total expenditure. If the collective bargaining agreement is more costly than is provided for in a municipality's budget assumptions, then these other measures will have to be applied more aggressively to manage the overall cost of employment to the municipality.

Municipalities are reminded that National Treasury has set specific norms to measure municipal staff remuneration as a percentage of the overall operating budget (between 25 per cent – 40 per cent) as well as expenditure on contracted services as a percentage of the overall operating budget (between 2 per cent – 5 per cent). PT will closely monitor the ratio result outcomes heading into the budget assessment process however, cognisance of the fact that the results should be seen within the context of each individual municipality's service delivery model, powers and functions is taken into consideration

- *Provision for indigent households:* The Local Government Equitable Share provides a subsidy for a basic level of free services to indigent residents. Although the allocation per poor household has been increased in 2024/25, the formula has not been updated to account for estimated household growth. This has a significant impact on equitable share allocations in 2024/25 and over the MTREF. National Treasury has indicated that household growth will only be accounted for once "the 2022 Census data has been evaluated and decisions made." In the 2024/25 MTREF several municipalities will face financial pressures to provide for an anticipated increase in indigent households. Municipalities are advised to critically review their own criteria for identifying and registering indigents while carefully considering the indigent subsidy basket in line with available resources. Any changes to indigent policies must be clearly communicated and consulted on through the municipality's budget process.
- *Increase in fuel prices:* Fuel price inflation cooled in December 2023, but the annual fuel price inflation was still 3.3 per cent in January 2024. Fuel is an essential cost element associated with the provision of basic service and municipalities must accordingly budget in line with the latest fuel price inflation projections. Municipalities must also consider the latest fuel and oil price increased announced in the National Budget.

- As loadshedding persists, municipalities are advised to continue to make additional provision for the fuel costs associated with alternative power solutions (such as generators). Municipalities are advised to provide for at least the volumes of fuel that have been consumed monthly for additional generator usage.
- *Natural Disasters and unforeseen expenditure:* Budgeting must ensure that the cash position of the municipality provides that in the event of a natural disaster, the municipality must have resources to be able to effectively respond to emergencies and provide relief and immediate recovery efforts. While such provisions will buffer the financial impact of disasters, it is vitally important to ensure that effective risk mitigation strategies and response plans are in place. Collaboration with other stakeholders is also key to ensure that municipalities (especially at a district level) can quickly leverage resources and expertise for improved disaster preparedness and responses. Municipalities are advised to review and revise (where applicable) their insurance coverage to offset financial losses being incurred.

Municipalities are further advised to prioritise timeous repairs and maintenance to ensure that the existing asset base is adequately prepared to handle the impact of natural disasters, especially flood damage. Additional costs associated with facilitating disaster responses include provision for overtime, the use of consultants and external service providers. Municipalities are further expected to make use of skilled and experienced consultants and service providers to assist with the transition to renewable energy sources.

- *Impact of loadshedding:* Municipalities expressed the concern that loadshedding does not only result in the additional need for repairs and maintenance, but in certain instances causes the complete breakdown/failure of electricity and water assets. As many of these assets were not soon due for replacement or renewal, no provision for their replacement would have been made in the MTEF budget. Municipalities should consider increasing their capital replacement reserve contribution to provide for such asset replacement and renewals. This would recognise that the need for replacement or renewal of these assets is likely to be required much earlier than originally planned.
- *Security services:* Provincial Treasury is acutely aware of the extent to which organised criminal groups or the so-called “construction mafia” is negatively impacting on the entire municipal value chain i.e. occupying construction sites, manipulating bidding processes, collusion, extortion; violence and intimidation; and disregarding environmental and safety standards. Overall, the influence of organised crime weakens the entire municipal governance structure. While PT acknowledges that addressing the impact of the construction mafia requires a formal policy response and a concerted efforts from all spheres of government to strengthen institutional resilience against organised crime networks, municipalities must in the interim factor in potential project delays when developing its capital works plan for the new financial year.

Municipalities should further thoroughly review the impact of general crime (theft, vandalism) on its asset base ahead of the new financial year and where needed, make sufficient provision to safeguard property, plant and equipment.

4.8 THE CAPITAL EXPENDITURE BUDGET

- Infrastructure investment remains a key driver of economic growth. Municipalities budgeted more for infrastructure investment than provincial departments in the Western Cape, with a total of R15.8 billion in capital spending in their 2023/24 original budgets, compared to the R11.2 billion in the province’s 2024/25 budget. However, in-year monitoring reports consistently note that municipalities struggle to spend their full capital budgets and this underperformance is confirmed in the annual financial statements. **Improving capital spending is a key priority for enabling**

economic growth and will remain an important focus of the SIME engagements this year.

Municipalities need to plan for an appropriate capital funding mix and then ensure that they put in place appropriate project preparation and procurement planning to be able to deliver on their planned capital spending.

- Municipalities are reminded that a firm's decision to invest is influenced by factors such as infrastructure and land availability, the institutional and regulatory environment, skills availability and innovation levels and the availability of enterprise support and finance. Municipalities have key roles that influence a decision to invest and expand in a particular space. Poorly performing spaces – such as industrial parks, CBDs, logistics hubs, townships – discourage investment and encourage disinvestment. Poorly performing economic assets, such as roads, ports, rail, communications, do the same. Many of the reasons for poor performing spaces and assets lie within the ambit of the public sector, but not all within the local sphere. In some instances, municipalities are directly responsible for what needs to be done, in other areas the municipality needs to mediate inter-governmental solutions.

Municipalities are further reminded of the update to the National Policy Framework for Municipal Borrowing and Financial Emergencies was approved on the 17 August 2022. The Policy Framework is accessible at this [link](#). Key reforms introduced in this regard include:

- Measures to expand the scope of responsible municipal borrowing and create the environment for more players (e.g. insurers, pension funds, institutional investors, fund managers and international Development Finance Institutions) to take part in the municipal debt market. In particular, the participation of private and public sector market participants in the development of a liquid secondary market for municipal debt securities is encouraged. This is incorporated while ensuring that the core principles underlying municipal borrowing are maintained, namely that credit worthy municipalities should borrow responsibly to finance capital investments whilst confirming that there will be no bailouts by provincial or national government as stipulated in section 51 of the MFMA.
- Clearer definition of the role of Development Finance Institutions (DFIs) to ensure that their lending does not crowd out the private sector. DFI's are encouraged to pursue clear and agreed upon developmental goals and public-sector lenders should be guided by social and developmental investment approaches where social outcomes are considered alongside potential financial returns.
- The updated policy allows for and clarifies innovative infrastructure financing mechanisms (such as pooled financing mechanisms, project finance, tax increment financing, revenue bonds and pledging of conditional grants) that municipalities can use to leverage municipal borrowing.

4.9 PROCUREMENT PLANNING

- MFMA SCM Regulation 10 requires municipalities to provide for an effective system of demand management.
- MFMA Circular 94 requires that municipalities table the budget, SDBIP & Procurement Plan simultaneously to ensure continuity of the planning process and institutionalising the application of the supply chain management processes within the overarching planning cycle.
- Municipalities are therefore requested to submit their approved Procurement Plans for the 2024/25 financial year to the Provincial Treasury, in accordance with the provisions of Annexure A to MFMA Circular 62.

Municipalities are further requested to identify:

- Predetermined, specific projects for which municipalities require support throughout the procurement process, i.e. inputs during the Bid Specification or Evaluation Committee stages. Examples of such projects include those which relate to unfamiliar goods/services, are inherently complex, include alternative financing models, etc. This may include capital/infrastructure projects or 'routine' projects.
- Commodities or project types where provincial or district contracts could be concluded in partnership with the Provincial Treasury. Municipalities are assured that the Provincial Treasury will determine appropriate mechanisms for such contracts within the confines of the applicable regulatory frameworks, to prevent any unfavourable audit findings.

4.10 ASSET MANAGEMENT

The Provincial Treasury has undertaken research into the maturity of asset management across the municipal sphere within the province, and intends to share its findings and recommendations with municipalities during the SIME process, with a focus on:

- Electronic recordkeeping or the lack thereof ('dark data'); and
- Readiness for the adoption of a computerized maintenance management system (CMMS).

5. 2024/25 STRATEGIC INTEGRATED MUNICIPAL ENGAGEMENTS (SIME) PROCESS

5.1 Municipal Budget Day

According to sections 16(2) and 17(3)(d) of the MFMA, the Mayor of a municipality must table the annual budget at a council meeting at least 90 days (i.e. by 31 March 2024) before the start of the budget year.

It is important to note that there is no explicit requirement for council to endorse or approve the tabled budget or draft IDP tabled by the mayor for public participation. The municipal council only has the legal authority to consider a tabled budget and draft IDP after the completion of one or more public participation processes undertaken pursuant to section 22, read with section 23 of the MFMA. Council will only consider for approval "the product of an inclusive budget preparation and consultative process" when the proposed annual budget (as amended, if applicable) is tabled before council in terms of section 24(1) of the MFMA.

Given that the preparation, consultation, adoption and implementation of a municipality's annual budget is inextricably linked to, and must be substantially aligned to and informed by the contents of that municipality's Integrated Development Plan (IDP), it would be procedurally flawed for the mayor to proceed with the tabling of the proposed annual budget (and commence with public participation process required in terms of section 22 of the MFMA) at a time when the municipality's draft IDP has not been completed.

5.2 Failure to Table Draft Budgets and IDPs by End March 2024

If a municipality has failed to complete the relevant processes applicable for the review and revision of the annual budget and the compilation of an IDP in time for the deadline applicable to the tabling of the proposed annual budget (i.e. 31 March), the mayor must submit an application for an extension of the said deadline. As per section 27 of the MFMA, the mayor of a municipality must, upon becoming aware of any non-compliance by the municipality of any provisions of the Act or any other legislation pertaining to the tabling or approval of the annual budget or compulsory consultation processes, inform the MEC for Finance in the province in writing of any non-compliance.

If the impending non-compliance pertains to a time provision, except section 16(1) of the MFMA, the mayor may apply to the MEC for Finance for an extension, which must be in accordance with Schedule G of the Municipal Budget and Reporting Regulations (MBRR). In addition to the requirement to inform the MEC of impending non-compliance with the MFMA, mayors and accounting officers are requested to inform PT should they have reasons to believe that their municipality's budget might not be tabled/approved timeously due to dynamics in council. This will enable PT to engage with municipal officials to prepare for any possible action (including in terms of 139(4) of the Constitution) that may be required if a budget is not adopted.

In the event of actual non-compliance by a municipality with time provisions concerning the annual budget, the mayor must inform council, the MEC for Finance and NT, in writing, of such non-compliance and any remedial action or corrective measures the municipality intends to implement. Such a notification must be done in accordance with section 63 and Schedule G of the MBRR.

Municipalities are cautioned that any delay to table the budget in terms of section 16(2) of the MFMA could compromise the ability to approve the budget before the start of the financial year as required by section 16(1) of the MFMA. Failure to approve the budget before the start of the financial year will automatically invoke the provisions of sections 25(1) and 55 of the MFMA. Should a municipality not approve the budget by the start of the new financial year, the provincial executive MUST intervene in terms of section 139(4) of the Constitution by taking any appropriate steps to ensure that the budget or revenue-raising measures are approved. These steps include, but are not limited to, dissolving council and appointing an administrator and approving a temporary budget or revenue raising measures to provide for the continued functioning of the municipality.

Municipalities are kindly requested to communicate any changes to the confirmed tabling dates (as it appears in **Annexure A** to PT via Tania.Bosser@westerncape.gov.za by **18 March 2024**.

5.3 Submitting Budget Documentation and Schedules For 2024/25 MTREF

5.3.1 Municipal Standard Chart of Accounts (mSCOA)

Version 6.8 of the chart will be effective from 2024/25 and must be used to compile the 2024/25 MTREF. The linkages to chart version 6.8 can be downloaded from GoMuni on the following link under the mSCOA/ List mSCOA WIP account linkages menu option.

The reports on the Local Government and Reporting System (LGDRS) are populated from financial and non-financial data strings. Municipalities must use the linkages on GoMuni referred to above and not the formulas in the regulated Municipal Budget and Reporting (MBRR) Schedules when generating their A schedule from the financial system.

In terms of the mSCOA Regulations, municipalities must generate the regulated MBRR schedules that is tabled and adopted by Council directly from their financial ERP systems and not import or captured it on the system at a later stage. This is necessary to ensure that there is 'one version of the

truth', namely the data in the financial ERP system is the same as the report tabled and adopted by Council and the information submitted to the National Treasury and other stakeholders.

5.3.2 Submission of budget documents and mSCOA data strings

Section 22 (b)(i) of the MFMA requires that, immediately after an annual budget is tabled in municipal council, it must be submitted to NT and the relevant provincial treasury. Please note that **due date of submission of the electronic budget documents and corresponding mSCOA data strings is within 24 hours after tabling by Council.**

Section 24(3) of the MFMA, read together with regulation 20(1) of the MBRR, requires that the approved annual budget must be submitted to both National Treasury and the relevant provincial treasury within ten working days after the council has approved the annual budget.

The accompanying document submission checklist (**see Annexure B**) provides a list of the documentation required by Provincial Government. Electronic budget and IDP related documents must be provided in PDF format. The designated municipal official needs to complete and sign the accompanying checklist (**Annexure B**) as confirmation that the set of budget, IDP and related documents have been submitted.

Municipalities should note that NT will no longer accept submissions by email, NT will now only accept uploads via the GoMuni portal. The development work on the GoMuni Upload portal was concluded and municipalities must submit all documents required for the 2024/25 MTREF in terms of legislation, as per the guidance provided in MFMA Circular No 126 (2023), via the **GoMuni Upload Portal**.

Municipalities can also submit electronic documents to **Provincial Treasury** to: MFMA.MFMA@westerncape.gov.za or if too large (exceeds 3 MB), must be submitted via One Drive. Instructions for uploading the budget and related documents via **One Drive** are provided in **Annexure C**.

If municipalities require advice with the compilation of their respective budgets, they should direct their enquiries to the following WC Provincial Treasury officials:

Directorate	Official	Tel. No.	Email
MFMA Coordination	Dian Cronje	021 483 0390	Dian.Cronje@westerncape.gov.za
Public Finance	Isaac Tsie	021 483 6241	Isaac.Tsie@westerncap.gov.za
	Thobelani Ntshingila	021 483 6100	Thobelani.Ntshingila@westerncape.gov.za
Budget Office	Nadia Rinqest	021 483 8692	Nadia.Rinqest@westerncape.gov.za
	Kim Engel	021 483 8459	Kim.Engel@westerncape.gov.za
Fiscal Policy	Malcolm Booysen	021 483 3386	Malcolm.Booyesen@westerncape.gov.za
Cash Management	Anthea Paries	021 483 5472	Anthea.Paries@westerncape.gov.za
Accounting	Faez Salie	021 483 4252	Faez.Salie@westerncape.gov.za

Municipalities may also contact the following officials at NT for assistance.

Responsible Area	Official	Tel. No.	Email
Western Cape	Willem Voigt	012 315 5830	WillemCordes.Voigt@treasury.gov.za
	Enock Ndlovu	021 315 5385	Enock.Ndlovu@treasury.gov.za
Cape Town	Kgomotso Baloyi	012 315 5866	Kgomotso.Baloyi@treasury.gov.za
George	Mandla Gilimani	012 315 5807	Mandla.Gilimani@treasury.gov.za
Technical issues with Excel formats	Sephiri Tlhomeli	012 406 9064	lgdataqueries@treasury.gov.za

5.4 Publication of budgets on municipal website

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

5.5 Strategic Integrated Municipal Engagement (SIME) Process

Integrated planning and budgeting focusses on strengthening the alignment of planning and budgeting in the Province, and places emphasis on enhancing the provincial and local government interface. The SIME engagements, which takes place in April/May 2024, precedes the approval and implementation of municipal budgets. The engagements afford the WCG the opportunity to provide feedback on its assessment of the municipal planning and budgeting efforts for the upcoming financial year and for the 2024 MTREF.

The assessments are based on compliance and performance information obtained from the Western Cape Monitoring and Evaluation System (WCMES) as well as an assessment on conformance, responsiveness, credibility, and sustainability of the municipality's draft budget, IDP, SDF and supporting plans. It is therefore important that all Municipalities timeously submit all the required information. The assessment of the tabled IDPs will be undertaken by the Department of Local Government, in close contact with all relevant sector departments in the Province impacting on municipalities, to ensure alignment between the IDPs and all the Provincial strategic priorities and plans.

The SIME engagements will focus on strategic issues emanating from municipalities' draft IDPs and tabled annual budgets to gear municipalities for sustainable growth and development. A differentiated approach to the engagements and a focused agenda including matters pertinent to specific municipalities will be shared with municipalities beforehand.

The overall objectives of the 2024/25 SIME process and the key messages therefore emphasise:

- **Aligning strategic intent as encapsulated within the Integrated Development Plans (IDP) and municipal budgets** to create public value based on the community needs/priorities identified through the public participation processes;
- **Safeguarding of municipal sustainability** by ensuring that municipalities table funded budgets and the strengthening of municipal financial management;
- **Ensure optimal and targeted service delivery** through strategic spatial planning and alignment;

- **Deepening of an integrated approach to service delivery** with the intention of creating synergies through the consolidation/concentration of resources across all spheres of government; and
- **Identification of areas that require support** as well as opportunities for collaboration and partnerships.

The 2024 SIME engagements are planned to be in person, with site visits at selected municipalities. Confirmation of the engagement and site visit arrangements will be confirmed individually with each municipality.

- The SIME engagements are provisionally scheduled to take place from 29 April 2024 to 17 May 2024, subject to confirmation from the municipalities. PT is currently in communication with each Municipality to confirm the date and time of each of the engagements.

6. NATIONAL AND PROVINCIAL GOVERNMENT ELECTIONS

- In closing, National and Provincial Government Elections are planned for 29 May 2024. Elections are significant occasions because they allow us to select representatives of the people who will lead government for the ensuing five years, thus reinforcing our commitment to democratic and transparent governance.
- Political campaigning is an important feature of an open and democratic society. Many municipal spaces and infrastructure will be used during the campaigns (from stadiums to lamp posts). Municipal administrations must make sure that they do not allow any impression of partisan bias in the way their policies and practices allow for the use of municipal facilities.
- Municipalities are also reminded of the regulatory framework set out in the MFMA and 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. Municipalities must also not adjust the implementation of any of their standing policies (including credit control and debt collection) due to election pressures.

7. CONCLUSION

Municipalities should consider and apply the contents of this budget circular in the 2024/25 planning and budgeting process. We wish you well in the finalization of your 2024/25 MTREF budgets.

Please direct any queries regarding this circular to Nadia Rinquist at:
Nadia.Rinquist@westerncape.gov.za.

Julinda
Gantana

Digitally signed by
Julinda Gantana
Date: 2024.03.18
11:12:09 +02'00'

MS J GANTANA
HEAD OFFICIAL: PROVINCIAL TREASURY

CONFIRMED 2024 BUDGET TABLING DATES

Municipality	Confirmed date
City of Cape Town	Wednesday, March 27, 2024
Matzikama	Tuesday, March 26, 2024
Cederberg	Thursday, March 28, 2024
Bergrivier	Tuesday, March 26, 2024
Saldanha Bay	Thursday, March 28, 2024
Swartland	Thursday, March 28, 2024
West Coast District Municipality	Wednesday, March 27, 2024
Witzenberg	Thursday, March 28, 2024
Drakenstein	Thursday, March 28, 2024
Stellenbosch	Wednesday, March 27, 2024
Breede Valley	Tuesday, March 26, 2024
Langeberg	Wednesday, March 27, 2024
Cape Winelands District Municipality	Wednesday, March 20, 2024
Theewaterskloof	Wednesday, March 27, 2024
Overstrand	Wednesday, March 27, 2024
Cape Agulhas	Thursday, March 28, 2024
Swellendam	Thursday, March 28, 2024
Overberg District Municipality	Monday, March 25, 2024
Kannaland	Monday, March 25, 2024
Hessequa	Wednesday, March 27, 2024
Mossel Bay	Thursday, March 28, 2024
George	Wednesday, March 20, 2024
Oudtshoorn	Wednesday, March 20, 2024
Bitou	Thursday, March 28, 2024
Knysna	Thursday, March 28, 2024
Garden Route District Municipality	Thursday, March 28, 2024
Laingsburg	Thursday, March 28, 2024
Prince Albert	Tuesday, March 26, 2024
Beaufort West	Thursday, March 28, 2024
Central Karoo District Municipality	Wednesday, March 27, 2024

**DOCUMENT SUBMISSION CHECKLIST
FOR THE 2024/25 TABLED INTEGRATED DEVELOPMENT PLAN, BUDGET, AND RELATED
DOCUMENTATION**

MUNICIPALITY: _____

In completing and signing the Budget and IDP documentation checklist below, the municipality confirms that Schedule A1 **complies with the Municipal Budget and Reporting Regulations (MBRR)** and that the main tables and the relevant supporting tables (as listed below) are in **version 6.8** of Schedule A1 and **drawn directly from the municipal financial system**.

The Integrated Development Plan as set out in Section 25, 26, 32 and 34 of the Local Government: Municipal Systems Act, No 32 of 2000 and Regulations (MSA) and Section 21 of the Local Government Municipal Finance Management Act 56 of 2003 (MFMA).

The Spatial Development Framework, Disaster Management Framework and additional documents must be submitted as required in terms of budget circulars.

Budget Documentation	Yes	No	N/A
1. A1 Schedule			
2. Budget Document			
3. Council Resolution			
4. Quality Certificate			
5. IDP Draft			
6. SDBIP Draft			
7. Spatial Development Framework			
8. Long Term Financial Strategies			
9. Service Standards			
10. Rates Billing			
11. Tariff List			
12. Property Rates			
13. Tariff Policies on:			
a. Property Rates and Service Charges			
b. Borrowing			
c. Budget Implementation and Management			
d. Cash Management and Investment			
e. Credit Control and Debt Collection			
f. Funding and Reserves			
g. Indigents			
h. Long-term Financial Planning			
i. Management and Disposal of Assets			
j. Infrastructure Investment and Capital Projects			
k. Supply Chain Management			

Budget Documentation	Yes	No	N/A
14. mSCOA Road Map			
15. Fixed Asset Register			
16. Funding Plan			
17. Indigent Register			
18. General Valuation Roll (GVR)			
IDP and Related Documentation			
Council Resolution in terms of the tabled amended IDP			
Proposed amendments to the IDP			
The memorandum referred to in Regulation 3(2) of the Local Government: Municipal Planning and Performance Management Regulations of 2001			
A copy of the predetermined programme, in light of the requirements of section 29(1) of the Municipal Systems Act 32 of 2000, which the municipality is utilizing to guide the process for the drafting, consideration and adoption of the proposed IDP Amendment			
Spatial Development Framework			
<i>Council Resolution in terms of the adoption of the Spatial Development Framework</i>			
Applicable Disaster Management Plan			
<i>Council Resolution in terms of the adoption of the Disaster Management Plan</i>			
Integrated Waste Management Plan			
<i>Council Resolution in terms of the adoption of the Integrated Waste Management Plan</i>			
Air Quality Management Plan			
<i>Council Resolution in terms of the adoption of the Air Quality Management Plan</i>			
Coastal Management Plan (Coastal Municipalities only)			
<i>Council Resolution in terms of the adoption of the Coastal Management Plan</i>			
Biodiversity Management Plan (if relevant)			
Invasive Species Monitoring, Control and Eradication Plan			
Climate Change Strategy			
Human Settlements Plan			
Local Economic Development Strategy			
Water Services Development Plan			
Storm Water Master Plan			
Integrated Transport Plan			
Electricity Master Plan			

MUNICIPAL REPRESENTATIVE:

Designation: _____

Name: _____

Signature: _____

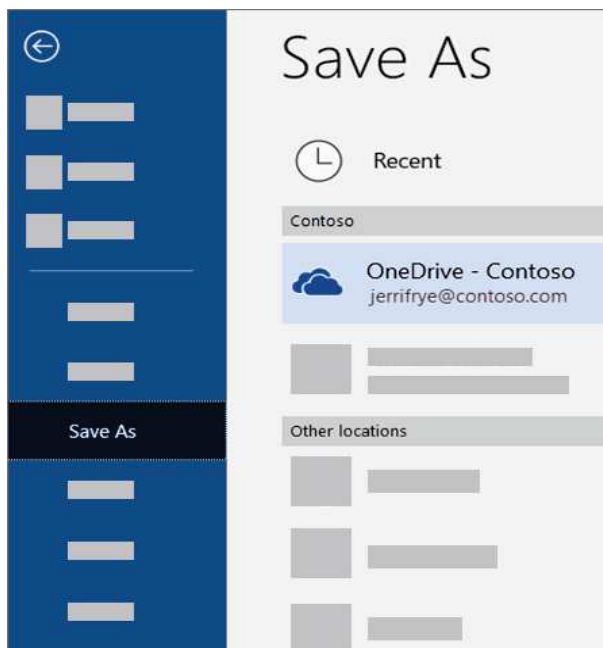
Date: _____

The following instructions provide a guide for the upload of budget documentation onto OneDrive.

● **How to upload documents to One drive:**

You can use this option if you have OneDrive linked to your Microsoft Office or Office 365

1. In any Office document, select File > Save As, choose your OneDrive, and then pick the folder where you want to save the file. Create a new folder (e.g. DC1 2024 Budget Documents) and place all the budget related documents within it.



2. To share the link to that folder, Go into OneDrive
3. Select the file that you want to share and right click on it
4. Choose "share"
5. Ensure that sharing is defaulted to "Anyone with the link can edit"
6. Enter the MFMA email address: MFMA.MFMA@westerncape.gov.za and email addresses of anyone else that you want to share the link with.
7. Click the Share Button

File names in following sequence for budget related documents to be submitted to MFMA:

- Demarcation code
- "ccyy" century and year (eg.2024)
- Name of document submitted (e.g. Draft Budget, Draft IDP, Draft SDBIP etc.)

E.g.: DC1 2024 Draft Amended IDP

E.g.: DC1 2024 MTREF Main Budget

E.g.: DC1 2024Draft SDBIP

NB! Please note the Dropbox option is blocked on the government network and the OneDrive option is to be utilised.



Uniform Financial Ratios and Norms

The purpose of this Circular is to provide a set of uniform key financial ratios and norms suitable and applicable to municipalities and municipal entities. Section 216 (1)(c) of the Constitution and section 2 of the Municipal Finance Management Act (MFMA) enable National Treasury to introduce uniform treasury norms and standards to ensure sound and sustainable management of fiscal and financial affairs of municipalities and municipal entities.

A number of institutions currently use a variety of financial ratios and norms to assess and compare the financial health and performance of municipalities. Municipalities also use different financial ratios and norms to assess their own performance and set benchmarks for improvement to be measured over time. Results of our research show that there are in excess of two hundred different sets of financial ratios, with different derivatives used to assess municipality's financial status. This results in conflicting interpretation, inconsistent application and misunderstanding of the financial status of a municipality, often with incorrect diagnosis of the challenges and therefore inappropriate responses.

This Circular aims to bring consistency in interpretation and application of certain financial information using standardised financial ratios. It is important that any one of these ratios should not be read in isolation of one another, as this could lead to distortions in interpretation. Ideally, a number of interrelated ratios should be analysed together in order to get a broader picture of a municipality's or municipal entity's financial performance. When used in a combined manner analysis of different ratios will provide policy makers and the public with a very good sense of the financial status of the municipality and its entity. This Circular will also assist in municipalities being able to identify areas of financial management that need constant monitoring and improvement.

The Circular addresses different categories of ratios norms, interpretation and covers various aspects of a municipality's finances, such as financial position, financial performance and budget implementation, so that these can be used as part of in-year and end of year analysis. This will also aid in long-term financial planning and can be used to track progress over a number of years. Each ratio is explained to remove ambiguity and misinterpretation. The source of such information is also explained in the annexures to this Circular. Norms or standards have been assigned to each financial ratio, which are explained later in this Circular.

Categorisation Financial Ratios, Formulas, Norms and Interpretation

Categorisation

In order to perform a holistic financial analysis of a municipality or municipal entity all financial aspects of the institution should be considered. Ratios are divided into various

categories to address the different financial aspects and operations of a municipality or municipal entity.

- 1) **Financial Position**
- 2) **Financial Performance**
- 3) **Budget Implementation**

Financial Ratios, Formulas, Norms and Interpretation

The ratios presented in this Circular are categorised in accordance with the previous section, and are presented in further detail to include the following:

- Purpose/ description of the Financial Ratio;
- Formula to be Used;
- Norms per Ratio; and
- Interpretation of Ratio Analysis Results.

Tables that provide a summary of the financial ratios, formulas, data source and norms are presented in Annexure 1.

1. FINANCIAL POSITION

A. Asset Management

1. Capital Expenditure to Total Expenditure

Purpose/Description of the Ratio

This Ratio is used to assess the level of Capital Expenditure to Total Expenditure, which indicates the prioritisation of expenditure towards current operations *versus* future capacity in terms of Municipal Services.

Formula

Total Capital Expenditure / Total Expenditure (Total Operating Expenditure + Capital Expenditure) × 100

Norm

The norm range between **10% and 20%**

Interpretation of Results

When assessing the level of Investment in Assets, a ratio less than 10% reflects lower spending by the municipality in infrastructure and holds potential risks to service delivery. A ratio of more than 20% reflects higher spending on infrastructure and acceleration in service delivery, but could also hold financial sustainability risks if the infrastructure do not include both economic (revenue generating) and social type infrastructure.

The environment of the municipality should be considered when assessing the level of Investment in Assets. A municipality that has already invested in assets to address service delivery backlogs, would be required to maintain and improve such service levels, and therefore the percentage of spending allocated to new assets may not be significant higher.

On the other hand a municipality where the infrastructure and level of services provided is low and the associated expenditure is also low, the percentage of investment in new assets to total expenditure would be significantly higher.

The results from this ratio should be read together with the results from the analysis of the funding mix for capital expenditure.

It is critical that capital expenditure is largely directed toward service delivery infrastructure and not administrative assets.

2. Impairment of Property, Plant and Equipment and Investment Property and Intangible Assets (Carrying Value)

Purpose/ Description of the Ratio

Asset impairment refers to the loss in future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation.

This implies that the utilisation of assets did not deliver the value or service levels envisaged when approval was originally obtained for procuring the assets. When the approval is obtained to invest in Property, Plant and Equipment or Intangible Assets by the Municipality or Municipal Entity, the value should be realised through utilisation and reflected as Depreciation and not through unexpected losses due the Impairment of Property, Plant and Equipment or Intangible Assets. Impairment is therefore unexpected and only detected when the assessment for Impairment is performed as per the requirements of the applicable GRAP standards. It is therefore not planned for or expected and will not be budgeted.

Formula

Property, Plant and Equipment + Investment Property + Intangible Assets Impairment/ (Total Property, Plant and Equipment + Investment Property + Intangible Assets) x 100

Norm

The norm is **0%**

Interpretation of Results

The purpose of the Ratio is to indicate the percentage of Impairments compared to the Carrying Value of the Assets; a ratio above 0% reflects a risk in service delivery and therefore corrective measures should be implemented.

3. Repairs and Maintenance as a % of Property, Plants and Equipment and Investment Property (Carrying Value)

Purpose/ Use of the Ratio

The Ratio measures the level of repairs and maintenance to ensure adequate maintenance to prevent breakdowns and interruptions to service delivery. Repairs and maintenance of municipal assets is required to ensure the continued provision of services.

Formula

Total Repairs and Maintenance Expenditure / Property, Plant and Equipment and Investment Property (Carrying Value) x 100

Norm

The norm is **8%**

Interpretation of Results

A ratio below the norm is a reflection that insufficient monies are being spent on repairs and maintenance to the extent that it could increase impairment of useful assets.

An increasing expenditure trend may be indicative of high asset-usage levels, which can prematurely require advanced levels of Repairs and Maintenance or a need for Asset Renewal / Replacements. Also, should an increasing expenditure trend suddenly drop to lower levels without an increase in the fixed asset value, this may be indicative of challenges in spending patterns. This may also indicate that the Municipality is experiencing cash flow problems and therefore unable to spend at

appropriate levels on its repairs to existing assets or purchase of new assets thus impacting negatively on service delivery.

B. Debtors Management

1. Collection Rate

Purpose/ Use of the Ratio

The Ratio indicates the collection rate; *i.e.* level of payments. It measures increases or decreases in Debtors relative to annual billed revenue. In addition, in order to determine the real collection rate bad debts written-off is taken into consideration.

Formula

Gross Debtors Opening Balance + Billed Revenue – Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100

Norm

The norm is **95%**

Interpretation of Results

Assessing the Collection Ratio will provide an indication of the performance against a number of areas, for example:

- Quality of Credit Control - ensuring that what is billed is collected; and
- Quality of Revenue Management - the ability to set affordable tariffs and bill correctly.

If the ratio is below the norm this is an indication that revenue collection of the municipality requires urgent attention and corrective measures should be implemented. A municipality with outstanding debtors should aim at achieving a collection rate of more than 100%. The results from this ratio should be viewed along with results from the age analysis and net debtor's day's ratio.

2. Bad Debts Written-off as % of the Bad Debt Provision

Purpose/ Use of the Ratio

The Ratio compares the value of Bad Debts Written-off on Consumer Debtors to Bad Debts Provided for Consumer Debtors to ensure that the Provision for Bad Debts is sufficient.

Formula

Bad Debts Written-off (Period under review)/ Provision for Bad Debt (Period under review x 100

Norm

The norm is **100%**

Interpretation of Results

Municipality should only write-off Bad Debts already provided for and, if the results are less than 100%, it should be ideally due to the recoverability of debtors. When 100% is exceeded, it indicates that the Municipality had not previously identified the Debtor/s as having the potential for defaults, which could indicate weakness in calculation of the Provision for Bad Debt, the methodology used and/or poor credit control processes.

3. Net Debtors Days**Purpose/ Use of the Ratio**

This ratio reflects the collection period. Net Debtor Days refers to the average number of days required for a Municipality or Municipal Entity to receive payment from its Consumers for bills/invoices issued to them for services.

The Ratio exclude balances for Debtors, which the Municipality or Municipal Entity has assessed as potentially irrecoverable, and is also a good indication of the effectiveness of credit control procedures within the Municipality or Municipal Entity as well as the extent to which the Municipality or Municipal Entity has provided for Doubtful Debts.

Formula

$((\text{Gross Debtors} - \text{Bad Debt Provision}) / \text{Billed Revenue}) \times 365$

Norm

The norm is **30 Days**

Interpretation of Results

This Ratio adjusts for Municipality's who have had significant write-offs of Irrecoverable Debtor balances in the Gross Debtors Days analysis as it only assesses the performance of collectable Debtors. In addition, it provides an indication of the quality of credit control policy, effectiveness of the implementation thereof and quality of revenue management. If the ratio is above the norm, this indicates that the Municipality is exposed to significant Cash Flow risk. This is also an indication that the municipality is experiencing challenges in the collection of outstanding amounts due to it. In addition,

this indicates that a significant amount of potential cash is tied up in consumer debtors and the municipality must improve its revenue and cash flow management.

C. Liquidity Management

1. Cash/ Cost Coverage Ratio (Excluding Unspent Conditional Grants)

Purpose/ Use of the Ratio

The Ratio indicates the Municipality's or Municipal Entity's ability to meet at least its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue, during that month.

The Ratio is adjusted for Unspent Conditional Grants as the cash is not available for normal Municipal day-to-day operational expenditure but rather reserved for Grant related expenditure.

Formula

((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)).

Norm

The norm range between **1 month to 3 months**.

Interpretation of Results

If a municipality has a ratio below the norm it would be vulnerable and at a higher risk in the event of financial "shocks/set-backs" and its ability to meet its obligations to provide basic services or its financial commitment is compromised. The results from this ratio should be viewed along with results from analysis on Debtor Management to fully assess Cash Flow Risk. The more cash reserves a municipality or municipal entity has available the lower the risk of it being unable to fund monthly fixed operational expenditure and to continue rendering services.

2. Current Ratio

Purpose/ Use of the Ratio

The Ratio is used to assess the Municipality's or Municipal Entity's ability to pay back its Short-term Liabilities (Debt and Payables) with its Short-term Assets (Cash, Inventory, Receivables).

Formula

Current Assets / Current Liabilities

Norm

The norm range between **1.5 to 2 :1**

Interpretation of Results

The higher the current Ratio, the more capable the Municipality or Municipal Entity will be to pay its current or short-term obligations and provide for a risk cover to enable it to continue operations at desired levels. A financial ratio under 1 suggests that the Municipality or Municipal Entity would be unable to pay all its current or short-term obligations if they fall due at any specific point.

If current liabilities exceed current assets, it highlights serious financial challenges and likely liquidity problems *i.e.* insufficient cash to meet short-term financial obligations. Current assets must therefore be increased to appropriately cover current liabilities otherwise there is a risk that non-current assets will need to be liquidated to settle current liabilities.

D. Liability Management**1. Capital Cost (Interest Paid and Redemption) as a % of Total Operating Expenditure****Purpose/ Use of the Ratio**

The Ratio indicates the cost required to service the borrowing. It assesses the Borrowing or Payment obligation expressed as a percentage of Total Operating Expenditure.

Formula

Capital Cost (Interest Paid and Redemption) / Total Operating Expenditure x 100

Norm

The norm is between **6% to 8%**

Interpretation of Results

Operating below the Norm could indicate that the Municipality has the capacity to take on additional financing from borrowing to invest in infrastructure projects or it could relate to cash flow problems where it is unable to access borrowed funds or the funding decisions of the municipality impacts of these levels. On the other hand, exceeding the Norm could pose a risk to the Municipality should changes or fluctuations in financing costs arise.

When assessing this ratio, the cash flow requirements of the Municipality or Municipal Entity should also be considered.

2. Debt (Total Borrowings)/ Total Operating Revenue

Purpose/ Use of the Ratio

The Ratio indicates the extent of Total Borrowings in relation to Total Operating Revenue. It indicates short and long term debt financing relative to operating revenue of the municipality.

The purpose of the Ratio is to provide assurance that sufficient Revenue will be generated to repay Liabilities. Alternatively stated, the Ratio indicates the affordability of the Total Borrowings.

Formula

Debt (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue - Operating Conditional Grant

Norm

The norm is **45%**

Interpretation of Results

If the result of the Ratio analysis indicates less than 45% then the Municipality still has capacity to take increase funding from borrowings, however, this should be considered within the cash flow requirements of the Municipality or Municipal Entity.

E. Sustainability

1. Level of Cash Backed Reserves (Net Assets - Accumulated Surplus)

Purpose/ Use of the Ratio

The Ratio measures the extent to which the Other Reserves, which are required to be cash backed are actually backed by Cash Reserves.

Formula

(Cash and Cash Equivalentents - Bank Overdraft + Short Term Investment + Long Term Investment - Unspent Conditional Grants) / (Net Assets - Accumulated Surplus – Non Controlling Interest – Share Premium – Share Capital – Fair Value Adjustment – Revaluation Reserve)

Norm

The norm is **100%**

Interpretation of Results

If a Municipality or Municipal Entity has less than 100% Cash Reserves it could negatively impact the Municipality's or Municipal Entity ability to comply with the conditions for creating the Reserves and on its ability to fund current and future operations.

2. FINANCIAL PERFORMANCE**A. Efficiency****1. Net Operating Surplus Margin****Purpose/ Use of the Ratio**

The Ratio assesses the extent to which the Municipality generates Operating Surpluses.

Formula

$(\text{Total Operating Revenue} - \text{Total Operating Expenditure}) / \text{Total Operating Revenue} \times 100\%$

Norm

The norm is equal to or greater than **0%**

Interpretation of Results

Municipalities should at least recover operational costs for the services being delivered. In addition, a ratio which is greater than 0% will enable the municipality to generate a surplus which will assist to contribute towards its capital funding requirements. If the result is less than 0% it implies that the municipality is operating at a deficit and measures must be implemented to address this situation to ensure sustainable service delivery. In a case of an operating deficit it is critical to ascertain the extent to which the accounting policy, i.e. revaluation method has impacted on the calculations to avoid any distortions in interpretation of the outcome. Refer to Circular 58 section 4.3 regarding revaluation in terms of GRAP 17 and treatment of depreciation and GRAP 24.

2. Net Surplus /Deficit Electricity**Purpose/ Use of the Ratio**

This ratio measures the extent to which the municipality generates surplus or deficit in rendering electricity service. The purpose of the Ratio is to determine the contribution

made by the provision of Electricity Services, being one of the major functions of a municipality.

Formula

Total Electricity Revenue less Total Electricity Expenditure / Total Electricity Revenue x 100%

Norm

The Norm range between **0% and 15%**

It should be noted that this norm will be superseded by sector determinations from time to time, as other regulatory bodies address the appropriate level of tariffs and surpluses.

Interpretation of Results

A ratio below 0% depicts that electricity service is rendered at a deficit/loss and will be unsustainable if other revenue is not allocated to fund such services. The results must be between the range to ensure services are sustainable and that all costs associated with the delivery of Electricity Services are at least recovered with a margin for future growth and/ or capital funding for electricity assets.

3. Net Surplus / Deficit Water

Purpose/ Use of the Ratio

This ratio measures the extent to which the municipality generates surplus or deficit in rendering water service. The purpose of the Ratio is to determine the contribution made by the provision of water service being one of the major functions of a municipality.

Formula

Total Water Revenue less Total Water Expenditure / Total Water Revenue x 100%

Norm

The norm is equal to or greater than **0%** and will be superseded by the sector determination from time to time, as other regulatory bodies address the appropriate level of tariffs, surpluses and subsidisation.

Interpretation of Results

A ratio below 0% depicts that water service is rendered at a loss and unsustainable. The results must not be below the norm so as to ensure that the Services are sustainable and that all costs associated with the delivery of Water Services are at least recovered with a margin for future growth and/ or capital funding for water assets.

4. Net Surplus /Deficit Refuse

Purpose/ Use of the Ratio

This ratio measures the extent to which the municipality generates surplus or deficit in rendering refuse service. The purpose of the Ratio is to determine the contribution made by the provision of refuse service being one of the major functions of a municipality.

Formula

Total Refuse Revenue less Total Refuse Expenditure /Total Refuse Revenue x 100%

Norm

The Norm is equal to or greater than **0%** and will be superseded by the Sector determination from time to time, as other regulatory bodies address the appropriate level of tariffs, surpluses and subsidisation.

Interpretation of Results

A ratio below 0% depicts that refuse service is rendered at a loss and unsustainable. The results must not be below the norm so as to ensure that the Services are sustainable and that all costs associated with the delivery of Refuse Services are at least recovered with a margin for future growth and/ or capital funding for Refuse assets.

5. Net Surplus / Deficit Sanitation and Waste Water

Purpose/ Use of the Ratio

This ratio measures the extent to which the municipality generates surplus or deficit in rendering sanitation and waste water service. The purpose of the Ratio is to determine the contribution made by the provision of sanitation and waste water services being one of the major functions of a municipality.

Formula

Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure / Total Sanitation and Waste Water Revenue x 100%

Norm

The norm is equal to or greater than **0%** and will be superseded by the sector determination from time to time, as other regulatory bodies address the appropriate level of tariffs, surpluses and subsidisation.

Interpretation of Results

A ratio below 0% depicts that sanitation and waste water is rendered at a loss and unsustainable. The results must not be below the norm so as to ensure that the Services are sustainable and that all costs associated with the delivery of sanitation and waste water are at least recovered with a margin for future growth and / or capital funding for assets.

B. Distribution Losses

1. Electricity Distribution Losses (Percentage)

Purpose/ Use of the Ratio

The purpose is to measure the percentage loss of potential revenue from Electricity Services through electricity units purchased and generated but not sold as a result of losses incurred through theft (illegal connections), non or inaccurate metering or wastage. It is expected that implementation of the free basic service policy is included in the calculation for sale of electricity.

Formula

(Number of Electricity Units Purchased and / or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and / or Generated) × 100

Norm

The Norm is between **7% and 10%** and will be superseded by the sector determination.

Interpretation of Results

A ratio below the norm depicts that electricity losses are well managed. If the Ratio exceeds the norm it could indicate various challenges, for example, deteriorating electricity infrastructure or poor management of the networks, affecting the Municipality or Municipal Entity, which would require further analysis to determine the reasons for such losses. In addition, the root causes should be addressed.

2. Water Distribution Losses (Percentage)

Purpose/ Use of the Ratio

The purpose of this ratio is to determine the percentage loss of potential revenue from water service through kilolitres of water purchased but not sold as a result of losses incurred through theft (illegal connections), non- or incorrect metering or wastage as a result of deteriorating water infrastructure. It is expected that implementation of the free basic service policy is included in the calculation for sale of water.

Formula

(Number of Kiloliters Water Purchased or Purified - Number of Kilolitres Water Sold) /
Number of Kiloliters Water Purchased or Purified × 100

Norm

The Norm is between **15% and 30%**

Interpretation of Results

A ratio within the norm depicts that water losses and water infrastructure are well managed. If the Ratio exceeds the norm it could indicate various challenges, for example, ageing water infrastructure or poor management, affecting the Municipality or Municipal Entity, which would require further analysis and explanation to determine the reasons for such losses. In addition, the root causes should be addressed.

C. Revenue Management**1. Growth in Number of Active Consumer Accounts****Purpose/ Use of the Ratio**

The ratio measures the actual growth in the Revenue base of the Municipality brought about by an increase in the Consumer base rather than tariff increases.

Formula

(Period under Review's Number of Active Debtor Accounts - Previous Period's Number of Active Debtor Accounts) / Previous Period Number of Active Debtor Accounts x 100

Norm

No Norm is currently being proposed for this Ratio but will be monitored and a determined in the future. Municipalities are requested to report on this aspect to its Council.

Interpretation of Results

The results from this analysis will have to be taken into consideration when assessing the Growth in Revenue to determine the Real Growth in the Customer base vs growth due to tariff and inflationary adjustments. Growth in number of active consumers indicates an increase in revenue base.

Further, the impact of growth on the Indigent Base vs Growth in Paying Consumers should be assessed regularly as this must be used to inform Councils policy.

2. Revenue Growth (%)

Purpose/ Use of the Ratio

This Ratio measures the overall revenue growth. In addition, this ratio will assist in determining if the increase in Expenditure will be funded by an increase in Revenue base or by some other means.

Formula

$$\frac{(\text{Period Under Review's Total Revenue} - \text{Previous Period's Total Revenue})}{\text{Previous Period's Total Revenue}} \times 100$$

Norm

The norm is at the rate of **CPI**

Interpretation of Results

The Revenue Growth has to be assessed in conjunction with the growth in the Revenue base and number of consumer accounts to determine the real Growth in Revenue.

3. Revenue Growth (%) - Excluding Capital Grants

Purpose/Use of the Ratio

This Ratio measures the overall Revenue Growth adjusted for Capital Grants. In addition, this ratio will assist in determining if the increase in Expenditure will be funded by the increased Revenue Base or by some other means.

Formula

$$\frac{((\text{Period Under Review's Total Revenue Excluding Capital Grants} - \text{Previous Period's Total Revenue Excluding Capital Grants}))}{\text{Previous Period's Total Revenue Excluding Capital Grants}} \times 100$$

Norm

The norm is at the rate of **CPI**

Interpretation of Results

The Revenue Growth has to be assessed in conjunction with the growth in the Revenue base, number of consumer accounts to determine the real Growth.

D. Expenditure Management**1. Creditors Payment Period (Trade Creditors)****Purpose/ Use of the Ratio**

This ratio indicates the average number of days taken for Trade Creditors to be paid.

Formula

Trade Creditors Outstanding / Credit Purchases (Operating and Capital) × 365

Norm

The norm is **30 days**

Interpretation of Results

A period of longer than 30 days to settle creditors is normally an indication that the Municipality may be experiencing cash flow problems, however in certain instances this may be as a result of disputes, processing of payments, etc. In addition, a ratio that exceeds the norm indicates that the Municipality may not be adequately managing its Working Capital or that effective controls are not in place to ensure prompt payments. The municipality will be required to provide further explanations in this regard.

2. Irregular, Fruitless and Wasteful and Unauthorised Expenditure/ Total Operating Expenditure**Purpose/ Use of the Ratio**

The ratio measures the extent to which the Municipality has incurred Irregular, Fruitless and Wasteful and Unauthorised Expenditure.

Formula

(Irregular, Fruitless and Wasteful and Unauthorised Expenditure) / Total Operating Expenditure x 100

The net amount after condonement should be used in this calculation.

Norm

The norm is **0%**

Interpretation of Results

A ratio that exceeds 0% must be investigated and acted upon.

3. Remuneration (Employee Related Costs and Councillors Remuneration) as % of Total Operating Expenditure)

Purpose/ Use of the Ratio

The ratio measures the extent of Remuneration to Total Operating Expenditure.

Formula

Remuneration (Employee Related Costs and Councillors' Remuneration) / Total Operating Expenditure x 100

Norm

The norm range between **25% and 40%**

Interpretation of Results

If the ratio exceed the norm it could indicate inefficiencies, overstaffing or even the incorrect focus due to misdirected expenditure to non-essentials or non-service delivery related expenditure. Various factors need to be considered when commenting on this ratio, such as the powers and functions performed by the municipality or entity, as this can create distortions in the outcomes, if the analysis ignores such factors.

4. Contracted Services % of Total Operating Expenditure

Purpose/ Use of the Ratio

This ratio measures the extent to which the municipalities resources are committed towards contracted services to perform Municipal related functions.

Formula

Contracted Services / Total Operating Expenditure x 100

Norm

The norm range between **2% and 5%**

Interpretation of Results

A ratio in excess of the Norm could indicate that many functions are being outsourced to Consultants, or that Contracted Services are not effectively utilised. This also depends on the model of service delivery selected by the municipality. In addition, outsourcing decisions will have to be weighed against the ability to attract skills; however, increases in this ratio can further expose the municipality to other risks, such as its inability to build capacity and ongoing reliance on Contractors.

E. Grant Dependency**1. Own Funded Capital Expenditure (Internally Generated Funds + Borrowings) to Total Capital Expenditure****Purpose/ Use of the Ratio**

The Ratio measures the extent to which the municipality's Total Capital Expenditure is funded through Internally Generated Funds and Borrowings.

Formula

Own Funded Capital Expenditure (Internally Generated Funds + Borrowings) / Total Capital Expenditure x 100

Norm

No norm is proposed at this time. It is critical that the funding mix of capital expenditure is undertaken in such a manner that affordable borrowing is directed towards addressing service delivery needs and that there is also opportunity for increased capacity on internally generated funding to attain an improved balance of the funding sources.

2. Own Funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure**Purpose/ Use of the Ratio**

The Ratio measures the extent to which Total Capital Expenditure of the Municipality is funded through Internally Generated Funds.

Formula

Own funded Capital Expenditure (Internally Generated Funds) / Total Capital Expenditure x 100

Norm

No norm is proposed at this time. The funding mix for capital expenditure is dependent on the municipal policy and ability to raise revenue from different sources. Increased capacity for internally generated funding is required in some circumstances, which could also improve the balance in funding sources.

3. Own Source Revenue to Total Operating Revenue (Including Agency Revenue)**Purpose/ Use of the Ratio**

The Ratio assesses the extent of Own Source Revenue to Total Operating Revenue, including Agency Revenue hence self-sufficiency.

Formula

Own Source Revenue (Total Revenue - Government Grants and Subsidies – Public Contribution and Donations)/ Total Operating Revenue (Including Agency Services) x 100

Norm

No norm is proposed at this time. The municipal specific circumstances, including the powers and functions assigned to it, must be considered when assessing the level of own source revenue or its self-sufficiency. An analysis of the trends and levels of own source of revenue will also inform the municipality and users of measures taken to optimise own revenues. The ratio measuring own source revenue should be increasing over time as it reflects municipal efforts towards self-sufficiency.

3. BUDGET IMPLEMENTATION**1. Capital Expenditure Budget Implementation Indicator****Purpose/ Use of the Ratio**

This ratio measures the extent to which Budgeted Capital Expenditure has been spent during the financial year, under review. Further, this ratio measures the municipality's ability to implement capital projects and monitor the risks associated with non-implementation. The ratio also assess whether the municipality has effective controls in place to ensure that expenditure is incurred in accordance with an approved budget.

Formula

Actual Capital Expenditure / Budget Capital Expenditure x 100

Norm

The norm range between **95% and 100%**

Interpretation of Results

This can be used in-year to monitor progress. Any variance below 95% indicates discrepancies in planning and budgeting, capacity challenges to implement projects and/or Supply Chain Management process failures, which should be investigated and corrective measures implemented.

Under-spending is also an indicator that the Municipality might be experiencing possible cash flow difficulties to implement projects. Ideally, under-spending should be the result of improved efficiencies and not as a result of non-implementation of programmes and/or projects.

Overspending may also indicate inaccurate budgeting or poor financial management control.

2. Operating Expenditure Budget Implementation Indicator

Purpose/ Use of the Ratio

This ratio measures the extent to which Budgeted Operating Expenditure has been spent during the financial year, under review. The ratio also assess whether the municipality has effective controls in place to ensure that expenditure is incurred in accordance with an approved budget.

Formula

Actual Operating Expenditure / Budgeted Operating Expenditure x 100

Norm

The norm range between **95% and 100%**

Interpretation of Results

Any variance from 100% indicates either challenge in capacity to implement, issues of financial controls and management and/or poor budgeting.

Under-spending normally is an indicator that the Municipality experiences possible Cash Flow difficulties or capacity challenges to undertake Budgeted/ planned service delivery, and/ or does not prepare accurate and credible Budgets. Ideally, under-spending should be the result of improved efficiencies and not as a result of non-implementation of programmes and/or projects.

Overspending may also indicate inaccurate budgeting or poor financial management control in respect of budget control.

3. Operating Revenue Budget Implementation Indicator

Purpose/ Use of the Ratio

This ratio measures the extent of Actual Operating Revenue (Excl. Capital Grant Revenue) received in relation to Budgeted Operating Revenue during the financial year, under review.

Formula

Actual Operating Revenue / Budgeted Operating Revenue x 100

Norm

The norm range between **95% and 100%**

Interpretation of Results

A ratio below 95% indicates either a challenge in capacity to implement, ineffective billing and credit control, weakness in compilation of budgets or issues of financial controls and management of the Municipality.

4. Service Charges and Property Rates Revenue Budget Implementation Indicator**Purpose/ Use of the Ratio**

The ratio measures the extent of Actual Service Charges and Property Rates Revenue received in relation to Budgeted Service Charges and Property Rates Revenue during the financial year, under review.

Formula

Actual Service Charges and Property Rates Revenue / Budgeted Service Charges and Property Rates Revenue x 100

Norm

The norm range between **95% and 100%**

Interpretation of Results

A ratio below 95% indicates either a challenge in capacity to implement, ineffective billing and credit control, weakness in compilation of budgets or issues of financial controls and management of the Municipality.

Monitoring

It is important that these indicators are not seen or used in isolation of one another but used in a combined manner so as to provide a holistic picture of the financial status of the municipality or municipal entity. Poor outcomes with relation to these indicators can also point to weaknesses in Institutional and Governance aspects in a municipality that need attention. Therefore, Councillors, Municipal Managers, Chief Financial Officers, Accounting Offices of Municipal Entities, and all financial officials should derive benefits from a deeper understanding of these Ratios and Norms and their implications. The primary responsibility to avoid, identify and resolve financial problems in a municipality rests with the municipality and proper monitoring and use of these indicators, will support decision-makers overcome such challenges.

The use of these Ratios and Norms should assist Municipalities and Municipal Entities to predict, identify, prevent, avoid, and resolve financial problems/crisis timeously and serve as an early warning mechanism. Moreover, this will ensure that Municipalities and Municipal Entities make strategic decisions based on empirical and factual information and analysis for a sustainable outcome. Monitoring and trend analysis of these ratios is critical to ensure that measures are introduced to address areas needing attention and that there is progressive improvements of municipalities own position against the norms. These indicators and their norms, when viewed holistically, provide an overview of the financial position and performance of the Municipalities and Municipal Entities, while recognising institutional differences. Sound and effective financial management practices form the basis for an effective long term sustainable municipality.

The oversight role played by the Municipal Executive, Audit Committee, and Municipal Public Account Committee will also be enhanced with the use of these financial Ratios and Norms through implementation and reporting of financial information. The financial ratios and norms will strengthen financial management and accountability and be used throughout the cycle - integrated development plans (including long term financial plan), budgets, in-year reports for example section 52, 71 and 72 reports, annual financial statements, annual report and oversight reports. Comparison with other municipalities is now possible.

An Excel template has been developed (Annexure 2 of this Circular) to assist municipalities and Municipal Entities to populate relevant financial information, automate calculations, and assist in interpretation thereof.

These Ratios and Norms will be used to assess financial position and performance, quality of budgeting, management, and other characteristics of Municipalities and Municipal Entities, and should holistically provide an overview of the financial health of the Municipality or Municipal Entity, taking the respective and unique circumstances into account. Benchmarking and comparisons between Municipalities and Municipal Entities can also be undertaken, made simpler in future, and will further assist in targeting assistance and support, where needed.

Different institutions including, financial institutions, research organisations, rating agencies, national and provincial government, legislatures, amongst others, can use these uniform set of financial indicators, ratios and norms to monitor the financial position and performance of municipalities.

Implementation

The ratios and norms provided in this Circular and elaborated in the annexures are to be understood in an aspirational context and utilised as soon as possible to enable municipal councils to commence with the process of introducing measures to address areas needing attention. Municipalities and Municipal Entities should take advantage of the transition period, covering the medium term, to allow for progressive improvements of their own status against the ratios and norms.

Conclusion

The variety of financial ratios and norms, over 200, used by various institutions to assess and compare the financial health and performance of Municipalities and Municipal Entities has resulted in confusion across the sector, as users formulate assumptions based on different interpretation of the same financial information.

The Circular creates a uniform categorisation of ratios, standardising formulas and inputs, providing guidance on norms and interpretation of the financial ratio analysis, as applicable to Municipalities and Municipal Entities. There may be other ratios and norms used by analysts that are more appropriate to the financial status of private sector institutions, therefore, the use, differentiation and range described in this Circular should be understood within the context of a public sector institution.

This Circular therefore attempts to address the above challenges and also provide a more structured approach for holistic analysis, taking into cognisance the different type of Municipalities and Municipal Entities. The consistent use of these ratios and norms will assist in reporting accurately the status of municipal finances.

Institutions performing financial ratio analysis for Municipalities and Municipal Entities should therefore refer to this Circular and interpretation therein to ensure uniformity and consistency of application.

It is important that the Municipal Manager ensure that this Circular is brought to the attention of the Municipal Council, Board of Directors of Municipal Entities, relevant oversight structures (Municipal Executive, Audit Committee, and Municipal Public Account) and all other relevant stakeholders. Training providers are also requested to bring this Circular to the attention of trainees.

The introduction and application of these uniform norms, coupled with other financial reforms, will allow for comparisons with different type of municipalities and municipal entities and it is expected that they will replace earlier regulations issued that cover financial ratios and norms as these are based on the latest reforms in financial management.



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17 January 2014

Annexure 1: Summary of the financial ratios, norms, formulae and data sources

Annexure 2: Excel template for calculation of the ratios and interpretation of results

SUMMARY OF UNIFORM FINANCIAL RATIO, FORMULAE, DATA SOURCE AND NORMS

1. FINANCIAL POSITION

A. Asset Management

RATIO		FORMULA	DATA SOURCE AND POLICY DOCS	NORM
1	Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) × 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR	10% - 20%
2	Impairment of Property, Plant and Equipment, Investment Property and Intangible Assets (Carrying Value)	Property, Plant and Equipment Impairment + Investment Property Impairment + Intangible Assets Impairment/(Total Property, Plant and Equipment + Investment Property + Intangible Assets) × 100	Statement of Financial Position, Notes to the AFS and AR	0%
3	Repairs and Maintenance as a % of Property, Plant and Equipment, Investment Property (Carrying Value)	Total Repairs and Maintenance Expenditure/ Property, Plant and Equipment and Investment Property(Carrying value) x 100	Statement of Financial Position, Statement of Financial Performance, IDP, Budgets and In-Year Reports	8%

B. Debtors Management

RATIO		FORMULA	DATA SOURCE AND POLICY DOCS	NORM
1	Collection Rate	$(\text{Gross Debtors Closing Balance} + \text{Billed Revenue} - \text{Gross Debtors Opening Balance} + \text{Bad Debts Written Off}) / \text{Billed Revenue} \times 100$	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget , In-Year Reports, IDP and AR	95%
2	Bad Debts Written-off as % of Provision for Bad Debt	$\text{Bad Debts Written-off} / \text{Provision for Bad Debt} \times 100$	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	100%
3	Net Debtors Days	$((\text{Gross Debtors} - \text{Bad debt Provision}) / \text{Actual Billed Revenue}) \times 365$	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	30 days

C. Liquidity Management

RATIO		FORMULA	DATA SOURCE AND POLICY DOCS	NORM
1	Cash/Cost Coverage Ratio (Excluding Unspent Conditional Grants)	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In year Reports and AR	1 - 3 Months
2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1

D. Liability Management

RATIO		FORMULA	DATA SOURCE AND POLICY DOCS	NORM
1	Capital Cost(Interest Paid and Redemption) as a % of Total Operating Expenditure	Capital Cost(Interest Paid and Redemption) / Total Operating Expenditure x100	Statement of Financial Position, Statement of Cash Flows, Statement of Financial Performance, Budget, IDP, In-Year Reports and AR	6% - 8%
2	Debt (Total Borrowings) / Revenue	(Overdraft + Current Finance Lease Obligation + Non Finance Lease Obligation + Short Term Borrowings + Long Term Borrowings) / Total Operating Revenue	Statement of Financial Position, Statement of Financial Performance, Budget, IDP and AR	45%

E. Sustainability

RATIO		FORMULA	DATA SOURCE AND POLICY DOCS	NORM
1	Level of Cash Backed Reserves (Net Assets - Accumulated Surplus)	(Cash and Cash Equivalents - Bank overdraft + Short Term Investment + Long Term Investment - Unspent grants) / (Net Assets - Accumulated Surplus - Non Controlling Interest - Share Premium - Share Capital - Fair Value Adjustment - Revaluation Reserve)	Statement Financial Position, Budget and AR	100%

2. FINANCIAL PERFORMANCE

A. Efficiency

RATIO		FORMULA	DATA SOURCE AND POLICY DOCS	NORM
1	Net Operating Surplus Margin	$(\text{Total Operating Revenue} - \text{Total Operating Expenditure}) / \text{Total Operating Revenue}$	Statement of Financial Performance, Budget, In-Year reports, AR, Statement of Comparison of Budget and Actual Amounts and Statement of Changes in Net Assets	= or > 0%
2	Net Surplus /Deficit Electricity	$\text{Total Electricity Revenue less Total Electricity Expenditure} / \text{Total Electricity Revenue} \times 100$	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	0% - 15%
3	Net Surplus /Deficit Water	$\text{Total Water Revenue less Total Water Expenditure} / \text{Total Water Revenue} \times 100$	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%
4	Net Surplus /Deficit Refuse	$\text{Total Refuse Revenue less Total Refuse Expenditure} / \text{Total Refuse Revenue} \times 100$	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%
5	Net Surplus /Deficit Sanitation and Waste Water	$\text{Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure} / \text{Total Sanitation and Waste Water Revenue} \times 100$	Statement of Financial Performance, Notes to AFS Budget, IDP, In-Year reports and AR	= or > 0%

B. Distribution Losses

RATIO		FORMULA	DATA SOURCE AND POLICY DOCS	NORM
1	Electricity Distribution Losses (Percentage)	$(\text{Number of Electricity Units Purchased and/or Generated} - \text{Number of Electricity Units Sold}) / \text{Number of Electricity Units Purchased and/or Generated} \times 100$	Annual Report, Audit Report and Notes to Annual Financial Statements	7% - 10%
2	Water Distribution Losses (Percentage)	$(\text{Number of Kilolitres Water Purchased or Purified} - \text{Number of Kilolitres Water Sold}) / \text{Number of Kilolitres Water Purchased or Purified} \times 100$	Annual Report, Audit Report and Notes to Annual Financial Statements	15% - 30%

C. Revenue Management

RATIO		FORMULA	DATA SOURCE AND POLICY DOCS	NORM
1	Growth in Number of Active Consumer Accounts	$(\text{Period under review's number of Active Debtor Accounts} - \text{previous period number of Active Debtor Accounts}) / \text{previous period number of Active Debtor Accounts} \times 100$	Debtors System	None
2	Revenue Growth (%)	$(\text{Period under review's Total Revenue} - \text{previous period's Total Revenue}) / \text{previous period's Total Revenue} \times 100$	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= CPI
3	Revenue Growth (%) - Excluding capital grants	$(\text{Period under review's Total Revenue Excluding capital grants} - \text{previous period's Total Revenue excluding capital grants}) / \text{previous period's Total Revenue excluding capital grants} \times 100$	Statement of Financial Performance, Notes to AFS , Budget, IDP, In-Year reports and AR	= CPI

D. Expenditure Management

RATIO		FORMULA	DATA SOURCE AND POLICY DOCS	NORM
1	Creditors Payment Period (Trade Creditors)	$\text{Trade Creditors Outstanding} / \text{Credit Purchases (Operating and Capital)} \times 365$	Statement of Financial Performance, Notes to AFS, Budget, In-Year reports and AR	30 days
2	Irregular, Fruitless and Wasteful and Unauthorised Expenditure / Total Operating Expenditure	$(\text{Irregular, Fruitless and Wasteful and Unauthorised Expenditure}) / \text{Total Operating Expenditure} \times 100$	Statement Financial Performance, Notes to Annual Financial Statements and AR	0%
3	Remuneration as % of Total Operating Expenditure	$\text{Remuneration (Employee Related Costs and Councillors' Remuneration)} / \text{Total Operating Expenditure} \times 100$	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	25% - 40%
4	Contracted Services % of Total Operating Expenditure	$\text{Contracted Services} / \text{Total Operating Expenditure} \times 100$	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	2% - 5%

E. Grant Dependency

RATIO		FORMULA	DATA SOURCE AND POLICY DOCS	NORM
1	Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure	Own funded Capital Expenditure (Internally generated funds + Borrowings) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information), Budget, IDP, In-Year reports and AR	None
2	Own funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure	Own funded Capital Expenditure (Internally Generated Funds) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information) Budget, IDP, In-Year reports and AR	None
3	Own Source Revenue to Total Operating Revenue(Including Agency Revenue)	Own Source Revenue (Total revenue - Government grants and Subsidies - Public Contributions and Donations)/ Total Operating Revenue (including agency services) x 100	Statement Financial Performance, Budget, IDP, In-Year reports and AR	None

3. BUDGET IMPLEMENTATION

RATIO		FORMULA	DATA SOURCE AND POLICY DOCS	NORM
1	Capital Expenditure Budget Implementation Indicator	Actual capital Expenditure / Budget Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, In-Year reports and AR	95% - 100%
2	Operating Expenditure Budget Implementation Indicator	Actual Operating Expenditure / Budgeted Operating Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%
3	Operating Revenue Budget Implementation Indicator	Actual Operating Revenue / Budget Operating Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%
4	Service Charges and Property Rates Revenue Budget Implementation Indicator	Actual Service Charges and Property Rates Revenue / Budget Service Charges and Property Rates Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%



NATIONAL TREASURY
MFMA Circular No 71
Municipal Finance Management Act No. 56 of 2003

Annexure 2
Interpretation of results

The green colour indicates that the result is within the norm and is acceptable
The red colour indicates that the result is not acceptable and corrective actions/plans should be put in place to improve the results.
Cases should be captured in the blue colour cell to calculate a ratio.
In situations where the results are not within the acceptable norm, corrective actions/plans should be taken and referenced

Template for Calculation of Uniform Financial Ratios and Norms 2021/22 Projected

RATIO	FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)
" R 000 "							
1. FINANCIAL POSITION							
A. Asset Management/Utilisation							
1	Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) x 100	10% - 20%	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR		11%	
					Total Operating Expenditure	1 498 693 605	
					Taxation Expense	-	
					Total Capital Expenditure	192 376 720	
						2021/22 Projected 4	
2	Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value)	Property, Plant and Equipment + Investment Property + Intangible Assets Impairment/(Total Property, Plant and Equipment + Investment Property + Intangible Assets) x 100	0%	Statement of Financial Position, Notes to the AFS and AR		0%	
					PPE, Investment Property and Intangible Impairment	6 100 739	
					PPE at carrying value	3 633 487 637	
					Investment at carrying value	131 248 172	
					Intangible Assets at carrying value	8 939 692	
						2021/22 Projected 4	
3	Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value)	Total Repairs and Maintenance Expenditure/ Property, Plant and Equipment and Investment Property (Carrying value) x 100	8%	Statement of Financial Position, Statement of Financial Performance, IDP, Budgets and In-Year Reports		7%	
					Total Repairs and Maintenance Expenditure	245 727 584	
					PPE at carrying value	3 633 487 637	
					Investment Property at Carrying value	131 248 172	
						2021/22 Projected 4	Repairs & maintenance comprises 16.40% of total expenditure. Asset value was enhanced with the introduction of GRAP i.r.o. Depreciated Replacement Cost.

B. Debtors Management

1	Collection Rate	(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance - Bad Debts Written Off)/Billed Revenue x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget , In-Year Reports, IDP and AR	95%		98%	2021/22 Projected 4	
					Gross Debtors closing balance	163 141 813		
					Gross Debtors opening balance	144 306 882		
					Bad debts written Off	-		
					Billed Revenue	1 103 950 121		

2	Bad Debts Written-off as % of Provision for Bad Debt	Bad Debts Written-off/Provision for Bad debts x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	100%		13%	2021/22 Projected 4	The norm range appears incorrect
					Consumer Debtors Bad debts written off	5 258 456		
					Consumer Debtors Current bad debt Provision	40 890 635		

3	Net Debtors Days	(((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue)) x 365	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	30 days		40 days	2021/22 Projected 4	Taking into account/providing for the high risk regarding the COVID19 lockdown consequences
					Gross debtors	163 141 813		
					Bad debts Provision	40 890 635		
					Billed Revenue	1 103 950 121		

C. Liquidity Management

1	Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In year Reports and AR	1 - 3 Months		5 Month	2021/22 Projected 4	
					Cash and cash equivalents	206 028 628		
					Unspent Conditional Grants	26 308 742		
					Overdraft			
					Short Term Investments	410 251 102		
Total Annual Operational Expenditure	1 289 568 931							

2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1		2.55	2021/22 Projected 4	
					Current Assets	789 522 749		
					Current Liabilities	309 128 561		

D. Liability Management

1	Capital Cost(Interest Paid and Redemption) as a % of Total Operating Expenditure	Capital Cost(Interest Paid and Redemption) / Total Operating Expenditure x 00	Statement of Financial Position, Statement of Cash Flows, Statement of Financial Performance, Budget, IDP, In-Year Reports and AR	6% - 8%		7%	2021/22 Projected 4	
					Interest Paid	47 584 050		
					Redemption	53 956 538		
					Total Operating Expenditure	1 498 693 605		
					Taxation Expense			

2	Debt (Total Borrowings) / Revenue	(Overdraft + Current Finance Lease Obligation + Non current Finance Lease Obligation + Short Term Borrowings + Long term borrowing) / (Total Operating Revenue - Operational Conditional Grants) x 100	Statement of Financial Position, Statement of Financial Performance, Budget, IDP and AR	45%		36%	2021/22 Projected 4	
					Total Debt	480 400 210		
					Total Operating Revenue	1 476 749 507		
					Operational Conditional Grants	155 948 967		

E. Sustainability

						20152%		
						Cash and cash Equivalents	206 028 628	
						Bank Overdraft		
						Short Term Investment	410 251 102	

1	Level of Cash Backed Reserves (Net Assets - Accumulated Surplus)	(Cash and Cash Equivalents - Bank overdraft + Short Term Investment + Long Term Investment - Unspent grants) / (Net Assets - Accumulated Surplus - Non Controlling Interest Share Premium - Share Capital - Fair Value Adjustment - Revaluation Reserve) x 100	Statement Financial Position, Budget and AR	100%	Long Term Investment	60 512 135	2021/22 Projected 4	
					Unspent Grants	26 308 742		
					Net Assets	3 724 180 102		
					Share Premium			
					Share Capital			
					Revaluation Reserve			
					Fair Value Adjustment Reserve			
Accumulated Surplus	3 720 952 169							

2. FINANCIAL PERFORMANCE

A. Efficiency

1	Net Operating Surplus Margin	(Total Operating Revenue - Total Operating Expenditure)/Total Operating Revenue	Statement of Financial Performance, Budget, In-Year reports, AR, Statement of Comparison of Budget and Actual Amounts and Statement of Changes in Net Asset	= or > 0%		-1%	2021/22 Projected 4	Refer to fluctuations in the housing grant (operational vs capital)
					Total Operating Revenue	1 476 749 507		
					Depreciation - Revalued Portion <i>(Only populate if depreciation line item in the Statement of Financial Performance is based on the revalued asset value)</i>			
					Total Operating Expenditure	1 498 693 605		
					Taxation Expense			

2	Net Surplus /Deficit Electricity	Total Electricity Revenue less Total Electricity Expenditure/Total Electricity Revenue x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	0% - 15%		10%	2021/22 Projected 4	
					Total Electricity Revenue	557 894 194		
					Total Electricity Expenditure	502 387 563		

3	Net Surplus /Deficit Water	Total Water Revenue less Total Water Expenditure/Total Water Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%		7%	2021/22 Projected 4	
					Total Water Revenue	156 425 649		
					Total Water Expenditure	146 017 415		

4	Net Surplus /Deficit Refuse	Total Refuse Revenue less Total Refuse Expenditure/Total Refuse Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%		2%	2021/22 Projected 4	
					Total Refuse Revenue	97 853 940		
					Total Refuse Expenditure	95 974 641		

5	Net Surplus /Deficit Sanitation and Waste Water	Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure/Total Sanitation and Waste Water Revenue x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	= or > 0%		-3%	2021/22 Projected 4	
					Total Sanitation and Water Waste Revenue	123 924 177		
					Total Sanitation and Water Waste Expenditure	127 409 701		

B. Distribution Losses

		(Number of Electricity Units Purchased and/or				7%		
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2	Irregular, Fruitless and Wasteful and Unauthorised Expenditure / Total Operating Expenditure	(Irregular, Fruitless and Wasteful and Unauthorised Expenditure) / Total Operating Expenditure x100	Statement Financial Performance, Notes to Annual Financial Statements and AR	0%	Irregular, Fruitless and Wasteful and Unauthorised Expenditure	14 246 625	2021/22 Projected 4	
					Total Operating Expenditure	1 498 693 605		
					Taxation Expense	-		

3	Remuneration as % of Total Operating Expenditure	Remuneration (Employee Related Costs and Councillors' Remuneration) / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	25% - 40%		31%	2021/22 Projected 4	
					Employee/personnel related cost	454 786 629		
					Councillors Remuneration	11 581 935		
					Total Operating Expenditure	1 498 693 605		
					Taxation Expense			

4	Contracted Services % of Total Operating Expenditure	Contracted Services / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	2% - 5%		16%	2021/22 Projected 4	Cost analysis conducted to deliver cost effective services.
					Contracted Services	237 215 092		
					Total Operating Expenditure	1 498 693 605		
					Taxation Expense			

E. Grant Dependency

1	Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure	Own funded Capital Expenditure (Internally generated funds + Borrowings) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information), Budget, IDP, In-Year reports and AR	None		53%	2021/22 Projected 4	
					Internally generated funds	35 774 945		
					Borrowings	65 236 523		
					Total Capital Expenditure	192 376 720		

2	Own funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure	Own funded Capital Expenditure (Internally Generated Funds) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information) Budget, IDP, In-Year reports and AR	None		19%	2021/22 Projected 4	
					Internally generated funds	35 774 945		
					Total Capital Expenditure	192 376 720		

3	Own Source Revenue to Total Operating Revenue(Including Agency Revenue)	Own Source Revenue (Total revenue - Government grants and Subsidies - Public Contributions and Donations)/ Total Operating Revenue (including agency services) x 100	Statement Financial Performance, Budget, IDP, In-Year reports and AR	None		92%	2021/22 Projected 4	
					Total Revenue	1 519 084 046		
					Government grant and subsidies	155 948 656		
					Public contributions and Donations	2 060 388		
					Capital Grants	40 274 150		

3. BUDGET IMPLEMENTATION

1	Capital Expenditure Budget Implementation Indicator	Actual capital Expenditure / Budget Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, In-Year reports and AR	95% - 100%		81%	2021/22 Projected 4	
					Actual Capital Expenditure	192 376 720		
					Budget Capital Expenditure	237 837 025		

2	Operating Expenditure Budget Implementation Indicator	Actual Operating Expenditure / Budgeted Operating Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		99%	2021/22 Projected 4	
					Actual Operating Expenditure	1 498 693 605		
					Budget Operating Expenditure	1 519 567 752		

3	Operating Revenue Budget Implementation Indicator	Actual Operating Revenue / Budget Operating Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		103%	2021/22 Projected 4	
					Actual Operating Revenue	1 476 749 507		
					Budget Operating Revenue	1 438 695 071		

4	Service Charges and Property Rates Revenue Budget Implementation Indicator	Actual Service Charges and Property Rates Revenue / Budget Service Charges and Property Rates Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		103%	2021/22 Projected 4	
					Actual Service Charges and Property Rates Revenue	1 103 950 121		
					Budget Service Charges and Property Rates Revenue	1 069 494 451		



NATIONAL TREASURY
MFMA Circular No 71
Municipal Finance Management Act No. 56 of 2003

Annexure 2

Interpretation of results

The green colour indicates that the result is within the norm and is acceptable
The red colour indicates that the result is not acceptable and corrective actions/plans should be put in place to improve the results.
Data should be captured in the blue colour cell to calculate a ratio.
In situations where the result are not within the acceptable norm, corrective actions/plans should be taken and reviewed

Template for Calculation of Uniform Financial Ratios and Norms 2022/23 Projected

RATIO	FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)	
" R 000 "								
1. FINANCIAL POSITION								
A. Asset Management/Utilisation								
1	Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR	10% - 20%		11%	2022/23 Projected 3	
					Total Operating Expenditure	1 571 001 334		
					Taxation Expense	-		
					Total Capital Expenditure	189 321 053		
2	Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value)	Property, Plant and Equipment + Investment Property + Intangible Assets Impairment/(Total Property, Plant and Equipment + Investment Property + Intangible Assets) x 100	Statement of Financial Position, Notes to the AFS and AR	0%		0%	2022/23 Projected 3	
					PPE, Investment Property and Intangible Impairment	1 904 284		
					PPE at carrying value	3 672 579 031		
					Investment at carrying value	141 336 086		
					Intangible Assets at carrying value	8 686 637		
3	Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value)	Total Repairs and Maintenance Expenditure/ Property, Plant and Equipment and Investment Property (Carrying value) x 100	Statement of Financial Position, Statement of Financial Performance, IDP, Budgets and In-Year Reports	8%		7%	2022/23 Projected 3	Repairs & maintenance comprises 15.90% of total expenditure. Asset value was enhanced with the introduction of GRAP i.r.o. Depreciated Replacement Cost.
					Total Repairs and Maintenance Expenditure	249 505 435		
					PPE at carrying value	3 672 579 031		
					Investment Property at Carrying value	141 336 086		

B. Debtors Management

1	Collection Rate	(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance - Bad Debts Written Off)/Billed Revenue x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget , In-Year Reports, IDP and AR	95%		97%	2022/23 Projected 3	
					Gross Debtors closing balance	191 902 003		
					Gross Debtors opening balance	163 141 813		
					Bad debts written Off	-		
					Billed Revenue	1 137 748 953		

2	Bad Debts Written-off as % of Provision for Bad Debt	Bad Debts Written-off/Provision for Bad debts x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	100%		0%	2022/23 Projected 3	The norm range appears incorrect
					Consumer Debtors Bad debts written off	-		
					Consumer Debtors Current bad debt Provision	46 258 377		

3	Net Debtors Days	(((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue)) x 365	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	30 days		47 days	2022/23 Projected 3	Taking into account/providing for the high risk regarding the COVID19 lockdown consequences
					Gross debtors	191 902 003		
					Bad debts Provision	46 258 377		
					Billed Revenue	1 137 748 953		

C. Liquidity Management

1	Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In year Reports and AR	1 - 3 Months		6 Month	2022/23 Projected 3	
					Cash and cash equivalents	236 254 684		
					Unspent Conditional Grants	6 206 137		
					Overdraft	-		
					Short Term Investments	410 280 488		
					Total Annual Operational Expenditure	1 370 580 587		

2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1		2.76	2022/23 Projected 3	
					Current Assets	842 270 290		
					Current Liabilities	305 141 973		

D. Liability Management

1	Capital Cost(Interest Paid and Redemption) as a % of Total Operating Expenditure	Capital Cost(Interest Paid and Redemption) / Total Operating Expenditure x 00	Statement of Financial Position, Statement of Cash Flows, Statement of Financial Performance, Budget, IDP, In-Year Reports and AR	6% - 8%		6%	2022/23 Projected 3	
					Interest Paid	48 152 260		
					Redemption	50 493 993		
					Total Operating Expenditure	1 571 001 334		
					Taxation Expense	-		

2	Debt (Total Borrowings) / Revenue	(Overdraft + Current Finance Lease Obligation + Non current Finance Lease Obligation + Short Term Borrowings + Long term borrowing) / (Total Operating Revenue - Operational Conditional Grants) x 100	Statement of Financial Position, Statement of Financial Performance, Budget, IDP and AR	45%		35%	2022/23 Projected 3	
					Total Debt	479 906 215		
					Total Operating Revenue	1 550 895 797		
					Operational Conditional Grants	172 162 413		

E. Sustainability

						22143%		
						Cash and cash Equivalents	236 254 684	
						Bank Overdraft	-	
						Short Term Investment	410 280 488	

1	Level of Cash Backed Reserves (Net Assets - Accumulated Surplus)	(Cash and Cash Equivalents - Bank overdraft + Short Term Investment + Long Term Investment - Unspent grants) / (Net Assets - Accumulated Surplus - Non Controlling Interest Share Premium - Share Capital - Fair Value Adjustment - Revaluation Reserve) x 100	Statement Financial Position, Budget and AR	100%	Long Term Investment	68 210 807	2022/23 Projected 3	
					Unspent Grants			
					Net Assets	3 835 477 626		
					Share Premium			
					Share Capital			
					Revaluation Reserve			
					Fair Value Adjustment Reserve			
Accumulated Surplus	3 832 249 830							

2. FINANCIAL PERFORMANCE

A. Efficiency

1	Net Operating Surplus Margin	(Total Operating Revenue - Total Operating Expenditure)/Total Operating Revenue	Statement of Financial Performance, Budget, In-Year reports, AR, Statement of Comparison of Budget and Actual Amounts and Statement of Changes in Net Asset	= or > 0%		-1%	2022/23 Projected 3	Refer to fluctuations in the housing grant (operational vs capital)
					Total Operating Revenue	1 550 895 797		
					Depreciation - Revalued Portion <i>(Only populate if depreciation line item in the Statement of Financial Performance is based on the revalued asset value)</i>			
					Total Operating Expenditure	1 571 001 334		
					Taxation Expense			

2	Net Surplus /Deficit Electricity	Total Electricity Revenue less Total Electricity Expenditure/Total Electricity Revenue x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	0% - 15%		12%	2022/23 Projected 3	
					Total Electricity Revenue	576 269 405		
					Total Electricity Expenditure	508 135 985		

3	Net Surplus /Deficit Water	Total Water Revenue less Total Water Expenditure/Total Water Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%		15%	2022/23 Projected 3	
					Total Water Revenue	182 255 492		
					Total Water Expenditure	154 494 643		

4	Net Surplus /Deficit Refuse	Total Refuse Revenue less Total Refuse Expenditure/Total Refuse Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%		0%	2022/23 Projected 3	We noted that this indicator went below zero and the organisation will be proactive in this regard
					Total Refuse Revenue	102 584 951		
					Total Refuse Expenditure	102 327 511		

5	Net Surplus /Deficit Sanitation and Waste Water	Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure/Total Sanitation and Waste Water Revenue x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	= or > 0%		-9%	2022/23 Projected 3	
					Total Sanitation and Water Waste Revenue	141 829 184		
					Total Sanitation and Water Waste Expenditure	155 018 996		

B. Distribution Losses

		(Number of Electricity Units Purchased and/or				6%		
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2	Irregular, Fruitless and Wasteful and Unauthorised Expenditure / Total Operating Expenditure	(Irregular, Fruitless and Wasteful and Unauthorised Expenditure) / Total Operating Expenditure x100	Statement Financial Performance, Notes to Annual Financial Statements and AR	0%	Irregular, Fruitless and Wasteful and Unauthorised Expenditure	26 600 440	2022/23 Projected 3	
					Total Operating Expenditure	1 571 001 334		
					Taxation Expense	-		

3	Remuneration as % of Total Operating Expenditure	Remuneration (Employee Related Costs and Councillors' Remuneration) / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	25% - 40%		32%	2022/23 Projected 3	
					Employee/personnel related cost	483 200 985		
					Councillors Remuneration	12 314 714		
					Total Operating Expenditure	1 571 001 334		
					Taxation Expense	-		

4	Contracted Services % of Total Operating Expenditure	Contracted Services / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	2% - 5%		16%	2022/23 Projected 3	Cost analysis conducted to deliver cost effective services.
					Contracted Services	257 087 508		
					Total Operating Expenditure	1 571 001 334		
					Taxation Expense	-		

E. Grant Dependency

1	Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure	Own funded Capital Expenditure (Internally generated funds + Borrowings) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information), Budget, IDP, In-Year reports and AR	None		31%	2022/23 Projected 3	
					Internally generated funds	23 729 669		
					Borrowings	34 248 771		
					Total Capital Expenditure	189 321 053		

2	Own funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure	Own funded Capital Expenditure (Internally Generated Funds) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information) Budget, IDP, In-Year reports and AR	None		13%	2022/23 Projected 3	
					Internally generated funds	23 729 669		
					Total Capital Expenditure	189 321 053		

3	Own Source Revenue to Total Operating Revenue(Including Agency Revenue)	Own Source Revenue (Total revenue - Government grants and Subsidies - Public Contributions and Donations)/ Total Operating Revenue (including agency services) x 100	Statement Financial Performance, Budget, IDP, In-Year reports and AR	None		97%	2022/23 Projected 3	
					Total Revenue	1 682 298 860		
					Government grant and subsidies	172 162 413		
					Public contributions and Donations	6 129 795		
					Capital Grants	125 273 268		

3. BUDGET IMPLEMENTATION

1	Capital Expenditure Budget Implementation Indicator	Actual capital Expenditure / Budget Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, In-Year reports and AR	95% - 100%		89%	2022/23 Projected 3	
					Actual Capital Expenditure	189 321 053		
					Budget Capital Expenditure	212 216 331		

2	Operating Expenditure Budget Implementation Indicator	Actual Operating Expenditure / Budgeted Operating Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		100%	2022/23 Projected 3	
					Actual Operating Expenditure	1 571 001 334		
					Budget Operating Expenditure	1 571 001 334		

3	Operating Revenue Budget Implementation Indicator	Actual Operating Revenue / Budget Operating Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		103%	2022/23 Projected 3	
					Actual Operating Revenue	1 550 895 797		
					Budget Operating Revenue	1 508 997 282		

4	Service Charges and Property Rates Revenue Budget Implementation Indicator	Actual Service Charges and Property Rates Revenue / Budget Service Charges and Property Rates Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		101%	2022/23 Projected 3	
					Actual Service Charges and Property Rates Revenue	1 137 748 953		
					Budget Service Charges and Property Rates Revenue	1 123 934 832		



NATIONAL TREASURY
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Annexure 2
Interpretation of results

The green colour indicates that the result is within the norm and is acceptable
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Data should be captured in the blue colour cell to calculate a ratio.
In situations where the result are not within the acceptable norm, corrective actions/plans should be taken and reviewed

Template for Calculation of Uniform Financial Ratios and Norms 2023/24 Projected

RATIO	FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)	
					" R 000 "			
1. FINANCIAL POSITION								
A. Asset Management/Utilisation								
1	Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) x 100	10% - 20%	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR		10%	2023/24 Projected 2	
					Total Operating Expenditure	1 848 360 071		
					Taxation Expense			
					Total Capital Expenditure	211 644 224		
2	Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value)	Property, Plant and Equipment + Investment Property + Intangible Assets Impairment/(Total Property, Plant and Equipment + Investment Property + Intangible Assets) x 100	0%	Statement of Financial Position, Notes to the AFS and AR		0%	2023/24 Projected 2	
					PPE, Investment Property and Intangible Impairment			
					PPE at carrying value	3 850 951 981		
					Investment at carrying value	146 836 086		
						7 908 770		
3	Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value)	Total Repairs and Maintenance Expenditure/ Property, Plant and Equipment and Investment Property (Carrying value) x 100	8%	Statement of Financial Position, Statement of Financial Performance, IDP, Budgets and In-Year Reports		8%	2023/24 Projected 2	
					Total Repairs and Maintenance Expenditure	300 793 244		
					PPE at carrying value	3 850 951 981		
					Investment Property at Carrying value	146 836 086		

B. Debtors Management

1	Collection Rate	(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance - Bad Debts Written Off)/Billed Revenue x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget , In-Year Reports, IDP and AR	95%		102%	2023/24 Projected 2	
					Gross Debtors closing balance	159 882 826		
					Gross Debtors opening balance	191 902 003		
					Bad debts written Off	-		
					Billed Revenue	1 284 888 824		
2	Bad Debts Written-off as % of Provision for Bad Debt	Bad Debts Written-off/Provision for Bad debts x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	100%		19%	2023/24 Projected 2	The norm range appears incorrect
					Consumer Debtors Bad debts written off	10 709 492		
					Consumer Debtors Current bad debt Provision	56 630 439		
3	Net Debtors Days	(((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue)) x 365	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	30 days		29 days	2023/24 Projected 2	Taking into account/providing for the high risk regarding the COVID19 lockdown consequences
					Gross debtors	159 882 826		
					Bad debts Provision	56 630 439		
					Billed Revenue	1 284 888 824		

C. Liquidity Management

1	Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In year Reports and AR	1 - 3 Months		5 Month	2023/24 Projected 2	
					Cash and cash equivalents	292 293 766		
					Unspent Conditional Grants	-		
					Overdraft	-		
					Short Term Investments	400 000 000		
Total Annual Operational Expenditure	1 648 833 605							
2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1		2.40	2023/24 Projected 2	
					Current Assets	847 395 650		
					Current Liabilities	353 469 307		

D. Liability Management

1	Capital Cost(Interest Paid and Redemption) as a % of Total Operating Expenditure	Capital Cost(Interest Paid and Redemption) / Total Operating Expenditure x 00	Statement of Financial Position, Statement of Cash Flows, Statement of Financial Performance, Budget, IDP, In-Year Reports and AR	6% - 8%		6%	2023/24 Projected 2	
					Interest Paid	49 658 000		
					Redemption	57 948 948		
					Total Operating Expenditure	1 848 360 071		
Taxation Expense	-							
2	Debt (Total Borrowings) / Revenue	(Overdraft + Current Finance Lease Obligation + Non current Finance Lease Obligation + Short Term Borrowings + Long term borrowing) / (Total Operating Revenue - Operational Conditional Grants) x 100	Statement of Financial Position, Statement of Financial Performance, Budget, IDP and AR	45%		31%	2023/24 Projected 2	
					Total Debt	471 531 393		
					Total Operating Revenue	1 732 614 894		
					Operational Conditional Grants	192 560 567		

E. Sustainability

						23854%		
					Cash and cash Equivalents	292 293 766		
					Bank Overdraft	-		
					Short Term Investment	400 000 000		

1	Level of Cash Backed Reserves (Net Assets - Accumulated Surplus)	(Cash and Cash Equivalents - Bank overdraft + Short Term Investment + Long Term Investment - Unspent grants) / (Net Assets - Accumulated Surplus - Non Controlling Interest Share Premium - Share Capital - Fair Value Adjustment - Revaluation Reserve) x 100	Statement Financial Position, Budget and AR	100%	Long Term Investment	77 846 109	2023/24 Projected 2	
					Unspent Grants			
					Net Assets	3 963 409 908		
					Share Premium			
					Share Capital			
					Revaluation Reserve			
					Fair Value Adjustment Reserve			
Accumulated Surplus	3 960 181 406							

2. FINANCIAL PERFORMANCE

A. Efficiency

1	Net Operating Surplus Margin	(Total Operating Revenue - Total Operating Expenditure)/Total Operating Revenue	Statement of Financial Performance, Budget, In-Year reports, AR, Statement of Comparison of Budget and Actual Amounts and Statement of Changes in Net Asset	= or > 0%		-7%	2023/24 Projected 2	Refer to fluctuations in the housing grant (operational vs capital)
					Total Operating Revenue	1 732 614 894		
					Depreciation - Revalued Portion (Only populate if depreciation line item in the Statement of Financial Performance is based on the revalued asset value)			
					Total Operating Expenditure	1 848 360 071		
					Taxation Expense			

2	Net Surplus /Deficit Electricity	Total Electricity Revenue less Total Electricity Expenditure/Total Electricity Revenue x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	0% - 15%		4%	2023/24 Projected 2	
					Total Electricity Revenue	609 436 397		
					Total Electricity Expenditure	587 893 466		

3	Net Surplus /Deficit Water	Total Water Revenue less Total Water Expenditure/Total Water Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%		6%	2023/24 Projected 2	
					Total Water Revenue	176 860 700		
					Total Water Expenditure	166 666 503		

4	Net Surplus /Deficit Refuse	Total Refuse Revenue less Total Refuse Expenditure/Total Refuse Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%		-8%	2023/24 Projected 2	
					Total Refuse Revenue	111 309 928		
					Total Refuse Expenditure	120 495 845		

5	Net Surplus /Deficit Sanitation and Waste Water	Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure/Total Sanitation and Waste Water Revenue x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	= or > 0%		-12%	2023/24 Projected 2	
					Total Sanitation and Water Waste Revenue	121 172 963		
					Total Sanitation and Water Waste Expenditure	135 325 403		

B. Distribution Losses

		(Number of Electricity Units Purchased and/or				6%		
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2	Irregular, Fruitless and Wasteful and Unauthorised Expenditure / Total Operating Expenditure	(Irregular, Fruitless and Wasteful and Unauthorised Expenditure) / Total Operating Expenditure x100	Statement Financial Performance, Notes to Annual Financial Statements and AR	0%	Irregular, Fruitless and Wasteful and Unauthorised Expenditure	-	2023/24 Projected 2	
					Total Operating Expenditure	1 848 360 071		
					Taxation Expense			

3	Remuneration as % of Total Operating Expenditure	Remuneration (Employee Related Costs and Councillors' Remuneration) / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	25% - 40%		30%	2023/24 Projected 2	
					Employee/personnel related cost	549 390 147		
					Councillors Remuneration	12 898 325		
					Total Operating Expenditure	1 848 360 071		
					Taxation Expense			

4	Contracted Services % of Total Operating Expenditure	Contracted Services / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	2% - 5%		17%	2023/24 Projected 2	Cost analysis conducted to deliver cost effective services.
					Contracted Services	305 174 046		
					Total Operating Expenditure	1 848 360 071		
					Taxation Expense			

E. Grant Dependency

1	Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure	Own funded Capital Expenditure (Internally generated funds + Borrowings) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information), Budget, IDP, In-Year reports and AR	None		54%	2023/24 Projected 2	
					Internally generated funds	19 229 564		
					Borrowings	95 820 608		
					Total Capital Expenditure	211 644 224		

2	Own funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure	Own funded Capital Expenditure (Internally Generated Funds) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information) Budget, IDP, In-Year reports and AR	None		9%	2023/24 Projected 2	
					Internally generated funds	19 229 564		
					Total Capital Expenditure	211 644 224		

3	Own Source Revenue to Total Operating Revenue(Including Agency Revenue)	Own Source Revenue (Total revenue - Government grants and Subsidies - Public Contributions and Donations)/ Total Operating Revenue (including agency services) x 100	Statement Financial Performance, Budget, IDP, In-Year reports and AR	None		94%	2023/24 Projected 2	
					Total Revenue	1 829 208 946		
					Government grant and subsidies	192 560 567		
					Public contributions and Donations	890 257		
					Capital Grants	95 703 785		

3. BUDGET IMPLEMENTATION

1	Capital Expenditure Budget Implementation Indicator	Actual capital Expenditure / Budget Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, In-Year reports and AR	95% - 100%		100%	2023/24 Projected 2	
					Actual Capital Expenditure	211 644 224		
					Budget Capital Expenditure	211 644 224		

2	Operating Expenditure Budget Implementation Indicator	Actual Operating Expenditure / Budgeted Operating Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		100%	2023/24 Projected 2	
					Actual Operating Expenditure	1 848 360 071		
					Budget Operating Expenditure	1 848 360 071		

3	Operating Revenue Budget Implementation Indicator	Actual Operating Revenue / Budget Operating Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		100%	2023/24 Projected 2	
					Actual Operating Revenue	1 732 614 894		
					Budget Operating Revenue	1 732 614 894		

4	Service Charges and Property Rates Revenue Budget Implementation Indicator	Actual Service Charges and Property Rates Revenue / Budget Service Charges and Property Rates Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		100%	2023/24 Projected 2	
					Actual Service Charges and Property Rates Revenue	1 284 888 824		
					Budget Service Charges and Property Rates Revenue	1 284 888 824		



NATIONAL TREASURY
MFMA Circular No 71
Municipal Finance Management Act No. 56 of 2003

Annexure 2
Interpretation of results

The green colour indicates that the result is within the norm and is acceptable
The red colour indicates that the result is not acceptable and corrective actions/plans should be put in place to improve the results.
Cases should be captured in the blue colour cell to calculate a ratio.
In situations where the results are not within the acceptable norm, corrective actions/plans should be taken and referenced

Template for Calculation of Uniform Financial Ratios and Norms 2024/25 Projected

RATIO		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)
						" R 000 "		
1. FINANCIAL POSITION								
A. Asset Management/Utilisation								
1	Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR	10% - 20%		7%	2024/25 Projected 1	
					Total Operating Expenditure	1 944 246 906		
					Taxation Expense			
					Total Capital Expenditure	152 033 088		
2	Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value)	Property, Plant and Equipment + Investment Property + Intangible Assets Impairment/(Total Property, Plant and Equipment + Investment Property + Intangible Assets) x 100	Statement of Financial Position, Notes to the AFS and AR	0%		0%	2024/25 Projected 1	
					PPE, Investment Property and Intangible Impairment			
					PPE at carrying value	3 844 183 038		
					Investment at carrying value	150 336 086		
						7 637 382		
3	Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value)	Total Repairs and Maintenance Expenditure/ Property, Plant and Equipment and Investment Property (Carrying value) x 100	Statement of Financial Position, Statement of Financial Performance, IDP, Budgets and In-Year Reports	8%		7%	2024/25 Projected 1	Repairs & maintenance comprises 17.02% of total expenditure. Asset value was enhanced with the introduction of GRAP i.r.o. Depreciated Replacement Cost.
					Total Repairs and Maintenance Expenditure	295 474 263		
					PPE at carrying value	3 844 183 038		
					Investment Property at Carrying value	150 336 086		

B. Debtors Management

1	Collection Rate	((Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance - Bad Debts Written Off)/Billed Revenue x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget , In-Year Reports, IDP and AR	95%		99%	2024/25 Projected 1	
					Gross Debtors closing balance	173 543 894		
					Gross Debtors opening balance	159 882 003		
					Bad debts written Off	-		
					Billed Revenue	1 400 330 280		

2	Bad Debts Written-off as % of Provision for Bad Debt	Bad Debts Written-off/Provision for Bad debts x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	100%		16%	2024/25 Projected 1	The norm range appears incorrect
					Consumer Debtors Bad debts written off	10 709 492		
					Consumer Debtors Current bad debt Provision	67 624 824		

3	Net Debtors Days	(((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue)) x 365	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	30 days		28 days	2024/25 Projected 1	
					Gross debtors	173 543 894		
					Bad debts Provision	67 624 824		
					Billed Revenue	1 400 330 280		

C. Liquidity Management

1	Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	(((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In year Reports and AR	1 - 3 Months		5 Month	2024/25 Projected 1	
					Cash and cash equivalents	285 062 928		
					Unspent Conditional Grants	-		
					Overdraft	-		
					Short Term Investments	400 000 000		
Total Annual Operational Expenditure	1 732 411 365							

2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1		1.96	2024/25 Projected 1	We noted that this indicator went below the norm and the organisation will be proactive in this regard.
					Current Assets	853 646 338		
					Current Liabilities	434 779 893		

D. Liability Management

1	Capital Cost(Interest Paid and Redemption) as a % of Total Operating Expenditure	Capital Cost(Interest Paid and Redemption) / Total Operating Expenditure x 00	Statement of Financial Position, Statement of Cash Flows, Statement of Financial Performance, Budget, IDP, In-Year Reports and AR	6% - 8%		5%	2024/25 Projected 1	
					Interest Paid	49 814 200		
					Redemption	50 605 220		
					Total Operating Expenditure	1 944 246 906		
					Taxation Expense	-		

2	Debt (Total Borrowings) / Revenue	(Overdraft + Current Finance Lease Obligation + Non current Finance Lease Obligation + Short Term Borrowings + Long term borrowing) / (Total Operating Revenue - Operational Conditional Grants) x 100	Statement of Financial Position, Statement of Financial Performance, Budget, IDP and AR	45%		30%	2024/25 Projected 1	
					Total Debt	486 352 047		
					Total Operating Revenue	1 829 326 179		
					Operational Conditional Grants	190 068 100		

E. Sustainability

						23828%		
					Cash and cash Equivalents	285 062 928		
					Bank Overdraft	-		

1	Level of Cash Backed Reserves (Net Assets - Accumulated Surplus)	(Cash and Cash Equivalents - Bank overdraft + Short Term Investment + Long Term Investment - Unspent grants) / (Net Assets - Accumulated Surplus - Non Controlling Interest Share Premium - Share Capital - Fair Value Adjustment - Revaluation Reserve) x 100	Statement Financial Position, Budget and AR	100%	Short Term Investment	400 000 000	2024/25 Projected 1	
					Long Term Investment	84 470 728		
					Unspent Grants			
					Net Assets	3 959 462 221		
					Share Premium			
					Share Capital			
					Revaluation Reserve			
					Fair Value Adjustment Reserve			
Accumulated Surplus	3 956 232 721							

2. FINANCIAL PERFORMANCE

A. Efficiency

1	Net Operating Surplus Margin	(Total Operating Revenue - Total Operating Expenditure)/Total Operating Revenue	Statement of Financial Performance, Budget, In-Year reports, AR, Statement of Comparison of Budget and Actual Amounts and Statement of Changes in Net Asset	= or > 0%		-6%	2024/25 Projected 1	Refer to fluctuations in the housing grant (operational vs capital)
					Total Operating Revenue	1 829 326 179		
					Depreciation - Revalued Portion <i>(Only populate if depreciation line item in the Statement of Financial Performance is based on the revalued asset value)</i>			
					Total Operating Expenditure	1 944 246 906		
					Taxation Expense			

2	Net Surplus /Deficit Electricity	Total Electricity Revenue less Total Electricity Expenditure/Total Electricity Revenue x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	0% - 15%		2%	2024/25 Projected 1	
					Total Electricity Revenue	670 014 100		
					Total Electricity Expenditure	653 304 950		

3	Net Surplus /Deficit Water	Total Water Revenue less Total Water Expenditure/Total Water Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%		5%	2024/25 Projected 1	
					Total Water Revenue	189 693 282		
					Total Water Expenditure	179 515 875		

4	Net Surplus /Deficit Refuse	Total Refuse Revenue less Total Refuse Expenditure/Total Refuse Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%		-2%	2024/25 Projected 1	We noted that this indicator went below zero and the organisation will be proactive in this regard
					Total Refuse Revenue	123 641 100		
					Total Refuse Expenditure	126 149 175		

5	Net Surplus /Deficit Sanitation and Waste Water	Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure/Total Sanitation and Waste Water Revenue x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	= or > 0%		-5%	2024/25 Projected 1	
					Total Sanitation and Water Waste Revenue	135 674 997		
					Total Sanitation and Water Waste Expenditure	142 478 466		

B. Distribution Losses

						6%		
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2	Irregular, Fruitless and Wasteful and Unauthorised Expenditure / Total Operating Expenditure	(Irregular, Fruitless and Wasteful and Unauthorised Expenditure) / Total Operating Expenditure x100	Statement Financial Performance, Notes to Annual Financial Statements and AR	0%	Irregular, Fruitless and Wasteful and Unauthorised Expenditure	-	2024/25 Projected 1	
					Total Operating Expenditure	1 944 246 906		
					Taxation Expense			

3	Remuneration as % of Total Operating Expenditure	Remuneration (Employee Related Costs and Councillors' Remuneration) / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	25% - 40%		31%	2024/25 Projected 1	
					Employee/personnel related cost	587 184 839		
					Councillors Remuneration	13 911 673		
					Total Operating Expenditure	1 944 246 906		
					Taxation Expense			

4	Contracted Services % of Total Operating Expenditure	Contracted Services / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	2% - 5%		16%	2024/25 Projected 1	Cost analysis conducted to deliver cost effective services.
					Contracted Services	316 047 669		
					Total Operating Expenditure	1 944 246 906		
					Taxation Expense			

E. Grant Dependency

1	Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure	Own funded Capital Expenditure (Internally generated funds + Borrowings) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information), Budget, IDP, In-Year reports and AR	None		57%	2024/25 Projected 1	
					Internally generated funds	21 100 000		
					Borrowings	65 400 000		
					Total Capital Expenditure	152 033 088		

2	Own funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure	Own funded Capital Expenditure (Internally Generated Funds) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information) Budget, IDP, In-Year reports and AR	None		14%	2024/25 Projected 1	
					Internally generated funds	21 100 000		
					Total Capital Expenditure	152 033 088		

3	Own Source Revenue to Total Operating Revenue(Including Agency Revenue)	Own Source Revenue (Total revenue - Government grants and Subsidies - Public Contributions and Donations)/ Total Operating Revenue (including agency services) x 100	Statement Financial Performance, Budget, IDP, In-Year reports and AR	None		93%	2024/25 Projected 1	
					Total Revenue	1 894 859 267		
					Government grant and subsidies	190 068 100		
					Public contributions and Donations	-		
					Capital Grants	65 533 088		

3. BUDGET IMPLEMENTATION

1	Capital Expenditure Budget Implementation Indicator	Actual capital Expenditure / Budget Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, In-Year reports and AR	95% - 100%		100%	2024/25 Projected 1	
					Actual Capital Expenditure	152 033 088		
					Budget Capital Expenditure	152 033 088		

2	Operating Expenditure Budget Implementation Indicator	Actual Operating Expenditure / Budgeted Operating Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		100%	2024/25 Projected 1	
					Actual Operating Expenditure	1 944 246 906		
					Budget Operating Expenditure	1 944 246 906		

3	Operating Revenue Budget Implementation Indicator	Actual Operating Revenue / Budget Operating Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		100%	2024/25 Projected 1	
					Actual Operating Revenue	1 829 326 179		
					Budget Operating Revenue	1 829 326 179		

4	Service Charges and Property Rates Revenue Budget Implementation Indicator	Actual Service Charges and Property Rates Revenue / Budget Service Charges and Property Rates Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		100%	2024/25 Projected 1	
					Actual Service Charges and Property Rates Revenue	1 400 330 280		
					Budget Service Charges and Property Rates Revenue	1 400 330 280		

		Norm	2022	2023	2024	2025
FINANCIAL POSITION						
Asset Management/Utilisation						
1	Capital Expenditure to Total Expenditure	10% - 20%	11%	11%	10%	7%
2	Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value)	0%	0%	0%	0%	0%
3	Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value)	8%	7%	7%	8%	7%
Debtors Management						
1	Collection Rate	95%	98%	97%	102%	99%
2	Bad Debts Written-off as % of Provision for Bad Debt	100%	13%	0%	19%	16%
3	Net Debtors Days	30 days	40 days	47 days	29 days	28 days
Liquidity Management						
1	Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	1 - 3 Months	5 Month	6 Month	5 Month	5 Month
2	Current Ratio	1.5 - 2:1	2.55	2.76	2.40	1.96
Liability Management						
1	Capital Cost(Interest Paid and Redemption) as a % of Total Operating Expenditure	6% - 8%	7%	6%	6%	5%
2	Debt (Total Borrowings) / Revenue	45%	36%	35%	31%	30%
FINANCIAL PERFORMANCE						
Efficiency						
1	Net Operating Surplus Margin	= or > 0%	-1%	-1%	-7%	-6%
2	Net Surplus /Deficit Electricity	0% - 15%	10%	12%	4%	2%
3	Net Surplus /Deficit Water	= or > 0%	7%	15%	6%	5%
4	Net Surplus /Deficit Refuse	= or > 0%	2%	0%	-8%	-2%
5	Net Surplus /Deficit Sanitation and Waste Water	= or > 0%	-3%	-9%	-12%	-5%
Distribution Losses						
1	Electricity Distribution Losses (Percentage)	7% - 10%	7%	6%	6%	6%
2	Water Distribution Losses (Percentage)	15% - 30%	24%	24%	24%	25%
Revenue Management						

	1	Growth in Number of Active Consumer Accounts	None	1%	1%	1%	0%
	2	Revenue Growth (%)	= CPI	12%	11%	9%	4%
	3	Revenue Growth (%) - Excluding capital grants	= CPI	14%	5%	12%	6%
Expenditure Management							
	1	Creditors Payment Period (Trade Creditors)	30 days	30 days	29 days	30 days	32 days
	2	Irregular, Fruitless and Wasteful and Unauthorised Expenditure / Total Operating Expenditure	0%	1%	2%	0%	0%
	3	Remuneration as % of Total Operating Expenditure	25% - 40%	31%	32%	30%	31%
	4	Contracted Services % of Total Operating Expenditure	2% - 5%	16%	16%	17%	16%
Grant Dependency							
	1	Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure	None	53%	31%	54%	57%
	2	Own funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure	None	19%	13%	9%	14%
	3	Own Source Revenue to Total Operating Revenue(Including Agency Revenue)	None	92%	97%	94%	93%
BUDGET IMPLEMENTATION							
	1	Capital Expenditure Budget Implementation Indicator	95% - 100%	81%	89%	100%	100%
	2	Operating Expenditure Budget Implementation Indicator	95% - 100%	99%	100%	100%	100%
	3	Operating Revenue Budget Implementation Indicator	95% - 100%	103%	103%	100%	100%
	4	Service Charges and Property Rates Revenue Budget Implementation Indicator	95% - 100%	103%	101%	100%	100%

ANNEXURE I

mSCOA IMPLEMENTATION STATUS

MUNICIPAL REGULATIONS ON A STANDARD CHART OF ACCOUNTS (mSCOA): POST IMPLEMENTATION STATUS OF mSCOA PROJECT – MARCH 2024

1. Executive Summary

The purpose of this submission to Council is to:

1. Inform Council on specific initiatives to date by National Treasury to enable a full and complete understanding of the scope and extent of the SCOA implementation as applicable to all municipalities and municipal entities;
2. Report to Council on progress made to date with the implementation of mSCOA at the Overstrand Municipality since the previous report to Council.
3. Maintain an on-going awareness of specific mSCOA initiatives in the Overstrand Municipality; and
4. Considerations on the way forward with the core financial system, being Samras Classic, currently in use by the Overstrand Municipality.

A comprehensive supplementary report in this regard, providing the necessary detail with regard to background and historic information over the past number of years for this National Treasury project, was also included previously (up to 31 December 2019), as part of the reporting to Council.

2. Updated status 2023/2024: Mar 2024 (Quarter 3)

MFMA Budget Circular No. 126 (7 Dec 2023) guided as follows:

“6.6 mSCOA governance and implementation

*Municipalities that have not yet achieved the required level of mSCOA implementation, must develop and implement a road map (action plan) to fast track the implementation of mSCOA. The focus areas that should be considered (at a minimum) when developing the road map are articulated in **Annexure A** attached to this circular.*

6.7 Regulating the minimum business processes and system specifications for mSCOA

The National Treasury will regulate the minimum business processes and system specifications for mSCOA towards the end of 2025/26. This project will also include the following outputs:

- *Review and update the set of minimum business processes and system specifications for mSCOA (currently articulated in MFMA Circular No. 80) to incorporate new legislative requirements that have been issued since the circular was published;*
- *Update and develop the standard operating procedures (SOPs) for mSCOA;*
- *Align the current ICT due diligence assessment for mSCOA to the new Regulations;*
- *Consultation with key stakeholders on draft regulations; and*
- *Training on the new Regulations to ensure that there is a fair understanding of the new regulation by stakeholders.*

Further communication will be issued on the consultation processes and training in due course.”

New appointments were made to the Solvem staff, inclusive of a new appointment on executive management level. Communication with the service provider is taking place on a regular basis with the attendance of all SAMRAS Usergroup workshops and meetings by senior Finance Directorate - and ICT Department staff in this regard. In providing insight regarding monitoring of progress with the development and implementation of web-based modules.

Overstrand will continue to monitor progress with reference to implementation, especially relating to the client-wide implementation of the Expenditure/SCM module.

The next Usergroup meeting will be held on 4 April 2024 via the Teams platform. For Overstrand, the status quo is maintained regarding further considerations with regard to system implementation, pending the outcome of successful implementation of the organogram and SCM module at other comparable user sites.

Usergroup meetings allow municipalities to obtain feedback from the service provider with regard to progress made with development of the respective Web Modules as well as updates from these municipal sites where specific web module testing was in process. Confirmation of the dates for the next workshop and meeting are awaited.

The mSCOA committee currently follows a process of monthly monitoring with regard to before-mentioned development and implementation of web-based modules at sites as we become aware of information. Assurance of successful implementation of web-based modules and the organogram are regarded as a pre-requisite for embarking on implementation of these modules.

The Action Plan of the municipality is based on the latest Roadmap received in March 2024 from Solvem, containing the high level information of the modules required (migration to the web) to ensure integration with 3rd party systems and implementation of functionality with regard to workflow and document management. It is however important to note that the following status update for March 2022, is still relevant to the extent that some those implementations could be confirmed as completed and successfully implemented in the respective municipal environments.

For Overstrand, the status quo remains the same as at the end of December 2023 regarding further considerations with regard to system implementation. The municipality follows up regarding the outcome of successful implementation of the organogram and SCM module at other comparable user sites.

3. Updated status 2023/2024: Dec 2023 (Quarter 2)

The Usergroup meeting was held on 13 December 2023 via the Teams platform. The status quo is still maintained regarding further considerations with regard to system implementation, pending the outcome of successful implementation of the organogram and SCM module at other comparable user sites.

At these Usergroup meetings feedback is shared by the service provider with regard to progress made with development of the respective Web Modules, as well as the updated status of these municipal sites where specific web module implementation/testing are in

process. The most recent usergroup meeting did not provide any meaningful progress at high capacity sites selected by the municipality for monitoring.

The municipality furthermore experienced major challenges with incorrect regulatory reports from the system on a monthly basis since 1 July 2023, with seemingly no permanent solution to resolve, and prevent this from occurring again. This matter was escalated to senior management and continuous monitoring by the municipality is taking place.

The mSCOA chart is reviewed on an annual basis to address implementation challenges and correct chart related errors. Towards this end, Version 6.8 is released with MFMA Budget Circular no 126 on 7 December 2023. Version 6.8 of the chart will be effective from 2024/25 and must be used to compile the 2024/25 MTREF.

Status 2023/2024: Sept 2023 (Quarter 1)

No further consideration is currently being given by Overstrand Municipality for the implementation of further web modules, pending the planned visit to Stellenbosch Municipality by a number of municipalities, in order to determine the progress with implementation of the SCM module, for any further consideration. This visit will take place during the first week of October 2023 and will subsequently be included in the next reporting to the council.

Status 2022/2023: June 2023 (Combined quarter 1-4)

Overstrand municipality has arranged site visits to Stellenbosch and Breede Valley municipality's to observe the implementation of the Web-based SCM Module. The dates has still to be confirmed by the respective municipalities.

During the 3rd & 4th quarters, Solvem implemented the latest version 6.7 of the mSCOA chart on the web-based budget module. The budget for the 2023/2024 MTREF was captured and successfully implemented on the web module by 2 July 2023.

MFMA Budget Circular No. 122 (9 Dec 2022) guided as follows:

“Regulation of Minimum Business Processes and System Specifications

National Treasury will review and regulate minimum business processes and system specifications for mSCOA by the end of 2024/25. In preparation for the regulation of the minimum requirements, municipalities should ensure that they comply fully with the current minimum business processes and system specifications articulated in MFMA Circular No. 80 (dated 08 March 2016).

Where a municipality is not fully compliant with the mSCOA requirements, a mSCOA Road Map must be in place to drive and fast track the mSCOA implementation in the municipality. The mSCOA Steering Committee, chaired by the Accounting Officer or his/her delegate, must use the mSCOA Road Map to track progress and take correction actions where required.

Road Maps must be reviewed and updated annually as part of the budget process is update and submitted to Council for approval together with their 2023/24 MTREF budget. Municipalities will be required to upload their updated mSCOA Road Maps in a

PDF format on the GoMuni Upload portal as part of their 2023/24 MTREF tabled and adopted budget submission and thereafter on a quarterly basis as part of their in-year reporting.

Municipalities should ensure that they budget sufficiently to become and remain mSCOA compliant.”

Communication with the service provider is taking place on a regular basis with the attendance of all SAMRAS Usergroup workshops and meetings by senior Finance Directorate - and ICT Department staff in this regard. In providing insight regarding monitoring of progress with the development and implementation of web-based modules, the following background –

A senior delegation from the service provider (SOLVEM) made an on-site courtesy visit on 12 September 2022 and general systems information and incidents logs status were discussed and reviewed. Overstrand will continue to monitor progress with reference to implementation, especially relating to the client-wide implementation of the Expenditure/SCM module.

Challenges were experienced with the August 2022 reporting cycle system information extracts and reports, and although the incidents were logged timeously with the service provider, the issues were only resolved after the reporting due dates. A report on the system failure was requested from the service provider, and submitted to Provincial Treasury in response to an official enquiry by them.

The next Usergroup meeting was held on 20 October 2022 via the Teams platform. For Overstrand, the status quo is maintained regarding further considerations with regard to system implementation, pending the outcome of successful implementation of the organogram and SCM module at other comparable user sites.

Usergroup meetings allow municipalities to obtain feedback from the service provider with regard to progress made with development of the respective Web Modules as well as updates from these municipal sites where specific web module testing was in process. Confirmation of the dates for the next workshop and meeting are awaited.

The mSCOA committee currently follows a process of monthly monitoring with regard to before-mentioned development and implementation of web-based modules at sites as we become aware of information. Assurance of successful implementation of web-based modules and the organogram are regarded as a pre-requisite for embarking on implementation of these modules.

The Action Plan of the municipality is based on the communication received from Solvem, containing the high level information of the modules required (migration to the web) to ensure integration with 3rd party systems and implementation of functionality with regard to workflow and document management. It is however important to note that the following status update for March 2022, is still relevant to the extent that none of those implementations could be confirmed as completed and successfully implemented in the respective municipal environments.

The most recent Usergroup meeting was held on 6 April 2023 in hybrid format, in person and via the Teams platform. For Overstrand, the status quo remains the same as at the

end of March 2023 regarding further considerations with regard to system implementation. The municipality follows up regarding the outcome of successful implementation of the organogram and SCM module at other comparable user sites. This development will be closely monitored and any important matters impacting on the Overstrand contract, service rendering levels, etc will be reported to Council, as well as the relevant spheres of government as might be applicable, inclusive of any assessment outcome. The administration will maintain continuation of quarterly reports as part of Budget Reports, due to the process currently still not leading to a close-out report in the current financial period.

A two-person delegation from the service provider (Solvem) made an on-site courtesy visit on 12 September 2022 and general systems information and incidents logs status were discussed and reviewed. Overstrand will continue to monitor progress with reference to implementation, especially relating to the client-wide implementation of the Expenditure/SCM module.

Challenges were experienced with the August 2022 reporting cycle system information extracts and reports, and although the incidents were logged timeously with the service provider, the issues were only resolved after the reporting due dates. A report on the system failure was requested from the service provider, and submitted to Provincial Treasury in response to an official enquiry by them.

4. National Treasury budgetary mSCOA guidance / communications:

The absence of any clear direction from National Treasury in terms of the anticipated outcome of the mSCOA systems audits as previously communicated, inclusive of National Treasury's envisaged transversal tender process and specifications, compounded challenges for municipalities. NT did not share any further information regarding the mentioned audits and confirmed in MFMA Budget Circular No. 112 (6 Dec 2021) the following: "However, should a municipality need to procure a new financial system, they must follow the processes set out in the MFMA read together with the Municipal Supply Chain Management Regulations and MFMA Budget Circulars No. 93, 98 and mSCOA Circulars No 5 and 6. In addition, National Treasury has not accredited any of the municipal financial systems available in the market and this should therefore not be advertised as a requirement in municipal tender documents.

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."

The following was furthermore stated: "Municipalities that procured systems through the RT25-2016 transversal tender must approach the market to procure a new service provider for system support and maintenance. Due to the high financial investment in procuring financial systems, it is not cost effective to change financial systems every 3 to 5 years. Also, the expiry of the SLA does not necessitate the procurement of a new financial system - unless the system that is being used is not complying with the required business processes and system specifications." From before-mentioned it can be derived that NT will not provide for any further communication to Local Government with

regard to the before-mentioned release of audit results to assist municipalities with the outcome of their process in this regard. It is rather stated in the circular again that “It should be emphasised that the onus to ensure compliance with the mSCOA Regulations and minimum system specifications as per MFMA Circular No. 80 and its Annexure B rests with the municipality and not the system vendor. Municipalities should ensure that they budget sufficiently to become and remain mSCOA compliant.”

National Treasury issued the following Circulars and guidance relating to mSCOA from December 2021 to March 2022:

- i. Municipal Budget Circular (No 112) for the 2022/23 MTREF - 04 December 2021;
- ii. Municipal Budget Circular (No 115) for the 2022/23 MTREF - 04 March 2022:)

The Draft and Final budgets were compiled according to the latest chart available on the financial system:

- mSCOA Segment Detail – (Final Version 6.6 – 6 Dec 2021) for implementation 2022/22
- mSCOA Segment Detail – (6.6.1. Patch to Version 6.6 – 4 Mar 2022) for implementation 2022/23

It was furthermore now advised in the Budget Circular for this draft budget cycle (No 112): “That the credibility of the mSCOA data strings remains a concern although we have observed a marked improvement in some areas. At the core of the problem is:

- The incorrect use of the mSCOA 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; have not purchased all the modules of the core financial system or have not upgraded to the Enterprise Resource Planning (ERP) (mSCOA enabling) version of their financial systems;
- A number of municipalities are still transacting on their legacy systems that are not the functionality of their financial systems, while they are paying for maintenance and support for the mSCOA enabling system that was procured. This constitute fruitless and wasteful expenditure; 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 2022/23, 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.

Municipalities should refer to the guidance provided in the mSCOA circulars issued by the National Treasury to classify their transactions correctly.”

Section 5.3 of the circular also addresses the Regulation of Minimum Business Processes and System Specifications as follows:

“One of the key objectives of the mSCOA reform is to ensure that municipalities are planning, budgeting, transacting and reporting directly on and from integrated ERP systems to have one version of the truth in terms of the reported financial performance. The manual correction of data strings by municipal officials or system vendors are not allowed in terms of the mSCOA Regulations.

All municipalities and municipal entities had to comply with the mSCOA Regulations by 1 July 2017. MFMA Circular No. 80 (Annexure B) provided guidance on the minimum business processes and system specifications for all categories of municipalities (A, B and C). A number of Regulations and best practices as per the MFMA Circulars have been introduced since the issuing of MFMA Circular No. 80 in 2016.

The National Treasury will expand and regulate the business processes and system specifications in 2022/23 to these new developments. If your municipality has not yet achieved the minimum required level of mSCOA implementation, then a detailed action plan (road map) must be developed to indicate how the municipality will fast track the implementation of mSCOA.”

The Overstrand mSCOA Committee will at all times consider the appropriate approach in ensuring that the municipality will not be exposed to risk from either an operational- and/or monetary perspective in this regard, this also in accordance with previous confirmations in this regard.

5. SAMRAS Usergroup Workshops & Meetings:

The following status reported on for Quarter 4 thus still applies –

“The service provider is still in process of continuous development of the Web system modules, with ongoing efforts to migrate West Coast District Municipality, Stellenbosch Municipality, George Municipality, Breede Valley Municipality and Bitou Municipality among other, starting with the initial steps (organogram, commodity codes, contract management data), in preparing (municipalities at various stages currently) for the roll-out of primarily the SCM web module, as the new version to replace the current classic version of the system ultimately.”

The municipality is awaiting feedback from the service provider with regard to the testing of the Organogram functionality, a prerequisite for any other modules to be implemented in the web.

The service provider of the SAMRAS system (Solvem) arranged for 2 day-sessions Tuesday 7 June 2022 to Wednesday 8 June 2022 to assist them in testing the development of modules up to date, indicating that they are looking forward to getting the best out of the training and workshop sessions to improve their product and user experience.

The two days were followed by the quarterly Usergroup meeting on 9 June 2022.

Previous SOLVEM SAMRAS Usergroup workshop and Usergroup meeting took place as a hybrid virtual/physical sessions on 3 - 4 November 2021.

The service provider is still in process of continuous development of the Web system modules, with ongoing efforts to migrate West Coast District Municipality, Stellenbosch Municipality, George Municipality, Breede Valley Municipality and Bitou Municipality among other, starting with the initial steps (organogram, commodity codes, contract management data), in preparing (municipalities at various stages currently) for the roll-out of primarily the SCM web module, as the new version to replace the current classic version of the system ultimately. On request of Overstrand Municipality to view a demo of the Asset Register, the municipality was advised that the web version is not ready yet. This is regarded as one of the critical considerations of a desirable The next SAMRAS Usergroup workshop and Usergroup meetings scheduled for March 2022 were postponed on request of the service provider, to April 2022.

The necessary evidence and confirmation required, confirming that the service provider is in a position to provide the required resources is currently considered by the Overstrand mSCOA / conversion committee. Before-mentioned, inclusive of an updated and detailed project plan for a viable migration process, with regard to the SCM module to the web-based platform identified by SAMRAS as a critical priority, and during 2021 listed for actioning in the third quarter of the 2021/2022 financial year. The municipality is however currently aware of one municipality where this module has been implemented and functional, though not representing the complete supply chain management functionality and workflow areas representative of formal procurement processes. During the next quarter (Apr 2022 onwards) a site visit to a municipality, who will be able to demonstrate the functionality of the implementation in the production environment, is envisaged.

It is again confirmed that the administration will consider the appropriate approach in ensuring that the municipality will not be exposed to risk from either an operational-and/or monetary perspective in this regard. As stated in previous reporting, the status as at 31 December 2021 remains the same with regard to the absence of any clear direction from National Treasury in terms of the outcome of systems audits.

The mSCOA committee currently follows a process of monitoring progress with regard to before-mentioned development and implementation of web-based modules at sites as we become aware of information. Assurance of successful implementation of web-based modules is regarded as a pre-requisite for embarking on implementation of these modules.

Matters regarded of importance and impacting on the Overstrand contract, service rendering levels, etc will be reported to Council, with the continuation of quarterly reports as part of the Budget Report, due to the process currently still not leading to a close-out report in the current financial period.

6. Previous quarter/historic status up to December 2021

mSCOA Project Governance and Management: Solvem (previously Bytes Systems Integration) and engagements with regard to the Samras Financial System)

It was reported to Council (Dec 2020, Quarter 2) that Overstrand Municipality received correspondence on 31 December 2020 from the service provider (Bytes Systems

Integration) for the financial system currently in use (SAMRAS), inclusive of the following notification as corresponded to National Treasury:

“this letter serves to advise that the service provider for the SAMRAS system has changed from Altron TMT (Pty) Ltd to Solvem Consulting (Pty) Ltd. The effective date of the business transfer is the 1 December 2020. The transfer of the resources will be the 1 January 2021. The SAMRAS product and service offerings remain the same. The full resource team transfers in a section 197 process and hence continuity of service will be uninterrupted to our current clients.”

It was also confirmed that this development will be closely monitored and any important matters impacting on the Overstrand contract, service rendering levels, etc. will be reported to Council, with the continuation of this quarterly report, due to the process still not leading to a close-out report in the near future.

The feedback provided to municipalities a year ago (March 2021) focused on the continuous development of the Web system modules and importantly, efforts currently with regard to the gradual migration of West Coast District Municipality, Stellenbosch Municipality, and lately George Municipality, in particular to the web modules. Progress with these efforts are currently at various stages, which could not be established as completed migration processes from the classic environment to the web. Other instances of municipalities involved and the extent of these municipal sites where specific web module testing is currently underway, or planning processes could not be established during these workshops and the usergroup meeting on the 4th of March 2021, to provide the necessary evidence and confirmation that the service provider is currently in a position to provide the required resources and detailed project plan for a viable migration process with regard to any substantial module or section of a module, to the web-based platform.

The service provider provided the following feedback in terms of further development of web modules attended to, since the previous usergroup meeting towards the end of 2020, up to the end of February 2021:



The Overstrand mSCOA Committee awaited detailed information requested from the service provider, in order to consider the appropriate approach in ensuring that the

municipality will not be exposed to risk from either an operational- and/or monetary perspective.

mSCOA Circulars

The inclusion of the following reference with regard to most recent mSCOA circulars in the past 2 years aims to provide Council with an overview of progress made by National Treasury in the roll-out of the mSCOA Regulation thus far -

Municipal SCOA Circular No. 7 - 02 March 2020: Guide on Construction Work in Progress (CWIP)

The principles stated in this circular were implemented during the 2019/2020 General Adjustments Budget, which served before Council on 26 February 2020 and was carried forward into the 2020/2021 Budget Cycle

Municipal SCOA Circular No. 8 - 24 April 2020: Guidance on Virement Policies for Municipalities

The guidance in this circular already forms an integral part of Overstrand municipality's Virement Policy.

Municipal SCOA Circular No. 9 - 09 June 2020: Reporting on COVID-19 using the mSCOA chart

The principle of Typical Workstream Projects relating to COVID-19 was implemented for the Special Adjustments Budget in June 2020, notwithstanding that is circular was issued on the same day that the Special Adjustments Budget was submitted to be tabled in Council.

Municipal SCOA Circular No. 10 – 14 October 2020: Cash Flow Guidance

This circular is to provide further guidance to municipalities on the correct use of the municipal standard chart of accounts (mSCOA) data strings to populate the cash flows tables in Schedules A, B and C of the Municipal Budget Reporting Regulations (MBRR) To ensure that the MBRR cash flow tables (A7, SA30, B7 and C7) are linked correctly to the mSCOA data strings.

National Treasury corrected the linkages in the segment item: asset and liabilities.

Municipal SCOA Circular No. 11 – 4 December 2020: Guidance on the use of the Fund Segment

The purpose of this circular is to provide guidance to municipalities on the use of the Fund segment.

Following the guidance provided in Circular 10, the following cash flow issues still had to be corrected and/or clarified:

- The recording of unallocated deposits;
- The duplication of capital assets other expenditure (trade and other payables – payables and accruals);
- The linking of construction Work-In-Progress (CWIP) to capital assets in Table A9 of the A1 Schedule;
- The linking of advance payments and retentions to the cash flow tables;
- The distinction of and payment between Inventory, Contracted Services and Other Expenditure line items not specifically listed under Liabilities in the mSCOA chart; and

- The linking of Income tax receivable, Income tax payables, Value Added Tax (VAT) receivable, VAT payable, Accrued interest on receivables to cash flow/payments.

Municipal SCOA Circular No. 12 – 01 October 2021: Guidance on Value Added Tax (VAT)

The purpose of this circular is to provide guidance to municipalities on how to budget, transact and report for Value Added Tax (VAT) using the Municipal Standard Chart of Accounts (mSCOA) chart.

The following guidance is provided in Circulr 12:

- When municipalities prepare their MTREF budgets, it must be exclusive of VAT and therefore the regulated budget Tables A4 and A5 must be VAT exclusive.
 - It should also be noted that the accounts for Input and Output Tax on the mSCOA chart is named Input and Output VAT and irrecoverable debt is referred to as bad debt. Therefore, where reference is made to the VAT accounts in the chart in the examples used to explain the VAT transactions, Input and Output VAT and bad debt is used as per the mSCOA chart.
 - These discrepancies in the terminology will be corrected in version 6.6 of the chart.
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SAMRAS

A DIVISION OF
SOLVEM
CONSULTING (PTY) LTD

NT Business Processes Roadmap

First quarter 2024

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CONTENTS

1.	OVERVIEW	4
2.	15 Business Processes Progress	4
3.	DOCUMENTATION.....	6

1. OVERVIEW

This document contains the detail of the progress of modernizing Samras classic to the upgrade version on the web and alignment to the National Treasury 15 business processes.

The position as at first quarter 2024.

2. 15 BUSINESS PROCESSES PROGRESS

SAMRAS roadmap

	Modules	version		Avail	WEB	Test Site	Notes
		Classic	WEB				
1	Customer Care, Credit Control& Debt Collection	Classic	WEB				
	Debt Management	n/a	Y	Y	Released		
	Receipting - other income	Y	Y	Y	April	Stellenbosch	Released at City of Cape Town
	Receipting - debtors	Y	Y	Y	May	Stellenbosch	Released at City of Cape Town
	Citizens Portal	n/a	Y	Y	Released		
2	Budget & Monitoring	Classic	WEB				
	Main Budget	n/a	Y	Y	Released		
	IDP	n/a	Y	Y	Released		
	SDBIP	n/a	Y	Y	Released		
	Procurement Plan	n/a	Y	Y	Released		
3	Financial Accounting	Classic	WEB				
	GL	n/a	Y	Y	Released		
	AFS	n/a	Y	Y	in testing	Stellenbosch	to be updated to 6.8 NT specimen
	Account Payables	Y	Y	Y	Released		
	Cash Management/Bank Recon	Y	Y	Y	Released		
	Investments	Y	Y	Y	in testing	Stellenbosch	
	Loan Register	Y	Y	Y	in testing	Stellenbosch	with assets funding
	Tax & VAT	Y	Y	Y	Released		
	Insurance Claims	n/a	Y	N	TBA		with assets phase 2
	Fixed Assets Management	Y	Y	Y	Released		
4	Assets	Classic	WEB				
	Costing & Reporting	Y	Y	Y	Released		
5	Project Accounting	Classic	WEB				
	Project Management	N	TBA	N	TBA		
	Project Planning & creation	N	Y	Y	Released		
6	Treasury & Cash Management	Classic	WEB				
	Bank Recon	Y	Y	Y	Released		
	Petty Cash	N	Y	Y	TBA	Stellenbosch	revisited to align to eProcurement
7	Procurement - SCM	Classic	WEB				
	SCM	Y	Y	Y	Released		
	Inventory	Y	Y	Y	Released		
	Contract management	N	Y	Y	Released		
8	Grant Management	Classic	WEB				
	Grant Management	Y	Y	Y	in testing	Stellenbosch	
9	Full Asset Life Cycle Maintenance Management	Classic	WEB				
	Full Asset Life Cycle Maintenance Management	N	Y	N	TBA	Stellenbosch	
10	Real Estate & Resources Management (ESRI integration)	Classic	WEB				
	Real Estate & Resources Management (ESRI integration)			3rd Party			
11	Human Resources & Payroll	Classic	WEB				
	Leave	Y	Y	Y	Released		
	Time & Attendance	N	Y	WIP	TBA	WCDM	
	Payroll	Y	Y	Y	in testing		

	Modules	version		Avail	WEB	Test Site	Notes
		N	Y				
	Performance Management	N	Y	Y	Released		
12	Valuation Roll Management	Classic	WEB				
	Valuation Roll Management	Y	WIP	WIP			
13	Land Use Building Control - Spatial Planning - 3rdParty ESRI	Classic	WEB				
	Land Use Building Control - Spatial Planning - 3rdParty ESRI			3rd Party			
14	Revenue Cycle Billing	Classic	WEB				
	Revenue Cycle Billing	Y	WIP	WIP	TBA	Stellenbosch, BVM	
15	Corporate Governance	Classic	WEB				
	Document Management	N	Y	Y	Released	ZFM	
	AFS	N	Y	Y	in testing	Stellenbosch	
16	Additional	Classic	WEB				
	Supplier web site	N	Y	WIP	TBA	Stellenbosch	

3. DOCUMENTATION

The new functionality, when released, is included in the online help and will be advised with the weekly release notes process.

ANNEXURE J

DRAFT DMP

DEMAND MANAGEMENT PLAN 2024/2025

DMP REF #	Directorate (R)	Project Name / Tender Description	Existing /Current Contract Number	Expiry Date of current contract	New Tender Number	Contract Owner	Estimated Total Project Cost	Proposed Procurement Process to follow	Planned / Estimated dates								Comments from Budget Holder	Comments - SCM
									Submission of specifications	BSC	Advert	Closing Date	BEC	BAC	Commencement of contract	New Contract expiry date		
SECTION A: REPEATABLE / MULTI-YEAR CONTRACTS																		
A1	MANAGEMENT SERVICES	ONLINE SUBSCRIPTION FOR ACCESS TO LEGAL INFORMATION FOR A 2 YEAR CONTRACT PERIOD	SC2306/2022	2025/01/09	TBC	JOHNSON C	R 555 719.81	TENDER	2024/10/31	2024/11/06	2024/11/15	2024/12/13	2025/01/23	2025/01/31	2025/07/01	2028/06/30		
A3	INFRASTRUCTURE AND PLANNING	AMENDMENT OF SC16348/2015: PROVISION OF GEOGRAPHIC INFORMATION SYSTEMS (GIS) SERVICES IN THE OVERSTRAND MUNICIPALITY AREA ENDING 30 JUNE 2025	SC1634C/2015	2025/06/30	TBC	MULLER S	R 250 000.00	SECTION 116 (3)	2024/10/31	2024/11/30	2025/01/24	2025/02/23	2025/04/30	2025/05/08	2025/07/01	2028/06/30		
A4	INFRASTRUCTURE AND PLANNING	EDUCATION AWARENESS - PUPPET SHOWS AND LIVE THEATRE FOR SCHOLARS TO CREATE AWARENESS FOR WATER CONSERVATION, WASTE RECYCLING AND, ENVIRONMENTAL CONSERVATION FOR A CONTRACT PERIOD ENDING 30 JUNE 2025	SC2303/2022	2025/06/30	TBC	MITCHELL C	R 1 035 000.00	TENDER	2024/11/18	2024/11/27	2025/01/31	2025/02/28	2025/04/24	2025/04/09	2025/07/01	2028/06/30		
A5	INFRASTRUCTURE AND PLANNING	APPOINTMENT OF PANEL OF ATTORNEYS FOR THE RENDERING OF CONVEYANCING AND NOTARY SERVICES FOR A PERIOD ENDING 30 JUNE 2025	SC2293/2022	2025/06/30	TBC	A LE ROUX & GDOTYELWA A	R 257 100.00	TENDER	2025/01/17	2025/01/29	2025/02/14	2025/03/21	2025/04/17	2025/05/02	2025/07/01	2028/06/30		
A6	INFRASTRUCTURE AND PLANNING	MAINTENANCE AND UPGRADE OF TELEMETRY MONITORING SYSTEMS FOR WATER AND SANITATION/INFRASTRUCTURE AND EQUIPMENT	SCD3537/2023	2025/06/30	TBC	BLIGNAUT H	R 1 000 000.00	DEVIATION	2025/03/28	N/A	N/A	N/A	N/A	N/A	2025/07/01	2027/06/30		
A7	INFRASTRUCTURE AND PLANNING	OPERATION OF MATERIALS RECOVERY FACILITY HERMANUS	SC2182/2021	2024/10/31	TBC	MITCHELL C	R 10 616 000.00	TENDER	2024/05/06	2024/05/15	2024/05/31	2024/07/05	2024/08/22	2024/09/06	2024/11/01	2027/06/30		
A8	MANAGEMENT SERVICES	DOCUMENT ARCHIVING AND AUTOMATED PROCESS AND WORKFLOW BUSINESS SYSTEM	SC1327(vii)/2013	2025/06/30	TBC	JOHNSON C & VAN	R 1 433 724.29	SECTION 116 (3)	2024/10/31	2024/11/30	2025/01/24	2025/02/23	2025/04/30	2025/05/08	2025/07/01	2028/06/30		
A9	MANAGEMENT SERVICES	SOFTWARE USED TO MANAGE TIME AND ATTENDANCE OF EMPLOYEES. SOFTWARE USED TO MANAGE THE INTEGRATED DEVELOPMENT PLAN,THE SERVICE DEVELOPMENT AND BUDGET IMPLEMENTATION PLAN AND INDIVIDUAL PERFORMANCE MANAGEMENT (LICENCE FEE).	SC1327(iii)/2013	2025/06/30	TBC	BUCCIANIERI L	R 658 747.00	SECTION 116 (3)	2024/10/31	2024/11/30	2025/01/24	2025/02/23	2025/04/30	2025/05/08	2025/07/01	2028/06/30		
A10	MANAGEMENT SERVICES	SOFTWARE USED TO MANAGE TIME AND ATTENDANCE OF EMPLOYEES. SOFTWARE USED TO MANAGE THE INTEGRATED DEVELOPMENT PLAN,THE SERVICE DEVELOPMENT AND BUDGET IMPLEMENTATION PLAN AND INDIVIDUAL PERFORMANCE MANAGEMENT (LICENCE FEE).	SC1327(vii)/2013	2025/06/30	TBC	JOHNSON C, LOUW R & BUCCIANIERI L	R 323 231.63	SECTION 116 (3)	2024/10/31	2024/11/30	2025/01/24	2025/02/23	2025/04/30	2025/05/08	2025/07/01	2028/06/30		
A11	MANAGEMENT SERVICES	AMENDMENT OF SC1701A/2016: SOFTWARE AND WEBSITE FOR CARAVAN PARK/CAMPING RESERVATIONS FOR A CONTRACT PERIOD ENDING 30 JUNE 2025	SC1701D/2016	2025/06/30	TBC	JOHNSON C	R 538 469.82	SECTION 116 (3)	2024/10/31	2024/11/30	2025/01/24	2025/02/23	2025/04/30	2025/05/08	2025/07/01	2028/06/30		Combined Section 116 (3) process for items: A3/A10/A12/A13/A14/A18/A29/A31
A12	MANAGEMENT SERVICES	PROPOSED AMENDMENT OF SC1793A/2017: THE ACQUISITION OF A CAPPED ELA LICENSING FEE FOR THE GIS SYSTEM FOR A CONTRACT PERIOD ENDING 30 JUNE 2025	SC1793B/2017	2025/06/30	TBC	JOHNSON C	TBC	SECTION 116 (3)	2024/10/31	2024/11/30	2025/01/24	2025/02/23	2025/04/30	2025/05/08	2025/07/01	2028/06/30		Combined Section 116 (3) process for items: A3/A10/A12/A13/A14/A18/A29/A31
A13	MANAGEMENT SERVICES	PROVISION OF SERVICES TO HOST, MAINTAIN, POSSIBLY RE-DESIGN AND UPGRADE THE WEBSITE OF THE OVERSTRAND MUNICIPALITY FOR A CONTRACT PERIOD ENDING 30 JUNE 2022	SC1970/2019	2025/06/30	TBC	ZWENI N & BUCCHIA	R 756 500.00	SECTION 116 (3)	2024/10/31	2024/11/30	2025/01/24	2025/02/23	2025/04/30	2025/05/08	2025/07/01	2028/06/30		
A14	MANAGEMENT SERVICES	APPOINTMENT OF A MEDIA AGENCY FOR THE PLACEMENT OF ADVERTISEMENTS FOR A CONTRACT PERIOD ENDING 30 JUNE 2025	SC2290/2022	2025/06/30	TBC	BUCCIANIERI L	R 1 527 891.00	TENDER	2024/10/31	2024/11/06	2024/11/22	2025/01/24	2025/03/06	2025/03/14	2025/07/01	2028/06/30		
A15	MANAGEMENT SERVICES	GRAPHIC DESIGN SERVICES	SC2337/2022	2025/06/30	TBC	ZWENI N	R 349 619.00	TENDER	2024/10/31	2024/11/06	2024/11/22	2025/01/24	2025/03/06	2025/03/14	2025/07/01	2028/06/30		
A17	COMMUNITY SERVICES	BUSINESS SYSTEM THROUGH WHICH THE MAINTENANCE OF ALL PROPERTY ND INFRASTRUCTURE ASSETS IN THE MUNICIPALITY IS DONE.	SC1327(v)/2013	2025/06/30	TBC	COETZEE L & STEENBERG T	R 463 451.00	SECTION 116 (3)	2024/10/31	2024/11/30	2025/01/24	2025/02/23	2025/04/30	2025/05/08	2025/07/01	2028/06/30		
A18	COMMUNITY SERVICES	LIFEGUARD SERVICES FOR THE OVERSTRAND AREA FOR A CONTRACT PERIOD ENDING 30 JUNE 2025	SC2287/2022	2025/06/30	TBC	WYNGAARD A	R 4 000 000.00	TENDER	2024/09/12	2024/09/18	2024/10/04	2024/11/01	2024/12/06	2024/12/13	2025/07/01	2028/06/30		
A19	COMMUNITY SERVICES	PROVISION OF GARDEN MAINTENANCE SERVICES IN HERMANUS AREA FOR A CONTRACT PERIOD ENDING 30 JUNE 2025	SC2246/2021	2025/06/30	TBC	MARX T	R 2 287 600.00	TENDER	2024/10/15	2024/10/23	2024/11/14	2024/12/04	2025/01/30	2025/02/07	2025/07/02	2028/07/01		
A20	COMMUNITY SERVICES	ARBOURICULTURAL CONSULTATION AND THE PRUNING AND FELLING OF TREES IN THE HERMANUS, KLEINMOND AND STANFORD AREAS FOR THE PERIOD ENDING 30 JUNE 2025.	SC2245/2021	2025/06/30	TBC	MARX T	R 1 559 964.00	TENDER	2024/07/31	2024/08/14	2024/08/30	2024/10/04	2024/11/07	2024/11/15	2025/07/03	2028/07/02		
A21	COMMUNITY SERVICES	TRANSVERSAL TERM CONTRACT RT46-2020: APPOINTMENT OF CONTRACTORS FOR THE PROVISION OF VEHICLE FLEET MANAGEMENT SERVICES TO THE STATE FOR A PERIOD OF FIVE YEARS - 1 APRIL 2021 TO 31 MARCH 2026	SC2214A/2021	2025/06/30	TBC	STEENBERG T	TBC	TRANSVERSAL	TBC	TBC	TBC	TBC	TBC	TBC	TBC	TBC		
A22	COMMUNITY SERVICES	RESEAL, UPGRADE AND REHABILITATION OF ROADS IN OVERSTRAND FOR A CONTRACT PERIOD ENDING 30 JUNE 2025	SC2353/2022	2025/06/30	TBC	STEENBERG T	TBC	TENDER	2024/11/18	2024/11/27	2025/01/31	2025/02/28	2025/04/24	2025/04/09	TBC	TBC		
A23	PROTECTION SERVICES	SERVICE AND REPAIR OF GROUND LATTERS	SCD3456/2022	2025/06/30	TBC	SMITH I	R 500 000.00	DEVIATION	2025/01/30	N/A	N/A	N/A	N/A	N/A	2025/07/01	2028/06/30		
A24	PROTECTION SERVICES	SERVICE AND REPAIR OF COMPRESS AIR EQUIPMENT	SCD3481/2022	2025/06/30	TBC	SMITH L	R 420 000.00	DEVIATION	2025/01/30	N/A	N/A	N/A	N/A	N/A	2025/07/01	2028/06/30		
A25	MANAGEMENT SERVICES	CORE FINANCIAL BUSINESS SYSTEM (LICENCE FEES).	SC1327(i)/2013	2025/06/30	TBC	JOHNSON C & ROETS	R 13 720 966.68	SECTION 116 (3)	2024/10/31	2024/11/30	2025/01/24	2025/02/23	2025/04/30	2025/05/08	2025/07/01	2028/06/30		This item is reliant on other budget holders that are included on this Section 116(3)
A26	FINANCE	SOFTWARE TO MANAGE THE DEBT COLLECTION FROM RESIDENTS WHOSE PAYMENTS OF MUNICIPAL RATES AND TAXES ARE IN AREAS.	SC1327(v)(viii)/2 013	2025/06/30	TBC	HOONEBERG E	R 715 400.00	SECTION 116 (3)	2024/10/31	2024/11/30	2025/01/24	2025/02/23	2025/04/30	2025/05/08	2025/07/01	2028/06/30		
A27	MANAGEMENT SERVICES	PAYDAY - HUMAN RESOURCES MANAGEMENT AND PAYROLL BUSINESS SYSTEM	SC1327(x)/2013	2025/06/30	TBC	BUCCIANIERI L, JOHNSON C & VORSTER H	R 897 937.82	SECTION 116 (3)	2024/10/31	2024/11/30	2025/01/24	2025/02/23	2025/04/30	2025/05/08	2025/07/01	2028/06/30		Part of Section 116(3) process for all ICT related software contracts
A28	FINANCE	PROVISION AND ADMINISTRATION OF AN ELECTRICITY PREPAYMENT VENDING SYSTEM FOR A CONTRACT PERIOD ENDING 30 JUNE 2022	SC1961/2019	2025/06/30	TBC	HOONEBERG E	R 16 000 000.00	TENDER	2024/10/31	2024/11/06	2024/11/22	2025/01/24	2025/03/06	2025/03/14	2025/07/01	2028/06/30		
A29	FINANCE	THE COMPILATION AND MAINTENANCE OF THE GENERAL AND SUPPLEMENTARY VALUATION ROLLS FOR A CONTRACT PERIOD ENDING 30 JUNE 2025	SC2259/2021	2025/06/30	TBC	HOONEBERG E	R 13 000 000.00	TENDER	2024/10/31	2024/11/06	2024/11/22	2025/01/24	2025/03/06	2025/03/14	2025/07/01	2028/06/30		
A30	MANAGEMENT SERVICES	MICROSOFT OFFICE 365: MIGRATE, DESIGN, INSTALL, MAINTAIN AND TRAIN	TBC	TBC	TBC	JOHNSON C	R 1 800 000.00	TENDER	2024/10/31	2024/11/06	2024/11/22	2025/01/24	2025/03/06	2025/03/14	2024/12/01	2027/06/30		
A31	MANAGEMENT SERVICES	EMERGENCY AND OPERATIONAL DIGITAL RADIO SYSTEMS	TBC	TBC	TBC	JOHNSON C	R 1 800 000.00	TENDER	2024/05/31	2024/06/12	2024/06/28	2024/08/02	2024/09/12	2024/09/20	2024/10/01	2027/06/30		
SECTION B: CAPITAL PROJECTS																		
C1	INFRASTRUCTURE AND PLANNING	GANSBAAI STANFORD MV LV UPGRADE REPLACEMENT	N/A	N/A	TBC	D MAREE	R 7 500 000.00	TENDER	2024/05/01	2024/05/08	2024/05/24	2024/06/28	2024/08/01	2024/08/09	2024/09/01	2026/06/30		
C2	INFRASTRUCTURE AND PLANNING	UPGRADE HERMANUS WELFIELDS	N/A	N/A	TBC	BLIGNAUT H	R 5 000 000.00	TENDER	2024/10/04	2024/10/16	2024/11/01	2024/12/06	2025/02/20	2025/02/28	2025/04/01	2026/06/30		Pipelines, electrical supply, mech equipment for new boreholes
C3	INFRASTRUCTURE AND PLANNING	PEARLY BEACH WATER TOWER REFURBISH	N/A	N/A	TBC	BLIGNAUT H	R 2 000 000.00	TENDER	2024/07/19	2024/07/31	2024/08/16	2024/09/20	2024/12/05	2024/12/13	2025/01/27	2025/06/30		
C4	INFRASTRUCTURE AND PLANNING	NEW DISINFECTION SYSTEMS AT PREEKSTOEL WTW & HERMANUS WWWTW	N/A	N/A	TBC	BLIGNAUT H	R 15 000 000.00	TENDER	2024/07/19	2024/07/31	2024/08/16	2024/09/20	2024/12/05	2024/12/13	2025/01/27	2026/06/30		
C5	INFRASTRUCTURE AND PLANNING	UPGRADING OF PUMPS/STATIONS & RISING MAINS	N/A	N/A	TBC	BLIGNAUT H	R 12 000 000.00	TENDER	2025/06/02	2025/06/18	2025/07/04	2025/08/08	2025/11/06	2025/11/14	2026/01/12	2027/06/30		New Zwingers Corner Pumpstation
C6	INFRASTRUCTURE AND PLANNING	GENERATOR FOR HERMANUS MRF	N/A	N/A	TBC	MITCHELL C	R 490 000.00	TENDER	2024/07/22	2024/07/31	2024/08/16	2024/09/20	2024/11/28	2024/12/06	2025/02/03	2025/06/30		
C7	INFRASTRUCTURE AND PLANNING	HERMANUS TAXI RANK UPGRADE	N/A	N/A	TBC	HENDRIKS D	R 6 000 000.00	TENDER	2024/11/01	2024/11/06	2024/11/15	2025/01/25	2025/02/06	2025/02/14	2025/03/24	2026/06/30		
C8	INFRASTRUCTURE AND PLANNING	UPGRADE MOUNT PLEASANT SPORT GROUNDS	N/A	N/A	TBC	HENDRIKS D	R 6 500 000.00	TENDER	2025/02/10	2025/02/19	2025/02/28	2025/04/04	2025/05/22	2025/05/30	2025/07/07	2026/06/30		

C9	INFRASTRUCTURE AND PLANNING	UPGRADE OF KLEINMOND SPORT FACILITIES	N/A	N/A	TBC	HENDRIKS D	R	2 300 000.00	TENDER	2024/09/02	2024/09/11	2024/09/20	2024/10/25	2024/12/12	2024/12/20	2025/01/27	2025/06/30	
C10	INFRASTRUCTURE AND PLANNING	UPGRADE HAWSTON SWIMMING POOL	N/A	N/A	TBC	HENDRIKS D	R	2 500 000.00	TENDER	2025/02/10	2025/02/19	2025/02/28	2025/04/04	2025/05/22	2025/05/30	2025/07/07	2026/06/30	
C11	PROTECTION SERVICES	MINOR ASSETS PROTECTION SERVICES-INCL FURNITURE	N/A	N/A	TBC	MICHAELS N	R	198 000.00	FORMAL QUOTATION	TBC	TBC	TBC	TBC	TBC	TBC	TBC	TBC	Procurement as/when needed
C12	PROTECTION SERVICES	6 KENNELS FOR K9 DOGS (K9 FUNDING)	N/A	N/A	TBC	FRASER R	R	180 000.00	TENDER	2025/06/27	2025/07/08	2025/08/28	2025/09/23	2025/10/29	2025/11/10	2025/12/01	2025/06/30	
C13	PROTECTION SERVICES	REPLACEMENT OF 3 DOGS (K9 FUNDING)	N/A	N/A	TBC	FRASER R	R	200 000.00	TENDER	2025/07/01	2025/07/10	2025/07/31	2025/08/26	2025/10/01	2025/10/13	2025/11/04	2025/06/30	
C14	PROTECTION SERVICES	DOGS TRAILER FOR TRAINING (K9 FUNDING)	N/A	N/A	TBC	FRASER R	R	120 000.00	TENDER	2024/08/26	2024/09/04	2024/09/26	2024/10/22	2024/11/25	2024/12/05	2025/01/31	2025/06/30	
C15	PROTECTION SERVICES	GENERATOR FOR LAW ENF & K9 OFFICES	N/A	N/A	TBC	FRASER R	R	860 000.00	TENDER	2024/06/29	2024/08/07	2024/08/29	2024/09/25	2024/10/30	2024/11/11	2024/12/02	2025/06/30	
C16	PROTECTION SERVICES	TARRED ROAD TO LAW ENF & K9 OFFICES	N/A	N/A	TBC	FRASER R	R	1 500 000.00	TENDER	2025/01/22	2025/01/31	2025/02/21	2025/03/19	2025/04/29	2025/05/12	2025/06/02	2025/06/30	
C17	PROTECTION SERVICES	COMPLETION OF THE INCIDENT COMMAND CENTRE	N/A	N/A	TBC	SMITH L	R	2 500 000.00	TENDER	2024/07/31	2024/08/14	2024/08/30	2024/10/04	2024/11/07	2024/11/15	2024/12/01	2025/06/30	
C18	PROTECTION SERVICES	COMPLETION OF HERMANUS FIRE STATION	N/A	N/A	TBC	SMITH L	R	2 500 000.00	TENDER	2024/09/02	2024/09/10	2024/09/19	2024/10/04	11/7/2024	2024/11/15	2024/12/01	2025/06/30	
C19	PROTECTION SERVICES	UPGRADING OF KLEINMOND FIRE STATION (WHOLE BUILDING 24hr)	N/A	N/A	TBC	SMITH L	R	1 500 000.00	TENDER	2024/11/06	2024/11/14	2024/11/17	2024/12/06	2025/01/16	2025/01/24	2025/02/01	2025/06/30	
C20	PROTECTION SERVICES	UPGRADING OF GANSBAAI FIRE STATION	N/A	N/A	TBC	SMITH L	R	3 000 000.00	TENDER	2024/10/01	2024/10/09	2024/10/17	2024/11/08	2024/12/12	2024/12/20	2021/01/01	2025/06/30	
C21	PROTECTION SERVICES	STORAGE CONTAINER WITH SHELVES	N/A	N/A	TBC	SMITH L	R	200 000.00	TENDER	2025/08/04	2025/08/13	2025/08/21	2025/09/12	2025/10/23	2025/10/31	2025/11/03	2026/06/30	2025/2026 Draft capital budget item
C22	PROTECTION SERVICES	FOOD TRAILER (INCIDENT SUPPORT UNIT)	N/A	N/A	TBC	SMITH L	R	100 000.00	TENDER	2025/07/31	2025/08/08	2025/08/13	2025/09/04	2026/10/08	2026/10/16	2026/11/02	2027/06/30	2026/2027 Draft capital budget item
C23	PROTECTION SERVICES	DELIVERY TRUCK (HUMANITARIAN RELIEF)	N/A	N/A	TBC	SMITH L	R	700 000.00	TENDER	2027/08/02	2027/08/11	2025/08/19	2027/09/10	2027/10/21	2027/10/29	2027/11/01	2028/06/30	2027/2027/ Draft capital budget item
C24	PROTECTION SERVICES	EXPANSION OF CCTV PROJECTS (ADD ADDITIONAL SITES)	N/A	N/A	TBC	SMITH L	R	1 500 000.00	TENDER	2024/07/31	2024/08/14	2024/08/30	2024/10/04	2024/11/07	2024/11/15	2024/12/01	2025/06/30	
C25	PROTECTION SERVICES	BIOMETRIC SYSTEM	N/A	N/A	TBC	SMITH L	R	200 000.00	TENDER	2025/08/04	2025/08/13	2025/08/21	2025/09/12	2025/10/23	2025/10/31	2025/11/03	2026/06/30	2025/2026 Draft capital budget item
C26	PROTECTION SERVICES	CAR PORTS AT ALL FIRE STATIONS	N/A	N/A	TBC	SMITH L	R	1 000 000.00	TENDER	2024/08/31	2024/08/14	2024/08/30	2024/10/04	2024/11/07	2024/11/15	2024/12/01	2025/06/30	
C27	PROTECTION SERVICES	TAR AT FIRE STATIONS	N/A	N/A	TBC	SMITH L	R	2 000 000.00	TENDER	2025/08/04	2025/08/13	2025/08/21	2025/09/12	2025/10/23	2025/10/31	2025/11/03	2026/06/30	2025/2026 Draft capital budget item
C28	PROTECTION SERVICES	MOTOR VEHICLE - DISASTER MANAGEMENT	N/A	N/A	TBC	SMITH L	R	600 000.00	TENDER	2024/07/31	2024/08/14	2024/08/30	2024/10/04	2024/11/07	2024/11/15	2026/11/02	2027/06/30	2026/2027 Draft capital budget item: PROCUREMENT VIA TRANSVERSAL AGREEMENT (RT TENDER)
C29	PROTECTION SERVICES	SKID UNITS	N/A	N/A	TBC	SMITH L	R	1 000 000.00	TENDER	2024/07/31	2024/08/14	2024/08/30	2024/10/04	2024/11/07	2024/11/15	2024/12/01	2025/06/30	2024/2025 & 2025/2026 & 2026/2027 Draft capital budget item: PROCUREMENT VIA TRANSVERSAL AGREEMENT (RT TENDER)

SECTION C: AD-HOC PROJCECTS FUNDED FROM OPERATIONAL BUDGET

C1	LOCAL ECONOMIC AND SOCIAL DEVELOPMENT & TOURISM	PROVISION OF CATERING SERVICES	N/A	N/A	TBC	KOSI X	R	300 000.00	TENDER	2024/04/02	2024/04/10	2024/04/26	2024/05/31	2024/06/20	2024/06/28	TBC	TBC	
C2	LOCAL ECONOMIC AND SOCIAL DEVELOPMENT & TOURISM	SUPPLY AND DELIVERY OF STATIONERY	N/A	N/A	TBC	KOSI X	R	400 000.00	TENDER	2024/03/01	2024/03/06	2024/03/22	2024/04/26	2024/05/23	2025/05/31	TBC	TBC	
C3	LOCAL ECONOMIC AND SOCIAL DEVELOPMENT & TOURISM	PROVISION OF TRANSPORT	N/A	N/A	TBC	SMIT G	R	100 000.00	FORMAL QUOTATION	2024/03/01	2024/03/06	2024/03/22	2024/04/26	2024/05/23	2025/05/31	TBC	TBC	
C4	LOCAL ECONOMIC AND SOCIAL DEVELOPMENT & TOURISM	SUPPLY & PROVISION OF CAPACITY BUILDING TRAINING	N/A	N/A	TBC	KOSI X	R	200 000.00	FORMAL QUOTATION	2024/03/29	2024/04/10	2024/04/26	2024/05/31	2024/06/20	2024/06/28	TBC	TBC	
C5	LOCAL ECONOMIC AND SOCIAL DEVELOPMENT & TOURISM	REPAIR OF THUSONG CENTRE ROOF	N/A	N/A	TBC	SMIT G	R	450 000.00	TENDER	2024/07/31	2024/07/14	2024/08/30	2024/09/26	2024/10/04	2024/10/11	TBC	TBC	
C6	PROTECTION SERVICES	MAIN GATE AT FARM	N/A	N/A	TBC	FRASER R	R	867 275.24	FORMAL QUOTATION	2024/08/26	2024/09/04	2024/09/26	2024/10/22	2024/11/28	2024/12/06	2025/01/31	2025/06/30	
C7	PROTECTION SERVICES	NEW SEPTIC TANKS FOR LAW ENF & K9 OFFICES	N/A	N/A	TBC	FRASER R	R	250 000.00	FORMAL QUOTATION	2024/08/26	2024/09/04	2024/09/26	2024/10/22	2024/11/28	2024/12/06	2025/01/31	2025/06/30	
C8	PROTECTION SERVICES	PAVING NEW LAW ENF OFFICES	N/A	N/A	TBC	FRASER R	R	150 000.00	FORMAL QUOTATION	2024/06/28	2024/07/10	2024/07/26	2024/08/30	2024/10/03	2024/10/11	2024/12/02	2025/06/30	
C9	COMMUNITY SERVICES	SUPPLY AND DELIVERY OF HERBICIDES	N/A	N/A	TBC	MARX T	R	600 000.00	TENDER	2024/10/15	2024/10/23	2024/11/14	2024/12/04	2025/01/30	2025/02/07	2025/07/02	2028/07/01	
C10	COMMUNITY SERVICES	SUPPLY, INSTALLATION AND MAINTENANCE OF PLAY PARK & GYM EQUIPMENT	N/A	N/A	TBC	MARX T	R	TBC	TENDER	2024/07/31	2024/07/14	2024/08/28	2024/09/18	2024/11/07	2024/11/15	TBC	TBC	
C11	MANAGEMENT SERVICES	FIRST AID, FIRE MARSHALL & HEALTH & SAFETY REPS	N/A	N/A	TBC	BUCCHIANER L	R	120 000.00	FORMAL QUOTATION	2024/07/31	2024/08/14	2024/08/30	2024/10/04	2024/11/07	2024/11/15	2024/12/01	2025/06/30	
C12	MANAGEMENT SERVICES	CUT FELLED TIMBER USING A CHAINSAW AND MAINTAIN A CHAINSAW	N/A	N/A	TBC	BUCCHIANER L	R	60 000.00	FORMAL QUOTATION	2024/07/31	2024/08/14	2024/08/30	2024/10/04	2024/11/07	2024/11/15	2024/12/01	2025/06/30	
C13	MANAGEMENT SERVICES	MANAGEMENT AND LEADERSHIP TRAINING	N/A	N/A	TBC	BUCCHIANER L	R	150 000.00	FORMAL QUOTATION	2024/07/31	2024/08/14	2024/08/30	2024/10/04	2024/11/07	2024/11/15	2024/12/01	2025/06/30	
C14	MANAGEMENT SERVICES	PRUNE AND SHAPE ORNAMENTAL SHRUBS	N/A	N/A	TBC	BUCCHIANER L	R	40 000.00	FORMAL QUOTATION	2024/07/31	2024/08/14	2024/08/30	2024/10/04	2024/11/07	2024/11/15	2024/12/01	2025/06/30	
C15	MANAGEMENT SERVICES	APPLY HERBICIDES TO NOXIOUS WEEDS	N/A	N/A	TBC	BUCCHIANER L	R	40 000.00	FORMAL QUOTATION	2024/07/31	2024/08/14	2024/08/30	2024/10/04	2024/11/07	2024/11/15	2024/12/01	2025/06/30	
C16	MANAGEMENT SERVICES	OHS ACT MACHINERY REGULATIONS	N/A	N/A	TBC	BUCCHIANER L	R	80 000.00	FORMAL QUOTATION	2024/07/31	2024/08/14	2024/08/30	2024/10/04	2024/11/07	2024/11/15	2024/12/01	2025/06/30	
C17	MANAGEMENT SERVICES	OPERATING REGULATIONS FOR HIGH VOLTAGE & MEDIUM VOLTAGE SYSTEMS	N/A	N/A	TBC	BUCCHIANER L	R	150 000.00	FORMAL QUOTATION	2024/07/31	2024/08/14	2024/08/30	2024/10/04	2024/11/07	2024/11/15	2024/12/01	2025/06/30	
C18	MANAGEMENT SERVICES	OHS ACT CONSTRUCTION REGULATIONS	N/A	N/A	TBC	BUCCHIANER L	R	150 000.00	FORMAL QUOTATION	2024/07/31	2024/08/14	2024/08/30	2024/10/04	2024/11/07	2024/11/15	2024/12/01	2025/06/30	

SECTION D: LAND SALES / LEASING

D1	INFRASTRUCTURE AND PLANNING	LEASE, MANAGEMENT AND MAINTENANCE OF A PORTION OF REMAINDER FARM 581 ONRUSTRIVIER, CURRENTLY KNOWN AS "MILK ON THE BEACH", FOR OPERATING A RESTAURANT FOR A CONTRACT PERIOD OF 9 (NINE) YEARS AND 11 (ELEVEN) MONTHS	N/A	N/A	TBC	LE ROUX A	R	TBC	INCOME TENDER	TENDER	2024/09/06	2024/09/18	2024/10/04	2024/11/08	2024/11/28	2024/12/13	2025/06/01	TBC
D2	INFRASTRUCTURE AND PLANNING	LEASE OF VARIOUS PORTIONS OF MUNICIPAL PROPERTIES FOR THE ERECTION OF TELECOMMUNICATION MASTS	N/A	N/A	TBC	LE ROUX A	R	TBC	INCOME TENDER	TENDER	2024/09/06	2024/09/18	2024/10/04	2024/11/08	2024/11/28	2024/12/13	TBC	TBC
D3	INFRASTRUCTURE AND PLANNING	LEASE, MANAGEMENT AND MAINTENANCE OF A PORTION OF ERF 832 HERMANUS, KNOWN AS "BIENTANG'S CAVE", FOR OPERATING A RESTAURANT FOR A CONTRACT PERIOD OF 9 (NINE) YEARS AND 11 (ELEVEN) MONTHS	N/A	N/A	TBC	LE ROUX A	R	TBC	INCOME TENDER	TENDER	2025/05/02	2025/05/14	2025/05/30	2025/07/04	2025/07/31	2025/08/08	2026/01/01	TBC

ANNEXURE K

NT TARIFF TOOL

**User
instructions**

Enter Municipality

Overstrand Municipality

Enter the name of the municipality for which the tariffs are being set.

Revenue

Enter base year

2024

Enter year for which base data is entered.

Expenditure

Enter year tariffs are set

2025

Enter the year for which the tariffs are being set.

Surplus

**Revenue
required**

On this sheet, the user must enter data on non-tariff revenues anticipated in the year for which tariffs are being set and allocate these between the services.

OPERATING GRANTS AND SUBSIDIES

User must enter the name of each individual operating grant and the amount that is anticipated to be received **in the year for which the tariffs are being set**. The user must then enter the amount to be allocated to each service. There is a check to the right of the table that the amounts allocated to the services all add up to the total. Make sure that this check is zero.

Operational grants and subsidies	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)	Governance and administration (R)	check = 0
Equitable Share	190 068 100	12 267 100	16 771 800	33 457 900	14 577 500	19 338 100	93 655 700	-
Community Libraries								-
EPWP								-
FMG								-
Health								-
MSIG - FAR								-
Asset Management Syst								-
								-
								-
								-
								-
Total grant allocation per service	190 068 100	12 267 100	16 771 800	33 457 900	14 577 500	19 338 100	93 655 700	-

PROPERTY RATES

Property rates are typically used to pay for services that are publicly accessed. This means that property rates are typically allocated to 'other' services. However, property rates might be allocated to a trading service if a portion of that trading service is publicly accessed. This may be the case for the street lighting component of electricity, for example. The user must enter the anticipated property rates revenue **in the year for which tariffs are being set**, and then allocate this revenue between the services in the table below. As a default, allocate all property rates revenue to 'other' services. There is a check to the right of the table that the amounts allocated to the services all add up to the total. Make sure that this check is zero.

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)	check = 0
Rates funding allocated to publicly accessed functions	359 440 001	-	-	-	-	359 440 001	-
Total Rates Funding allocated to each service	359 440 001	-	-	-	-	359 440 001	-

OTHER INCOME SOURCES

User must enter the amount of other income sources anticipated to be received **in the year for which the tariffs are being set**, and then allocate these between the service in the yellow highlighted cells. There is a check to the right of the table that the amounts allocated to the services all add up to the total. Make sure that this check is zero.

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)	Governance and administration (R)	check = 0
Service charges - other	1 040 890 279	176710682	118479197	635947200	108945600	100	807500	-
Rental of facilities and equipment	5 675 801	-	-	-	-	4 955 960	719 841	-
Interest earned - external investments	49 639 300	-	-	-	-	1 889 300	47 750 000	-
Interest earned - outstanding debtors	11 510 500	-	-	-	-	100	11 510 400	-
Dividends received	-	-	-	-	-	-	-	-
Fines	44 889 100	97 500	-	291 000	-	44 500 300	300	-
Licences and permits	2 779 200	-	-	-	-	2 708 100	71 100	-
Agency services	7 103 200	-	-	-	-	7 102 000	1 200	-
Other revenue	109 680 698	618 000	424 000	318 000	118 000	102 745 000	5 457 698	-
Gains on disposal of PPE	7 650 000	0	0	0	0	0	7650000	-
						0	0	-
						0	0	-
Total	1 279 818 078	177 426 182	118 903 197	636 556 200	109 063 600	163 900 860	73 968 039	-

SERVICE CHARGES NOT SET USING THIS MODEL

This tool only sets tariffs for services. There are a number of other service charges identified in MSCOA v 6.3 that are not set using this tool. The user must allocate the value of these service charges anticipated **in the year for which the tariffs are being set** in the yellow highlighted cells below.

Non-tariff revenue	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)
Water	-	-			
Connection/disconnection					
Meter reading fees					
Industrial water (non-potable)					
Availability charges					
Wastewater management	-		-		
Industrial effluent					
Treatment of effluent					
Availability charges					
Connection/reconnection					
Pump/removal of wastewater (from tanks)					
Electricity	-			-	
Appliance maintenance					
Connection/reconnection					
Joint pole usage					
Meter compliance testing					
Meter reading fees					
Notice revenues					
Temporary service plant					
Electricity distribution revenue for services					
Availability charges					

Waste management	-				-
Carrier bags					
Disposal facilities					
Refuse bags					
Waste bins					
Availability charges					
Skip					
Total non-tariff service charges	-	-	-	-	-

SUMMARY: NON-TARIFF REVENUE SOURCES

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)	Governance and administration (R)	check = 0
Operating grants and subsidies	190 068 100	12 267 100	16 771 800	33 457 900	14 577 500	19 338 100	93 655 700	-
Property rates	359 440 001	-	-	-	-	359 440 001	-	-
Other income	1 279 818 078	177 426 182	118 903 197	636 556 200	109 063 600	163 900 860	73 968 039	-
Non-tariff service charges	-	-	-	-	-	-	-	-
Total	1 829 326 179	189 693 282	135 674 997	670 014 100	123 641 100	542 678 961	167 623 739	-

On this sheet, the user must enter data on expenditures anticipated in the year for which tariffs are to be set, and allocate these between services.

ALLOCATING DIRECT COSTS PER FUNCTION

Enter the total anticipated expenditure **in the year for which the tariffs are being set**. This expenditure must then be allocated to each service in order to calculate the total direct cost of providing that service. The expenditure types in white cells are from the MBRR classification. The user may choose to enter other expenditure types in the yellow cells in the 'Type of expenditure' column. There is a check to the right of the table that the amounts allocated to the services all add up to the total. Make sure that this check is zero.

Type of expenditure	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)	Governance and administration (R)	check = 0
Employee related costs	587 184 839	16 158 353	25 736 031	34 386 403	39 414 084	276 075 476	195 414 492	-
Remuneration of councillors	13 911 673	-	-	-	-	-	13 911 673	-
Debt impairment	53 394 385	1 936 467	1 613 918	3 014 708	1 492 556	42 400 000	2 936 736	-
Depreciation & asset impairment	158 441 156	25 133 144	21 674 030	28 051 061	3 876 138	58 113 959	21 592 824	-
Finance charges	49 814 200	19 665 000	15 336 000	14 340 000	238 000	230 000	5 200	-
Bulk purchases	484 476 513	-	-	484 476 513	-	-	-	-
Other materials	61 091 548	4 005 479	7 370 803	7 391 112	5 754 348	29 699 601	6 870 205	-
Contracted services	316 047 669	80 851 181	49 860 384	8 533 125	44 536 730	97 756 295	34 509 954	-
Transfers and subsidies	17 754 895	-	-	-	-	800 000	16 954 895	-
Other expenditure	202 130 028	12 532 405	5 621 750	3 115 069	17 321 336	97 603 810	65 935 658	-
Loss on disposal of PPE								-
								-
								-
								-
								-
								-
Total direct costs per service	1 944 246 906	160 282 029	127 212 916	583 307 991	112 633 192	602 679 141	358 131 637	-

ALLOCATING GOVERNANCE AND ADMINISTRATION COSTS

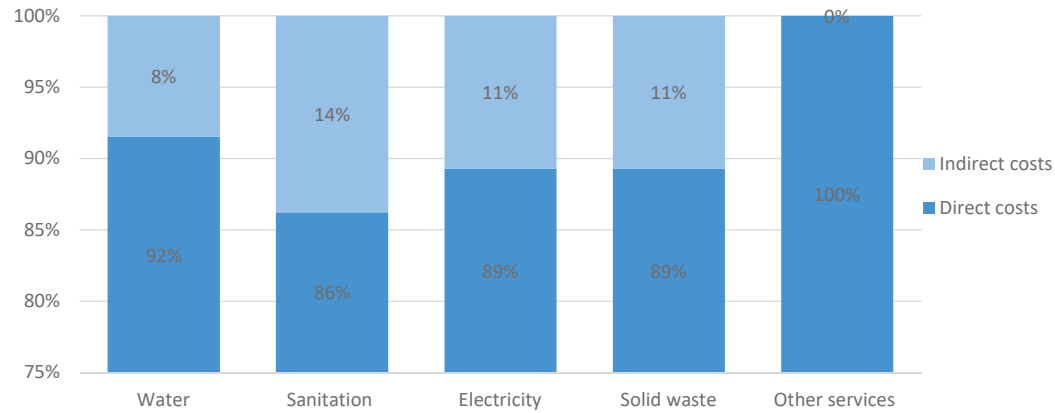
The cost of supply of a service includes a portion of the governance and administration costs (overheads) of the municipality. Governance and Administration costs must thus be allocated between services in order to determine the full cost of supply of that service. Enter the % of governance and administration costs that will be allocated to each service in the grey cells below.

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)	check = 0
% allocation of Gov & Admin costs		7.71%	5.29%	11.13%	1.31%	75%	
	109 097 706	14 865 757	20 310 323	69 996 959	13 515 983	-	9 591 316

SUMMARY OF DIRECT AND INDIRECT COSTS

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)
Direct costs	1 835 149 200	160 282 029	127 212 916	583 307 991	112 633 192	851 713 072
Indirect costs	118 689 022	14 865 757	20 310 323	69 996 959	13 515 983	-
Total costs	1 953 838 222	175 147 786	147 523 239	653 304 950	126 149 175	851 713 072
% direct costs		92%	86%	89%	89%	100%
% indirect costs (overheads)		8%	14%	11%	11%	0%

Chart: Proportion of costs that are direct and indirect



On this sheet, the user must decide if deficits are to be accepted on any services. The user must then enter the surpluses to be generated on the trading services and check that these result in sufficient surplus to cross-subsidise deficits allowed and still generate an adequate surplus on the budget as a whole.

SUMMARY: EXPENDITURE ALLOCATED AND NON-TARIFF REVENUE RECEIVED AFTER ALLOCATION OF GOVERNANCE AND ADMINISTRATION

The table below summarises the allocation of expenditure and revenues in the previous sheets. Any non-tariff revenue allocated to the Governance and Administration function has been distributed between the services according to the allocation of the Governance and Administration expenditure between the services. There may be a gap to be filled through tariffs on 'Other services' if the property rates revenue and other non-tariff revenues are not sufficient to cover the costs of providing these services.

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)
Direct expenditure	1 835 149 200	160 282 029	127 212 916	583 307 991	112 633 192	851 713 072
Indirect expenditure	118 689 022	14 865 757	20 310 323	69 996 959	13 515 983	-
Total expenditure	1 953 838 222	175 147 786	147 523 239	653 304 950	126 149 175	851 713 072
Non-tariff revenue allocated to service	1 829 326 179	189 693 282	135 674 997	670 014 100	123 641 100	710 302 700
Non-tariff revenue allocated to Gov & Admin	-	-	-	-	-	-
Total non-tariff revenue allocated	1 829 326 179	189 693 282	135 674 997	670 014 100	123 641 100	710 302 700
Gap to be filled through tariffs	124 512 043	-	14 848 242	-	16 709 150	2 508 075

DEFICIT TO BE ACCEPTED ON SERVICES

Municipalities should move towards ensuring that all services at least break even. However, currently municipalities operate some services at a deficit. Enter the deficit that you are willing to accept on providing a service in the grey cells below. Bear in mind that you will have to generate surpluses on other services to cross-subsidise these deficits.

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)
Expenditure	1 953 838 222	175 147 786	147 523 239	653 304 950	126 149 175	851 713 072
Enter deficit to be accepted as % of expenditure		0%	0%	0%	0%	
Deficit generated	141 410 372	-	-	-	-	141 410 372

SURPLUS TO BE GENERATED ON SERVICES

The Municipal Powers and Functions Act Number 12 of 2007 allows municipalities to levy a surcharge on tariffs. Enter the total surcharge that you plan to levy in the year for which tariffs are being set on each service in the table below. Make sure that you have not indicated a surplus to be generated if you have already indicated that there will be a deficit in the table above. If you do this, the cell entry will be highlighted in bold red text.

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)
Expenditure	1 953 838 222	175 147 786	147 523 239	653 304 950	126 149 175	851 713 072
Enter surplus to be generated as % of expenditure		4%	5%	6%	-1%	
Surplus generated	51 243 692	6 322 835	6 933 592	39 198 297	1 211 032	-

In order for the budget to be fully funded, surpluses generated must be sufficient to at least cover anticipated deficits. If this is not the case, the user must reduce the deficits anticipated or increase the surpluses to be generated. The net surplus below is the total surpluses less the total deficits. It must be positive. If it is negative, adjust the deficits to be accepted on services or the surpluses to be generated until a positive figure is obtained.

Net surplus or deficit
 Net surplus or deficit as % of expenditure

-	90 166 680
	-4.6%

Net surplus is negative. Adjust deficits to be accepted or surpluses to be generated until a positive figure is obtained.

ALLOCATION OF SURPLUS

If you are generating surpluses on some services and deficits on others, you will need to make some decisions about how the surpluses should be allocated to cross-subsidise the deficits. This must be done in the table below. The model provides a default allocation that allocates the available surplus to service in proportion to the deficit generated on a service. The user can choose to define an alternative allocation. Entries must be made in the grey cells only. This is not necessary for tariff setting, but only to confirm the overall funding of the budget.

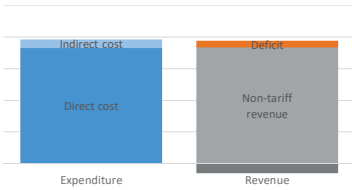
	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)
Deficit generated	141 410 372	-	-	-	-	141 410 372
Surplus generated	51 243 692	6 322 835	6 933 592	39 198 297	1 211 032	-
Default allocation of surplus to cover deficits	51 243 692	-	-	-	-	51 243 692
Default % allocation of surplus		0%	0%	0%	0%	100%
Use default allocation?	Yes					
User defined allocation of surplus to cover deficits	-					
User defined % allocation of surplus						

This sheet shows the revenue required from tariffs and the total funding of the budget. There are no user entries. It is a report sheet only.

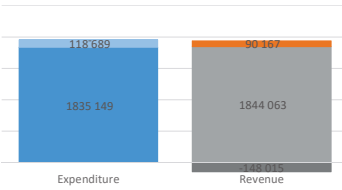
REVENUE REQUIRED						
	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)
Direct expenditure	1 835 149 200	160 282 029	127 212 916	583 307 991	112 633 192	851 713 072
Indirect expenditure	118 689 022	14 865 757	20 310 323	69 996 959	13 515 983	-
Total expenditure	1 953 838 222	175 147 786	147 523 239	653 304 950	126 149 175	851 713 072
Surplus or deficit	- 90 166 680	6 322 835	6 933 592	39 198 297	- 1 211 032	- 141 410 372
Total expenditure plus surplus or deficit	1 863 671 542	181 470 621	154 456 831	692 503 247	124 938 143	710 302 700
Operating grants and transfers	198 301 833	25 028 715	34 207 341	93 547 286	26 180 392	19 338 100
Property rates revenue	359 440 001	-	-	-	-	359 440 001
Other income	1 286 320 972	187 505 137	132 673 558	684 014 006	118 227 411	163 900 860
Other non-tariff service charges	-	-	-	-	-	-
Total non-tariff revenue	1 844 062 806	212 533 852	166 880 899	777 561 292	144 407 803	542 678 961
Revenue required from tariffs	- 148 015 003	31 063 231	12 424 067	85 058 045	19 469 660	-
Total revenue	1 696 047 803	181 470 621	154 456 831	692 503 247	124 938 143	542 678 961

BUDGET FUNDING

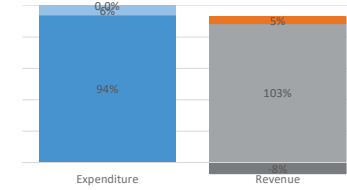
Budget funding: full budget: categories



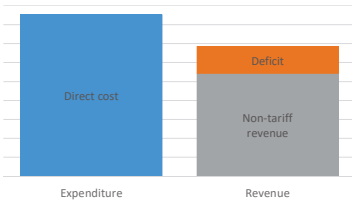
Budget funding: full budget: R'000



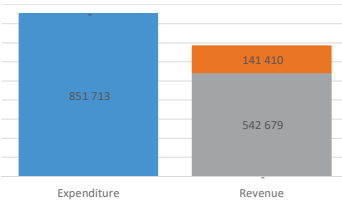
Budget funding: full budget: %



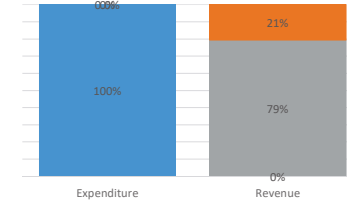
Budget funding: 'other' services: categories



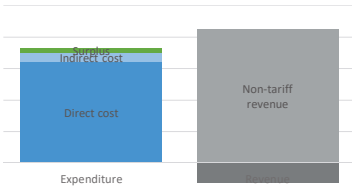
Budget funding: 'other' services: R'000



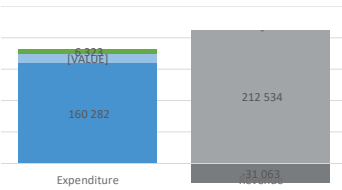
Budget funding: 'other' services: %



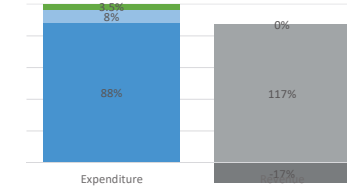
Budget funding: water service: categories

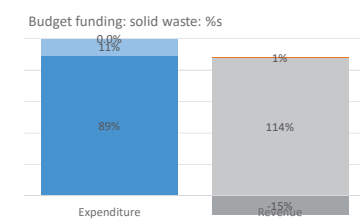
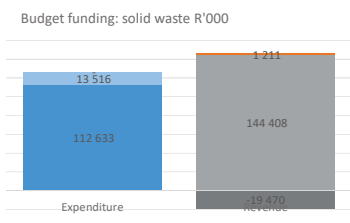
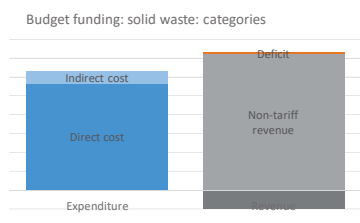
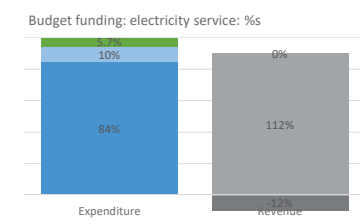
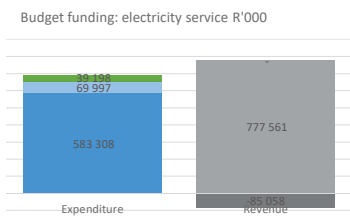
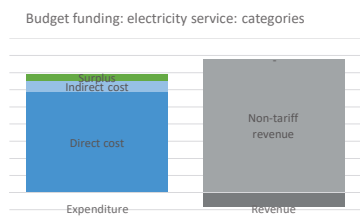
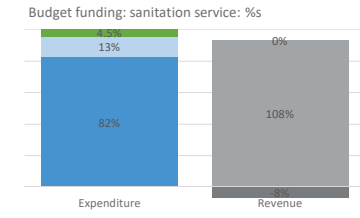
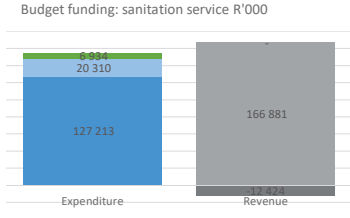
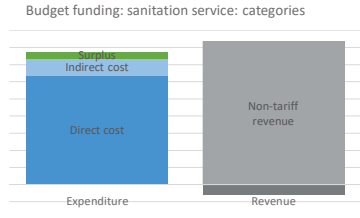


Budget funding: water service R'000



Budget funding: water service: %





Figures for graph:
Full budget

	Expenditure	Revenue		Expenditure	Revenue
Direct cost	1 835 149		Direct cost	94%	
Indirect cost	118 689		Indirect cost	6%	
	-	148 015			-8%
Non-tariff revenue		1 844 063	Non-tariff revenue		103%
Deficit		90 167	Deficit		5%
Total	1 953 838	1 786 214			

Other services

	Expenditure	Revenue		Expenditure	Revenue
Direct cost	851 713		Direct cost	100%	
	-				
	-				
Non-tariff revenue		542 679	Non-tariff revenue		79%
Deficit		141 410	Deficit		21%
Total	851 713	684 089			

Water

	Expenditure	Revenue		Expenditure	Revenue
Direct cost	160 282		Direct cost	88%	
Indirect cost	14 866		Indirect cost	8%	
Surplus	6 323		Surplus	3.5%	
	-	31 063			-17%
Non-tariff revenue		212 534	Non-tariff revenue		117%
		-			
Total	181 471	181 471			

Sanitation

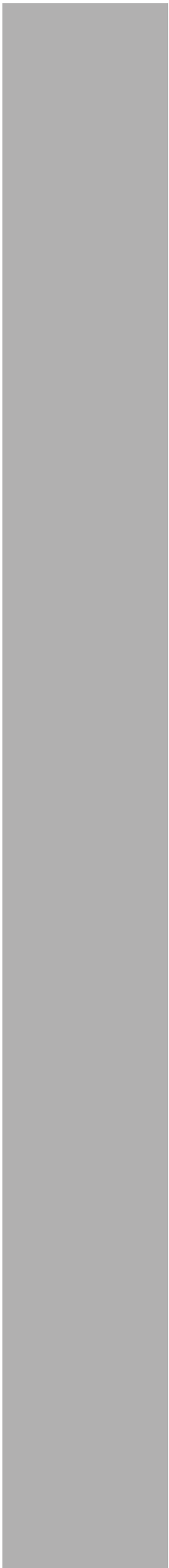
	Expenditure	Revenue		Expenditure	Revenue
Direct cost	127 213		Direct cost	82%	
Indirect cost	20 310		Indirect cost	13%	
Surplus	6 934		Surplus	4.5%	
	-	12 424			-8%
Non-tariff revenue		166 881	Non-tariff revenue		108%
		-			
Total	154 457	154 457			

Electricity

	Expenditure	Revenue		Expenditure	Revenue
Direct cost	583 308		Direct cost	84%	
Indirect cost	69 997		Indirect cost	10%	
Surplus	39 198		Surplus	5.7%	
	-	85 058			-12%
Non-tariff revenue		777 561	Non-tariff revenue		112%
		-			
Total	692 503	692 503			

Solid waste

	Expenditure	Revenue		Expenditure	Revenue
Direct cost	112 633		Direct cost	89%	
Indirect cost	13 516		Indirect cost	11%	
	-	19 470			-15%
Non-tariff revenue		144 408	Non-tariff revenue		114%
Deficit		1 211	Deficit		1%
Total	126 149	126 149			



Scroll to top

Go to sheet

On this sheet, the user must enter data about the customers, demand and sales of services.

ENTER WATER CUSTOMER DATA

Enter data on the number of customers and total annual sales volume in the base year in the yellow cells below. Estimate the number of customers and annual sales volume in the year for which tariffs are to be set in the grey cells.

	2024	2025	% change
Total number of customers	33 122	33 453	1.0%
Total annual sales (kl per annum)	100 893 572	101 902 508	1.0%

ENTER SANITATION CUSTOMER DATA

Enter data on the number of customers and total annual water sales volume in the base year in the yellow cells below. Estimate the number of customers and annual water sales volume in the year for which tariffs are to be set in the grey cells. Note that the water sales volume entered here is the volume sold to sanitation customers. This may differ from the volume sold to water customers, entered in the table above. Also enter the average % return flow, which is the kl of wastewater treated as a % of the kl of water sold.

	2024	2025	% change
Total number of customers	24 809	25 057	1.0%
Total annual water sales (kl per annum)	46 743 633	47 211 069	1.0%
Average % return flow (kl of wastewater treated as % of kl of water sold)	70%	70%	
Volume of wastewater treated (kl per annum)	32 720 543	33 047 749	1.0%

ENTER ELECTRICITY CUSTOMER DATA

Enter data on the number of customers and total annual sales volume in the base year in the yellow cells below. Estimate the number of customers and annual sales volume in the year for which tariffs are to be set in the grey cells. If you have data on the total network demand in kVA in the base year, enter this in the yellow cell provided. Also enter the estimated kVA in the year for which tariffs are set in the grey cell. If you do not have this data, these cells

can be left blank.

	2024	2025	% change
Total number of customers	33 284	33 617	1.0%
Total annual sales (kWh per annum)	213 938 121	216 077 502	1.0%
Network demand (kVA)	11 396 696	11 510 663	1.0%

ENTER SOLID WASTE CUSTOMER DATA

Enter data on the number of customers in the base year in the yellow cell below. Estimate the number of customers in the year for which tariffs are to be set in the grey cell.

	2024	2025	% change
Total number of customers	48 258	48 741	1.0%

Scroll to top

Go to sheet

This sheet calculates the fixed cost per customer; the variable cost per unit sold; and the tariff revenue required per unit sold for the water service as a whole.

ALLOCATE FIXED AND VARIABLE COSTS

In this box, the user must specify what proportion of each expenditure type is fixed in the grey cells below. Expenditures can be 100% fixed, 100% variable or a mix. Fixed costs will be allocated between customer groups based on number of customers in each group later in the model, and variable costs will be allocated based on volumes of water sold.

	Total expenditure (R)	% Fixed	% Variable	Fixed costs (R)	Variable costs (R)
Employee related costs	16 158 353	80%	20%	12 926 682	3 231 671
Remuneration of councillors	-		100%	-	-
Debt impairment	1 936 467	0%	100%	-	1 936 467
Depreciation & asset impairment	25 133 144	100%	0%	25 133 144	-
Finance charges	19 665 000	100%	0%	19 665 000	-
Bulk purchases	-		100%	-	-
Other materials	4 005 479	15%	85%	600 822	3 404 657
Contracted services	80 851 181	55%	45%	44 468 150	36 383 031
Transfers and subsidies	-		100%	-	-
Other expenditure	12 532 405	15%	85%	1 879 861	10 652 544
Loss on disposal of PPE	-		100%	-	-
0	-		100%	-	-
0	-		100%	-	-
0	-		100%	-	-
Governance and administration	14 865 757		100%	-	14 865 757
Total cost	175 147 786	60%	40%	104 673 659	70 474 127

CALCULATION OF UNIT COSTS

This box shows the fixed and variable unit costs, based on the allocation of costs in the table above. It also shows the total cost of supply per unit sold.

Fixed unit cost (R per customer per month)	260.75
Variable unit cost (R per kl sold)	0.69
Total unit cost (R per kl sold)	1.72

CALCULATION OF UNIT REVENUE REQUIRED FOR WATER

This box shows the unit revenue required from tariffs for the service. This may be higher or lower than the total unit cost due to the allocation of subsidies, requirement for surpluses and allowance for deficits.

	(R)
Total expenditure	175 147 786
Deficit generated on water	-
Surplus generated on water	6 322 835
Expenditure minus deficit plus surplus	181 470 621
Operating grants and transfers	25 028 715
Property rates revenue	-
Other income	187 505 137
Other service charges	-
Total non-tariff revenue	212 533 852
Revenue required from tariff	- 31 063 231
Average unit revenue required (R per kl sold)	- 0.30

SUMMARY: WATER

Fixed unit cost (R per customer per month)	260.75
--	--------

Variable unit cost (R per kl sold)

0.69

Total unit cost (R per kl sold)

1.72

Average unit revenue required (R per kl sold)

- 0.30

Unit revenue required as % of cost

-18%

Scroll to top

Go to sheet

This sheet calculates the fixed cost per customer; the variable cost per unit sold; and the tariff revenue required per unit sold for the sanitation service as a whole.

ALLOCATE FIXED AND VARIABLE COSTS

In this box, the user must specify what proportion of each expenditure type is fixed in the grey cells below. Expenditures can be 100% fixed, 100% variable or a mix. Fixed costs will be allocated between customer groups based on number of customers in each group later in the model, and variable costs will be allocated based on volumes of wastewater treated.

Cost components	Total expenditure (R)	% Fixed	% Variable	Fixed costs (R)	Variable costs (R)
Employee related costs	25 736 031	80%	20%	20 588 825	5 147 206
Remuneration of councillors	-		100%	-	-
Debt impairment	1 613 918	0%	100%	-	1 613 918
Depreciation & asset impairment	21 674 030	100%	0%	21 674 030	-
Finance charges	15 336 000	100%	0%	15 336 000	-
Bulk purchases	-		100%	-	-
Other materials	7 370 803	0%	100%	-	7 370 803
Contracted services	49 860 384	75%	25%	37 395 288	12 465 096
Transfers and subsidies	-		100%	-	-
Other expenditure	5 621 750	0%	100%	-	5 621 750
Loss on disposal of PPE	-		100%	-	-
0	-		100%	-	-
0	-		100%	-	-
0	-		100%	-	-
Governance and administration	20 310 323		100%	-	20 310 323
Total cost	147 523 239	64%	36%	94 994 143	52 529 096

CALCULATION OF UNIT COSTS

This box shows the fixed and variable unit costs, based on the allocation of costs in the table above. It also shows the total cost of supply per unit treated.

Fixed unit cost (R per customer per month)	3 791.11
Variable unit cost (R per kl treated)	1.59
Total unit cost (R per kl treated)	4.46

CALCULATION OF REVENUE REQUIRED FOR SANITATION

This box shows the unit revenue required from tariffs for the service. This may be higher or lower than the total unit cost due to the allocation of subsidies, requirement for surpluses and allowance for deficits.

	(R)
Total expenditure	147 523 239
Deficit generated on sanitation	-
Surplus generated on sanitation	6 933 592
Expenditure minus deficit plus surplus	154 456 831
Operating grants and transfers	34 207 341
Property rates revenue	-
Other income	132 673 558
Other service charges	-
Total non-tariff revenue	166 880 899
Revenue required from tariff	- 12 424 067
Average unit revenue required (R per kl treated)	- 0.38

SUMMARY: SANITATION

Fixed unit cost (R per customer per month)	3 791.11
Variable unit cost (R per kl treated)	1.59
Total unit cost (R per kl treated)	4.46
Average unit revenue required (R per kl treated)	- 0.38
Unit revenue required as % of cost	-8%

Scroll to top

Go to sheet

This sheet calculates the fixed customer cost per customer; the fixed demand cost per unit of demand, and the variable cost per unit sold; as well as the tariff revenue required per unit sold for the electricity service as a whole.

ELECTRICITY EXPENDITURE BY ACTIVITY

In this box, the user must specify what proportion of each expenditure type is related to customers, what proportion is related to energy/consumption and what proportion is related to demand. This is in line with the NERSA Cost of Supply Framework. Expenditures can be 100% of one category or a mix of categories. Customer costs will be allocated to customers based on number of customers later in the model, consumption costs will be allocated based on volumes sold, and demand costs will be allocated based on network kVA demand per customer category. Note that if you do not have data on network kVA per category, then you should allocate all demand costs to customer costs if you wish to treat them as fixed or to consumption costs if you wish to treat them as variable.

Electricity direct cost components	Total expenditure (R)	% Fixed customer costs	% Variable energy costs	% Fixed demand cost	Customer costs (R)	Energy costs (R)	Demand costs (R)
Employee related costs	34 386 403	80%	20%	0%	27 509 122	6 877 281	-
Remuneration of councillors	-			100%	-	-	-
Debt impairment	3 014 708	0%	100%	0%	-	3 014 708	-
Depreciation & asset impairment	28 051 061	100%	0%	0%	28 051 061	-	-
Finance charges	14 340 000	100%	0%	0%	14 340 000	-	-
Bulk purchases	484 476 513	25%	75%	0%	121 119 128	363 357 385	-
Other materials	7 391 112	30%	70%	0%	2 217 334	5 173 778	-
Contracted services	8 533 125	60%	40%	0%	5 119 875	3 413 250	-
Transfers and subsidies	-			100%	-	-	-
Other expenditure	3 115 069	0%	100%	0%	-	3 115 069	-
Loss on disposal of PPE	-			100%	-	-	-
0	-			100%	-	-	-
0	-			100%	-	-	-
0	-			100%	-	-	-
Overheads	69 996 959			100%	-	-	69 996 959
Total costs	653 304 950	30%	59%	11%	198 356 520	384 951 471	69 996 959

CALCULATION OF UNIT COSTS

This box shows the customer, energy and demand unit costs, based on the allocation of costs in the table above. It also shows the total cost of supply per unit sold.

Customer cost (R per customer per month)	491.71
Energy costs (R per kWh sold)	1.78
Demand cost (R per kVA)	6.08
Total cost (R per kWh sold)	3.02

REVENUE REQUIRED FOR ELECTRICITY

This box shows the unit revenue required from tariffs for the service. This may be higher or lower than the total unit cost due to the allocation of subsidies, requirement for surpluses and allowance for deficits.

	(R)
Total expenditure	653 304 950
Deficit generated on electricity	-
Surplus generated on electricity	39 198 297
Expenditure minus deficit plus surplus	692 503 247
Operating grants and transfers	93 547 286
Property rates revenue	-
Other income	684 014 006
Other service charges	-
Total non-tariff revenue	777 561 292
Revenue required from tariff	- 85 058 045
Average unit revenue required (R per kWh sold)	- 0.39

SUMMARY: ELECTRICITY

Customer cost (R per customer per month)	491.71
Energy costs (R per kWh sold)	1.78
Demand cost (R per kVA)	6.08
Total cost (R per kWh sold)	3.02
Average unit revenue required (R per kWh sold)	- 0.39
Unit revenue required as % of cost	-13%

Scroll to top

Go to sheet

This sheet calculates the fixed cost per customer for the solid waste service as a whole.

CALCULATION OF UNIT COSTS

This box shows the unit cost per customer.

Total unit cost (R per customer per month)

REVENUE REQUIRED FOR SOLID WASTE

This box shows the unit revenue required from tariffs for the service. This may be higher or lower than the total unit cost due to the allocation of subsidies, requirement for surpluses and allowance for deficits.

	(R)
Total expenditure	<input type="text" value="126 149 175"/>
Deficit generated on solid waste	<input type="text" value="-"/>
Surplus generated on solid waste	<input type="text" value="- 1 211 032"/>
Expenditure minus deficit plus surplus	<u><u>124 938 143</u></u>
Operating grants and transfers	<input type="text" value="26 180 392"/>
Property rates revenue	<input type="text" value="-"/>
Other income	<input type="text" value="118 227 411"/>
Other service charges	<input type="text" value="-"/>
Total non-tariff revenue	<u><u>144 407 803</u></u>
Revenue required from tariff	<input type="text" value="- 19 469 660"/>
Average unit revenue required (R per customer per month)	<u><u>- 33.29</u></u>

SUMMARY: SOLID WASTE

Total unit cost (R per customer per month)	215.68
Average unit revenue required (R per customer per month)	- 33.29
Unit revenue required as % of cost	-15%

ANNEXURE L

ESKOM BULK ACCOUNTS



WESTERN REGION
PO BOX 377 BELVILLE 7535



ESKOM HOLDINGS SOC LTD REG NO 2002/015527/30
VAT REG NO 4740101508

CONTACT CENTRE: (0860) 037566
FAX NO: 0862 437 566
E-MAIL: customerservices@eskom.co.za
WEB: WWW.ESKOM.CO.ZA

TEL: 06600 37566
SMS:

OVERSTRAND LOCAL MUNICIPALITY
PRIVATE BAG X3
KLEINMOND
7195

KM Feb '24

CUSTOMER SELF SERVICE WEBSITE:
<https://csonline.eskom.co.za>

WESTERN REGION
PO BOX 377 BELVILLE 7535

YOUR ACCOUNT NO	8805321340
SECURITY HELD	0.01
BILLING DATE	2024-03-01
TAX INVOICE NO	880649264289
ACCOUNT MONTH	FEBRUARY 2024
CURRENT DUE DATE	2024-04-01
VAT REG NO	4140106396

DIRECT DEPOSIT DETAIL	
BANK:	ABSA
BRANCH CODE:	334110
BANK ACC NO:	340167430

TAX INVOICE

E-MAIL: eskomaccounts@overstrand.gov.za

ACCOUNT TRANSACTION SUMMARY

RCC / SCC CONNECTION CHARGE	R	252.40
ADMINISTRATION CHARGE	R	4,665.52
TRANSMISSION NETWORK CAPACITY	R	110,988.80
DIST. NETWORK CAPACITY CHARGE	R	216,021.00
NETWORK DEMAND CHARGE	R	331,291.00
ANCILLARY SERVICE (ALL)	R	11,117.93
ENERGY CHARGE (STD)	612,880.00	R 784,854.13
ENERGY CHARGE (PEAK)	287,853.00	R 535,579.29
ENERGY CHARGE (OFF)	665,173.00	R 540,186.99
ELECTRIFICATION AND RURAL SUBS (ALL)	R	217,660.80
SERVICE CHARGE	R	10,350.68

TOTAL CHARGES FOR BILLING PERIOD R **2,762,968.54**

ACCOUNT SUMMARY FOR FEBRUARY 2024

BALANCE BROUGHT FORWARD	(Due Date 2024-03-02)	R	3,587,498.80
PAYMENT(S) RECEIVED	ACB Payment - 2024-02-28	R	-3,587,498.80
TOTAL CHARGES FOR BILLING PERIOD		R	2,762,968.54
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	414,445.28

ACCOUNT NO / REFERENCE NO	8805321340
NAME	OVERSTRAND LOCAL MUNICIPALITY
FAX NUMBER	0282714100
Post Office	0934 8805321340

^

11341 8805321340

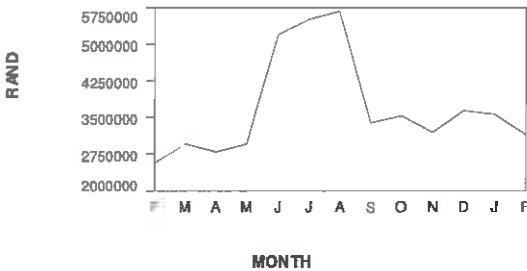


9207 2880 5321 3403



ARREARS					CURRENT	TOTAL DUE R	3,177,413.82
>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS				
0.00	0.00	0.00	0.00				

TOTAL AMOUNT DUE
3,177,413.80



PAYMENT ARRANGEMENT	
INSTALMENT	0.00
ARREARS	0.00
DUE DATE	2024-04-01
AMOUNT PAID	

PAGE RUN NO	EE 299
BILL GROUP	
BILL PAGE	1 OF 2

LATE PAYMENT CHARGES WILL BE ADDED TO OVERDUE ACCOUNT



WESTERN REGION
PO BOX 377 BELVILLE 7535

CONTACT CENTRE: (0860) 037566

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WEB: WWW.ESKOM.CO.ZA

OVERSTRAND LOCAL MUNICIPALITY
PRIVATE BAG X3
KLEINMOND
7195

YOUR ACCOUNT NO	8805321340
BILLING DATE	2024-03-01
TAX INVOICE NO	880649264289
ACCOUNT MONTH	FEBRUARY 2024
CURRENT DUE DATE	2024-04-01
VAT REG NO	4140106396
NOTIFIED MAX DEMAND	7,000.00
UTILISED CAPACITY	7,540.00

CONSUMPTION DETAILS (2024-02-01 - 2024-02-29)

ENERGY CONSUMPTION OFF PEAK KWH	665,172.50
ENERGY CONSUMPTION STD kWh	612,880.00
ENERGY CONSUMPTION PEAK kWh	287,852.50
ENERGY CONSUMPTION ALL kWh	1,565,905.00
DEMAND CONSUMPTION - OFF PEAK	5,515.00
DEMAND CONSUMPTION - STD	6,100.00
DEMAND CONSUMPTION - PEAK	5,275.00
DEMAND READING - KW/KVA	6,100.00
LOAD FACTOR	36.00

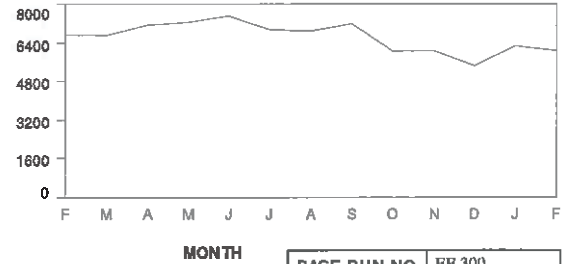
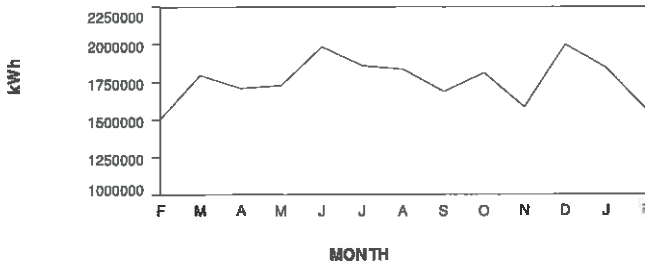
PREMISE ID NUMBER 8805321426 TARIFF NAME: Megaflex

KLEINMOND MAIN SUPPLY 1/92 REMOTE

Administration Charge @ R160.88 per day for 29 days	R	4,665.52
TX Network Capacity Charge 7,540 kVa @ R14.72 : = R14.72/kVA	R	110,988.80
Network Capacity Charge 7,540 kVA @ R28.65 : = R28.65/kVA	R	216,021.00
Network Demand Charge 6,100 KVA @ R54.31 = R54.31 /kVA	R	331,291.00
Ancillary Service Charge 1,565,905 kWh @ R0.0071 /kWh	R	11,117.93
Low Season Standard Energy Charge 612,880 kWh @ R1.2806 /kWh	R	784,854.13
Low Season Peak Energy Charge 287,853 kWh @ R1.8606 /kWh	R	535,579.29
Low Season Off Peak Energy Charge 665,173 kWh @ R0.8121 /kWh	R	540,186.99
Electrification and Rural Subsidy 1,565,905 kWh @ R0.139 /kWh	R	217,660.80
Residual Connection Charge @ R252.40	R	252.40

SERVICE CHARGE R 10,350.68

TOTAL CHARGES R 2,762,968.54



PAGE RUN NO	EE 300
BILL GROUP	
BILL PAGE	2 OF 2



WESTERN REGION
PO BOX 377 BELVILLE 7535



ESKOM HOLDINGS SOC LTD REG NO 2002/015527/30
VAT REG NO 4740101508

CONTACT CENTRE: (0860) 037566
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TEL: 08600 37566
SMS:

OVERSTRAND LOCAL MUNICIPALITY
P O BOX 20
HERMANUS
7200

HS Feb. '24

YOUR ACCOUNT NO	6796230414
SECURITY HELD	1870000.01
BILLING DATE	2024-03-04
TAX INVOICE NO	679605953530
ACCOUNT MONTH	FEBRUARY 2024
CURRENT DUE DATE	2024-04-03
VAT REG NO	4140106396

CUSTOMER SELF SERVICE WEBSITE:
<https://csonline.eskom.co.za>

WESTERN REGION
PO BOX 377 BELVILLE 7535

DIRECT DEPOSIT DETAIL	
BANK:	ABSA
BRANCH CODE:	334110
BANK ACC NO:	340167430

TAX INVOICE

E-MAIL: eskomaccounts@overstrand.gov.za

ACCOUNT TRANSACTION SUMMARY							
RCC / SCC CONNECTION CHARGE	R	6,429.56					
ADMINISTRATION CHARGE	R	4,665.52					
TRANSMISSION NETWORK CAPACITY	R	58,880.00					
DIST. NETWORK CAPACITY CHARGE	R	114,600.00					
NETWORK DEMAND CHARGE	R	119,429.32					
ANCILLARY SERVICE (ALL)	R	3,978.78					
ENERGY CHARGE (STD)	226,146.00	R 289,602.57					
ENERGY CHARGE (PEAK)	95,902.00	R 178,435.26					
ENERGY CHARGE (OFF)	238,344.00	R 193,559.16					
ELECTRIFICATION AND RURAL SUBS (ALL)	R	77,894.49					
SERVICE CHARGE	R	10,350.68					
TOTAL CHARGES FOR BILLING PERIOD	R	1,057,825.34					
ACCOUNT SUMMARY FOR FEBRUARY 2024							
BALANCE BROUGHT FORWARD	(Due Date 2024-03-04)	R 1,338,774.52					
PAYMENT(S) RECEIVED	ACB Payment - 2024-02-28	R -1,338,774.52					
TOTAL CHARGES FOR BILLING PERIOD		R 1,057,825.34					
VAT RAISED ON ITEMS AT 14%		R 0.00					
VAT RAISED ON ITEMS AT 15%		R 158,673.80					
ARREARS							
>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS	CURRENT	TOTAL DUE	R	1,216,499.14
0.00	0.00	0.00	0.00	1,216,499.14			

ACCOUNT NO / REFERENCE NO	6796230414
NAME	OVERSTRAND LOCAL MUNICIPALITY
FAX NUMBER	0283162632
Post Office	0934 6796230414

11341 6796230414

9207 2679 6230 4149

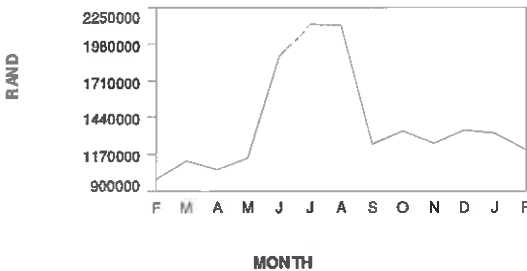
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TOTAL AMOUNT DUE
1,216,499.10

PAYMENT ARRANGEMENT	
INSTALMENT	0.00
ARREARS	0.00
DUE DATE	2024-04-03
AMOUNT PAID	

LATE PAYMENT CHARGES WILL BE
ADDED TO OVERDUE ACCOUNT

PAGE RUN NO	EE 152
BILL GROUP	
BILL PAGE	1 OF 2





WESTERN REGION
PO BOX 377 BELVILLE 7535

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OVERSTRAND LOCAL MUNICIPALITY
P O BOX 20
HERMANUS
7200

YOUR ACCOUNT NO	6796230414
BILLING DATE	2024-03-04
TAX INVOICE NO	679605953530
ACCOUNT MONTH	FEBRUARY 2024
CURRENT DUE DATE	2024-04-03
VAT REG NO	4140106396
NOTIFIED MAX DEMAND	4,000.00
UTILISED CAPACITY	4,000.00

CONSUMPTION DETAILS (2024-02-01 - 2024-02-29)

ENERGY CONSUMPTION OFF PEAK kWh	238,343.85
ENERGY CONSUMPTION STD kWh	226,146.04
ENERGY CONSUMPTION PEAK kWh	95,901.61
ENERGY CONSUMPTION ALL kWh	560,391.50
DEMAND CONSUMPTION - OFF PEAK	1,792.61
DEMAND CONSUMPTION - STD	2,003.16
DEMAND CONSUMPTION - PEAK	2,199.03
DEMAND READING - kW/kVA	2,199.03
REACTIVE ENERGY - OFF PEAK	77,533.00
REACTIVE ENERGY - STD	63,332.82
REACTIVE ENERGY - PEAK	24,638.72
LOAD FACTOR	37.00

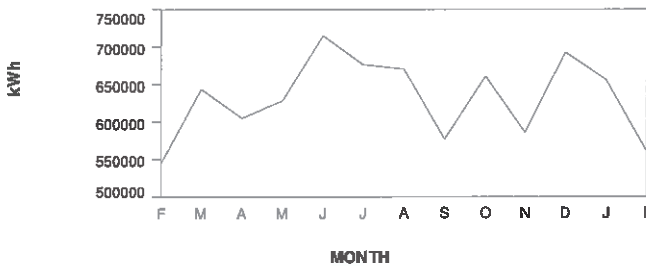
PREMISE ID NUMBER 6796230441 TARIFF NAME: Megaflex

HAWSTON MAIN SUPPLY,1/3056/2.1

Administration Charge @ R160.88 per day for 29 days	R	4,665.52
TX Network Capacity Charge 4,000 kVa @ R14.72 : = R14.72/kVA	R	58,880.00
Network Capacity Charge 4,000 kVA @ R28.65 : = R28.65/kVA	R	114,600.00
Network Demand Charge 2,199.03 kVA @ R54.31 : = R54.31 /kVA	R	119,429.32
Ancillary Service Charge 560,392 kWh @ R0.0071 /kWh	R	3,978.78
Low Season Standard Energy Charge 226,146 kWh @ R1.2806 /kWh	R	289,602.57
Low Season Peak Energy Charge 95,902 kWh @ R1.8606 /kWh	R	178,435.26
Low Season Off Peak Energy Charge 238,344 kWh @ R0.8121 /kWh	R	193,559.16
Electrification and Rural Subsidy 560,392 kWh @ R0.139 /kWh	R	77,894.49
Standard Connection Charge R2,559.56	R	2,559.56
Standard Connection Charge R3,870	R	3,870.00

SERVICE CHARGE R 10,350.68

TOTAL CHARGES R 1,057,825.34



PAGE RUN NO	EE 153
BILL GROUP	
BILL PAGE	2 OF 2



WESTERN REGION
PO BOX 377 BELVILLE 7535



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TEL: 08600 37566
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ESKOM HOLDINGS SOC LTD REG NO 2002/015527/30
VAT REG NO 4740101508

OVERSTRAND LOCAL MUNICIPALITY
P O BOX 20
HERMANUS
7200

HM Feb. '24

CUSTOMER SELF SERVICE WEBSITE:
<https://csonline.eskom.co.za>

WESTERN REGION
PO BOX 377 BELVILLE 7535

DIRECT DEPOSIT DETAIL	
BANK:	ABSA
BRANCH CODE:	334110
BANK ACC NO:	340167430

YOUR ACCOUNT NO	7917853150
SECURITY HELD	5915000.01
BILLING DATE	2024-03-01
TAX INVOICE NO	791253599172
ACCOUNT MONTH	FEBRUARY 2024
CURRENT DUE DATE	2024-04-01
VAT REG NO	4140106396

TAX INVOICE

E-MAIL: eskomaccounts@overstrand.gov.za

ACCOUNT TRANSACTION SUMMARY			
NON REBATABLE MONTHLY RENTAL	R		2,967.00
ADMINISTRATION CHARGE	R		12,954.88
TRANSMISSION NETWORK CAPACITY	R		808,213.49
DIST. NETWORK CAPACITY CHARGE	R		1,213,662.10
NETWORK DEMAND CHARGE	R		1,512,030.05
ANCILLARY SERVICE (ALL)	R		67,195.38
ENERGY CHARGE (STD)	3,928,687.00	R	5,031,076.57
ENERGY CHARGE (PEAK)	1,502,417.00	R	2,795,397.07
ENERGY CHARGE (OFF)	4,033,034.00	R	3,275,226.91
ELECTRIFICATION AND RURAL SUBS (ALL)	R		1,315,515.18
URBAN LOW VOLTAGE SUBSIDY	R		516,477.43
SERVICE CHARGE	R		202,831.51
TOTAL CHARGES FOR BILLING PERIOD	R		16,753,547.57
ACCOUNT SUMMARY FOR FEBRUARY 2024			
BALANCE BROUGHT FORWARD	(Due Date 2024-03-02)	R	21,267,889.17
PAYMENT(S) RECEIVED	Cash - 2024-02-28	R	-21,267,889.17
TOTAL CHARGES FOR BILLING PERIOD		R	16,753,547.57
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	2,513,032.14
ARREARS			
>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS
0.00	0.00	0.00	0.00
			CURRENT
			19,266,579.71
			TOTAL DUE R 19,266,579.71

ACCOUNT NO / REFERENCE NO	7917853150
NAME	OVERSTRAND LOCAL MUNICIPALITY
FAX NUMBER	0283162632
0934	7917853150

11341 7917853150

9207 2791 7853 1506

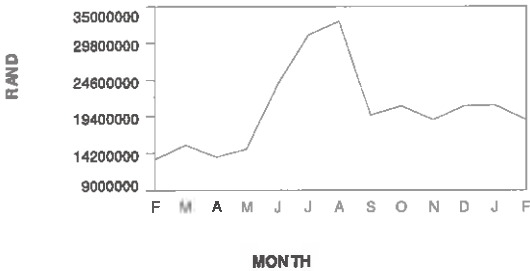
pay@

TOTAL AMOUNT DUE
19,266,579.70

PAYMENT ARRANGEMENT	
INSTALMENT	0.00
ARREARS	0.00
DUE DATE	2024-04-01
AMOUNT PAID	

LATE PAYMENT CHARGES WILL BE
ADDED TO OVERDUE ACCOUNT

PAGE RUN NO	EE 237
BILL GROUP	
BILL PAGE	1 OF 3





WESTERN REGION
PO BOX 377 BELVILLE 7535

CONTACT CENTRE: (0860) 037566
FAX NO: 0862 437 566
E-MAIL: customerservices@eskom.co.za
WEB: WWW.ESKOM.CO.ZA

OVERSTRAND LOCAL MUNICIPALITY
P O BOX 20
HERMANUS
7200

YOUR ACCOUNT NO	7917853150
BILLING DATE	2024-03-01
TAX INVOICE NO	791253599172
ACCOUNT MONTH	FEBRUARY 2024
CURRENT DUE DATE	2024-04-01
VAT REG NO	4140106396
NOTIFIED MAX DEMAND	35,000.00
UTILISED CAPACITY	35,000.00

CONSUMPTION DETAILS (2024-02-01 - 2024-02-29)

ENERGY CONSUMPTION OFF PEAK kWh	4,033,033.96
ENERGY CONSUMPTION STD kWh	3,928,687.26
ENERGY CONSUMPTION PEAK kWh	1,502,417.23
ENERGY CONSUMPTION ALL kWh	9,464,138.45
DEMAND CONSUMPTION - OFF PEAK	27,820.04
DEMAND CONSUMPTION - STD	27,022.90
DEMAND CONSUMPTION - PEAK	27,840.73
DEMAND READING - KW/KVA	27,840.73
REACTIVE ENERGY - OFF PEAK	1,084,982.18
REACTIVE ENERGY - STD	1,110,737.76
REACTIVE ENERGY - PEAK	386,713.59
LOAD FACTOR	49.00

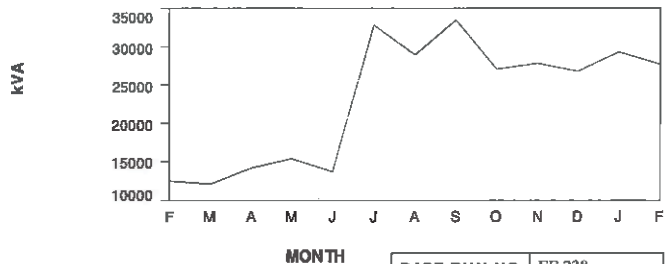
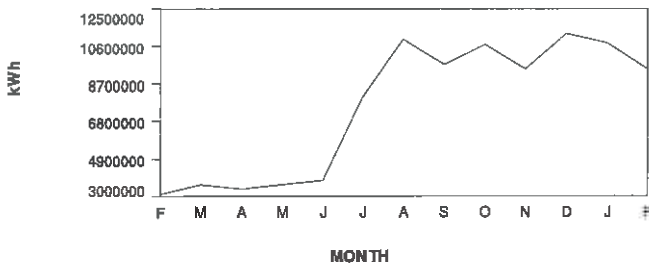
PREMISE ID NUMBER 7917853832 **TARIFF NAME:** Megaflex

HERMANUS MAIN SUPPLY 1/3091 REMOTE

Administration Charge @ R223.36 per day for 29 days	R	6,477.44
TX Network Capacity Charge 35,000 kVa @ R14.72 : = R14.72/kVA	R	515,200.00
Network Capacity Charge 35,000 kVA @ R28.65 : = R28.65/kVA	R	1,002,750.00
Network Demand Charge 27,840.73 kVA @ R54.31 = R54.31 /kVA	R	1,512,030.05
Ancillary Service Charge 9,464,138 kWh @ R0.0071 /kWh	R	67,195.38
Low Season Standard Energy Charge 3,928,687 kWh @ R1.2806 /kWh	R	5,031,076.57
Low Season Peak Energy Charge 1,502,417 kWh @ R1.8606 /kWh	R	2,795,397.07
Low Season Off Peak Energy Charge 4,033,034 kWh @ R0.8121 /kWh	R	3,275,226.91
Electrification and Rural Subsidy 9,464,138 kWh @ R0.139 /kWh	R	1,315,515.18
Premium Connection Charge @ R2,967.00	R	2,967.00

SERVICE CHARGE R 202,831.51

TOTAL CHARGES R 15,726,667.11



PAGE RUN NO	EE 238
BILL GROUP	
BILL PAGE	2 OF 3

OVERSTRAND LOCAL MUNICIPALITY
P O BOX 20
HERMANUS
7200

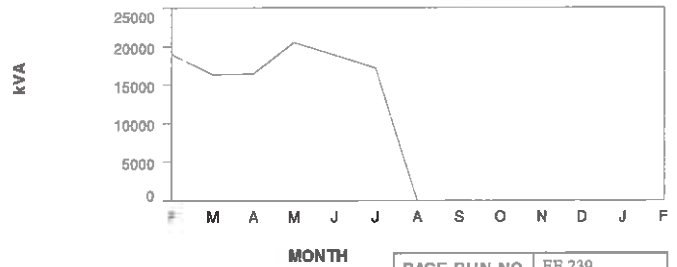
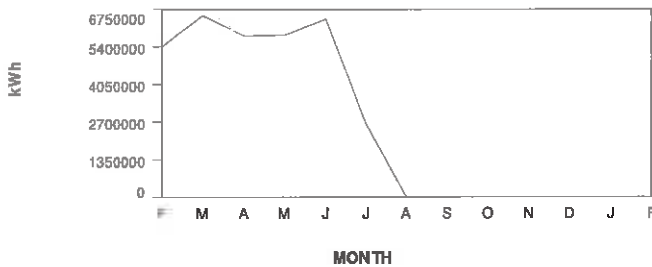
YOUR ACCOUNT NO	7917853150
BILLING DATE	2024-03-01
TAX INVOICE NO	791253599172
ACCOUNT MONTH	FEBRUARY 2024
CURRENT DUE DATE	2024-04-01
VAT REG NO	4140106396
NOTIFIED MAX DEMAND	20,000.00
UTILISED CAPACITY	20,576.78

CONSUMPTION DETAILS (2024-02-01 - 2024-02-29)

PREMISE ID NUMBER 9929240636 **TARIFF NAME:** Megaflex

HERMANUS WALKER BAY SUPPLY 1/3091

Administration Charge @ R223.36 per day for 29 days	R	6,477.44
TX Network Capacity Charge 20,576.79 kVa @ R14.24 : = R14.24/kVA	R	293,013.49
Network Capacity Charge 20,576.79 kVA @ R10.25 : = R10.25/kVA	R	210,912.10
Network Demand Charge 0 kVA @ R18.96 : = R18.96 /kVA	R	0.00
Urban Low Voltage Subsidy 20,576.79 kVa @ R25.10 : = R25.10/kVA	R	516,477.43
TOTAL CHARGES	R	1,026,880.46



PAGE RUN NO	EE 239
BILL GROUP	
BILL PAGE	3 OF 3



WESTERN REGION
PO BOX 377 BELVILLE 7535



CONTACT CENTRE: (0860) 037566
FAX NO: 0862 437 566
E-MAIL: customerservices@eskom.co.za
WEB: WWW.ESKOM.CO.ZA

TEL: 08600 37566
SMS:

ESKOM HOLDINGS SOC LTD REG NO 2002/015527/30
VAT REG NO 4740101508

OVERSTRAND LOCAL MUNICIPALITY
P O BOX 26
GANSBAAI
7220

SF Feb. 24

YOUR ACCOUNT NO	8968844003
SECURITY HELD	1215000.01
BILLING DATE	2024-03-04
TAX INVOICE NO	896752230732
ACCOUNT MONTH	FEBRUARY 2024
CURRENT DUE DATE	2024-04-03
VAT REG NO	4140106396

CUSTOMER SELF SERVICE WEBSITE:
<https://csonline.eskom.co.za>

WESTERN REGION
PO BOX 377 BELVILLE 7535

DIRECT DEPOSIT DETAIL	
BANK:	ABSA
BRANCH CODE:	334110
BANK ACC NO:	340167430

TAX INVOICE

E-MAIL: eskomaccounts@overstrand.gov.za

ACCOUNT TRANSACTION SUMMARY			
RCC / SCC CONNECTION CHARGE	R		7,438.00
ADMINISTRATION CHARGE	R		4,865.52
TRANSMISSION NETWORK CAPACITY	R		44,160.00
DIST. NETWORK CAPACITY CHARGE	R		85,950.00
NETWORK DEMAND CHARGE	R		89,462.15
ANCILLARY SERVICE (ALL)	R		3,631.68
ENERGY CHARGE (STD)	216,138.00	R	276,786.32
ENERGY CHARGE (PEAK)	84,277.00	R	156,805.79
ENERGY CHARGE (OFF)	211,087.00	R	171,423.75
ELECTRIFICATION AND RURAL SUBS (ALL)		R	71,098.78
SERVICE CHARGE		R	10,350.68

TOTAL CHARGES FOR BILLING PERIOD	R	921,772.65
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ACCOUNT SUMMARY FOR FEBRUARY 2024			
BALANCE BROUGHT FORWARD	(Due Date 2024-03-04)	R	1,188,813.89
PAYMENT(S) RECEIVED	ACB Payment - 2024-02-28	R	-1,188,813.89
TOTAL CHARGES FOR BILLING PERIOD		R	921,772.65
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	138,265.90

ACCOUNT NO / REFERENCE NO	
8968844003	
NAME	
OVERSTRAND LOCAL MUNICIPALITY	
FAX NUMBER	
0283132962	
Post Office	
0934 8968844003	

11341 8968844003

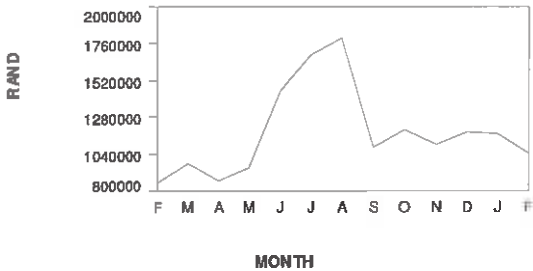


9207 2896 8844 0031



ARREARS					TOTAL DUE R	1,060,038.55
>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS	CURRENT		
0.00	0.00	0.00	0.00	1,060,038.55		

TOTAL AMOUNT DUE
1,060,038.55



PAYMENT ARRANGEMENT	
INSTALMENT	0.00
ARREARS	0.00
DUE DATE	2024-04-03
AMOUNT PAID	

PAGE RUN NO	EE 374
BILL GROUP	
BILL PAGE	1 OF 2

LATE PAYMENT CHARGES WILL BE ADDED TO OVERDUE ACCOUNT



WESTERN REGION
PO BOX 377 BELVILLE 7535

CONTACT CENTRE: (0860) 037566

FAX NO: 0862 437 566

E-MAIL: customerservices@eskom.co.za

WEB: WWW.ESKOM.CO.ZA

OVERSTRAND LOCAL MUNICIPALITY
P O BOX 26
GANSBAAI
7220

YOUR ACCOUNT NO	8968844003
BILLING DATE	2024-03-04
TAX INVOICE NO	896752230732
ACCOUNT MONTH	FEBRUARY 2024
CURRENT DUE DATE	2024-04-03
VAT REG NO	4140106396
NOTIFIED MAX DEMAND	3,000.00
UTILISED CAPACITY	3,000.00

CONSUMPTION DETAILS (2024-02-01 - 2024-02-29)

ENERGY CONSUMPTION OFF PEAK kWh	211,086.60
ENERGY CONSUMPTION STD kWh	216,138.10
ENERGY CONSUMPTION PEAK kWh	84,277.19
ENERGY CONSUMPTION ALL kWh	511,501.89
DEMAND CONSUMPTION - OFF PEAK	1,714.96
DEMAND CONSUMPTION - STD	1,647.24
DEMAND CONSUMPTION - PEAK	1,578.95
DEMAND READING - KW/KVA	1,714.96
REACTIVE ENERGY - OFF PEAK	107,425.80
REACTIVE ENERGY - STD	93,482.04
REACTIVE ENERGY - PEAK	33,885.68
LOAD FACTOR	44.00

PREMISE ID NUMBER

8968844173

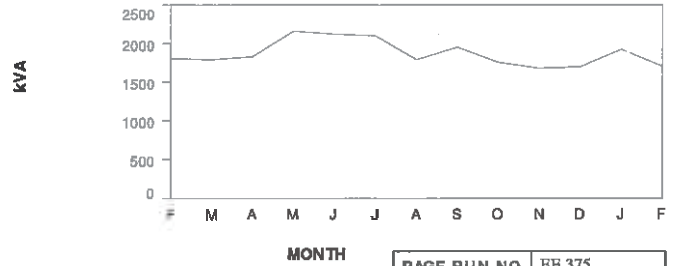
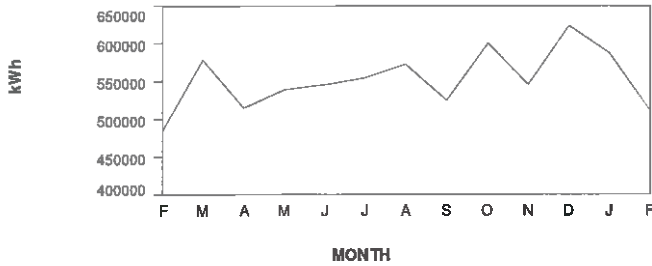
TARIFF NAME: Megaflex

STANFORD MAIN SUPPLY,1/2239,I

Administration Charge @ R160.88 per day for 29 days	R	4,665.52
TX Network Capacity Charge 3,000 kVa @ R14.72 : = R14.72/kVA	R	44,160.00
Network Capacity Charge 3,000 kVA @ R28.65 : = R28.65/kVA	R	85,950.00
Network Demand Charge 1,647.25 kVA @ R54.31 = R54.31 /kVA	R	89,462.15
Ancillary Service Charge 511,502 kWh @ R0.0071 /kWh	R	3,631.66
Low Season Standard Energy Charge 216,138 kWh @ R1.2806 /kWh	R	276,788.32
Low Season Peak Energy Charge 84,277 kWh @ R1.8606 /kWh	R	156,805.79
Low Season Off Peak Energy Charge 211,087 kWh @ R0.8121 /kWh	R	171,423.75
Electrification and Rural Subsidy 511,502 kWh @ R0.139 /kWh	R	71,098.78
Standard Connection Charge @ R7,438.00	R	7,438.00
SERVICE CHARGE	R	10,350.68

TOTAL CHARGES

R 921,772.65



PAGE RUN NO	EE 375
BILL GROUP	
BILL PAGE	2 OF 2



WESTERN REGION
PO BOX 377 BELVILLE 7535



ESKOM HOLDINGS SOC LTD REG NO 2002/015527/30
VAT REG NO 4740101508

CONTACT CENTRE: (0860) 037566
FAX NO: 0862 437 566
E-MAIL: customerservices@eskom.co.za
WEB: WWW.ESKOM.CO.ZA

TEL: 08600 37566
SMS:

OVERSTRAND LOCAL MUNICIPALITY
P O BOX 26
GANSBAAI
7220

GB Feb. '24

CUSTOMER SELF SERVICE WEBSITE:
<https://csonline.eskom.co.za>

WESTERN REGION
PO BOX 377 BELVILLE 7535

DIRECT DEPOSIT DETAIL
BANK: ABSA
BRANCH CODE: 334110
BANK ACC NO: 340167430

YOUR ACCOUNT NO	6270348035
SECURITY HELD	8357002.91
BILLING DATE	2024-03-01
TAX INVOICE NO	627254778881
ACCOUNT MONTH	FEBRUARY 2024
CURRENT DUE DATE	2024-04-01
VAT REG NO	4140106396

TAX INVOICE

E-MAIL: eskomaccounts@overstrand.gov.za

ACCOUNT TRANSACTION SUMMARY

NON REBATABLE MONTHLY RENTAL	R	1,153.00
ADMINISTRATION CHARGE	R	4,665.52
TRANSMISSION NETWORK CAPACITY	R	234,156.04
DIST. NETWORK CAPACITY CHARGE	R	455,745.29
NETWORK DEMAND CHARGE	R	727,203.84
ANCILLARY SERVICE (ALL)	R	35,781.76
ENERGY CHARGE (STD)	2,053,956.00	R 2,630,296.05
ENERGY CHARGE (PEAK)	796,519.00	R 1,482,003.25
ENERGY CHARGE (OFF)	2,189,210.00	R 1,777,857.44
ELECTRIFICATION AND RURAL SUBS (ALL)	R	700,516.22
SERVICE CHARGE	R	10,350.68

TOTAL CHARGES FOR BILLING PERIOD R **8,059,729.09**

ACCOUNT SUMMARY FOR FEBRUARY 2024

BALANCE BROUGHT FORWARD	(Due Date 2024-03-02)	R	10,459,863.32
PAYMENT(S) RECEIVED	Cash - 2024-02-28	R	-10,459,863.32
TOTAL CHARGES FOR BILLING PERIOD		R	8,059,729.09
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	1,208,959.36

ACCOUNT NO / REFERENCE NO
6270348035

NAME
OVERSTRAND LOCAL MUNICIPALITY

FAX NUMBER
0283840241

Post Office
0934 6270348035

11341 6270348035



9207 2627 0348 0357



TOTAL AMOUNT DUE

9,268,688.45

ARREARS

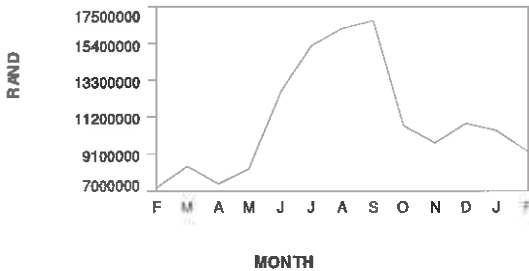
>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS	CURRENT	TOTAL DUE	R	9,268,688.45
0.00	0.00	0.00	0.00	9,268,688.45			

PAYMENT ARRANGEMENT

INSTALMENT	
ARREARS	0.00
DUE DATE	2024-04-01
AMOUNT PAID	

LATE PAYMENT CHARGES WILL BE
ADDED TO OVERDUE ACCOUNT

PAGE RUN NO	EE 96
BILL GROUP	
BILL PAGE	1 OF 2



OVERSTRAND LOCAL MUNICIPALITY
P O BOX 26
GANSBAAI
7220

YOUR ACCOUNT NO	6270348035
BILLING DATE	2024-03-01
TAX INVOICE NO	627254778881
ACCOUNT MONTH	FEBRUARY 2024
CURRENT DUE DATE	2024-04-01
VAT REG NO	4140106396
NOTIFIED MAX DEMAND	14,000.00
UTILISED CAPACITY	15,907.33

CONSUMPTION DETAILS (2024-02-01 - 2024-02-29)

ENERGY CONSUMPTION OFF PEAK kWh	2,189,209.65
ENERGY CONSUMPTION STD kWh	2,053,956.07
ENERGY CONSUMPTION PEAK kWh	796,518.95
ENERGY CONSUMPTION ALL kWh	5,039,684.67
DEMAND CONSUMPTION - OFF PEAK	13,059.93
DEMAND CONSUMPTION - STD	13,389.86
DEMAND CONSUMPTION - PEAK	12,275.25
DEMAND READING - kW/KVA	13,389.86
REACTIVE ENERGY - OFF PEAK	638,098.32
REACTIVE ENERGY - STD	577,256.29
REACTIVE ENERGY - PEAK	204,317.51
LOAD FACTOR	55.00

PREMISE ID NUMBER

6270348907

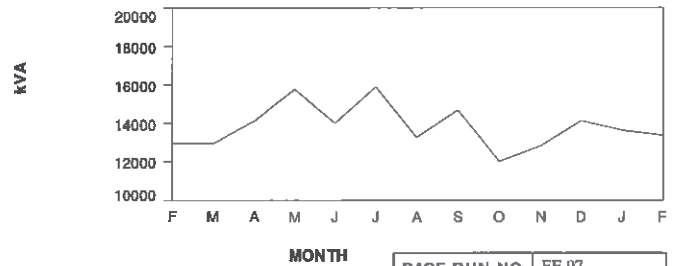
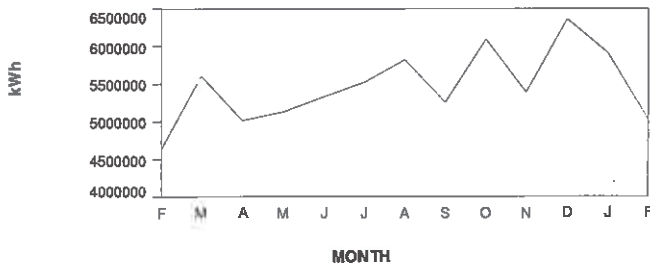
TARIFF NAME: Megaflex

GANSBAAI MAIN SUPPLY 1/3218,1

Administration Charge @ R160.88 per day for 29 days	R	4,665.52
TX Network Capacity Charge 15,907.34 kVa @ R14.72 : = R14.72/kVA	R	234,156.04
Network Capacity Charge 15,907.34 kVA @ R28.65 : = R28.65/kVA	R	455,745.29
Network Demand Charge 13,389.87 kVA @ R54.31 = R54.31 /kVA	R	727,203.84
Ancillary Service Charge 5,039,685 kWh @ R0.0071 /kWh	R	35,781.76
Low Season Standard Energy Charge 2,053,956 kWh @ R1.2806 /kWh	R	2,630,296.05
Low Season Peak Energy Charge 796,519 kWh @ R1.8806 /kWh	R	1,482,003.25
Low Season Off Peak Energy Charge 2,189,210 kWh @ R0.8121 /kWh	R	1,777,857.44
Electrification and Rural Subsidy 5,039,685 kWh @ R0.139 /kWh	R	700,516.22
Premium Connection Charge @ R1,153.00	R	1,153.00
SERVICE CHARGE	R	10,350.68

TOTAL CHARGES

R 8,059,729.09



PAGE RUN NO	EE 97
BILL GROUP	
BILL PAGE	2 OF 2



WESTERN REGION
PO BOX 377 BELVILLE 7535



TEL: 08600 37586
SMS:

ESKOM HOLDINGS SOC LTD REG NO 2002/015527/30
VAT REG NO 4740101508

CONTACT CENTRE: (0860) 037566
FAX NO: 0862 437 566
E-MAIL: customerservices@eskom.co.za
WEB: WWW.ESKOM.CO.ZA

CUSTOMER SELF SERVICE WEBSITE:
<https://csonline.eskom.co.za>

OVERSTRAND LOCAL MUNICIPALITY
PRIVATE BAG X3
KLEINMOND
7195

KM Jan'24

YOUR ACCOUNT NO	8805321340
SECURITY HELD	0.01
BILLING DATE	2024-02-01
TAX INVOICE NO	880796005362
ACCOUNT MONTH	JANUARY 2024
CURRENT DUE DATE	2024-03-02
VAT REG NO	4140106396

WESTERN REGION
PO BOX 377 BELVILLE 7535

DIRECT DEPOSIT DETAIL	
BANK:	ABSA
BRANCH CODE:	334110
BANK ACC NO:	340167430

TAX INVOICE

E-MAIL: eskomaccounts@overstrand.gov.za

ACCOUNT TRANSACTION SUMMARY

RCC / SCC CONNECTION CHARGE		R	252.40
ADMINISTRATION CHARGE		R	4,987.28
TRANSMISSION NETWORK CAPACITY		R	110,988.80
DIST. NETWORK CAPACITY CHARGE		R	216,021.00
NETWORK DEMAND CHARGE		R	340,795.25
ANCILLARY SERVICE (ALL)		R	13,115.79
ENERGY CHARGE (STD)	717,888.00	R	919,327.37
ENERGY CHARGE (PEAK)	313,825.00	R	583,902.80
ENERGY CHARGE (OFF)	815,583.00	R	662,334.95
ELECTRIFICATION AND RURAL SUBS (ALL)		R	256,774.01
SERVICE CHARGE		R	11,064.52

TOTAL CHARGES FOR BILLING PERIOD R **3,119,564.17**

ACCOUNT SUMMARY FOR JANUARY 2024

BALANCE BROUGHT FORWARD	(Due Date 2024-02-01)	R	3,665,432.46
PAYMENT(S) RECEIVED	ACB Payment - 2024-01-30	R	-3,665,432.46
TOTAL CHARGES FOR BILLING PERIOD		R	3,119,564.17
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	467,934.63

ACCOUNT NO / REFERENCE NO	8805321340
NAME	OVERSTRAND LOCAL MUNICIPALITY
FAX NUMBER	0282714100
Pay@	0934 8805321340

11341 8805321340



11341 8805321340

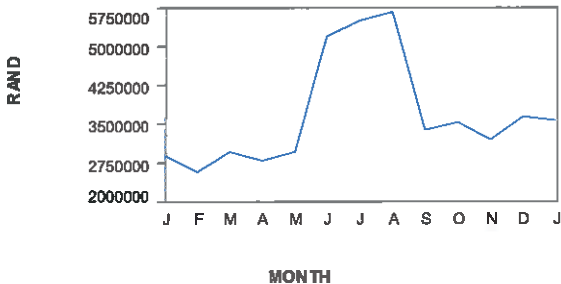


ARREARS

>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS	CURRENT	TOTAL DUE R
0.00	0.00	0.00	0.00	3,587,498.80	3,587,498.80

TOTAL AMOUNT DUE

3,587,498.80



PAYMENT ARRANGEMENT

INSTALMENT	
ARREARS	0.00
DUE DATE	2024-03-02
AMOUNT PAID	

PAGE RUN NO	EE 189
BILL GROUP	
BILL PAGE	1 OF 2

LATE PAYMENT CHARGES WILL BE ADDED TO OVERDUE ACCOUNT



WESTERN REGION
PO BOX 377 BELVILLE 7535

CONTACT CENTRE: (0860) 037566

FAX NO: 0862 437 566

E-MAIL: customerservices@eskom.co.za

WEB: WWW.ESKOM.CO.ZA

OVERSTRAND LOCAL MUNICIPALITY
PRIVATE BAG X3
KLEINMOND
7195

YOUR ACCOUNT NO	8805321340
BILLING DATE	2024-02-01
TAX INVOICE NO	880796005362
ACCOUNT MONTH	JANUARY 2024
CURRENT DUE DATE	2024-03-02
VAT REG NO	4140106396
NOTIFIED MAX DEMAND	7,000.00
UTILISED CAPACITY	7,540.00

CONSUMPTION DETAILS (2024-01-01 - 2024-01-31)

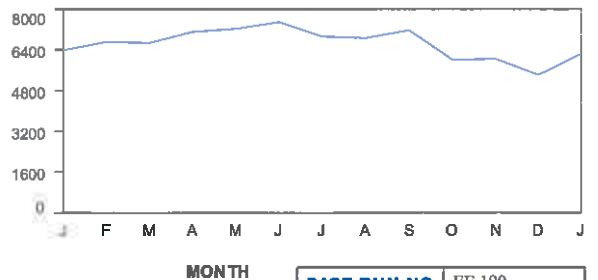
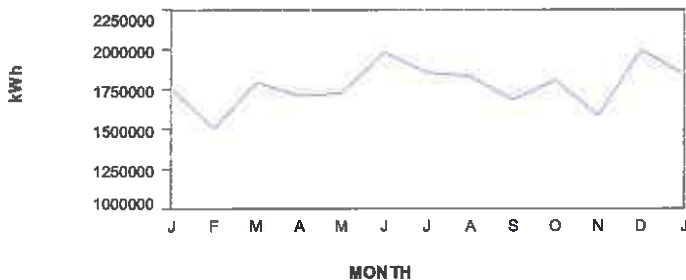
ENERGY CONSUMPTION OFF PEAK kWh	815,582.50
ENERGY CONSUMPTION STD kWh	717,887.50
ENERGY CONSUMPTION PEAK kWh	313,825.00
ENERGY CONSUMPTION ALL kWh	1,847,295.00 ^Λ
DEMAND CONSUMPTION - OFF PEAK	5,165.00
DEMAND CONSUMPTION - STD	6,275.00
DEMAND CONSUMPTION - PEAK	5,760.00
DEMAND READING - KW/KVA	6,275.00
LOAD FACTOR	39.00

PREMISE ID NUMBER 8805321426 **TARIFF NAME:** Megaflex

KLEINMOND MAIN SUPPLY 1/92 REMOTE

Administration Charge @ R160.88 per day for 31 days	R	4,987.28 ^Λ
TX Network Capacity Charge 7,540 kVa @ R14.72 : = R14.72/kVA	R	110,988.80 ^Λ
Network Capacity Charge 7,540 kVA @ R28.65 : = R28.65/kVA	R	216,021.00 ^Λ
Network Demand Charge 6,275 kVA @ R54.31 = R54.31 /kVA	R	340,785.25 ^Λ
Ancillary Service Charge 1,847,295 kWh @ R0.0071 /kWh	R	13,115.79 ^Λ
Low Season Standard Energy Charge 717,888 kWh @ R1.2806 /kWh	R	919,327.37 ^Λ
Low Season Peak Energy Charge 313,825 kWh @ R1.8606 /kWh	R	583,902.80 ^Λ
Low Season Off Peak Energy Charge 815,583 kWh @ R0.8121 /kWh	R	662,334.95 ^Λ
Electrification and Rural Subsidy 1,847,295 kWh @ R0.139 /kWh	R	256,774.01 ^Λ
Residual Connection Charge @ R252.40	R	252.40 ^Λ
SERVICE CHARGE	R	11,064.52 ^Λ

TOTAL CHARGES R **3,119,564.17 ^Λ**



PAGE RUN NO	EE 190
BILL GROUP	
BILL PAGE	2 OF 2



WESTERN REGION
PO BOX 377 BELVILLE 7535



ESKOM HOLDINGS SOC LTD REG NO 2002/015527/30
VAT REG NO 4740101508

CONTACT CENTRE: (0860) 037566
FAX NO: 0862 437 566
E-MAIL: customerservices@eskom.co.za
WEB: WWW.ESKOM.CO.ZA

TEL: 08600 37566
SMS:

CUSTOMER SELF SERVICE WEBSITE:
<https://csonline.eskom.co.za>

OVERSTRAND LOCAL MUNICIPALITY
P O BOX 20
HERMANUS
7200

HS Jan.'24

YOUR ACCOUNT NO	6796230414
SECURITY HELD	1870000.01
BILLING DATE	2024-02-02
TAX INVOICE NO	679107060534
ACCOUNT MONTH	JANUARY 2024
CURRENT DUE DATE	2024-03-04
VAT REG NO	4140106396

WESTERN REGION
PO BOX 377 BELVILLE 7535

DIRECT DEPOSIT DETAIL	
BANK:	ABSA
BRANCH CODE:	334110
BANK ACC NO:	340167430

TAX INVOICE

E-MAIL: eskomaccounts@overstrand.gov.za

ACCOUNT TRANSACTION SUMMARY

RCC / SCC CONNECTION CHARGE	R	6,429.56
ADMINISTRATION CHARGE	R	4,987.28
TRANSMISSION NETWORK CAPACITY	R	58,880.00
DIST. NETWORK CAPACITY CHARGE	R	114,600.00
NETWORK DEMAND CHARGE	R	107,892.25
ANCILLARY SERVICE (ALL)	R	4,660.45
ENERGY CHARGE (STD)	265,229.00	R 339,652.26
ENERGY CHARGE (PEAK)	102,122.00	R 190,008.19
ENERGY CHARGE (OFF)	289,050.00	R 234,737.51
ELECTRIFICATION AND RURAL SUBS (ALL)	R	91,239.74
SERVICE CHARGE	R	11,064.52

TOTAL CHARGES FOR BILLING PERIOD R **1,164,151.76**

ACCOUNT SUMMARY FOR JANUARY 2024

BALANCE BROUGHT FORWARD	(Due Date 2024-02-01)	R	1,364,073.27
PAYMENT(S) RECEIVED	ACB Payment - 2024-01-30	R	-1,364,073.27
TOTAL CHARGES FOR BILLING PERIOD		R	1,164,151.76
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	174,622.76

ACCOUNT NO / REFERENCE NO	6796230414
NAME	OVERSTRAND LOCAL MUNICIPALITY
FAX NUMBER	0283162632
Post Office	0934 6796230414

11341 6796230414



9207 2679 6230 4149



TOTAL AMOUNT DUE

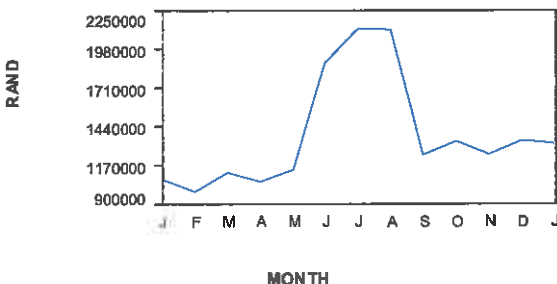
1,338,774.50

PAYMENT ARRANGEMENT

INSTALMENT	0.00
ARREARS	0.00
DUE DATE	2024-03-04
AMOUNT PAID	

LATE PAYMENT CHARGES WILL BE
ADDED TO OVERDUE ACCOUNT

PAGE RUN NO	EE 102
BILL GROUP	
BILL PAGE	1 OF 2



MONTH



WESTERN REGION
PO BOX 377 BELVILLE 7535

CONTACT CENTRE: (0860) 037566

FAX NO: 0862 437 566

E-MAIL: customerservices@eskom.co.za

WEB: WWW.ESKOM.CO.ZA

OVERSTRAND LOCAL MUNICIPALITY
P O BOX 20
HERMANUS
7200

YOUR ACCOUNT NO	6796230414
BILLING DATE	2024-02-02
TAX INVOICE NO	679107060534
ACCOUNT MONTH	JANUARY 2024
CURRENT DUE DATE	2024-03-04
VAT REG NO	4140106396
NOTIFIED MAX DEMAND	4,000.00
UTILISED CAPACITY	4,000.00

CONSUMPTION DETAILS (2024-01-01 - 2024-01-31)

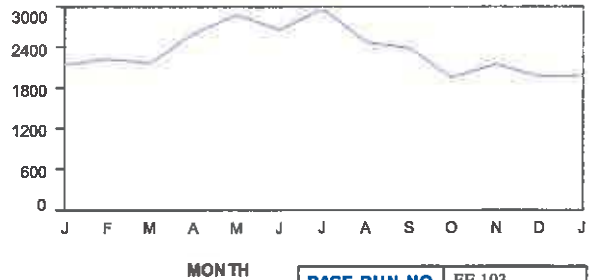
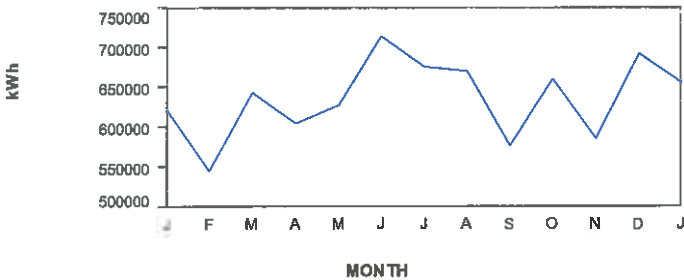
ENERGY CONSUMPTION OFF PEAK kWh	289,049.63
ENERGY CONSUMPTION STD kWh	265,229.45
ENERGY CONSUMPTION PEAK kWh	102,122.06
ENERGY CONSUMPTION ALL kWh	656,401.14
DEMAND CONSUMPTION - OFF PEAK	1,535.62
DEMAND CONSUMPTION - STD	1,986.59
DEMAND CONSUMPTION - PEAK	1,763.55
DEMAND READING - KW/KVA	1,986.59
REACTIVE ENERGY - OFF PEAK	97,537.79
REACTIVE ENERGY - STD	76,690.43
REACTIVE ENERGY - PEAK	27,523.81
LOAD FACTOR	45.00

PREMISE ID NUMBER: 6796230441 TARIFF NAME: Megaflex

HAWSTON MAIN SUPPLY, 1/3058/2,1

Administration Charge @ R160.88 per day for 31 days	R	4,987.28
TX Network Capacity Charge 4,000 kVa @ R14.72 : = R14.72/kVa	R	58,880.00
Network Capacity Charge 4,000 kVA @ R28.65 : = R28.65/kVA	R	114,600.00
Network Demand Charge 1,986.6 kVA @ R54.31 = R54.31 /kVA	R	107,892.25
Ancillary Service Charge 656,401 kWh @ R0.0071 /kWh	R	4,660.45
Low Season Standard Energy Charge 265,229 kWh @ R1.2806 /kWh	R	339,652.26
Low Season Peak Energy Charge 102,122 kWh @ R1.8606 /kWh	R	190,008.19
Low Season Off Peak Energy Charge 289,050 kWh @ R0.8121 /kWh	R	234,737.51
Electrification and Rural Subsidy 656,401 kWh @ R0.139 /kWh	R	91,239.74
Standard Connection Charge R2,559.56	R	2,559.56
Standard Connection Charge R3,870	R	3,870.00
SERVICE CHARGE	R	11,064.52

TOTAL CHARGES R **1,164,151.76**



PAGE RUN NO	EE 103
BILL GROUP	
BILL PAGE	2 OF 2



WESTERN REGION
PO BOX 377 BELVILLE 7535



ESKOM HOLDINGS SOC LTD REG NO 2002/015527/30
VAT REG NO 4740101508

CONTACT CENTRE: (0860) 037566
FAX NO: 0862 437 566
E-MAIL: customerservices@eskom.co.za
WEB: WWW.ESKOM.CO.ZA

TEL: 08600 37566
SMS:

CUSTOMER SELF SERVICE WEBSITE:
<https://csonline.eskom.co.za>

OVERSTRAND LOCAL MUNICIPALITY
P O BOX 20
HERMANUS
7200

HM Jan. '24

YOUR ACCOUNT NO	7917853150
SECURITY HELD	5915000.01
BILLING DATE	2024-02-01
TAX INVOICE NO	791073683001
ACCOUNT MONTH	JANUARY 2024
CURRENT DUE DATE	2024-03-02
VAT REG NO	4140106396

WESTERN REGION
PO BOX 377 BELVILLE 7535

DIRECT DEPOSIT DETAIL	
BANK:	ABSA
BRANCH CODE:	334110
BANK ACC NO:	340167430

TAX INVOICE

E-MAIL: eskomaccounts@overstrand.gov.za

ACCOUNT TRANSACTION SUMMARY

NON REBATABLE MONTHLY RENTAL	R	2,967.00
ADMINISTRATION CHARGE	R	13,848.32
TRANSMISSION NETWORK CAPACITY	R	808,213.49
DIST. NETWORK CAPACITY CHARGE	R	1,213,662.10
NETWORK DEMAND CHARGE	R	1,594,707.25
ANCILLARY SERVICE (ALL)	R	76,608.30
ENERGY CHARGE (STD)	R	5,310,078.33
ENERGY CHARGE (PEAK)	4,146,555.00	R 3,275,041.14
ENERGY CHARGE (OFF)	4,883,139.00	R 3,965,597.18
ELECTRIFICATION AND RURAL SUBS (ALL)	R	1,499,796.24
URBAN LOW VOLTAGE SUBSIDY	R	516,477.43
SERVICE CHARGE	R	216,819.89

TOTAL CHARGES FOR BILLING PERIOD R 18,493,816.67

ACCOUNT SUMMARY FOR JANUARY 2024

BALANCE BROUGHT FORWARD	(Due Date 2024-02-01)	R	21,224,532.60
PAYMENT(S) RECEIVED	Cash - 2024-01-30	R	-21,224,532.60
TOTAL CHARGES FOR BILLING PERIOD		R	18,493,816.67
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	2,774,072.50

ACCOUNT NO / REFERENCE NO	7917853150
NAME	OVERSTRAND LOCAL MUNICIPALITY
FAX NUMBER	0283162632
Post Office	0934 7917853150

11341 7917853150



9207 2791 7853 1506



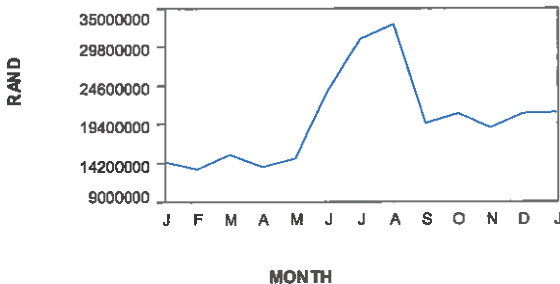
TOTAL AMOUNT DUE

21,267,889.15

PAYMENT ARRANGEMENT

INSTALMENT	0.00
ARREARS	0.00
DUE DATE	2024-03-02
AMOUNT PAID	

LATE PAYMENT CHARGES WILL BE
ADDED TO OVERDUE ACCOUNT



PAGE RUN NO	EE 150
BILL GROUP	
BILL PAGE	1 OF 3



WESTERN REGION
PO BOX 377 BELVILLE 7535

CONTACT CENTRE: (0860) 037566

FAX NO: 0862 437 566

E-MAIL: customerservices@eskom.co.za

WEB: WWW.ESKOM.CO.ZA

OVERSTRAND LOCAL MUNICIPALITY
P O BOX 20
HERMANUS
7200

YOUR ACCOUNT NO	7917853150
BILLING DATE	2024-02-01
TAX INVOICE NO	791073683001
ACCOUNT MONTH	JANUARY 2024
CURRENT DUE DATE	2024-03-02
VAT REG NO	4140106396
NOTIFIED MAX DEMAND	35,000.00
UTILISED CAPACITY	35,000.00

CONSUMPTION DETAILS (2024-01-01 - 2024-01-31)

ENERGY CONSUMPTION OFF PEAK kWh	4,883,138.62
ENERGY CONSUMPTION STD kWh	4,146,555.05
ENERGY CONSUMPTION PEAK kWh	1,760,206.97
ENERGY CONSUMPTION ALL kWh	10,789,900.64
DEMAND CONSUMPTION - OFF PEAK	27,879.95
DEMAND CONSUMPTION - STD	29,363.05
DEMAND CONSUMPTION - PEAK	29,307.54
DEMAND READING - KW/KVA	29,363.05
REACTIVE ENERGY - OFF PEAK	1,296,164.61
REACTIVE ENERGY - STD	1,133,592.83
REACTIVE ENERGY - PEAK	453,322.04
LOAD FACTOR	50.00

PREMISE ID NUMBER: 7917853832 TARIFF NAME: Megaflex

HERMANUS MAIN SUPPLY 1/3091 REMOTE

Administration Charge @ R223.36 per day for 31 days	R	6,924.16
TX Network Capacity Charge 35,000 kVa @ R14.72 : = R14.72/kVA	R	515,200.00
Network Capacity Charge 35,000 kVA @ R28.65 : = R28.65/kVA	R	1,002,750.00
Network Demand Charge 29,363.05 kVA @ R54.31 = R54.31 /kVA	R	1,594,707.25
Ancillary Service Charge 10,789,901 kWh @ R0.0071 /kWh	R	76,608.30
Low Season Standard Energy Charge 4,146,555 kWh @ R1.2806 /kWh	R	5,310,078.33
Low Season Peak Energy Charge 1,760,207 kWh @ R1.8606 /kWh	R	3,275,041.14
Low Season Off Peak Energy Charge 4,883,139 kWh @ R0.8121 /kWh	R	3,965,597.18
Electrification and Rural Subsidy 10,789,901 kWh @ R0.139 /kWh	R	1,499,796.24
Premium Connection Charge @ R2,967.00	R	2,967.00
SERVICE CHARGE	R	216,819.89

TOTAL CHARGES R 17,466,489.49



PAGE RUN NO	EE 151
BILL GROUP	
BILL PAGE	2 OF 3



WESTERN REGION
PO BOX 377 BELVILLE 7535

CONTACT CENTRE: (0860) 037566

FAX NO: 0862 437 566

E-MAIL: customerservices@eskom.co.za

WEB: WWW.ESKOM.CO.ZA

OVERSTRAND LOCAL MUNICIPALITY
P O BOX 20
HERMANUS
7200

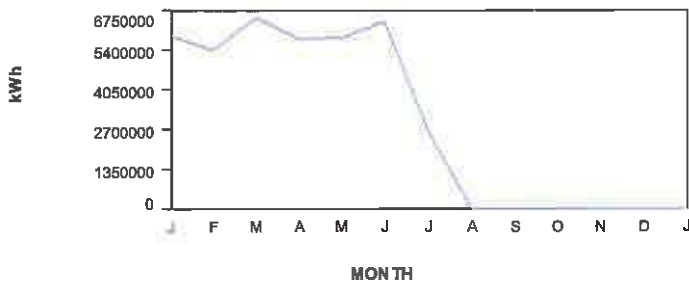
YOUR ACCOUNT NO	7917853150
BILLING DATE	2024-02-01
TAX INVOICE NO	791073683001
ACCOUNT MONTH	JANUARY 2024
CURRENT DUE DATE	2024-03-02
VAT REG NO	4140106396
NOTIFIED MAX DEMAND	20,000.00
UTILISED CAPACITY	20,576.78

CONSUMPTION DETAILS (2024-01-01 - 2024-01-31)

PREMISE ID NUMBER 9929240636 TARIFF NAME: Megaflex

HERMANUS WALKER BAY SUPPLY 1/3091

Administration Charge @ R223.36 per day for 31 days	R	6,924.16	▲
TX Network Capacity Charge 20,576.79 kVa @ R14.24 : = R14.24/kVA	R	293,013.49	▲
Network Capacity Charge 20,576.79 kVA @ R10.25 : = R10.25/kVA	R	210,912.10	▲
Network Demand Charge 0 kVA @ R18.96 : = R18.96 /kVA	R	0.00	▲
Urban Low Voltage Subsidy 20,576.79 kVa @ R25.10 : = R25.10/kVA	R	516,477.43	▲
TOTAL CHARGES	R:	1,027,327.18	▲



PAGE RUN NO	EE 152
BILL GROUP	
BILL PAGE	3 OF 3



WESTERN REGION
PO BOX 377 BELVILLE 7535



ESKOM HOLDINGS SOC LTD REG NO 2002/015527/30
VAT REG NO 4740101508

CONTACT CENTRE: (0860) 037566
FAX NO: 0862 437 566
E-MAIL: customerservices@eskom.co.za
WEB: WWW.ESKOM.CO.ZA

TEL: 08600 37566
SMS:

CUSTOMER SELF SERVICE WEBSITE:
<https://csonline.eskom.co.za>

WESTERN REGION
PO BOX 377 BELVILLE 7535

DIRECT DEPOSIT DETAIL
BANK: ABSA
BRANCH CODE: 334110
BANK ACC NO: 340167430

OVERSTRAND LOCAL MUNICIPALITY
P O BOX 26
GANSBAAI
7220

SF Jan. '24

YOUR ACCOUNT NO	8968844003
SECURITY HELD	1215000.01
BILLING DATE	2024-02-02
TAX INVOICE NO	896531118022
ACCOUNT MONTH	JANUARY 2024
CURRENT DUE DATE	2024-03-04
VAT REG NO	4140106396

TAX INVOICE

E-MAIL: eskomaccounts@overstrand.gov.za

ACCOUNT TRANSACTION SUMMARY

RCC / SCC CONNECTION CHARGE	R	7,438.00
ADMINISTRATION CHARGE	R	4,987.28
TRANSMISSION NETWORK CAPACITY	R	44,160.00
DIST. NETWORK CAPACITY CHARGE	R	85,950.00
NETWORK DEMAND CHARGE	R	105,067.58
ANCILLARY SERVICE (ALL)	R	4,170.19
ENERGY CHARGE (STD)	229,926.00	R 294,443.24
ENERGY CHARGE (PEAK)	99,727.00	R 185,552.06
ENERGY CHARGE (OFF)	257,698.00	R 209,276.55
ELECTRIFICATION AND RURAL SUBS (ALL)	R	81,641.79
SERVICE CHARGE	R	11,064.52

TOTAL CHARGES FOR BILLING PERIOD R **1,033,751.21**

ACCOUNT SUMMARY FOR JANUARY 2024

BALANCE BROUGHT FORWARD	(Due Date 2024-02-02)	R	1,199,795.32
PAYMENT(S) RECEIVED	ACB Payment - 2024-01-30	R	-1,199,795.32
TOTAL CHARGES FOR BILLING PERIOD		R	1,033,751.21
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	155,062.88

ACCOUNT NO / REFERENCE NO
8968844003

NAME
OVERSTRAND LOCAL MUNICIPALITY

FAX NUMBER
0283132962

Post Office 0934 8968844003

11341 8968844003



9207 2896 8844 0031



ARREARS				
>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS	CURRENT
0.00	0.00	0.00	0.00	1,188,813.89
				TOTAL DUE R 1,188,813.89

TOTAL AMOUNT DUE
1,188,813.85

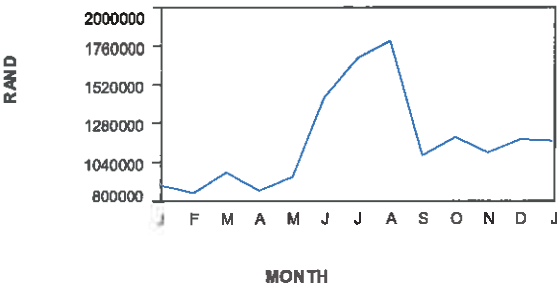
PAYMENT ARRANGEMENT

INSTALMENT: 0.00

ARREARS: 0.00

DUE DATE: 2024-03-04

AMOUNT PAD:



PAGE RUN NO	EE 212
BILL GROUP	
BILL PAGE	1 OF 2

LATE PAYMENT CHARGES WILL BE ADDED TO OVERDUE ACCOUNT



WESTERN REGION
PO BOX 377 BELVILLE 7535

CONTACT CENTRE: (0860) 037566

FAX NO: 0862 437 566

E-MAIL: customerservices@eskom.co.za

WEB: WWW.ESKOM.CO.ZA

OVERSTRAND LOCAL MUNICIPALITY
P O BOX 26
GANSBAAI
7220

YOUR ACCOUNT NO	8968844003
BILLING DATE	2024-02-02
TAX INVOICE NO	896531118022
ACCOUNT MONTH	JANUARY 2024
CURRENT DUE DATE	2024-03-04
VAT REG NO	4140106396
NOTIFIED MAX DEMAND	3,000.00
UTILISED CAPACITY	3,000.00

CONSUMPTION DETAILS (2024-01-01 - 2024-01-31)

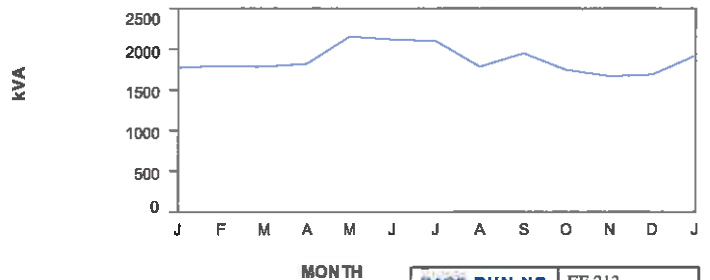
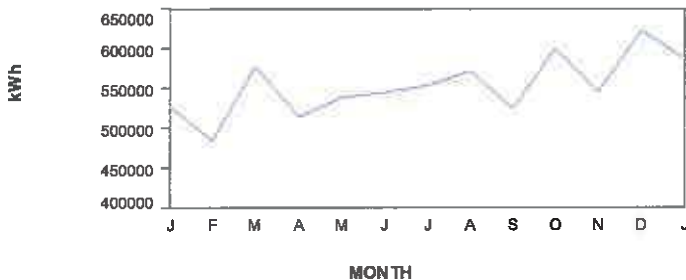
ENERGY CONSUMPTION OFF PEAK kWh	257,697.78
ENERGY CONSUMPTION STD kWh	229,925.77
ENERGY CONSUMPTION PEAK kWh	99,727.25
ENERGY CONSUMPTION ALL kWh	587,350.80 ^A
DEMAND CONSUMPTION - OFF PEAK	1,410.98
DEMAND CONSUMPTION - STD	1,587.06
DEMAND CONSUMPTION - PEAK	1,934.58
DEMAND READING - kW/KVA	1,934.58
REACTIVE ENERGY - OFF PEAK	123,309.76
REACTIVE ENERGY - STD	97,501.40
REACTIVE ENERGY - PEAK	39,666.52
LOAD FACTOR	42.00 ^A

PREMISE ID NUMBER TARIFF NAME: Megaflex

STANFORD MAIN SUPPLY,1/3239,I

Administration Charge @ R160.88 per day for 31 days	R	4,987.28 ^A
TX Network Capacity Charge 3,000 kVa @ R14.72 : = R14.72/kVA	R	44,160.00 ^A
Network Capacity Charge 3,000 kVA @ R28.65 : = R28.65/kVA	R	85,950.00 ^A
Network Demand Charge 1,934.59 kVA @ R54.31 ^A = R54.31 /kVA	R	105,067.58 ^A
Ancillary Service Charge 587,351 kWh @ R0.0071 /kWh	R	4,170.19 ^A
Low Season Standard Energy Charge 229,926 kWh @ R1.2806 /kWh	R	294,443.24 ^A
Low Season Peak Energy Charge 99,727 kWh @ R1.8606 /kWh	R	185,552.06 ^A
Low Season Off Peak Energy Charge 257,698 kWh @ R0.8121 /kWh	R	209,276.55 ^A
Electrification and Rural Subsidy 587,351 kWh @ R0.139 /kWh	R	81,641.79 ^A
Standard Connection Charge @ R7,438.00	R	7,438.00 ^A
SERVICE CHARGE	R	11,064.52 ^A

TOTAL CHARGES R **1,033,751.21 ^A**



PAGE RUN NO	EB 213
BILL GROUP	
BILL PAGE	2 OF 2



WESTERN REGION
PO BOX 377 BELVILLE 7535



ESKOM HOLDINGS SOC LTD REG NO 2002/015527/30
VAT REG NO 4740101508

CONTACT CENTRE: (0860) 037566
FAX NO: 0862 437 566
E-MAIL: customerservices@eskom.co.za
WEB: WWW.ESKOM.CO.ZA

TEL: 08600 37566
SMS:

OVERSTRAND LOCAL MUNICIPALITY
P O BOX 26
GANSBAAI
7220

GB Jan.'24

YOUR ACCOUNT NO	6270348035
SECURITY HELD	8196000.01
BILLING DATE	2024-02-01
TAX INVOICE NO	627840107940
ACCOUNT MONTH	JANUARY 2024
CURRENT DUE DATE	2024-03-02
VAT REG NO	4140106396

CUSTOMER SELF SERVICE WEBSITE:
<https://csonline.eskom.co.za>

WESTERN REGION
PO BOX 377 BELVILLE 7535

DIRECT DEPOSIT DETAIL	
BANK:	ABSA
BRANCH CODE:	334110
BANK ACC NO:	340167430

TAX INVOICE

E-MAIL: eskomaccounts@overstrand.gov.za

ACCOUNT TRANSACTION SUMMARY

NON REBATABLE MONTHLY RENTAL		R	1,153.00
ADMINISTRATION CHARGE		R	4,987.28
TRANSMISSION NETWORK CAPACITY		R	234,156.04
DIST. NETWORK CAPACITY CHARGE		R	455,745.29
NETWORK DEMAND CHARGE		R	682,665.84
ANCILLARY SERVICE (ALL)		R	42,101.49
ENERGY CHARGE (STD)	2,207,686.00	R	2,827,162.89
ENERGY CHARGE (PEAK)	943,765.00	R	1,755,969.16
ENERGY CHARGE (OFF)	2,778,337.00	R	2,256,287.48
ELECTRIFICATION AND RURAL SUBS (ALL)		R	824,240.53
SERVICE CHARGE		R	11,064.52

TOTAL CHARGES FOR BILLING PERIOD R **9,095,533.32**

ACCOUNT SUMMARY FOR JANUARY 2024

BALANCE BROUGHT FORWARD	(Due Date 2024-02-01)	R	10,893,325.22
PAYMENT(S) RECEIVED	Cash - 2024-01-30	R	-10,893,325.22
TOTAL CHARGES FOR BILLING PERIOD		R	9,095,533.32
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	1,364,330.00

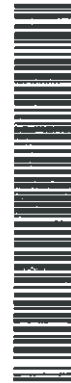
ACCOUNT NO / REFERENCE NO
6270348035

NAME
OVERSTRAND LOCAL MUNICIPALITY

FAX NUMBER
0283840241

Post Office
0934 6270348035

11341 6270348035



9207 2627 0348 0357



TOTAL AMOUNT DUE

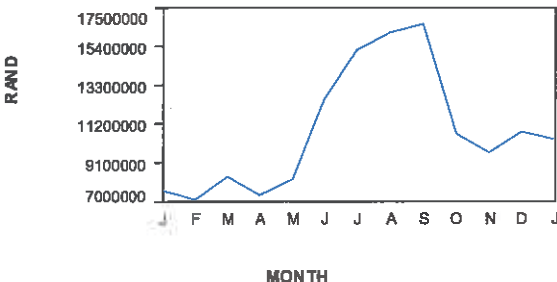
10,459,863.30

PAYMENT ARRANGEMENT

INSTALMENT	0.00
ARREARS	0.00
DUE DATE	2024-03-02
AMOUNT PAID	

LATE PAYMENT CHARGES WILL BE
ADDED TO OVERDUE ACCOUNT

PAGE RUN NO	EE 53
BILL GROUP	
BILL PAGE	1 OF 2



MONTH

CONTACT CENTRE: (0860) 037566

FAX NO: 0862 437 566

E-MAIL: customerservice@eskom.co.za

WEB: WWW.ESKOM.CO.ZA

OVERSTRAND LOCAL MUNICIPALITY
P O BOX 26
GANSBAAI
7220

YOUR ACCOUNT NO	6270348035
BILLING DATE	2024-02-01
TAX INVOICE NO	627840107940
ACCOUNT MONTH	JANUARY 2024
CURRENT DUE DATE	2024-03-02
VAT REG NO	4140106396
NOTIFIED MAX DEMAND	14,000.00
UTILISED CAPACITY	15,907.33

CONSUMPTION DETAILS (2024-01-01 - 2024-01-31)

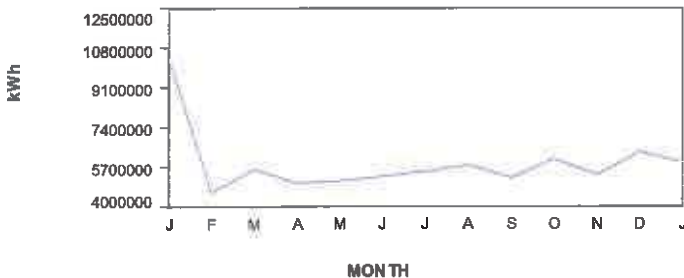
ENERGY CONSUMPTION OFF PEAK kWh	2,778,337.36
ENERGY CONSUMPTION STD kWh	2,207,885.52
ENERGY CONSUMPTION PEAK kWh	943,765.23
ENERGY CONSUMPTION ALL kWh	5,929,788.11
DEMAND CONSUMPTION - OFF PEAK	13,670.75
DEMAND CONSUMPTION - STD	12,569.80
DEMAND CONSUMPTION - PEAK	11,735.97
DEMAND READING - KW/KVA	13,670.75
REACTIVE ENERGY - OFF PEAK	805,096.21
REACTIVE ENERGY - STD	626,142.50
REACTIVE ENERGY - PEAK	242,698.21
LOAD FACTOR	59.00

PREMISE ID NUMBER: 6270348907 TARIFF NAME: Megaflex

GANSBAAI MAIN SUPPLY 1/3218,I

Administration Charge @ R160.88 per day for 31 days	R	4,987.28
TX Network Capacity Charge 15,907.34 kVa @ R14.72 : = R14.72/kVA	R	234,156.04
Network Capacity Charge 15,907.34 kVA @ R28.65 : = R28.65/kVA	R	455,745.29
Network Demand Charge 12,569.8 kVA @ R54.31 = R54.31 /kVA	R	682,665.84
Ancillary Service Charge 5,929,788 kWh @ R0.0071 /kWh	R	42,101.49
Low Season Standard Energy Charge 2,207,686 kWh @ R1.2806 /kWh	R	2,827,162.69
Low Season Peak Energy Charge 943,765 kWh @ R1.8606 /kWh	R	1,755,969.16
Low Season Off Peak Energy Charge 2,778,337 kWh @ R0.8121 /kWh	R	2,256,287.48
Electrification and Rural Subsidy 5,929,788 kWh @ R0.139 /kWh	R	824,240.53
Premium Connection Charge @ R1,153.00	R	1,153.00
SERVICE CHARGE	R	11,064.52

TOTAL CHARGES R **9,095,533.32**



PAGE RUN NO	EE 54
BILL GROUP	
BILL PAGE	2 OF 2



WESTERN REGION
PO BOX 377 BELVILLE 7535



TEL: 08600 37566
SMS:

ESKOM HOLDINGS SOC LTD REG NO 2002/015527/30
VAT REG NO 4740101508

CONTACT CENTRE: (0860) 037566
FAX NO: 0862 437 566
E-MAIL: customerservices@eskom.co.za
WEB: WWW.ESKOM.CO.ZA

CUSTOMER SELF SERVICE WEBSITE:
<https://csonline.eskom.co.za>

OVERSTRAND LOCAL MUNICIPALITY
PRIVATE BAG X3
KLEINMOND
7195

Km Dec 23

YOUR ACCOUNT NO	8805321340
SECURITY HELD	0.01
BILLING DATE	2024-01-02
TAX INVOICE NO	880761572058
ACCOUNT MONTH	DECEMBER 2023
CURRENT DUE DATE	2024-02-01
VAT REG NO	4140106396

WESTERN REGION
PO BOX 377 BELVILLE 7535

DIRECT DEPOSIT DETAIL	
BANK:	ABSA
BRANCH CODE:	334110
BANK ACC NO:	340167430

TAX INVOICE

E-MAIL: eskomaccounts@overstrand.gov.za

ACCOUNT TRANSACTION SUMMARY

RCC / SCC CONNECTION CHARGE		R	252.40
ADMINISTRATION CHARGE		R	4,987.28
TRANSMISSION NETWORK CAPACITY		R	110,988.80
DIST. NETWORK CAPACITY CHARGE		R	216,021.00
NETWORK DEMAND CHARGE		R	296,532.60
ANCILLARY SERVICE (ALL)		R	14,209.41
ENERGY CHARGE (STD)	701,330.00	R	898,123.20
ENERGY CHARGE (PEAK)	287,308.00	R	534,565.26
ENERGY CHARGE (OFF)	1,012,688.00	R	822,403.92
ELECTRIFICATION AND RURAL SUBS (ALL)		R	278,184.18
SERVICE CHARGE		R	11,064.52

TOTAL CHARGES FOR BILLING PERIOD R **3,187,332.57**

ACCOUNT SUMMARY FOR DECEMBER 2023

BALANCE BROUGHT FORWARD	(Due Date 2024-01-01)	R	3,218,794.73
PAYMENT(S) RECEIVED	ACB Payment - 2023-12-28	R	-3,218,794.73
TOTAL CHARGES FOR BILLING PERIOD		R	3,187,332.57
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	478,099.89

ACCOUNT NO / REFERENCE NO	
8805321340	
NAME	
OVERSTRAND LOCAL MUNICIPALITY	
FAX NUMBER	
0282714100	
Pay Office	
0934	8805321340

11341 8805321340



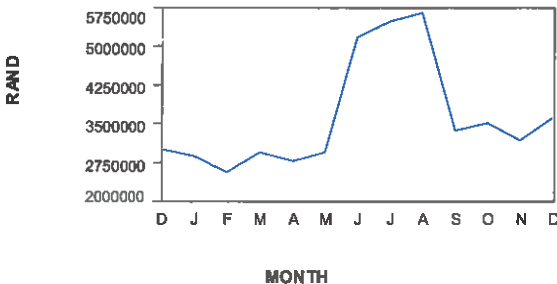
9207 2880 5321 3403



TOTAL AMOUNT DUE

3,665,432.45

ARREARS				
>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS	CURRENT
0.00	0.00	0.00	0.00	3,665,432.46
				TOTAL DUE R 3,665,432.46



PAYMENT ARRANGEMENT

INSTALMENT	
ARREARS	0.00
DUE DATE	2024-02-01
AMOUNT PAID	

PAGE RUN NO	EE 274
BILL GROUP	
BILL PAGE	1 OF 2

LATE PAYMENT CHARGES WILL BE ADDED TO OVERDUE ACCOUNT



WESTERN REGION
PO BOX 377 BELVILLE 7535

CONTACT CENTRE: (0860) 037566

FAX NO: 0862 437 566

E-MAIL: customerservice@eskom.co.za

WEB: WWW.ESKOM.CO.ZA

OVERSTRAND LOCAL MUNICIPALITY
PRIVATE BAG X3
KLEINMOND
7195

YOUR ACCOUNT NO	8805321340
BILLING DATE	2024-01-02
TAX INVOICE NO	880761572058
ACCOUNT MONTH	DECEMBER 2023
CURRENT DUE DATE	2024-02-01
VAT REG NO	4140106396
NOTIFIED MAX DEMAND	7,000.00
UTILISED CAPACITY	7,540.00

CONSUMPTION DETAILS (2023-12-01 - 2023-12-31)

ENERGY CONSUMPTION OFF PEAK kWh	1,012,687.50
ENERGY CONSUMPTION STD kWh	701,330.00
ENERGY CONSUMPTION PEAK kWh	287,307.50
ENERGY CONSUMPTION ALL kWh	2,001,325.00
DEMAND CONSUMPTION - OFF PEAK	4,835.00
DEMAND CONSUMPTION - STD	5,270.00
DEMAND CONSUMPTION - PEAK	5,460.00
DEMAND READING - KW/KVA	5,460.00
LOAD FACTOR	49.00

PREMISE ID NUMBER

8805321426

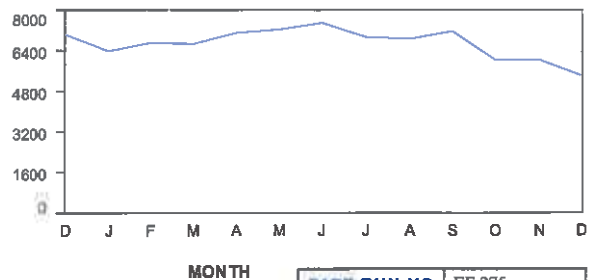
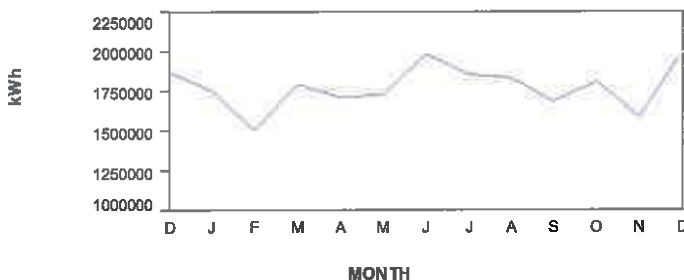
TARIFF NAME: Megaflex

KLEINMOND MAIN SUPPLY 1/92 REMOTE

Administration Charge @ R160.88 per day for 31 days	R	4,987.28
TX Network Capacity Charge 7,540 kVa @ R14.72 : = R14.72/kVA	R	110,988.80
Network Capacity Charge 7,540 kVA @ R28.65 : = R28.65/kVA	R	216,021.00
Network Demand Charge 5,460 kVA @ R54.31 = R54.31 /kVA	R	296,532.60
Ancillary Service Charge 2,001,325 kWh @ R0.0071 /kWh	R	14,209.41
Low Season Standard Energy Charge 701,330 kWh @ R1.2806/kWh	R	898,123.20
Low Season Peak Energy Charge 287,308 kWh @ R1.8606/kWh	R	534,565.26
Low Season Off Peak Energy Charge 1,012,688 kWh @ R0.8121/kWh	R	822,403.92
Electrification and Rural Subsidy 2,001,325 kWh @ R0.139 /kWh	R	278,184.18
Residual Connection Charge @ R252.40	R	252.40
SERVICE CHARGE	R	11,064.52

TOTAL CHARGES

R 3,187,332.57



PAGE RUN NO	EE 275
BILL GROUP	
BILL PAGE	2 OF 2



WESTERN REGION
PO BOX 377 BELVILLE 7535



ESKOM HOLDINGS SOC LTD REG NO 2002/015527/30
VAT REG NO 4740101508

CONTACT CENTRE: (0860) 037566
FAX NO: 0862 437 566
E-MAIL: customerservices@eskom.co.za
WEB: WWW.ESKOM.CO.ZA

TEL: 08600 37566
SMS:

OVERSTRAND LOCAL MUNICIPALITY
P O BOX 20
HERMANUS
7200

HS Dec '23

CUSTOMER SELF SERVICE WEBSITE:
<https://csonline.eskom.co.za>

WESTERN REGION
PO BOX 377 BELVILLE 7535

YOUR ACCOUNT NO	6796230414
SECURITY HELD	1870000.01
BILLING DATE	2024-01-02
TAX INVOICE NO	679263906959
ACCOUNT MONTH	DECEMBER 2023
CURRENT DUE DATE	2024-02-01
VAT REG NO	4140106396

DIRECT DEPOSIT DETAIL	
BANK:	ABSA
BRANCH CODE:	334110
BANK ACC NO:	340187430

TAX INVOICE

E-MAIL: eskomaccounts@overstrand.gov.za

ACCOUNT TRANSACTION SUMMARY

RCC / SCC CONNECTION CHARGE	R	6,429.56
ADMINISTRATION CHARGE	R	4,987.28
TRANSMISSION NETWORK CAPACITY	R	58,880.00
DIST. NETWORK CAPACITY CHARGE	R	114,800.00
NETWORK DEMAND CHARGE	R	108,057.35
ANCILLARY SERVICE (ALL)	R	4,924.21
ENERGY CHARGE (STD)	247,438.00	R 316,869.10
ENERGY CHARGE (PEAK)	96,945.00	R 180,375.87
ENERGY CHARGE (OFF)	349,188.00	R 283,559.33
ELECTRIFICATION AND RURAL SUBS (ALL)	R	98,403.45
SERVICE CHARGE	R	11,064.52

TOTAL CHARGES FOR BILLING PERIOD R **1,186,150.67**

ACCOUNT SUMMARY FOR DECEMBER 2023

BALANCE BROUGHT FORWARD	(Due Date 2024-01-03)	R	1,263,928.14
PAYMENT(S) RECEIVED	ACB Payment - 2023-12-28	R	-1,263,928.14
TOTAL CHARGES FOR BILLING PERIOD		R	1,186,150.67
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	177,922.60

ACCOUNT NO / REFERENCE NO	6796230414
NAME	OVERSTRAND LOCAL MUNICIPALITY
FAX NUMBER	0283162632



11341 6796230414



9207 2679 6230 4149



TOTAL AMOUNT DUE

1,364,073.25

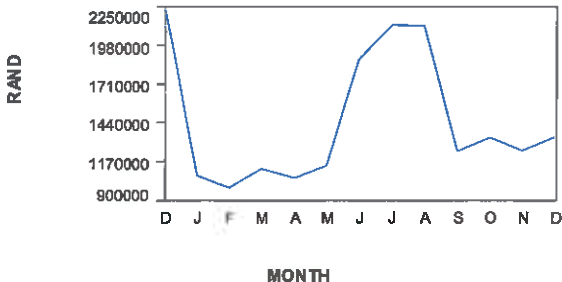
ARREARS				
>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS	CURRENT
0.00	0.00	0.00	0.00	1,364,073.27
TOTAL DUE R 1,364,073.27				

PAYMENT ARRANGEMENT

INSTALMENT	
ARREARS	0.00
DUE DATE	2024-02-01
AMOUNT PAID	

LATE PAYMENT CHARGES WILL BE ADDED TO OVERDUE ACCOUNT

PAGE RUN NO	EE 136
BILL GROUP	
BILL PAGE	1 OF 2





WESTERN REGION
PO BOX 377 BELVILLE 7535

CONTACT CENTRE: (0860) 037566

FAX NO: 0862 437 566

E-MAIL: customerservice@eskom.co.za

WEB: WWW.ESKOM.CO.ZA

OVERSTRAND LOCAL MUNICIPALITY
P O BOX 20
HERMANUS
7200

YOUR ACCOUNT NO	6796230414
BILLING DATE	2024-01-02
TAX INVOICE NO	679263906959
ACCOUNT MONTH	DECEMBER 2023
CURRENT DUE DATE	2024-02-01
VAT REG NO	4140106396
NOTIFIED MAX DEMAND	4,000.00
UTILISED CAPACITY	4,000.00

CONSUMPTION DETAILS (2023-12-01 - 2023-12-31)

ENERGY CONSUMPTION OFF PEAK kWh	349,167.53
ENERGY CONSUMPTION STD kWh	247,438.37
ENERGY CONSUMPTION PEAK kWh	96,944.56
ENERGY CONSUMPTION ALL kWh	693,550.46
DEMAND CONSUMPTION - OFF PEAK	1,840.39
DEMAND CONSUMPTION - STD	1,957.24
DEMAND CONSUMPTION - PEAK	1,989.64
DEMAND READING - KW/KVA	1,989.64
REACTIVE ENERGY - OFF PEAK	108,901.67
REACTIVE ENERGY - STD	68,278.52
REACTIVE ENERGY - PEAK	24,205.44
LOAD FACTOR	47.00

PREMISE ID NUMBER

6796230441

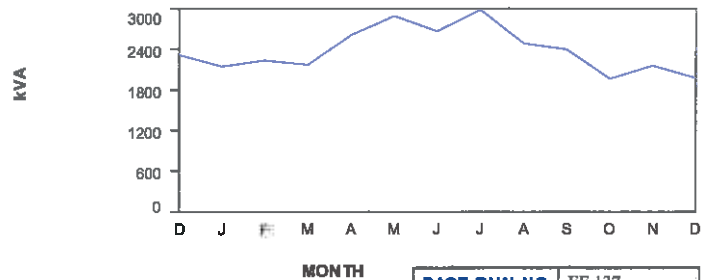
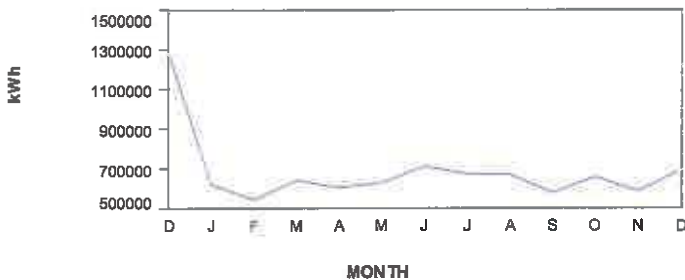
TARIFF NAME: Megaflex

HAWSTON MAIN SUPPLY,1/3059/2,I

Administration Charge @ R160.88 per day for 31 days	R	4,987.28
TX Network Capacity Charge 4,000 kVa @ R14.72 : = R14.72/kVA	R	58,880.00
Network Capacity Charge 4,000 kVA @ R28.65 : = R28.65/kVA	R	114,600.00
Network Demand Charge 1,989.64 kVA @ R54.31 = R54.31 /kVA	R	108,057.35
Ancillary Service Charge 693,550 kWh @ R0.0071 /kWh	R	4,924.21
Low Season Standard Energy Charge 247,438 kWh @ R1.2806 /kWh	R	316,869.10
Low Season Peak Energy Charge 96,945 kWh @ R1.8606 /kWh	R	180,375.87
Low Season Off Peak Energy Charge 349,168 kWh @ R0.8121 /kWh	R	283,559.33
Electrification and Rural Subsidy 693,550 kWh @ R0.139 /kWh	R	96,403.45
Standard Connection Charge R2,559.56	R	2,559.56
Standard Connection Charge R3,870	R	3,870.00
SERVICE CHARGE	R	11,064.52

TOTAL CHARGES

R 1,186,150.67



PAGE RUN NO	EE 137
BILL GROUP	
BILL PAGE	2 OF 2



WESTERN REGION
PO BOX 377 BELVILLE 7535



TEL: 08600 37566
SMS:

ESKOM HOLDINGS SOC LTD REG NO 2002/015527/30
VAT REG NO 4740101508

CONTACT CENTRE: (0860) 037566
FAX NO: 0862 437 566
E-MAIL: customerservices@eskom.co.za
WEB: WWW.ESKOM.CO.ZA

CUSTOMER SELF SERVICE WEBSITE:
<https://csonline.eskom.co.za>

WESTERN REGION
PO BOX 377 BELVILLE 7535

OVERSTRAND LOCAL MUNICIPALITY
P O BOX 20
HERMANUS
7200

HM Dec '23

YOUR ACCOUNT NO	7917853150
SECURITY HELD	5915000.01
BILLING DATE	2024-01-02
TAX INVOICE NO	791823517849
ACCOUNT MONTH	DECEMBER 2023
CURRENT DUE DATE	2024-02-01
VAT REG NO	4140106396

DIRECT DEPOSIT DETAIL	
BANK:	ABSA
BRANCH CODE:	334110
BANK ACC NO:	340167430

TAX INVOICE

E-MAIL: eskomaccounts@overstrand.gov.za

ACCOUNT TRANSACTION SUMMARY

NON REBATABLE MONTHLY RENTAL	R	2,967.00
ADMINISTRATION CHARGE	R	13,848.32
TRANSMISSION NETWORK CAPACITY	R	808,213.49
DIST. NETWORK CAPACITY CHARGE	R	1,213,862.10
NETWORK DEMAND CHARGE	R	1,459,491.92
ANCILLARY SERVICE (ALL)	R	79,954.71
ENERGY CHARGE (STD)	R	5,164,118.53
ENERGY CHARGE (PEAK)	R	2,741,411.24
ENERGY CHARGE (OFF)	R	4,673,839.56
ELECTRIFICATION AND RURAL SUBS (ALL)	R	1,585,311.11
URBAN LOW VOLTAGE SUBSIDY	R	516,477.43
SERVICE CHARGE	R	216,819.89

TOTAL CHARGES FOR BILLING PERIOD R **18,456,115.30**

ACCOUNT SUMMARY FOR DECEMBER 2023

BALANCE BROUGHT FORWARD	(Due Date 2024-01-03)	R	19,252,458.30
PAYMENT(S) RECEIVED	Cash - 2023-12-28	R	-19,252,458.30
TOTAL CHARGES FOR BILLING PERIOD		R	18,456,115.30
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	2,768,417.30

ACCOUNT NO / REFERENCE NO	7917853150
NAME	OVERSTRAND LOCAL MUNICIPALITY
FAX NUMBER	0283162632



11341 7917853150



9207 2791 7853 1506



TOTAL AMOUNT DUE

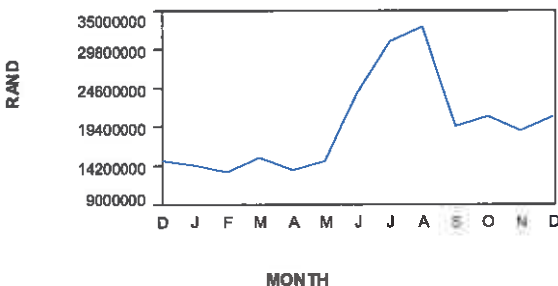
21,224,532.60

PAYMENT ARRANGEMENT

INSTALMENT	0.00
ARREARS	0.00
DUE DATE	2024-02-01
AMOUNT PAID	

LATE PAYMENT CHARGES WILL BE ADDED TO OVERDUE ACCOUNT

PAGE RUN NO	EE 221
BILL GROUP	
BILL PAGE	1 OF 3



MONTH



WESTERN REGION
PO BOX 377 BELVILLE 7535

CONTACT CENTRE: (0860) 037566

FAX NO: 0862 437 566

E-MAIL: customerservices@eskom.co.za

WEB: WWW.ESKOM.CO.ZA

OVERSTRAND LOCAL MUNICIPALITY
P O BOX 20
HERMANUS
7200

YOUR ACCOUNT NO	7917853150
BILLING DATE	2024-01-02
TAX INVOICE NO	791823517849
ACCOUNT MONTH	DECEMBER 2023
CURRENT DUE DATE	2024-02-01
VAT REG NO	4140106396
NOTIFIED MAX DEMAND	35,000.00
UTILISED CAPACITY	35,000.00

CONSUMPTION DETAILS (2023-12-01 - 2023-12-31)

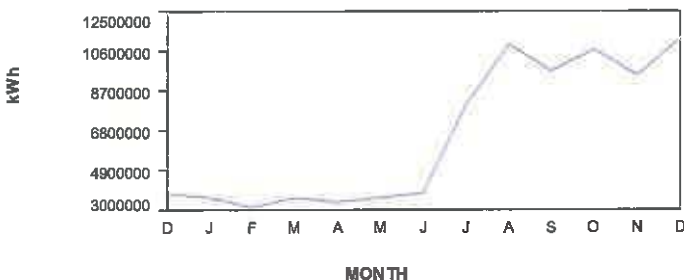
ENERGY CONSUMPTION OFF PEAK kWh	5,755,229.42
ENERGY CONSUMPTION STD kWh	4,032,556.78
ENERGY CONSUMPTION PEAK kWh	1,473,393.11
ENERGY CONSUMPTION ALL kWh	11,261,179.31
DEMAND CONSUMPTION - OFF PEAK	25,518.75
DEMAND CONSUMPTION - STD	26,873.01
DEMAND CONSUMPTION - PEAK	26,558.35
DEMAND READING - kW/KVA	26,873.01
REACTIVE ENERGY - OFF PEAK	1,442,070.68
REACTIVE ENERGY - STD	1,066,488.19
REACTIVE ENERGY - PEAK	374,083.54
LOAD FACTOR	57.00

PREMISE ID NUMBER: 7917853832 TARIFF NAME: Megaflex

HERMANUS MAIN SUPPLY 1/3081 REMOTE

Administration Charge @ R223.36 per day for 31 days	R	6,924.16
TX Network Capacity Charge 35,000 kVa @ R14.72 : = R14.72/kVA	R	515,200.00
Network Capacity Charge 35,000 kVA @ R28.65 : = R28.65/kVA	R	1,002,750.00
Network Demand Charge 26,873.02 kVA @ R54.31 = R54.31 /kVA	R	1,459,473.72
Ancillary Service Charge 11,261,179 kWh @ R0.0071 /kWh	R	79,954.37
Low Season Standard Energy Charge 4,032,557 kWh @ R1.2806 /kWh	R	5,164,092.49
Low Season Peak Energy Charge 1,473,393 kWh @ R1.8606 /kWh	R	2,741,395.02
Low Season Off Peak Energy Charge 5,755,229 kWh @ R0.8121 /kWh	R	4,673,821.47
Electrification and Rural Subsidy 11,261,179 kWh @ R0.139 /kWh	R	1,565,303.88
Premium Connection Charge @ R2,967.00	R	2,967.00
SERVICE CHARGE	R	216,819.89

TOTAL CHARGES R 17,428,702.00



PAGE RUN NO	EE 222
BILL GROUP	
BILL PAGE	2 OF 3



WESTERN REGION
PO BOX 377 BELVILLE 7535

CONTACT CENTRE: (0860) 037566

FAX NO: 0862 437 566

E-MAIL: customerservices@eskom.co.za

WEB: WWW.ESKOM.CO.ZA

OVERSTRAND LOCAL MUNICIPALITY
P O BOX 20
HERMANUS
7200

YOUR ACCOUNT NO	7917853150
BILLING DATE	2024-01-02
TAX INVOICE NO	791823517849
ACCOUNT MONTH	DECEMBER 2023
CURRENT DUE DATE	2024-02-01
VAT REG NO	4140106396
NOTIFIED MAX DEMAND	20,000.00
UTILISED CAPACITY	20,576.78

CONSUMPTION DETAILS (2023-12-01 - 2023-12-31)

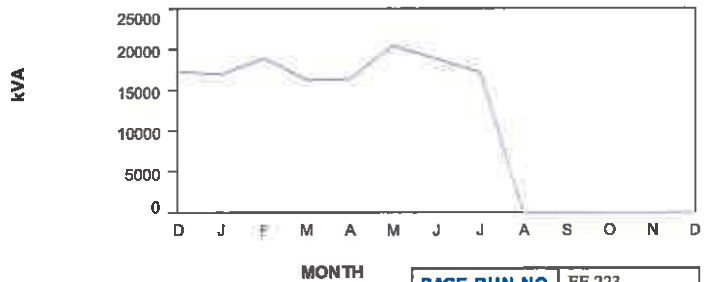
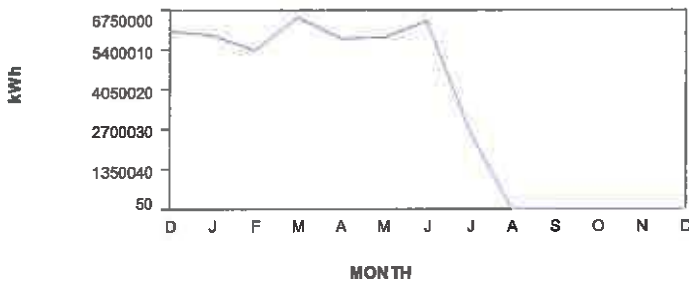
ENERGY CONSUMPTION OFF PEAK kWh	22.80
ENERGY CONSUMPTION STD kWh	20.88
ENERGY CONSUMPTION PEAK kWh	8.64
ENERGY CONSUMPTION ALL kWh	52.32 ^A
DEMAND CONSUMPTION - OFF PEAK	.96
DEMAND CONSUMPTION - STD	.96
DEMAND CONSUMPTION - PEAK	.96
DEMAND READING - KW/KVA	.96 ^A
LOAD FACTOR	7.00 ^A

PREMISE ID NUMBER: 9929240636 TARIFF NAME: Megaflex

HERMANUS WALKER BAY SUPPLY 1/3091

Administration Charge @ R223.36 per day for 31 days	R	6,924.16
TX Network Capacity Charge 20,576.79 kVa @ R14.24 : = R14.24/kVA	R	293,013.49
Network Capacity Charge 20,576.79 kVa @ R10.25 : = R10.25/kVA	R	210,912.10
Network Demand Charge 0.96 kVA @ R18.96 = R18.96 /kVA	R	18.20
Urban Low Voltage Subsidy 20,576.79 kVa @ R25.10 : = R25.10/kVA	R	516,477.43
Ancillary Service Charge 52 kWh @ R0.0065 /kWh	R	0.34
Low Season Standard Energy Charge 21 kWh @ R1.24 /kWh	R	26.04 ^A
Low Season Peak Energy Charge 9 kWh @ R1.802 /kWh	R	16.22 ^A
Low Season Off Peak Energy Charge 23 kWh @ R0.7866 /kWh	R	18.09 ^A
Electrification and Rural Subsidy 52 kWh @ R0.139 /kWh	R	7.23

TOTAL CHARGES R **1,027,413.30 ^A**



PAGE RUN NO	EE 223
BILL GROUP	
BILL PAGE	3 OF 3



WESTERN REGION
PO BOX 377 BELVILLE 7535



ESKOM HOLDINGS SOC LTD REG NO 2002/015527/30
VAT REG NO 4740101508

CONTACT CENTRE: (0860) 037566
FAX NO: 0862 437 566
E-MAIL: customerservices@eskom.co.za
WEB: WWW.ESKOM.CO.ZA

TEL: 08600 37566
SMS:

OVERSTRAND LOCAL MUNICIPALITY
P O BOX 26
GANSBAAI
7220

SF pec 28

YOUR ACCOUNT NO	8968844003
SECURITY HELD	1215000.01
BILLING DATE	2024-01-03
TAX INVOICE NO	896503829516
ACCOUNT MONTH	DECEMBER 2023
CURRENT DUE DATE	2024-02-02
VAT REG NO	4140106396

CUSTOMER SELF SERVICE WEBSITE:
<https://csonline.eskom.co.za>

WESTERN REGION
PO BOX 377 BELVILLE 7535

DIRECT DEPOSIT DETAIL	
BANK:	ABSA
BRANCH CODE:	334110
BANK ACC NO:	340167430

TAX INVOICE

E-MAIL: eskomaccounts@overstrand.gov.za

ACCOUNT TRANSACTION SUMMARY

RCC / SCC CONNECTION CHARGE	R	7,438.00
ADMINISTRATION CHARGE	R	4,987.28
TRANSMISSION NETWORK CAPACITY	R	44,160.00
DIST. NETWORK CAPACITY CHARGE	R	85,950.00
NETWORK DEMAND CHARGE	R	92,728.35
ANCILLARY SERVICE (ALL)	R	4,431.91
ENERGY CHARGE (STD)	230,509.00	R 295,189.83
ENERGY CHARGE (PEAK)	86,655.00	R 161,230.29
ENERGY CHARGE (OFF)	307,049.00	R 249,354.49
ELECTRIFICATION AND RURAL SUBS (ALL)	R	86,765.61
SERVICE CHARGE	R	11,064.52

TOTAL CHARGES FOR BILLING PERIOD R **1,043,300.28**

ACCOUNT SUMMARY FOR DECEMBER 2023

BALANCE BROUGHT FORWARD	(Due Date 2024-01-03)	R	1,117,277.06
PAYMENT(S) RECEIVED	ACB Payment - 2023-12-28	R	-1,117,277.06
TOTAL CHARGES FOR BILLING PERIOD		R	1,043,300.28
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	156,495.04

ACCOUNT NO / REFERENCE NO
8968844003

NAME
OVERSTRAND LOCAL MUNICIPALITY

FAX NUMBER
0283132962

0934 8968844003



11341 8968844003

9207 2896 8844 0031

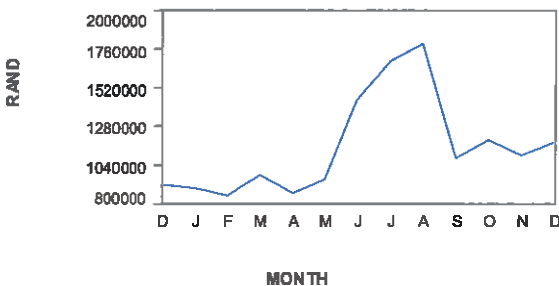


ARREARS

>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS	CURRENT	TOTAL DUE R
0.00	0.00	0.00	0.00	1,199,795.32	1,199,795.32

TOTAL AMOUNT DUE

1,199,795.30



PAYMENT ARRANGEMENT

INSTALMENT	0.00
ARREARS	0.00
DUE DATE	2024-02-02
AMOUNT PAID	

PAGE RUN NO	EE 141
BILL GROUP	
BILL PAGE	1 OF 2

LATE PAYMENT CHARGES WILL BE ADDED TO OVERDUE ACCOUNT



WESTERN REGION
PO BOX 377 BELVILLE 7535

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WEB: WWW.ESKOM.CO.ZA

OVERSTRAND LOCAL MUNICIPALITY
P O BOX 26
GANSBAAI
7220

SF Dec'23

YOUR ACCOUNT NO	8968844003
BILLING DATE	2024-01-03
TAX INVOICE NO	896503829516
ACCOUNT MONTH	DECEMBER 2023
CURRENT DUE DATE	2024-02-02
VAT REG NO	4140106396
NOTIFIED MAX DEMAND	3,000.00
UTILISED CAPACITY	3,000.00

CONSUMPTION DETAILS (2023-12-01 - 2023-12-31)

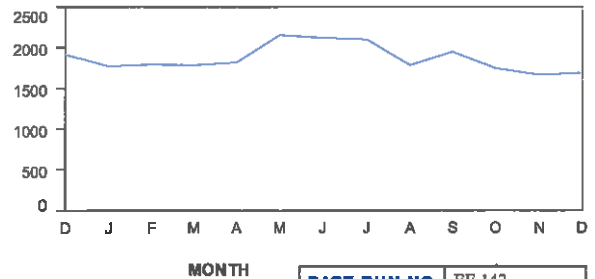
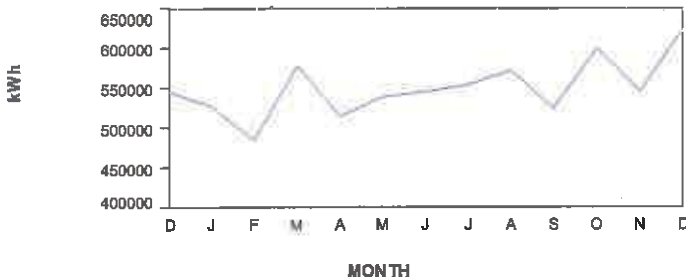
ENERGY CONSUMPTION OFF PEAK kWh	307,049.32
ENERGY CONSUMPTION STD kWh	230,509.25
ENERGY CONSUMPTION PEAK kWh	86,654.75
ENERGY CONSUMPTION ALL kWh	624,213.32
DEMAND CONSUMPTION - OFF PEAK	1,325.86
DEMAND CONSUMPTION - STD	1,643.77
DEMAND CONSUMPTION - PEAK	1,707.39
DEMAND READING - KW/KVA	1,707.39
REACTIVE ENERGY - OFF PEAK	141,217.40
REACTIVE ENERGY - STD	95,385.32
REACTIVE ENERGY - PEAK	33,640.32
LOAD FACTOR	50.00

PREMISE ID NUMBER 8968844173 TARIFF NAME: Megaflex

STANFORD MAIN SUPPLY,1/3239,I

Administration Charge @ R160.88 per day for 31 days	R	4,987.28
TX Network Capacity Charge 3,000 kVa @ R14.72 : = R14.72/kVa	R	44,160.00
Network Capacity Charge 3,000 kVA @ R28.65 : = R28.65/kVA	R	85,950.00
Network Demand Charge 1,707.39 kVA @ R54.31 = R54.31 /kVA	R	92,728.35
Ancillary Service Charge 624,213 kWh @ R0.0071 /kWh	R	4,431.91
Low Season Standard Energy Charge 230,509 kWh @ R1.2806 /kWh	R	295,189.83
Low Season Peak Energy Charge 86,655 kWh @ R1.8606 /kWh	R	161,230.29
Low Season Off Peak Energy Charge 307,049 kWh @ R0.8121 /kWh	R	249,354.49
Electrification and Rural Subsidy 624,213 kWh @ R0.139 /kWh	R	86,765.61
Standard Connection Charge @ R7,438.00	R	7,438.00
SERVICE CHARGE	R	11,064.52

TOTAL CHARGES R 1,043,300.28



PAGE RUN NO	EE 142
BILL GROUP	
BILL PAGE	2 OF 2



WESTERN REGION
PO BOX 377 BELVILLE 7535



ESKOM HOLDINGS SOC LTD REG NO 2002/015527/30
VAT REG NO 4740101508

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OVERSTRAND LOCAL MUNICIPALITY
P O BOX 26
GANSBAAI
7220

GB Dec 23

CUSTOMER SELF SERVICE WEBSITE:
<https://csonline.eskom.co.za>

WESTERN REGION
PO BOX 377 BELVILLE 7535

YOUR ACCOUNT NO	6270348035
SECURITY HELD	8196000.01
BILLING DATE	2024-01-02
TAX INVOICE NO	627290727051
ACCOUNT MONTH	DECEMBER 2023
CURRENT DUE DATE	2024-02-01
VAT REG NO	4140106396

DIRECT DEPOSIT DETAIL	
BANK:	ABSA
BRANCH CODE:	334110
BANK ACC NO:	340167430

TAX INVOICE

E-MAIL: eskomaccounts@overstrand.gov.za

ACCOUNT TRANSACTION SUMMARY

NON REBATABLE MONTHLY RENTAL	R	1,163.00
ADMINISTRATION CHARGE	R	4,987.28
TRANSMISSION NETWORK CAPACITY	R	234,156.04
DIST. NETWORK CAPACITY CHARGE	R	455,745.29
NETWORK DEMAND CHARGE	R	769,203.94
ANCILLARY SERVICE (ALL)	R	45,236.60
ENERGY CHARGE (STD)	R	2,771,422.02
ENERGY CHARGE (PEAK)	R	1,556,637.50
ENERGY CHARGE (OFF)	R	2,737,232.59
ELECTRIFICATION AND RURAL SUBS (ALL)	R	885,617.93
SERVICE CHARGE	R	11,064.52

TOTAL CHARGES FOR BILLING PERIOD R 9,472,456.71

ACCOUNT SUMMARY FOR DECEMBER 2023

BALANCE BROUGHT FORWARD	(Due Date 2024-01-04)	R	9,776,270.12
PAYMENT(S) RECEIVED	Cash - 2023-12-28	R	-9,776,270.12
TOTAL CHARGES FOR BILLING PERIOD		R	9,472,456.71
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	1,420,868.51

ACCOUNT NO / REFERENCE NO
6270348035

NAME
OVERSTRAND LOCAL MUNICIPALITY

FAX NUMBER
0283840241

0934 6270348035

11341 6270348035

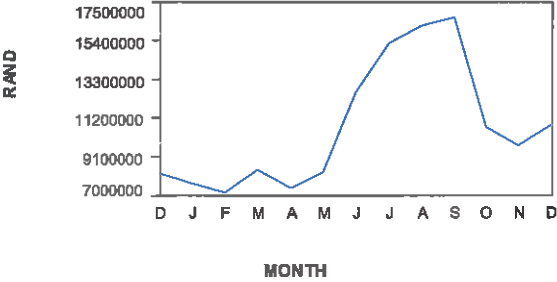


9207 2627 0348 0357



TOTAL AMOUNT DUE
10,893,325.20

ARREARS				
>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS	CURRENT
0.00	0.00	0.00	0.00	10,893,325.22
TOTAL DUE R 10,893,325.22				



PAYMENT ARRANGEMENT	
INSTALMENT	
ARREARS	0.00
DUE DATE	2024-02-01
AMOUNT PAID	

PAGE RUN NO	EE 95
BILL GROUP	
BILL PAGE	1 OF 2

LATE PAYMENT CHARGES WILL BE ADDED TO OVERDUE ACCOUNT



WESTERN REGION
PO BOX 377 BELVILLE 7535

CONTACT CENTRE: (0860) 037566

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E-MAIL: customerservices@eskom.co.za

WEB: WWW.ESKOM.CO.ZA

OVERSTRAND LOCAL MUNICIPALITY
P O BOX 26
GANSBAAI
7220

YOUR ACCOUNT NO	6270348035
BILLING DATE	2024-01-02
TAX INVOICE NO	627290727051
ACCOUNT MONTH	DECEMBER 2023
CURRENT DUE DATE	2024-02-01
VAT REG NO	4140106396
NOTIFIED MAX DEMAND	14,000.00
UTILISED CAPACITY	15,907.33

CONSUMPTION DETAILS (2023-12-01 - 2023-12-31)

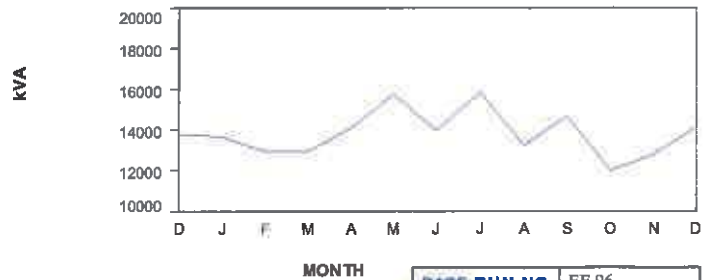
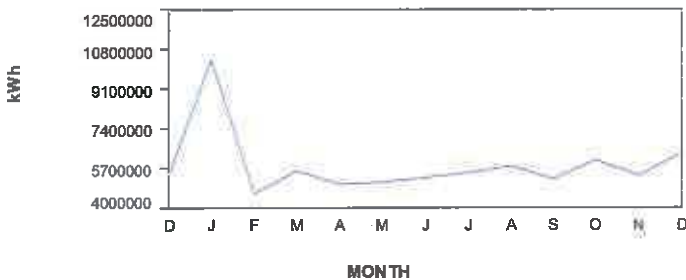
ENERGY CONSUMPTION OFF PEAK kWh	3,370,561.15
ENERGY CONSUMPTION STD kWh	2,164,158.62
ENERGY CONSUMPTION PEAK kWh	836,632.37
ENERGY CONSUMPTION ALL kWh	6,371,352.14
DEMAND CONSUMPTION - OFF PEAK	12,027.58
DEMAND CONSUMPTION - STD	12,410.63
DEMAND CONSUMPTION - PEAK	14,163.20
DEMAND READING - KW/KVA	14,163.20
REACTIVE ENERGY - OFF PEAK	917,152.66
REACTIVE ENERGY - STD	583,431.43
REACTIVE ENERGY - PEAK	197,684.49
LOAD FACTOR	81.00

PREMISE ID NUMBER: 6270348907 TARIFF NAME: Megaflex

GANSBAAI MAIN SUPPLY 1/3218,1

Administration Charge @ R160.88 per day for 31 days	R	4,987.28
TX Network Capacity Charge 15,907.34 kVa @ R14.72 : = R14.72/kVA	R	234,156.04
Network Capacity Charge 15,907.34 kVA @ R28.65 : = R28.65/kVA	R	455,745.29
Network Demand Charge 14,163.21 kVA @ R54.31 = R54.31 /kVA	R	769,203.94
Ancillary Service Charge 6,371,352 kWh @ R0.0071 /kWh	R	45,236.60
Low Season Standard Energy Charge 2,164,159 kWh @ R1.2806 /kWh	R	2,771,422.02
Low Season Peak Energy Charge 836,632 kWh @ R1.8606 /kWh	R	1,556,637.50
Low Season Off Peak Energy Charge 3,370,561 kWh @ R0.8121 /kWh	R	2,737,232.59
Electrification and Rural Subsidy 6,371,352 kWh @ R0.139 /kWh	R	885,617.93
Premium Connection Charge @ R1,153.00	R	1,153.00
SERVICE CHARGE	R	11,064.52

TOTAL CHARGES R **9,472,456.71**



PAGE RUN NO	EE 96
BILL GROUP	
BILL PAGE	2 OF 2

ANNEXURE M

BUDGET RELATED POLICIES

OVERSTRAND MUNICIPALITY



PROPERTY RATES POLICY

TABLE OF CONTENTS

SECTION A: INTRODUCTION, DEFINITIONS AND PRINCIPLES	3
1. INTRODUCTION.....	3
2. DEFINITIONS	3
3. POLICY PRINCIPLES	5
4. SCOPE OF POLICY	6
5. APPLICATION OF THE POLICY	6
6. CLASSIFICATION OF SERVICES AND EXPENDITURE.....	6
7. APPLICATIONS	6
SECTION B: CATEGORIES OF PROPERTY	6
8. CRITERIA FOR CATEGORIES OF PROPERTY FOR THE PURPOSE OF LEVYING DIFFERENT RATES.....	6
SECTION C: DIFFERENTIAL RATING.....	7
9. DIFFERENTIAL RATING	7
10. ADDITIONAL RATES	7
SECTION D: RELIEF MEASURES RELATED TO CATEGORIES OF PROPERTIES AND CATEGORIES OF OWNERS OF PROPERTIES	7
11. CRITERIA FOR EXEMPTIONS, REBATES AND REDUCTIONS.....	7
12. GRANTING OF EXEMPTIONS.....	8
13. GRANTING OF REBATES	10
SECTION E: RATES ADJUSTMENTS.....	12
14. RATE INCREASES/DECREASES	12
15. RESOLUTIONS LEVYING RATES	12
SECTION F: LIABILITY FOR RATES	12
16. LIABILITY FOR RATES BY PROPERTY OWNERS	12
17. CLEARANCE CERTIFICATE	13
18. REGULAR REVIEW PROCESSES.....	13
19. IDENTIFICATION AND QUANTIFICATION OF COSTS AND BENEFITS	13
20. ADJUSTMENT OF RATES PRIOR TO SUPPLEMENTARY VALUATION	13
21. IMPLEMENTATION AND REVIEW PROCESS.....	13
22. SHORT TITLE.....	14

OVERSTRAND MUNICIPALITY – PROPERTY RATES POLICY

SECTION A: INTRODUCTION, DEFINITIONS AND PRINCIPLES

1. INTRODUCTION

Section 3 of the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004) and Section 62(l) (f) (ii) of the Local Government: Municipal Finance Management Act, 2003 (No. 56 of 2003), requires municipalities to develop and adopt rates policies on the levying of rates on rateable property in the Municipality.

The Municipality requires a reliable source of revenue to provide basic services and perform its functions. Property Rates are the most important source of general revenue for the Municipality. Revenue from property rates is used to fund services that benefit the community as a whole.

Municipal property rates are set, collected and used locally. Revenue from property rates is spent within a Municipality, where the citizens and voters have a voice in decisions on how the revenue is spent as part of the Integrated Development Plans (IDPs) and budget processes in respect of which the Municipality invites communities for their inputs before adopting the budget.

This policy document guides the annual setting of property rates. It does not make specific property rates proposals. In imposing a rate in the Rand the Municipality may grant exemptions, rebates and reductions to the categories of properties and categories of owners as allowed for in this policy document.

2. DEFINITIONS

“Act”	means the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004);
“additional rate”	means a rate as contemplated in sections 19(1)(d) and 22(1)(b) of the MPRA read together with section 10 of the Municipality’s Property Rates Policy and section 12(2) of the Municipality’s Special Ratings Area By-law, which Additional Rate shall be determined on an annual basis by the Municipality and shall be a debt due to the Municipality by the registered owner of a property within the SRA, and collected in the same manner as other property rates imposed by the Municipality;
“Bona fide farming”	means farming with the intention of making a living from the development, cultivation and utilisation of agricultural land and includes subsistence farming;
Building Clause	building clause refers to a provision incorporated into either a deed of sale, development agreement, or as a restrictive title deed condition, which prescribes that the Purchaser / Owner and / or the Successors in Title must within the period determined from date of first registration of transfer erect or cause to be erected, a building or structure on the Erf or Erven of which the building plans have been approved by the municipality, of which the value of the building / structure will be based on the determined cost of construction. In the event that Purchaser / Owner / Successors in Title not having commenced with the bona fide erection of a building or structure of which the building plans have been approved by the municipality, the building clause may require that the Erf / Erven be re - transferred to the Seller at the purchase consideration originally paid by the Purchaser / Owner.
“Business”	means the activity of buying, selling or trade in goods or services and includes any office or other accommodation on the same erf, the use of which is incidental to such business, with the exclusion of the business of mining, agriculture, farming, or <i>inter alia</i> , any other business consisting of cultivation of soils, the gathering of crops or the rearing of livestock;
“consumer, customer, owner, occupier, account holder”	means individuals and other legal entities against whom a tariff, fee, charge or other levy specific to identifiable services are levied.
“Exemption”	in relation to the determination of rates, an exemption granted in terms of section 15(1) (a) of the Act;
“Income”	Income is the gross sum of all monthly income from all sources, including wages, salaries, profits, dividends, pensions, rentals, board & lodging, interest received, grants

OVERSTRAND MUNICIPALITY – PROPERTY RATES POLICY

	or investment income and other forms of earnings received by every person residing on the property.
“Industrial”	means a branch of trade or manufacturing, production, assembling or processing of finished or partially finished products from raw materials or fabricated parts, on so large a scale that capital and labour are significantly involved;
“Lodge”	means accommodation in a non-urban area provided for paying visiting guests with a focus on aspects of nature and/or places of interest, and may include a restaurant and conference facilities;
“Mining”	means any operation or activity for the purpose of extracting any mineral on, in or under the earth, water or any residue deposit, whether by underground or open working or otherwise and includes any operation or activity incidental thereto;
“Multiple use properties”	means properties that cannot be assigned to a single category due to different uses;
“Municipal properties”	means those properties of which the Municipality is the registered owner;
“Newly rateable property”	means any rateable property on which property rates were not levied by 30 June 2005, excluding a property that was incorrectly omitted from a valuation roll and for that reason was not rated before that date;
“Protected area”	means an area that is or has to be listed in the register referred to in section 10 of the National Environment Management: Protected Areas Act, 2003;
“Public Benefit Organisation”	means an organisation conducting specified public benefit activities as defined and registered in terms of the Income Tax Act for tax reductions because of those activities;
“Public place”	means any square, park, recreation ground, sports ground, sanitary lane or open space which has - <ul style="list-style-type: none"> (a) in connection with any subdivision or layout of land into erven, lots or plots, been provided, reserved or set apart for use by the public or the owners or occupiers of such erven, lots or plots, whether or not it is shown on a general plan, plan of subdivision or diagram; (b) at any time been dedicated to the public; (c) been used without interruption by the public for a period of at least thirty years expiring after the thirty-first day of December, 1959, or (d) at any time been declared or rendered such by the Council or other competent authority.
“Public Service Infrastructure”	means government or government agency controlled infrastructure of the following kinds- <ul style="list-style-type: none"> (a) national, provincial or other public roads on which goods, services or labour move across a municipal boundary; (b) water or sewer pipes, ducts or other conduits, dams and water supply reservoirs, water treatment plants or water pumps forming part of a water or sewer scheme serving the public; (c) power stations, power substations or power lines forming part of an electricity scheme serving the public; (d) gas or liquid fuel plants or refineries or pipelines for gas or liquid fuels, forming part of a scheme for transporting such fuels; (e) communication towers, masts, exchanges or lines forming part of a communications system serving the public; (f) breakwater, sea walls, channels, basin, quay walls, jetties, roads, railway or infrastructure used for the provision of water, lights, power, sewerage or similar services of ports, or navigational aids comprising light houses, radio navigational aids, buoys, beacons or any other device or system used to assist the safe and efficient navigation of vessels; (g) rights of way, easement or servitudes in connection with infrastructure mentioned; (h) any other government or government agency controlled infrastructure as may be described from time to time.

OVERSTRAND MUNICIPALITY – PROPERTY RATES POLICY

“Public street”	<p>means:-</p> <p>(a) any street which has at any time been-</p> <ol style="list-style-type: none"> i. dedicated to the public; ii. used without interruption by the public for a period of at least thirty years; iii. declared or rendered such by a council or other competent authority, or iv. constructed by local authority, and <p>(b) any land, with or without buildings or structures thereon, which is shown as a street on-</p> <ol style="list-style-type: none"> i. any plan of subdivision or diagram approved by a council or other competent authority and acted upon, or ii. any general plan as defined in section 49 of the Land Survey Act, 1927 (Act 9 of 1927), registered or filed in a deeds registry or the Surveyor-Generals’ office, <p>unless such land is on such plan or diagram described as a private street.</p>
“Rateable property”	means property on which a rate or rates may be levied under section 7 of the Act.
“Rebate”	in relation to a rate payable on a property, a discount on the amount of the rate payable on the property;
“Reduction”	in relation to a rate payable on a property, the lowering of the amount for which the property was valued in terms of section 15(1)(b) of the Act and the rating of the property at that lower amount;
“Residential”	<p>means improved property that is:</p> <p>(a) used predominantly (60% or more) for residential purposes, with not more than two dwelling units per property.</p> <p>(b) a unit registered in terms of the Sectional Title Act 95 of 1986, used predominantly (60% or more) for residential purposes, and includes any unit in the same Sectional Title Scheme registered in the name of the same owner which is used together with the residential unit as if it were one property, for example a garage or store room. (Any such grouping shall be regarded as one residential property for rate rebate or valuation purposes.) or</p> <p>(c) owned by a share-block company and used predominantly (60% or more) for residential purposes, or</p> <p>(d) a residence used for residential purposes situated on property used for or related to educational purposes.</p>
“State-owned properties”	<p>means properties owned by the State, which are not included in the definition of public service infrastructure in the Act. These state-owned properties are classified as follows:</p> <p>(a) State properties that provide local services.</p> <p>(b) State properties that provide regional/municipal district-wide/metro-wide service.</p> <p>(c) State properties that provide provincial/national service.</p> <p>(d) Vacant land.</p>
“Vacant erven”	means all undeveloped land irrespective of its current or future intended zoning. Agricultural properties will not be considered as being vacant erven.
<p>All other terms are given the same meaning as that assigned to it in the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004), unless the context indicates otherwise.</p>	

3. POLICY PRINCIPLES

Rates are levied in accordance with the Act as an amount in the Rand based on the market value of rateable property contained in the Municipality’s valuation roll and supplementary valuation rolls.

As allowed for in the Act, the Municipality may choose to differentiate between various categories of property and categories of owners of property. Some categories of property and categories of owners are granted relief from rates. The Municipality does not, however, grant relief in respect of payments for rates to any category of owners or properties, or to owners of properties, on an individual basis, other than by way of an exemption, rebate or reduction provided for in this policy.

OVERSTRAND MUNICIPALITY – PROPERTY RATES POLICY

There will be no phasing in of rates based on the new valuation roll, effective from 01 July 2023 [2016], except as prescribed by legislation.

The rates policy for the Municipality is based on the following principles:-

a. Equity

The Municipality will treat all similar ratepayers with similar properties the same.

b. Affordability

The ability of a person to pay rates will be taken into account by the Municipality. In dealing with the poor/indigent ratepayers the Municipality will provide relief measures through exemptions and/or reductions and/or rebates.

c. Sustainability

Rating of property will be implemented in a way that-

- i. it supports sustainable local government by providing a stable a buoyant revenue source within the discretionary control of the Municipality; and
- ii. supports local social and economic development.

d. Cost efficiency

Rates will be based on the value of all rateable property and the amount required by the Municipality to balance the operating budget after taking into account the amounts required to finance exemptions, rebates and reductions as approved by the Municipality from time to time. The implementation of the policy must be as cost-effective as possible.

4. SCOPE OF POLICY

The policy document guides the annual setting (or revision) of property rates. It does not make specific property rates proposals. Details pertaining to the various property rates are determined when the budget is considered and approved every year.

5. APPLICATION OF THE POLICY

In imposing the rate in the Rand for each annual operating budget component, the Municipality may grant exemptions, rebates and reductions allowed for in this policy document.

6. CLASSIFICATION OF SERVICES AND EXPENDITURE

The Chief Financial Officer shall, subject to the guidelines provided by the legislation and the Executive Mayor, provide for the classification of services as outlined in the Municipality's annual budget into trading and economic services.

7. APPLICATIONS

- a. All applications referred to in this policy must be received by the Municipality before the start of the financial year to which it refers. The Municipality may allow late receipts of such applications but not after 30 September of the financial year;
- b. It is the duty of all such applicants to bring to the attention of the Municipality any amendments to such applications within 7 days after such occurrence.

SECTION B: CATEGORIES OF PROPERTY

8. CRITERIA FOR CATEGORIES OF PROPERTY FOR THE PURPOSE OF LEVYING DIFFERENT RATES

The following are the determined categories of properties in terms of section 8(2) of the Act: -

- a. Residential properties.
- b. Business and commercial properties.

OVERSTRAND MUNICIPALITY – PROPERTY RATES POLICY

- c. Industrial properties.
- d. Mining properties.
- e. Public service infrastructure.
- f. Public benefit organisations.
- g. Agricultural properties used for bona fide farming;
- h. State-owned properties that are used for public service purposes;
- i. Municipal properties.
- j. Protected areas.
- k. Properties used for multiple purposes.
- l. Vacant land.

Rates on properties, including properties used for multiple purposes, will be levied in accordance with the permitted or actual use of the property and not necessarily according to its zoning.

SECTION C: DIFFERENTIAL RATING

9. DIFFERENTIAL RATING

The following will be taken into consideration for the purposes of differential rating:

- a. the nature of the property including its sensitivity to rating e.g. agricultural properties used for bona fide farming;
- b. promotion of social and economic development by the Municipality;
- c. zoning and/or actual use of property;
- d. geographic rating areas i.e. when an improvement district has been established for that area or special rating areas; and
- e. whether the owner was obliged to erect a building within a set time period and the period has lapsed.

Differential rating among the various property categories will be done by way of setting different Cents in the Rand for each property category.

10. ADDITIONAL RATES

The Municipality may in terms of the bylaw for the establishment of improvement districts and the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004), as amended-

- a. determine an area within its boundaries as a special rating area;
- b. levy an additional rate on property in that area for the purpose of raising funds for improving or upgrading that area; and
- c. differentiate between categories of properties when levying an additional rate.

SECTION D: RELIEF MEASURES RELATED TO CATEGORIES OF PROPERTIES AND CATEGORIES OF OWNERS OF PROPERTIES

11. CRITERIA FOR EXEMPTIONS, REBATES AND REDUCTIONS

The following will be taken into consideration for the purpose of granting exemptions, rebates and reductions:

- a. indigent status of the owner of a property;
- b. income of the owner and/or household on a property;
- c. market value of residential property below a determined threshold;
- d. owners of property situated within an area affected by –
 - i) a disaster within the meaning of the Disaster Management Act, 2002 (Act No. 57 of 2002); or

- ii) any other serious adverse social or economic conditions;
- e. zoning and/or actual use of the property; and
- f. availability of services funded by rates for a property.

12. GRANTING OF EXEMPTIONS

In terms of sections 9 and 15(1) (a) of the Act the owners of the following categories of properties are exempted from paying rates:-

a. Residential properties – including residential properties in the urban edge as determined by the Municipality

The Municipality will not levy a rate on the market value of properties as follows: -

- i) on the first R15 000 on the basis set out in section 17 (1) (h) of the Act; and
- ii) on a further amount in respect of developed residential properties; as an important part of the Municipality's indigent relief measures aimed primarily at alleviating poverty amongst those persons owning low-valued properties, in a cost-effective manner. To qualify for this reduction a property must be exclusively used for residential purposes.
- iii) The Municipality may grant a further residential rebate on rates levied on the balance of the market value of developed residential properties, if any, as determined by Council during the budget process.

b. Multiple use properties

Properties used for multiple purposes which do not fall within the definition of residential properties and, accordingly, do not qualify for the residential rates rebate, may be included in the category of multiple use properties, for which an appointment value for each distinct use of the property will be calculated and used for billing at the appropriate and applicable rate.

Examples of properties used for multiple purposes are the following:

- i) A block of flats with businesses on the ground floor.
- ii) A double storey-building with a shop on the ground floor and the residential quarters on the top floor.
- iii) A farm that consists of the residential portion, a farm portion and unused land, etc.

If the market value of the property cannot be apportioned to its various use purposes, then the entire property will be categorised in terms of the dominant (main or primary) use.

c. Public Benefit Organisations

Public Benefit Organisations may apply for the exemption of property rates subject to producing a tax exemption certificate issued by the South African Revenue Services (SARS) as contemplated in Part 1 of the Ninth Schedule of the Income Tax Act, 1962 (No 58 of 1962):

i) Health care institutions

Government properties used exclusively as a hospital, clinic and mental hospital, including workshops used by the patients, laundry or cafeteria facilities, provided that any profits from the use of the property are used entirely for the benefit of the institution and/or for charitable purposes within the Municipality.

ii) Welfare institutions

Properties used exclusively as an orphanage, non-profit retirement villages; old age home or benevolent institution, including workshops used by the inhabitants, laundry or cafeteria facilities, provided that any profits from the use of the property are used entirely for the benefit of the institution and/or for charitable purposes within the Municipality.

iii) Child headed households

Any child headed household where such oldest child is younger than 18 years. The applicant must submit proof of his/her age and identity and, in the case of a physically or mentally handicapped person, also proof that he/she receives a social pension or, if he/she does not receive a social pension, proof of certification by a district medical

OVERSTRAND MUNICIPALITY – PROPERTY RATES POLICY

officer. The rateable property in question must be categorised as residential, or as farm properties solely used for residential purposes.

iv) Charitable institutions

Property belonging to not-for-gain institutions or organisations that perform charitable work.

v) Sporting bodies

Property used by an organisation whose sole purpose is to use the property for amateur sport or any activity connected with such sport.

vi) Cultural institutions

Properties declared in terms of the Cultural Institutions Act, Act 29 of 1969 or the Cultural Institutions Act, Act 66 of 1989.

vii) Museums, libraries and art galleries

Registered in the name of private persons or organisations, open to the public and not operated for gain.

viii) Youth development organisations

Property owned and/or used by organisations for the provision of youth leadership or development programmes.

ix) Educational institutions

Property owned by not-for-gain institutions (declared or registered by law) and used for educational purposes including a residence registered in the name of the educational institution and used by full-time employees of the educational institution.

x) Animal welfare

Property owned or used by institutions/organisations whose exclusive aim is to protect birds, reptiles and animals on a not-for-gain basis.

d. In terms of section 17(1)(i) of the act, the municipality may not levy a rate on property registered in the name of and used primarily as a place of worship by a religious community, including an official residence registered in the name of that community which is occupied by an office bearer of that community who officiates at services at that place of worship.

e. Municipal properties that are not leased or rented out by the Municipality.

f. Public places and streets

All defined roads and/or streets and public places.

g. Conservation Land

Section 17 (1) (e) of the Act precludes Council from levying rates on those parts of a special nature reserve, national park or nature reserve within the meaning of the National Environmental Management: Protected Areas Act, 2003 (Act 57 of 2003), or of a national botanical garden within the meaning of the National Environmental: Management: Biodiversity Act, 2004 (Act 10 of 2004) which are not developed or used for commercial, farming or residential purposes. The apportioned value of any portion of such properties utilized for any purpose other than that used for such conservation purposes will be rated accordingly.

h. Exemptions are subject to the following conditions:

i) all applications must be addressed in writing to the Municipality;

ii) a SARS tax exemption certificate must be attached to all applications where applicable;

iii) the municipal manager or his/her nominee must have considered and approved all applications;

iv) the Municipality retains the right to refuse exemptions if the details supplied in the application form were incomplete, incorrect or false.

v) false declarations will lead to the forfeit of any exemption and may lead to criminal prosecution.

- vi) a person who provides false information will be held liable for the immediate re-payment of any rebates already granted and legal, civil and criminal action may be instituted against the guilty party/ies.

13. GRANTING OF REBATES

13.1 Categories of properties:

a. State owned property

State owned property no longer qualifies for any rates rebate by virtue of ownership. However, the exemptions, rebates and reductions relating to the usage of the properties as specified in this Rates Policy would apply.

b. Public Service Infrastructure

Public service infrastructure (as defined in the Act) may not be rated on the first 30 percent of its market value in terms of section 17 (1) (a) of the Act.

c. Agricultural

in terms of section 8 of the Act.

d. Conservation Land

Section 17 (1) (e) of the Act precludes Council from levying rates on those parts of a special nature reserve, national park or nature reserve within the meaning of the National Environmental Management: Protected Areas Act, 2003 (Act 57 of 2003), or of a national botanical garden within the meaning of the National Environmental: Management: Biodiversity Act, 2004 (Act 10 of 2004) which are not developed or used for commercial, farming or residential purposes. The apportioned value of any portion of such properties utilized for any purpose other than that used for such conservation purposes will be rated accordingly.

e. Properties in rural areas

The Municipality may grant a rates rebate to properties in rural areas as a result of, and taking into account, the limited rate-funded services supplied to such properties.

f. Properties with a market value below a prescribed valuation level

Instead of a rate determined on the market value, properties with a valuation below an amount as determined by the Municipality may be rated at a fixed amount per property.

i. Rebates are subject to the following conditions:

- i) all applications must be addressed in writing to the Municipality;
- ii) a SARS tax exemption certificate must be attached to all applications where applicable;
- iii) the municipal manager or his/her nominee must have considered and approved all applications;
- iv) the Municipality retains the right to refuse rebates if the details supplied in the application form were incomplete, incorrect or false.
- v) false declarations will lead to the forfeit of any exemption and may lead to criminal prosecution.
- vi) a person who provides false information will be held liable for the immediate re-payment of any rebates already granted and legal, civil and criminal action may be instituted against the guilty party/ies.

13.2. Categories of owners

a. Retired and Disabled Persons Rate Rebate

- i) Retired and Disabled Persons qualify for special rebates according to monthly household income. To qualify for the rebate a property owner must:
 - be a South African citizen;
 - occupy the property as his/her primary residence, provided that where the owner is unable to occupy the property due to circumstances beyond his/her control, the spouse or minor children may satisfy the occupancy requirement. Absence of up to three months per year from the property will be disregarded for the purposes of this requirement;
 - be at least 60 years of age or in receipt of a disability pension from the State;
 - be in receipt of a total monthly income not exceeding the amount as decided by the Municipality; and
 - not be the owner of more than one property.
- ii) A *usufructuary* or *habitatio* (right of habitation) or an executor or administrator of a deceased estate will be regarded as the property owner for purposes of a rebate application. The applicant must produce an Affidavit or a letter from the Master of the High Court to substantiate the appointment.
- iii) Property owners must apply on a prescribed application form for a rebate as determined by the Municipality.
- iv) Applications must be accompanied by -
 - a certified copy of the identity document or any other proof of the owners age which is acceptable to the Municipality;
 - sufficient proof of total monthly income by submission of a minimum of the latest three months bank statements from all financial institutions, for all persons normally residing on that property or, if those persons do not have bank accounts, such proof as the Municipality may require to substantiate the level of total monthly income of the person(s).
 - an affidavit from the owner, (on the application form);
 - if the owner is a disabled person proof of a disability pension payable by the state must be supplied; and
 - if the owner has retired at an earlier stage for medical reasons proof thereof must be submitted.
 - The CFO or his/her nominee has the right to conduct a full credit check or financial analysis on any person applying for any benefit in terms of this policy, or to review and recover any previous benefit received, based on evidence available.
- v) Rebate percentages
 - A rebate of 100% to approved applicant in terms of this Policy, who's gross monthly household income may not exceed the amount of two times (2x) the state funded social pensions per month;
 - A rebate of 70% to approved applicant in terms of this Policy, who are older than 60 with a gross monthly household income

OVERSTRAND MUNICIPALITY – PROPERTY RATES POLICY

less than four times (4x) the state funded social pensions per month;

- A rebate of 40% to approved applicant in terms of this Policy, who are older than 60 with a gross monthly household income more than four times (4x) but less than eight times (8x) the state funded social pensions per month.

vi) In the case of misrepresentation or false declaration, the Municipality reserves the right to refuse the approval of the rebate, or to recover any rebate, if already granted and may institute appropriate legal action, civil or otherwise against guilty party(ies).

13.3. Other cases

a. Municipal property and usage:-

- i) A *pro rata* rebate may be granted where the seller sells land after the financial year has started.
- ii) Where the Municipality register a road reserve or servitude on a privately owned property, a *pro rata* rebate equal to the value of the reserve or servitude will be given to the owner of the property.

SECTION E: RATES ADJUSTMENTS

14. RATE INCREASES/DECREASES

- 14.1 The Municipality will consider increasing/decreasing rates annually during the budget process.
- 14.2 Rate increases will be used to finance the increase in operating costs of rates funded services.
- 14.3 Rates adjustments may be made taking into account all or any of the following factors:
 - a. all salary and wage increases as agreed at the South African Local Government Bargaining Council;
 - b. inflation;
 - c. the cost of capital;
 - d. statutory increases affecting the Municipality; and
 - e. increases or decreases on operating subsidies received.

15. RESOLUTIONS LEVYING RATES

The process as set out in the Act will be followed in notifying the public of any decisions by the Municipality regarding rates resolutions.

SECTION F: LIABILITY FOR RATES

16. LIABILITY FOR RATES BY PROPERTY OWNERS

Ratepayers may choose between paying rates annually in one instalment on or before 30 September or monthly on or before the date on which it becomes payable. If the owner of property does not notify the Municipality before the start of the financial year that he/she prefers to pay rates in one payment on or before 30 September of the financial year, such owner must pay the amount due monthly. A notice from an owner regarding the manner of payment of rates will remain applicable for future financial years until withdrawn by the owner. Interest on arrear rates shall be payable.

OVERSTRAND MUNICIPALITY – PROPERTY RATES POLICY

If a property owner, who is responsible for the payment of property rates in terms of this policy, fails to pay such rates in the prescribed manner and on the date/s due, it will be recovered from him/her.

Arrear rates shall be recovered from tenants, occupiers and agents of the owner, in terms of the Act.

Where the rates levied on a particular property have been incorrectly determined, whether because of an error or omission on the part of the Municipality or false information provided by the property owner concerned or a contravention of the permitted use to which the property concerned may be put, the rates payable shall be appropriately adjusted for the period extending from the date on which the error or omission is detected back to the date on which rates were first levied in terms of the valuation roll.

In addition, where the error occurred because of false information provided by the property owner or as a result of a contravention of the permitted use of the property concerned, interest on the unpaid portion of the adjusted rates payable shall be levied at the maximum rate permitted by prevailing legislation.

17. CLEARANCE CERTIFICATE

- 17.1 On the sale of any property in the municipal jurisdiction, Council will withhold the transfer until all rates, service and sundry charges and any estimated amounts for the duration of the certificate in connection with the property are paid, by withholding a clearance certificate. The municipality will issue such clearance certificate on receipt of an application on the prescribed form from the conveyancer.
- 17.2 All payments will be allocated to the registered seller's municipal accounts and all refunds will be made to such seller.
- 17.3 No interest shall be paid in respect of these payments.
- 17.4 The Municipality will only issue a clearance certificate once a completed prescribed application form from the conveyancer has been received.
- 17.5 Where any residential or non-residential debtor has entered into an arrangement with the Municipality in respect of the arrears on a property, the prescribed certificate as referred to in Section 118 of the Systems Act, will not be issued until such time as the full outstanding amount has been paid.
- 17.6 The rates clearance certificate validation period is 60 days and the amount due for payment will include 3 (three) months advance collections plus all current outstanding debt on the property.
- 17.7 After receiving the rates clearance application form, the Municipality has 10 (ten) working days to forward the amount due for payment and another 10 (ten) working days to produce the rates clearance certificate, once proof of payment has been established.

18. REGULAR REVIEW PROCESSES

The rates policy will be reviewed on an annual basis.

19. IDENTIFICATION AND QUANTIFICATION OF COSTS AND BENEFITS

The cost to the Municipality and benefit to the local community of exemptions, rebates, reductions and exclusions referred to in sections 17 (1) (a), (e), (g) (h) and (i) of the Act are reflected in the Municipality's budget.

20. ADJUSTMENT OF RATES PRIOR TO SUPPLEMENTARY VALUATION

- 20.1 In circumstances where a valuation has been carried out by the municipal valuer, in pursuance of a Supplementary Valuation (SV) in terms of section 78(1)(d) or 78(1)(f) of the MPRA as a result for example, of a demolition having taken place on a property or a fire having destroyed buildings on a property, but the Municipality has not yet included such valuation of the relevant property in the SV, such valuation shall be submitted to the CFO for approval to levy rates on the property in accordance with such valuation, with effect from the date of the occurrence of the event caused a SV to be required.

OVERSTRAND MUNICIPALITY – PROPERTY RATES POLICY

- 20.2 If the owner of a property which has been subdivided or consolidated after the last general valuation wishes to sell the consolidated erf, or one or more of the erven which have been subdivided off the parent erf, as the case may be, applies to the Municipality for a clearance certificate in terms of section 118 of the Systems Act and if the Municipality has not yet included such valuation of the relevant property/s in the SV, then:-
- a. The municipal valuer shall conduct a valuation of the relevant property/s for purposes of a SV; and
 - b. The valuation shall be submitted to the CFO for approval of the levying of rates on such property/s in accordance with such valuation, with effect from the date on which the relevant subdivision or consolidation (as may be the case), was registered in the Deeds Office.
- 20.3 Any valuations performed in terms of paragraph 20 shall be included in the next SV prepared by the Municipality without any amendments to the valuation and any objections to such valuation may only be lodged once such SV is made public in terms of section 49 of the Act.
- 20.4 Adjustments to previous Valuation Rolls
- Rates raised in a previously certified Valuation Roll may be written back with the authority of the Director: Financial Services in the following circumstances:
- 20.4.1 Administrative errors including incorrect erf extents and erven that were not timeously made inactive.
 - 20.4.2 Inconsistencies in valuations between valuation rolls where a current objection or appeal has been successful.
 - 20.4.3 Incorrect attribute data (e.g. dwelling extents) were used to value a property for a historical roll, and require the historical value to be amended in line with the corrected data.

21. IMPLEMENTATION PROCESS AND REVIEW PROCESS

This policy will come into effect on **1 July 2024** and will be reviewed at least annually or when required by way of a Council resolution.

22. SHORT TITLE

This policy will be referred to as the **Rates Policy of the Overstrand Municipality.**

POLICY SECTION:	SENIOR MANAGER: REVENUE
CURRENT UPDATE:	31 MAY 2024
PREVIOUS REVIEW	31 MAY 2023
PREVIOUS REVIEW	29 JUNE 2022
PREVIOUS REVIEW:	31 MAY 2022
PREVIOUS REVIEW:	26 MAY 2021
PREVIOUS REVIEW:	27 MAY 2020
PREVIOUS REVIEW:	29 MAY 2019
PREVIOUS REVIEW:	30 MAY 2018
PREVIOUS REVIEW:	31 MAY 2017
PREVIOUS REVIEW	25 MAY 2016
PREVIOUS REVIEW	28 MAY 2015
PREVIOUS REVIEW	28 MAY 2014
PREVIOUS REVIEW	29 MAY 2013
PREVIOUS REVIEW	30 MAY 2012
PREVIOUS REVIEW:	04 MAY 2011
PREVIOUS REVIEW:	26 MAY 2010
PREVIOUS REVIEW:	27 MAY 2009
APPROVAL BY COUNCIL:	31 MAR 2008

OVERSTRAND MUNICIPALITY



TARIFF POLICY

OVERSTRAND MUNICIPALITY
TARIFF POLICY

PREAMBLE

Whereas section 74 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000) requires a municipal council to adopt a tariff policy on the levying of fees for municipal services;

And whereas the tariff policy should at least include the principles contained in section 74(2) of the Act, thus giving effect to the By-Law required in terms of section 75 of the Act;

And whereas the tariff policy may differentiate between different categories of users, debtors, service providers, service standards and geographical areas as long as such differentiation does not amount to unfair discrimination;

Now therefore the Municipal Council of the Overstrand Municipality adopts the following Tariff Policy:

**OVERSTRAND MUNICIPALITY
TARIFF POLICY**

TABLE OF CONTENTS

	PAGE
2. DEFINITIONS.....	4
3. PURPOSE OF POLICY.....	5
4. TARIFF PRINCIPLES.....	5
5. CATEGORIES OF CONSUMERS.....	7
6. INCENTIVE POLICY.....	7
7. INDIGENT RELIEF.....	7
8. SERVICE, EXPENDITURE CLASSIFICATION AND COST ELEMENTS.....	8
9. TARIFF TYPES.....	8
10. CALCULATION OF TARIFFS FOR MAJOR SERVICES.....	9
11. NOTIFICATION OF TARIFFS, FEES AND SERVICE CHARGES.....	22
12. IMPLEMENTING AND PHASING-IN OF THE POLICY.....	22
13. PROCEDURES AND ACCOUNTABILITY.....	22
14. IMPLEMENTATION AND REVIEW PROCESS.....	23
15. SHORT TITLE.....	23

OVERSTRAND MUNICIPALITY
TARIFF POLICY

1. DEFINITIONS

In this tariff policy, unless the context otherwise indicates –

“Availability Charge”	Availability charge means a charge levied on all properties with or without improvements, where a basic fee is not levied, to recover fixed costs which do not vary with consumption or volume produced.
“basic municipal service”	means the amount or level of any municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, could endanger public health or safety of the environment and for the purposes of this policy are restricted to electricity, refuse, sewage and water services;
“break even”	means the financial situation where the income derived by the Municipality from the supply of a service is equal to the aggregate of the fixed and the variable costs associated with the provision of the service concerned;
“capital contributions”	means the tariffs payable in respect of the water, electricity, sewage, storm water, roads and refuse removal infrastructure of the Municipality and which amounts exclude amounts payable towards the operational and maintenance costs of such infrastructure;
“Commercial Unit/Erff”	means a self-contained or lettable section within a building or a group of buildings on the same plot excluding short term residential accommodation establishments for e.g. hotels, bed & breakfast, guest houses etc. An owner of a commercial property may annually choose between being levied either per erf or per commercial unit for water and sewage basic charges. This choice must be applied on or before 30 September of each financial year.
“community services”	means the services referred to in paragraph 5(1)(c) and in respect of which the tariffs are set at a level that the costs of the services are not recovered fully from public service charges and are of a regulatory nature;
“consumer, customer, owner, occupier, account holder”	means individuals and other legal entities against whom a tariff, fee, charge or other levy specific to identifiable services are levied.
“Council” or “municipal council”	means a municipal council referred to in section 18 of the Local Government: Municipal Structures Act, 1998 (Act No 117 of 1998) and for purposes of this policy, the municipal council of the Overstrand Municipality;
“economic services”	means services that the Council has classified as such and the tariffs have been compiled with the intention that the total costs of the services are recovered from customers;
“Electricity Service charge”	means the monthly charge payable per point of supply to recover administration-related and service-related costs such as meter reading, billing and meter capital. It is based on the monthly utilized capacity of each point of supply linked to an account.
“fixed costs”	means costs which do not vary with consumption or volume produced;
“lifeline”	Available to pre-paid consumers whose connection is ≤ 30 Amp with a maximum average consumption of 350 kWh measured over a period of 12 months. This tariff is only available to Informal dwellings in informal settlements;
“low voltage metering point”	means a metering point at the set of nominal voltage levels that are used for the distribution of electricity and who’s upper limit is generally accepted to be an a.c. voltage of 1000V or less
“medium voltage metering point”	means a metering point at the set of nominal voltage levels that lie above low voltage and below high voltage in the range of $1\text{kV} < U_n < 44\text{kV}$
“multi-purpose”	In relation to a property, means the use of a property for more than one purpose;
“Municipality”	the institution that is responsible for the collection of funds and the provision of services to the customers of Overstrand;

OVERSTRAND MUNICIPALITY
TARIFF POLICY

“Municipal Manager”	means the accounting officer appointed in terms of section 82 of the Local Government: Municipal Structures Act, 1998 (Act No 117 of 1998) and being the head of administration and accounting officer in terms of section 55 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000) and includes any person:- (a) acting in such position; and (b) to whom the Municipal Manager has delegated a power, function or duty in respect of such a delegated power, function or duty;
“NMD”	Notified Maximum Demand – the maximum capacity in kVA, as measured over a 30-minute integration period, per point of supply that the customer will contract for Overstrand to make available during all time periods.
“resident “	means a person who normally resides in the municipal area;
“residential unit”	means a single residential erf, flat, townhouse or group development unit, retirement village unit, guest house, bed and breakfast and any household related consumer that do not fall in one of the above household consumer categories;
“RUE”	means Residential Unit Equivalent;
“time of use”	means a tariff with energy charges based on the volume of electricity demand during high, mid and low demand periods and may differ per tariff.
“the Act”	means the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000);
“total cost”	means the sum of all fixed and variable costs associated with a service;
“trading services”	means services that the Council has classified as such and the tariffs have been compiled with the intention that the Council makes a profit from the delivery of the services;
“utilized capacity”	Means the higher of the notified maximum demand (NMD) or maximum demand, per point of supply measured in kVA, and registered each month.
“vacant land”	means all undeveloped land irrespective of its current or future intended zoning. Agricultural properties will not be considered as being vacant erven.
“variable costs”	means costs that vary with consumption or volume produced;
“wet Industry”	Defined as an industry using water as essential and fundamental input in the production process.

2. PURPOSE OF POLICY

The Overstrand Municipality wishes to achieve the following objectives by adopting this tariff policy:-

- 2.1. To comply with the provisions of section 74 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000).
- 2.2. To prescribe procedures for calculating tariffs where the Municipality wishes to appoint service providers in terms of section 76(b) of the Act.
- 2.3. To give guidance to the Portfolio Committee for Finance regarding tariff proposals that must be submitted to Council annually during the budgetary process.

3. TARIFF PRINCIPLES

The Overstrand Municipality wishes to record that the following tariff principles will apply:-

- 3.1. Service tariffs imposed by the Municipality shall be viewed as user charges and shall not be viewed as taxes, and therefore the financial ability of the relevant user of the services to which such tariffs relate, shall not be considered as a criterion.
- 3.2. Tariffs for the basic municipal services rendered by the Municipality, namely:
 - (a) electricity;
 - (b) water;
 - (c) sewage (waste water); and

OVERSTRAND MUNICIPALITY

TARIFF POLICY

- (d) refuse removal (solid waste), shall be calculated at a level which will recover all expenses associated with the rendering of these services.
- 3.3. To prevent existing consumers from subsidising the capital costs associated with new developments and subdivisions the Municipality will plan and manage the extension of services in such a manner that it will not impact negatively on the fixed costs and availability charges of existing tariffs.
- 3.4. Capital contributions to finance new developments and subdivisions will be required from all developers.
- 3.5. All users of municipal services, within a category of users, will be treated equitably.
- 3.6. The amount payable by consumers and/or owners will generally be in proportion to usage of the service.
- 3.7. The Municipality shall develop, approve and at least annually review an indigent support policy for the municipal area. This policy shall set out clearly the Municipality's cost recovery policy in respect of the tariffs which it levies on registered indigents, and the implications of such policy for the tariffs which it imposes on other users and consumers in the municipal region.
- 3.8. Subject to annual budgetary provisions and the availability of funds from National Treasury through the equitable share contribution, the Municipality may consider supplying free basic services to categories of consumers.
- 3.9. In the case of directly measurable services, namely electricity and water, the consumption of such services shall be properly metered by the Municipality, and meters shall be read, wherever circumstances reasonably permit, on a monthly basis. If a service is metered but it cannot be read due to financial and/or human resource constraints or circumstances beyond the control of the Municipality or its authorised agent, and the customer is charged for an estimated consumption, the account following the reading of the metered consumption must articulate the difference between the actual consumption and the average consumption, and the resulting credit or debit adjustments.
- Tariffs must be set at a level that facilitates the sustainability of services. Sustainability will be achieved by ensuring that:-
- (a) Cash inflows cover cash outflows. This means that sufficient provision for working capital and bad debts will be made.
- (b) Access to the capital market is maintained. This will be achieved by providing for the repayment of capital, maintaining sufficient liquidity levels and if possible, generating a surplus on trading services.
- (c) Service providers retain a fair rate of return on their investments.
- 3.10. Provision may be made in appropriate circumstances for surcharges on tariffs.
- 3.11. Efficient and effective use of resources may be encouraged by providing for penalties to prohibit or restrict exorbitant use.
- 3.12. The extent of subsidisation of tariffs will be disclosed and such disclosure will include the extent of subsidisation of the indigent or incentives for local development.
- 3.13. Provisions may be made for the subsidisation of the indigent and the promotion of local economic development by creating expenditure votes in the service budgets and including the costs in tariff calculations.
- 3.14. VAT is included in all tariffs where applicable.
- 3.15. This policy shall be binding on all tariffs other than those governed by legislation which supersedes the Act.
- 3.16. A property used for multiple purposes must, for purposes related to the services and categories of users concerned, be calculated at the appropriate and applicable rate for each distinct use of the property.

OVERSTRAND MUNICIPALITY
TARIFF POLICY

- 3.17. In order to provide the Municipality with appropriate security for payment of amounts owing to it from time to time for services rendered, the Council shall impose a system of deposits payable by consumers. The deposits shall be set with due regard to the potential financial risk associated with the amounts owing from time to time as well as sufficient provision for working capital. The level of the deposits shall be revised annually and the Municipality may introduce transitional arrangements in respect of existing consumers.

4. CATEGORIES OF CONSUMERS

- 4.1. Separate tariff structures may be imposed for the following categories of consumers (which the council may change) :
- (a) domestic consumers;
 - (b) commercial consumers;
 - (c) industrial consumers;
 - (d) agricultural consumers;
 - (e) organs of state;
 - (f) municipalities;
 - (g) consumers with whom special agreements were made;
 - (h) consumers in certain geographical areas;
 - (i) sport and recreation facilities
 - (j) private schools & educational institutions;
 - (k) public benefit organisations and suchlike institutions, and
 - (l) vacant land
- 4.2. Section 74(3) of the Municipal Systems Act allows for the differentiation between different categories of users, debtors, service providers, services, service standards, geographical areas and other matters for tariff purposes as long as the differentiation does not amount to unfair discrimination.
- 4.3. Where there are substantial differences between the infrastructures used to provide services to specific groups of users within a category and/or standard of services provided, the Council can, after considering a report by the Municipal Manager or the relevant Director, determine differentiated tariffs for the different consumers within the specific category.
- 4.4. Differentiated tariffs must be based on one or more of the following elements; infrastructure costs, volume usage, availability and service standards.
- 4.5. If, for purposes of determining the tariff applicable to a particular user or category of users, the user or category of users has not specifically by definition been included under a defined category of users in this policy, the Municipal Manager shall, by applying the closest match principle, determine the category under which the user or category of users fits in best, taking into account the nature of the service concerned and the user or category of users involved.

5. INCENTIVE POLICY

- 5.1. Tariffs will not reflect incentives for investment or to promote economic development.

6. INDIGENT RELIEF

- 6.1. Tariffs will not reflect relief granted to indigent households. Such relief will be developed as a separate policy and be subject to the discretion of Council as to its sustainability.
- 6.2. All such relief will be reflected, accounted for and disclosed separately in invoices, account statements, budgets, financial statements or reports.
- 6.3. During implementation of such policy, cognisance will be taken of the fact that the existing tariffs and procedures may require amendment to accommodate the above clauses and that such amendments will be phased in over time.

OVERSTRAND MUNICIPALITY
TARIFF POLICY

- 6.4. Indigent households are expected to manage their consumption of services within the levels of relief granted.
- 6.5. Assistance and management of indigent households is contained in the Customer Care and Debt Collection Policy/By-Law. The Municipality, however, retains the right to limit consumption through prepaid meters or restriction if the accounts of assisted households fall into arrears.

7. SERVICE, EXPENDITURE CLASSIFICATION AND COST ELEMENTS

7.1. Service classification

7.1.1. To isolate the costs associated with a service, the Municipal Manager shall, subject to the guidelines provided by the National Treasury, Generally Recognised Accounting Practice (GRAP) and Executive Mayoral Committee of the Council, provide for the classification of services into the following categories:-

- (i) trading services;
- (ii) economic services;
- (iii) community services; and
- (iv) subsidised services.

7.1.2. Trading and economic services must be financially ring-fenced and financed from service charges while community and subsidised services will be financed from rates and related income.

7.2. Expenditure classification

Expenditure will be classified in accordance with GRAP.

7.3. Cost elements

The following cost elements may be used to calculate the tariffs of the different services:-

- (a) "*Fixed costs*" which consist of the capital costs (interest and redemption) on external loans as well as internal advances and/or depreciation, whichever are applicable to the service, and any other costs of a permanent nature as determined by the Council from time to time.
- (b) "*Variable costs*" which include all other variable costs that have reference to the service.
- (c) "*Total cost*" which is equal to the fixed costs and variable costs.

8. TARIFF TYPES

In determining the type of tariff applicable to the type of service, the Municipality shall make use of any of the following six options or a combination thereof:-

8.1. "Single tariff":-

This tariff shall consist of a cost per unit consumed. All costs will be recovered through unit charges at the level where income and expenditure breaks even. Subject to a recommendation by the Municipal Manager, the Council may decide to approve profits on trading services during the budget meeting. Such profits will be added to the fixed and variable cost of the service for the purpose of calculating the tariffs.

8.2. "Cost related to a two to four part tariff":-

This tariff shall consist of two to four parts. Management, capital, maintenance and operating costs may be recovered by grouping certain components together, e.g. management, capital and maintenance costs may be grouped together and may be

OVERSTRAND MUNICIPALITY
TARIFF POLICY

recovered by a fixed charge, independent of consumption for all classes of consumers, or the total costs may be recovered by a unit charge per unit consumed. Three and four part tariffs may be used to calculate the tariff for electricity and to provide for maximum demand and usage during limited demand.

8.3. **“Inclining block tariff”:-**

This tariff is based on consumption levels being categorised into blocks, the tariff being determined and increased as consumption levels increase.

8.4. **“Declining block tariff”:-**

This tariff is the opposite of the inclining block tariff and decreases as consumption levels increase.

8.5. **“Regulating tariff”:-**

This tariff is only of a regulatory nature and the Municipality may recover the full or a portion of the cost associated with rendering the service.

8.6. **“Cost plus mark-up tariff”:-**

This tariff is for other services rendered.

9. CALCULATION OF TARIFFS FOR MAJOR SERVICES

9.1. **General**

In order to determine the tariffs which must be charged for the supply of the basic municipal services, (electricity, refuse, sewage and water), the Municipality shall use service and expenditure classifications and cost elements contained in clause 7 and identify all the costs associated with the service concerned, including the following:-

9.1.1. Cost of bulk purchases in the case of electricity and water.

9.1.2. Distribution costs, including distribution losses in the case of electricity and water.

9.1.3. Depreciation and finance charges.

9.1.4. Maintenance of infrastructure and other assets.

9.1.5. Administration and service costs, including:-

(a) service charges levied by other support services, such as finance, human resources and legal services;

(b) reasonable general overheads, such as the costs associated with the office of the Municipal Manager;

(c) adequate contributions to the provisions for bad debts, working capital and obsolescence of stock;

(d) all ordinary operating expenses associated with the service concerned, including the cost of providing street lighting in the municipal area in the case of the electricity service.

9.1.6. The intended surplus to be generated for the financial year shall be applied generally in relief of rates and general services.

9.1.7. Where a consumer has an option to choose between different tariffs on a service such option must be exercised before 30 September to be implemented for the specific financial year.

9.2. **Electricity**

9.2.1. Tariffs and conditions set out herein will apply to all consumers within the municipal supply area of Overstrand Municipality. These terms and conditions

OVERSTRAND MUNICIPALITY

TARIFF POLICY

- must be read in conjunction with the Customer care, credit control and debt collection policy.
- 9.2.2. Inclining block tariffs will be phased out so that there is only a flat rate energy charges to ensure efficient and fair cost recovery.
- 9.2.3. Domestic and Commercial customers differential tariffs will be phased out so that it will be charged the same rate. There will only be differentiated between Single Phase and Three Phase fixed charges.
- 9.2.4. A cancellation fee will be payable for the cancellation of any requested services.
- 9.2.5. Conversion fees are payable when a customer requires a change in the technical characteristics of the supply and/or the tariff.
- 9.2.6. The guidelines and policy issued by the National Energy Regulator from time to time, as well as the Cost of Supply study will form the basis of calculating tariffs.
- 9.2.7. The Municipality has standardized on the installation of Pre-Payment Meters for all Domestic Consumers. As such it is compulsory for all new domestic connections to be equipped with Pre Payment Meters. The Municipality has embarked on a program to effect the migration of all Credit Meters to Pre-Payment Meters. The change from Pre-Payment Meters to Credit Meter will therefore be disallowed unless special health circumstances exist, in which extreme case a credit meter will be installed by special concession from the Director of Infrastructure and Planning and by payment of the required change of meter fees as well as the required deposit.
- 9.2.8. When an adjustment is made to the electricity consumption registered on a meter in terms of Section 55(2) or 55(3) of the Electricity Supply By-Law, published on 21 October 2016, such adjustment shall either be based on the percentage error of the meter as determined by the test referred to in Section 55(5) or upon a calculation by the Municipality from consumption data in its possession. Where applicable, due allowance shall be made, where possible for seasonal or other variations which may affect the consumption of electricity.
- 9.2.9. To make electricity affordable to certain categories of consumers, cross subsidisation between and within categories of consumers will be allowed, based on the load factors of the categories and consumers within the category. Domestic electricity consumers, who applied and were approved in terms of the relevant clause of the Overstrand Indigent Policy, will receive [50] 70 free units in the tariff block 0 – 350 kWh with their first purchase each month. [The first 50 kWh in the tariff block 0 – 350 of electricity per month shall be free of charge to domestic electricity consumers who applied and were approved in terms of the relevant clause as per the Overstrand Indigent Policy.]
- 9.2.10. The fixed costs, or portions thereof, will be recovered through an energy or time-of-use charge.
- 9.2.11. A basic charge per electricity meter or unit in the municipal area, as determined by the Council from time to time, may be charged against all electricity consumers. The basic monthly charge covers our fixed operational costs and capital infrastructure expenditure. This includes, but is not limited to, upgrading, maintenance on the entire municipal electrical network, from main supply point up to the consumer connection point, as well as the repair/replacement of faulty metering equipment within the electrical distribution area of Overstrand Municipality.
- 9.2.12. A rand per amp, per phase, per meter charge will be levied monthly based on the capacity reserved by the municipality for each individual customer connection. This charge will be payable by the property owner irrespective of the total energy used.

OVERSTRAND MUNICIPALITY

TARIFF POLICY

9.2.13. To apply the abovementioned principles, the consumer types and cost allocations reflected in the following table will be used:-

Categories of Consumers	Tariff Components			
	Fixed Charge (Rand/consumer/month)	Active Energy Charge (cent/kWh/month)	Time-of-use Energy Charge Peak / Standard / Off-peak (sent/kWh/month)	Charge (Rand/KVA/month)
Single Phase: (Domestic Credit meters)	X	X		*Note: IBT BLOCK 1) 0 - 350 kWh 2) 351 – 600 kWh 3) > 600kWh <u>Flat rate to be phased in</u>
Single Phase: (Domestic Pre-paid meters)	X	X		*Note: IBT BLOCK 1) 0 - 350 kWh 2) 351 – 600 kWh 3) > 600kWh <u>Flat rate to be phased in</u>
Life Line One – (pre-paid meters only)		X		0 – 350 kWh <u>Flat rate to be phased in</u>
One Part – (pre-paid meters only) Local Economic Development Projects		X		0 – 350 kWh <u>Flat rate to be phased in</u>
Single Phase: (Commercial Credit meters)	X	X		Flat rate
Single Phase: (Commercial Pre-paid meters)	X	X		Flat rate
Three Phase: (Domestic Credit meter) ≤ 100A	X	X		*Note: IBT BLOCK 1) 0 - 350 kWh 2) 351 – 600 kWh 3) > 600kWh <u>Flat rate to be phased in</u>
Three Phase: (Domestic Pre-paid meter) ≤ 100A	X	X		*Note: IBT BLOCK 1) 0 - 350 kWh 2) 351 – 600 kWh 3) > 600kWh <u>Flat rate to be phased in</u>
Three Phase: (Commercial Credit meter) ≤ 100A	X	X		Flat Rate
Three Phase: (Commercial Pre-Paid meter) ≤ 100A	X	X		Flat Rate
Economic Pre-paid:- ≤ 100A		X		Flat Rate
Time of Use Tariff (.70kVA)	X	X	X	X
Service Charge (per month) for MV and LV consumers	X	X	X	X
Medium Voltage Metering Points (11000V) >500kVA	X	X	X	X
Low Voltage Metering Points (400V) >70kVA ≤ 500kVA	X	X	X	X

OVERSTRAND MUNICIPALITY
TARIFF POLICY

- 9.2.14 A basic level of service will be provided free to qualifying households with a total gross income level which is below a determined amount, and according to further specified criteria, as determined by Council from time to time.
- 9.2.15. An infrastructure basic charge for electricity will be levied on a monthly basis on all properties or meters. The fixed Infrastructure charge is a non-escalating monthly fee which covers the capital contribution due for a specific capital infrastructure expenditure. A fixed cost charged for a specific loan undertaken for the upgrading of Bulk electrical infrastructure. It is not affected by the annual tariff increase.
- 9.2.16. **[An availability]** A network charge will be levied on all erven or units not connected to the electricity network, but can reasonably be connected to the service. The Network Charge for Serviced land will be calculated on a standard 60Amp connection size and be applicable to all vacant erven.
- 9.2.17. Time of Use customers will be charged at High season tariffs from June to August and Low Season tariffs from September to May. Peak, Standard and Off-peak time slots will be as per the time schedules published by Eskom annually. Reactive energy charges on Time of use accounts will only be applicable within high season periods.
- 9.2.18. Each Time-of Use consumer must nominate the Maximum demand that they intend to draw from the Overstrand municipal electricity network. This nominated figure is known as the Notified Maximum Demand (NMD) and is measured in kVA.
- 9.2.19. The use of tariffs E5A10 “Exceed NOTIFIED MAXIMUM DEMAND (NMD) per kVA Per month”.

Each Time-of-Use consumer must nominate the Maximum Demand that the consumer intends to draw from the Overstrand Municipal Electricity Network. This nominated figure is known as the Nominated Maximum Demand (NMD) and is measured in kVA.

Upon exceeding this NMD, the consumer will be warned that he/she has exceeded the NMD and upon exceeding such NMD again within the next 12 months, the consumer will be required to pay the charge per kVA as indicated under tariffs E5A10 as the case may be. Each subsequent exceeding of the NMD will be charged similarly. When the NMD has not been exceeded in any 12 consecutive months, the consumer will then only receive a warning upon the next time the NMD is exceeded, after which the required tariff will again be instituted as shown above.

The consumer may increase his/her NMD and would be required to pay the associated tariffs as indicated under E15, where appropriate. A consumer may increase his NMD as many times as is needed within one financial year, but may only decrease the NMD once within any Financial Year.

- 9.2.20. Overstrand Municipality allows for approved SSEG customers to feed electricity back into our electricity network. Customers however need to be net consumers (in monetary value) who purchase more electricity than they feed back (over a consecutive 12 month period). This period will be in line with the Municipal financial year and all excess credit accumulated by the customer within this period will be forfeited by them. Credit from feed-back may only be used for kwh charges and may not be played off against any other municipal services.
- 9.2.21 All upgrades will be network permitted and subject to the relevant approval from the Electrical department.
- 9.2.22 All prepaid customers who currently have a 60Amp connection will be given the opportunity to change their connection size once, free of charge. They may choose to change their connection size to one of the following:
- 30Amp

OVERSTRAND MUNICIPALITY

TARIFF POLICY

- 40Amp
 - 50Amp
 - 60Amp
- 9.2.23 All other non-standard connection sizes will be dealt with as and when needed by the electrical department.
- 9.2.24 Customers will only be allowed to upgrade/downgrade if they can provide a COC for the change of their main circuit breaker and proof of payment of the relevant conversion fee as approved by council annually.
- 9.2.25 All post-paid customers who wish to downgrade from 60Amp to 30-, 40- or 50Amp, will be required to change to prepaid.
- 9.2.26 Qualifying customers may upgrade as many times as they require at the annual approved rate but may only downgrade once in a financial year.
- 9.2.27 Changing between different connection sizes will be network permitted and these tariffs will not apply to customers within RDP areas.
- 9.2.28 All RDP and UISP housing will be provided with a 30Amp single phase supply. The standard supply connection for all other properties will be 60Amp Single Phase
- 9.2.29 All indigent and Lifeline customers will be limited to a 30Amp supply.
- 9.2.30 Lifeline tariffs will only be available to pre-paid customers whose connection is ≤30Amp with a maximum average consumption of 350 kwh measured over a period of 12 months. This tariff is only available to informal dwellings in informal settlements.
- 9.2.31 Due to the approval of SSEG connections being capacity dependent, applications for decreased capacity will only be approved by the Senior Manger: Electrical Services.
- 9.2.32 Capacity charges for Uilenkraalsmond will be calculated at 30Amp.

9.3. Water

- 9.3.1. The categories of water consumers as set out in clause 9.3.4 shall be charged at the applicable tariffs as approved by the Council in each annual budget.
- 9.3.2. The first 10kℓ of water consumption per month shall only be supplied pro rata free of charge to domestic water consumers who qualify for the indigent grant.
- 9.3.3. Because water is a scarce national resource, and this Municipality is committed to the prudent conservation of such resources, the tariff levied for consumption of water shall escalate according to the volume of water consumed.
- 9.3.4. The tariffs for consumption of purified water shall be based on the levels reflected in the following table:-

Category of Consumer	Basic Fixed Charge (Rand/meter/month)	Unit Charge per kℓ	Level of Consumption (Rand/kℓ/month)
NORMAL TARIFF			
Single Residential Flats Group Housing (including Townhouse Developments) Retirement Villages Guest Houses	X	X	HOUSEHOLD 0 - 6 kℓ 7 - 18 kℓ 19 - 45 kℓ 46 - 60 kℓ >60 kℓ
Indigent Households			HOUSEHOLD 0 - 10 kℓ 11 - 18 kℓ

OVERSTRAND MUNICIPALITY

TARIFF POLICY

	X	X	19 - 45 kℓ 46 - 60 kℓ >60 kℓ
Churches Caravan Parks Boutique Hotels and Hotels Other Consumers	X	X	NON-HOUSEHOLD 0 - 18 kℓ 19 - 45 kℓ 46 - 60 kℓ >60 kℓ
RESTRICTION TARIFF 1 (LEVELS 2 & 3 WATER RESTRICTIONS) PLUS 30% on Normal Tariff)			
Single Residential Flats Group Housing (including Townhouse Developments) Retirement Villages Guest Houses	X	X	HOUSEHOLD 7 - 18 kℓ 19 - 45 kℓ 46 - 60 kℓ >60 kℓ
Indigent Households	X	X	HOUSEHOLD 0 - 10 kℓ 11 - 18 kℓ 19 - 45 kℓ 46 - 60 kℓ >60 kℓ
Churches Caravan Parks Boutique Hotels and Hotels Other Consumers	X	X	NON-HOUSEHOLD 0 - 18 kℓ 19 - 45 kℓ 46 - 60 kℓ >60 kℓ
RESTRICTION TARIFF 2 (LEVELS 4 & 5 WATER RESTRICTIONS) PLUS 60% on Normal Tariff)			
Single Residential Flats Group Housing (including Townhouse Developments) Retirement Villages Guest Houses	X	X	HOUSEHOLD 7 - 18 kℓ 19 - 45 kℓ 46 - 60 kℓ >60 kℓ
Indigent Households	X	X	HOUSEHOLD 0 - 10 kℓ 11 - 18 kℓ 19 - 45 kℓ 46 - 60 kℓ >60 kℓ
Churches Caravan Parks Boutique Hotels and Hotels Other Consumers	X	X	NON-HOUSEHOLD 0 - 18 kℓ 19 - 45 kℓ 46 - 60 kℓ >60 kℓ
RESTRICTION TARIFF 3 (LEVEL 6 WATER RESTRICTION) PLUS 100% on Normal Tariff)			
Single Residential Flats Group Housing (including Townhouse Developments) Retirement Villages Guest Houses	X	X	HOUSEHOLD 7 - 18 kℓ 19 - 45 kℓ 46 - 60 kℓ >60 kℓ
Indigent Households			HOUSEHOLD 0 - 10 kℓ

**OVERSTRAND MUNICIPALITY
TARIFF POLICY**

	X	X	11 - 18 kℓ 19 - 45 kℓ 46 - 60 kℓ >60 kℓ
Churches Caravan Parks Boutique Hotels and Hotels Other Consumers	X	X	NON-HOUSEHOLD 0 - 18 kℓ 19 - 45 kℓ 46 - 60 kℓ >60 kℓ

- 9.3.5. A basic charge per water meter or unit in the municipal area, as determined by the Council from time to time, may be charged against all water consumers.
- 9.3.6. An infrastructure basic charge for water will be levied on a monthly basis on all erven or units.
- 9.3.7. An availability charge will be levied on all erven or units not connected to the water network but can reasonably be connected to the service.
- 9.3.8. Allocation of RUE's to categories of Household consumers:

Clinics – Out patients	<input type="checkbox"/> 1 RUE
Flats	<input type="checkbox"/> 1 RUE per residential unit
Guest houses and B & B's	<input type="checkbox"/> 1 RUE
Household related consumers that do not fall in one of the above household consumer categories	<input type="checkbox"/> Upon application the Engineering & Financial Departments will assess the validity within the tariff's structural framework.
Old Age Homes, Hostels & Boarding School	<input type="checkbox"/> 1 RUE per 7 Beds
Retirement Villages, Hospital & Hospice	<input type="checkbox"/> 1 RUE per 1 residential unit <input type="checkbox"/> 1 RUE per 7 Frail care beds
Single Residential erven	<input type="checkbox"/> 1 RUE
Townhouse and group developments	<input type="checkbox"/> 1 RUE per unit <input type="checkbox"/> Townhouse/Group Developments must apply should they require more than 1 rue during development phase) <input type="checkbox"/> RUE's are only applicable from date of application and approval

- 9.3.9. The number of water basic and infrastructure charges for non-household consumers shall be coupled to the number of commercial sewage basic and infrastructure charges. The owner has the option to select to be charged either one commercial unit, or for the respective individual number of lettable sections.
- 9.3.10. The tariffs for consumption of irrigation and raw water shall be based on the levels reflected in the following table:-

Category of Consumer	Basic Charge (Rand/meter/month)	Level of Consumption (Rand/kiloliter/month)
Use and pump water	X	80 – 90 minutes
Small Holdings	X	(i) 0 – 70 kℓ (ii) > 70 kℓ

9.3.11. Wet Industries –

9.3.11.1. Commercial and Sport (Customers must apply for this tariff)

Detail	Basic Charge (Rand/meter/month)	Unit Charge / kℓ	Level of Consumption (Rand/kiloliter/month)

OVERSTRAND MUNICIPALITY

TARIFF POLICY

Normal Tariff	X	X	(i) 0 – 500 kℓ (ii) 501 – 1 000 kℓ (iii) > 1 000 kℓ
Restriction Tariff 1 (levels 2 & 3 water restrictions) PLUS 30% of Normal Tariff	X	X	(i) 0 – 300 kℓ (ii) 301 – 700 kℓ (iii) > 700 kℓ
Restriction Tariff 2 (levels 4 & 5 water restrictions) PLUS 60% of Normal Tariff	X	X	(i) 0 – 250 kℓ (ii) 251 – 500 kℓ (iii) > 500 kℓ
Restriction Tariff 3 (level 6 water restrictions) PLUS 100% of Normal Tariff	X	X	(i) 0 – 100 kℓ (ii) > 100 kℓ

9.3.11.2. Industry - Marine (Customers must apply for this tariff)

Detail	Basic Charge (Rand/meter/month)	Unit Charge / kℓ	Level of Consumption (Rand/kiloliter/month)
Normal Tariff	X	X	(i) 0 – 5 800 kℓ (ii) >5 800 kℓ
Restriction Tariff 1 (levels 2 & 3 water restrictions) PLUS 30% of Normal Tariff	X	X	(i) 0 – 5 800 kℓ (ii) >5 800 kℓ
Restriction Tariff 2 (levels 4 & 5 water restrictions) PLUS 60% of Normal Tariff	X	X	(i) 0 – 5 800 kℓ (ii) >5 800 kℓ
Restriction Tariff 3 (level 6 water restrictions) PLUS 100% of Normal Tariff	X	X	(i) 0 – 5 800 kℓ (ii) >5 800 kℓ

9.3.12. The tariffs for consumption of Treated Effluent water shall be based on the levels reflected in the following table:-

Detail	Basic Charge (Rand/meter/month)	Unit Charge / kℓ	Level of Consumption (Rand/kiloliter/month)
Hermanus Golf Club	X	X	As per agreement
Schools, municipal sport grounds & project sport grounds as per agreement		X	As per Agreement
Curro Holdings		X	250kℓ free per day
Other		X	

9.3.13. Restriction Tariff

- 9.3.13.1. When level 1 water restrictions are implemented by the Directorate Infrastructure & Planning, no restriction tariffs will be implemented;
- 9.3.13.2. When level 2 water restrictions are implemented by the Directorate Infrastructure & Planning, level 1 restriction tariffs will be implemented;
- 9.3.13.3. When level 3 water restrictions are implemented by the Directorate Infrastructure & Planning, level 1 restriction tariffs will remain applicable;

OVERSTRAND MUNICIPALITY
TARIFF POLICY

- 9.3.13.4. When level 4 water restrictions are implemented by the Directorate Infrastructure & Planning, level 2 restriction tariffs will be implemented;
- 9.3.13.5. When level 5 water restrictions are implemented by the Directorate Infrastructure & Planning, level 2 restriction tariffs will remain applicable;
- 9.3.13.6. When level 6 water restrictions are implemented by the Directorate Infrastructure & Planning, level 3 restriction tariffs will be implemented;

9.4. Refuse Removal

- 9.4.1. A separate fixed monthly refuse removal charge shall apply to each category of users based on the costs of the service concerned and the applicable level of service, which can vary from once a week up to 7 times a week.
- 9.4.2. The fixed basic charge will be based on the number of removals per week.
- 9.4.3. An availability charge will be levied on all erven/units where no building plan has been approved. -
- 9.4.4. The tariff for refuse removal for residential units will be one removal per household per week.
- 9.4.5. Household refuse collection is the responsibility of the Municipality in the urban areas and only where a service cannot be rendered, a private contractor can do the collection per agreement with the municipality, in which case the Municipality will be entitled to charge a tariff for utilisation of the landfill site.

9.5. Sewage

- 9.5.1. The categories of users as set out below, shall be charged monthly at the applicable tariff as approved by Council in each annual budget:-
 - (i) Domestic (including Semi Permanent Caravan Sites);
 - (ii) Hotels, Hostels, Hospitals, Old Age Homes and Group Housing;
 - (iii) Guest Houses and Bed & Breakfast Establishments;
 - (iv) Shops and Offices;
 - (v) Low Cost Housing Schemes;
 - (vi) Schools;
 - (vii) Caravan Parks with communal ablution facilities;
 - (viii) Departmental Municipality;
 - (ix) Consumers with a conservancy tank.
- 9.5.2. A monthly basic charge shall be levied on all developed properties or units within urban areas, irrespective of the type of service available.
- 9.5.3. A sewage **usage charge** will be levied on all properties or units that produce sewage or have a water meter. This charge will be levied as follows:
 - (i) SEWAGE – SINGLE AND INTERMEDIATE RESIDENTIAL (Dwelling houses and Duplex apartments)
The sewage volume will be deemed to be 70% of water consumption, up to a maximum of 35kℓ of sewage per month (70% of 50kl water per month).
 - (ii) SEWAGE – GENERAL RESIDENTIAL (Blocks of apartments and Residential Buildings)
Sewage volume will be deemed to be 90% of water consumption per individual unit up to a maximum of 45kℓ of sewage per month (90% of 50kℓ water per month).

OVERSTRAND MUNICIPALITY

TARIFF POLICY

- (iii) SEWAGE – GUEST HOUSES AND BED & BREAKFAST ESTABLISHMENTS
Sewage volume will be deemed to be 70% of water consumption per individual unit.
 - (iv) ALL OTHER USERS (Including Commercial, Industrial, School, Sport, etc.)
The sewage volume will be deemed to be 90% of water consumption. The 90% may be adjusted by the Municipal Manager as appropriate to the consumer. The Municipal Manager may also institute a cap on the volume of sewage if appropriate to the consumer.
 - (v) SEWAGE–CONSUMERS WITH NO WATER METER OR NO MUNICIPAL WATER USE
Sewage volume will be charged as **one additional basic fee per RUE to compensate for the use of the sewer system in the absence of a water meter reading to calculate the sewerage volume.**
- 9.5.4. An effluent fee shall further be payable by factories and other industrial users where the wastewater emanating from such users requires special purification measures by the Municipality. Such fees shall be based on the toxic content of the wastewater concerned and the costs of purification.
- 9.5.5. A monthly infrastructure charge will be levied on all properties or units.
- 9.5.6. (i) Consumers with conservancy or septic tanks that cannot connect to the network, may only apply to have their tariff changed at the beginning of a financial year before 30 September, or with a change in occupancy status (ownership/registration or new occupancy), which took place after 30 September.
- (ii) In case of conservancy tanks or septic tanks, the municipality reserves the right to change the tariff option should it become apparent that the sewer consumption is more than the water consumption for more than two consecutive months.
- 9.5.7. The sewage basic and infrastructure charge shall be levied on the owner's account, whilst the consumption portion of the charge shall be levied on the same account as where the water consumption is charged.
- 9.5.8. The number of sewage basic and infrastructure charges for non-household consumers shall be coupled to the number of commercial water basic and infrastructure charges. The owner has the option to select to be charged either one commercial unit or the total number of lettable sections.
- 9.5.9. A sewage availability charge shall apply to serviced vacant or undeveloped land.
- 9.6. **Minor tariffs**
- 9.6.1. All minor tariffs shall be standardised within the municipal region.
- 9.6.2. All minor tariffs shall be approved by the Council in each annual budget and shall, when deemed appropriate by the Council, be subsidised by property rates and general revenues, particularly when the tariffs will prove uneconomical when charged to cover the cost of the service concerned, or when the cost cannot be determined accurately, or when the tariff is designed purely to regulate rather than finance the use of the particular service or amenity.

OVERSTRAND MUNICIPALITY
TARIFF POLICY

9.6.3. Minor tariffs may include fees for the following:-

A	Administration	<ul style="list-style-type: none"> ▪ Access to information ▪ Administration Costs ▪ Advertisements / Advertising ▪ Bank cost on foreign accounts ▪ Deposit ▪ Duplicate Accounts ▪ Duplicate Pay Day Slip ▪ Facsimiles ▪ Interest on Accounts in Arrear ▪ Laminated documents 	<ul style="list-style-type: none"> ▪ Photocopies ▪ Placard / Poster Costs ▪ Section 62 Appeals ▪ Tender Objections ▪ Top Management Consultation ▪ Top Management Deposit ▪ Trace of Direct Deposits
B	Building Control	<ul style="list-style-type: none"> ▪ Administration / Viewing Request, Filing retrieval and Copying of Plans ▪ Building Plans ▪ Demolition application ▪ Heritage Investigations 	<ul style="list-style-type: none"> ▪ Plan Printing Fees ▪ Plan Scrutiny Fees ▪ Plan validity extension ▪ Re-inspection fees ▪ Signage
C	Cemeteries	<ul style="list-style-type: none"> ▪ Grave-depths ▪ Indication of grave 	<ul style="list-style-type: none"> ▪ Plot Cost ▪ Wall of Remembrance
D	Business License	<ul style="list-style-type: none"> ▪ Application for extended Liquor hours ▪ Duplicates ▪ License- Formal 	<ul style="list-style-type: none"> ▪ License - Informal ▪ Liquor License ▪ Re-inspection Fee
E	Commercial Filming/Photographing	<ul style="list-style-type: none"> ▪ Animals ▪ Application Fee ▪ Area required for production and catering ▪ Cancellation Fee 	<ul style="list-style-type: none"> ▪ Environmental Control Officer ▪ Permits ▪ Vehicles off Public Roads per Parking Bay
F	Credit Control & Debt Collecting	<ul style="list-style-type: none"> ▪ Administration fee ▪ Notices ▪ Sheriff fee ▪ 	<ul style="list-style-type: none"> ▪ SMS ▪ Tracing fee
G	Development Contributions	<ul style="list-style-type: none"> ▪ Water ▪ Electricity ▪ Sewerage ▪ Roads ▪ Sanitation 	<ul style="list-style-type: none"> ▪ Storm water ▪ Solid Waste ▪ Off Grid Developments ▪ Evaluations/Investigations Levies
H	Electricity	<ul style="list-style-type: none"> ▪ Builders connection ▪ Call-out fee ▪ Cancellation Fee ▪ Capital Contributions ▪ Casual Supplies ▪ Change to SSEG or Time of Use ▪ Change of Circuit Breaker ▪ Commission of Bulk Meter ▪ Connection and Disconnection of Service ▪ Consumer Deposits ▪ Contractor inspections ▪ Conversion of meters ▪ Credit Control and Debt Collection ▪ Damaged cables ▪ Damaged meter ▪ Deposits cables etc. ▪ Development Contribution ▪ Erection & Removal of Banners 	<ul style="list-style-type: none"> ▪ Illegal Connection/Tampering Fee ▪ Illuminated Signs ▪ Small Scale Embedded Generation (SSEG) ▪ Meter Testing ▪ Meter Verification ▪ MV Switching ▪ Public Lighting & CCTV ▪ Removal of meter ▪ Replacement ▪ Repositioning of Meter ▪ Service Connections ▪ Special Meter Readings ▪ Sundry Services ▪ Tariff change ▪ Unsafe/illegal connections per visit ▪ Upgrading extension Fee ▪ Way leave

OVERSTRAND MUNICIPALITY

TARIFF POLICY

		<ul style="list-style-type: none"> ▪ Fee recalculation – no access ▪ Hire of temporary distribution kiosk ▪ Hire of Sleeve Space for fiber optic cable 	
I	Fire Services & Disaster Management	<ul style="list-style-type: none"> ▪ Assistance of motor vehicle accidents and rescues ▪ Burn Permits ▪ Events ▪ Extinguishing of Fires ▪ Fire Prevention inspections ▪ Fire Safety 	<ul style="list-style-type: none"> ▪ Plot Clearing ▪ Re-inspection Fee under the By-law ▪ Special Services ▪ Standby at fire scene
J	Housing	<ul style="list-style-type: none"> ▪ Administration 	<ul style="list-style-type: none"> ▪ Rental
K	Law Enforcement	<ul style="list-style-type: none"> ▪ <u>Business & Other Events</u> ▪ Bylaw on outdoor advertising ▪ Impoundment of Informal Traders (Hawkers) goods ▪ Impoundment of illegal Advertising/Agent boards ▪ Inspection Fees ▪ <u>Impoundment of Abandoned/Obstructing Items</u> ▪ Pound Fee Cattle ▪ Pound fee Dogs and Cats ▪ Pound fee Horses 	<ul style="list-style-type: none"> ▪ Pound fee other animals ▪ Pound fee Pigs ▪ Pound Fee Poultry ▪ Pound fee Sheep and Goats ▪ Pound fee Shopping Trolley ▪ Re-inspection Fee ▪ Removal of illegal structure ▪ Storage Fee
L	Libraries	<ul style="list-style-type: none"> ▪ Damage or lost Library material ▪ Deposits ▪ Facsimiles ▪ Laminated documents ▪ Lost Cards ▪ Penalty for Late Return 	<ul style="list-style-type: none"> ▪ Photocopies ▪ Rental of Library Amenities ▪ Scanning ▪ Special Requests ▪ Subscription ▪ Visitors Fee (Handling)
M	Municipal Buildings	<ul style="list-style-type: none"> ▪ Deposits ▪ Rental of Amenities 	<ul style="list-style-type: none"> ▪ Rental of Equipment
N	Off-Grid Developments/Units	<ul style="list-style-type: none"> ▪ Development Contribution 	
O	Operational Cost	<ul style="list-style-type: none"> ▪ Street Signage 	
P	Parking Fees	<ul style="list-style-type: none"> * Metered Parking 	<ul style="list-style-type: none"> * Monthly Parking Permit
Q	Property Administration	<ul style="list-style-type: none"> ▪ Application lease/ purchase/ Encroachment ▪ Leases 	<ul style="list-style-type: none"> ▪ Memorial Benches ▪ Radio Mast
R	Public Works	<ul style="list-style-type: none"> ▪ Felling and Pruning of Trees ▪ Private Work ▪ Sale of Miscellaneous Items ▪ Storm Water Drainage 	<ul style="list-style-type: none"> ▪ Street Signage ▪ Tar and Patch Work ▪ Vehicle Entrances
R	Recreational Amenities	<ul style="list-style-type: none"> ▪ Affiliated Members ▪ Beaches ▪ Boat Launching ▪ Boat License/Permits ▪ Caravan Parks ▪ Change Rooms ▪ Clubhouses ▪ Commercial Fishing Vessels ▪ Community Halls 	<ul style="list-style-type: none"> ▪ Leases of stalls/containers ▪ Non-Affiliated Members ▪ Office Rental ▪ Open Spaces ▪ Parking ▪ Passenger Boats ▪ Plett House ▪ Public Open Space ▪ Recreational Fishing Vessels

OVERSTRAND MUNICIPALITY
TARIFF POLICY

		<ul style="list-style-type: none"> ▪ Day Camping Site ▪ Deposit ▪ Entrance Fee ▪ Formal Shop Rental ▪ Frank Robb Hut ▪ Hawker Stalls ▪ Informal Trader under cover rental ▪ Kelp Collectors, Whale Watching and Shark Diving 	<ul style="list-style-type: none"> ▪ Rental Units Kleinmond ▪ Rental Wet core Stands ▪ Schuss Houses ▪ Spaces for Sport ▪ Sport Events ▪ Sport Grounds ▪ Support Services ▪ Use of Tractor
T	Roads	<ul style="list-style-type: none"> ▪ Capital Contributions 	<ul style="list-style-type: none"> ▪ Development Contribution
U	Refuse Removal	<ul style="list-style-type: none"> ▪ Asbestos Sheet <u>removal</u> ▪ Baboon Resistant Bins ▪ Deposits ▪ Rental of Bulk Containers 	<ul style="list-style-type: none"> ▪ Self-Dumping ▪ Replacement of lock on baboon resistant wheelie bin ▪ Weigh Bridge <u>weighing vehicles</u>
V	Sewage	<ul style="list-style-type: none"> ▪ Capital Contributions ▪ Connection of tanks ▪ Development Contribution 	<ul style="list-style-type: none"> ▪ Disposal ▪ Tank Services ▪ Testing of tanks
W	Storm water	<ul style="list-style-type: none"> ▪ Development Contribution 	
X	Swimming Pool	<ul style="list-style-type: none"> ▪ Entrance Fee ▪ Galas 	<ul style="list-style-type: none"> ▪ Training session
Y	Town Planning	<ul style="list-style-type: none"> ▪ Advertising Cost ▪ Application Fee ▪ Closure of Public Place ▪ Contravention ▪ Penalty ▪ Demolition of Administrative Penalty ▪ Departure ▪ Deposit – Appeal ▪ Determination of Zoning ▪ Exemption ito Section 26 ▪ Extension of Time 	<ul style="list-style-type: none"> ▪ Formal Structure ▪ Informal Structures ▪ Land use planning Fee ▪ Permission ito Zoning Scheme ▪ Relaxation of Title Deed ▪ Registered Letter ▪ Removal of Title Deed Restrictions ▪ Search Fee ▪ Section 30(2) Certification/Clearance ▪ Spatial Development Framework ▪ Sub-division ▪ Zoning Certificate
Z	Traffic	<ul style="list-style-type: none"> ▪ Business and Other Events ▪ Disabled Parking Tokens ▪ Driver's Licenses ▪ Escorting and Other Services ▪ Hiring Traffic cones ▪ Impoundment of Boats ▪ Impoundment of Public Transport Vehicles ▪ Leaner's Licenses ▪ Parking Meters ▪ Professional Driver's Permits 	<ul style="list-style-type: none"> ▪ Removal of Vehicles ▪ Roadworthy Certificates ▪ Storage Fees ▪ Taxi Rank Tokens ▪ Traffic Cones ▪ Towing Charge ▪ Vehicle Registration ▪ Wheel clamping fee
AA	Valuation (Property Information)	<ul style="list-style-type: none"> ▪ Access to Information ▪ Clearance Certificates ▪ Deeds Office Registrations ▪ Extract from Valuation Roll 	<ul style="list-style-type: none"> ▪ Revaluation ▪ Valuation Certificates ▪ Valuation Roll ▪ Voters' Roll

OVERSTRAND MUNICIPALITY

TARIFF POLICY

BB	Water	<ul style="list-style-type: none"> ▪ Administration Fee – recalculation no meter access ▪ Call-out Fee ▪ Capital Contributions ▪ Connection & Disconnection ▪ Consumer Deposits ▪ Convert to water flow restrictor meter ▪ Credit Control and Debt Collection ▪ Damaged Water Meter; Water main & Service Connection ▪ Development Contribution ▪ Final meter reading ▪ Irrigation Water ▪ Illegal Connection/Tampering Fee 	<ul style="list-style-type: none"> ▪ Meter Testing ▪ Meter verification ▪ Rebates ▪ Reconnection ▪ Registration of borehole ▪ Removal of meter ▪ Repair of meter ▪ Replacement of Damage meter ▪ Repositioning of meter ▪ Service Connections ▪ Special Meter Readings ▪ Still-off” inspections ▪ Sundry Services ▪ Temporary connections
CC	Wayleaves and the use of Municipal Road Reserves for the Installation of services	<ul style="list-style-type: none"> ▪ Administration and Supervision Fee ▪ Roadway Trench Fee ▪ Remedying, Repairing and Cleaning 	

9.6.4. The Municipal Manager shall maintain a list of all minor services indicating their unit of service for the purposes of determining tariffs, fees, charges and levies. Such list shall be reviewed annually together with the proposed tariffs, fees charges and levies.

10. NOTIFICATION OF TARIFFS, FEES AND SERVICE CHARGES

- 10.1. After a draft budget as required by the Local Government: Municipal Finance Management Act, 2003 (Act No 56 of 2003) has been tabled, the Municipal Manager must invite the local community to submit representations for consideration by the Council. Such invitation includes the draft resolutions on taxes and tariffs proposed.
- 10.2. After approval of the budget, the Council will give notice of all tariffs approved at the annual budget meeting at least 30 days prior to the date that the tariffs become effective.
- 10.3. A notice stating the purport of the council resolution, date on which the new tariffs shall become operational and invitation for objections will be advertised by the Municipality.
- 10.4. All tariffs approved must have been considered at the annual budget meeting.

11. IMPLEMENTING AND PHASING-IN OF THE POLICY

- 11.1. The principle contained in this Policy will be reflected in the various budget proposals submitted to the Council on an annual basis, service by-laws as promulgated and adjusted by the Council from time to time and the Tariff By-laws referred to in section 75 of the Act.
- 11.2. The Council may determine conditions applicable to community service of a regulatory nature. These conditions will be reflected in the standing orders of the Council.

12. PROCEDURES AND ACCOUNTABILITY

- 12.1. The Municipal Manager shall ensure that procedures to manage all aspects of this Policy are prepared in the form of a manual, reviewed regularly and that these are formally adopted by him/her for implementation. These procedures will include aspects in this Policy and subscribe to sound principles of internal control.
- 12.2. The Directors and Managers shall ensure compliance with the procedures as approved from time to time by the Municipal Manager to give effect to the provisions of this Policy.

**OVERSTRAND MUNICIPALITY
TARIFF POLICY**

13. IMPLEMENTATION AND REVIEW PROCESS

This policy will come into effect on **1 July 2024** and will be reviewed at least annually or when required by way of a Council resolution.

14. SHORT TITLE

This policy shall be called the **Tariff Policy of the Overstrand Municipality**.

POLICY SECTION:	MANAGER: INCOME
CURRENT UPDATE:	31 MAY 2024
PREVIOUS REVIEW:	31 MAY 2023
PREVIOUS REVIEW:	31 MAY 2022
PREVIOUS REVIEW:	26 MAY 2021
PREVIOUS REVIEW:	27 MAY 2020
PREVIOUS REVIEW:	29 MAY 2019
PREVIOUS REVIEW:	30 MAY 2018
PREVIOUS REVIEW:	31 MAY 2017
PREVIOUS REVIEW:	25 MAY 2016
PREVIOUS REVIEW:	28 MAY 2015
PREVIOUS REVIEW:	28 MAY 2014
PREVIOUS REVIEW:	29 MAY 2013
PREVIOUS REVIEW:	30 MAY 2012
PREVIOUS REVIEW:	31 AUG 2011
PREVIOUS REVIEW:	04 MAY 2011
PREVIOUS REVIEW:	26 MAY 2010
PREVIOUS REVIEW:	27 MAY 2009
APPROVAL BY COUNCIL:	31 MAY 2006

OVERSTRAND MUNICIPALITY



CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

OVERSTRAND MUNICIPALITY
CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

P R E A M B L E

Whereas section 96 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000) requires a municipality to adopt, maintain and implement a credit control, debt collection and customer care policy;

And whereas section 97 of the Systems Act prescribes what such policy must provide for;

Now therefore the Municipal Council of the Municipality of Overstrand adopts the Customer Care, Credit Control and Debt Collection Policy as set out in this document:-

TABLE OF CONTENTS

	PAGE
1. DEFINITIONS.....	4
2. GENERAL OBJECTIVES:.....	6
3. PRINCIPLES.....	6
4. PERFORMANCE EVALUATION.....	7
5. REPORTING.....	7
6. CUSTOMER CARE.....	8
7. CREDIT CONTROL POLICY.....	15
8. DEBT COLLECTION.....	19
9. SHORT TITLE.....	22
10. CUSTOMER CARE AND DEBT COLLECTION – ANNEXURE “A”.....	23
11. ARRANGEMENTS FOR PAYMENT – ANNEXURE “B”.....	24
12. IMPLEMENTATION AND REVIEW PROCESS.....	26

OVERSTRAND MUNICIPALITY

CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

1. DEFINITIONS

For the purpose of this policy, unless the context indicates otherwise, any word or expression to which a meaning has been attached in the Act shall bear the same meaning and means:-

“Act”	The Local Government Act: Municipal Systems Act 2000 (Act No 32 of 2000) as amended from time to time.
“arrears”	means any amount which is due, owing and payable and which remains unpaid by the due date;
“authorised representative”	the person or instance legally appointed by the Council to act or to fulfil a duty on its behalf.
“basic service”	the amount or level of any municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, would endanger public health or safety of the environment and for the purposes of this Policy are restricted to the delivery of electricity, refuse, sewerage and water services.
“Chief Financial Officer”	an officer of the Municipality appointed as the Head of the Finance Department and includes any person:- (a) acting in such position; and (b) to whom the Chief Financial Officer has delegated a power, function or duty in respective of such a delegated power, function or duty.
“child-headed household”	a household where all the occupants of a residential property are younger than 18 years old, i.e. a child-headed household is a household consisting only of children.
“Council” or “municipal council”	a municipal council referred to in section 18 of the Local Government: Municipal Structures Act, 1998 (Act No 117 of 1998) and for purposes of this policy, the municipal council of the Municipality of Overstrand.
“Credit control” and debt collection”	the functions relating to the collection of any monies due and payable to the Municipality.
“Closely connected person”	any immediate relative of the person namely spouse, child, parent, parent-in-law, life partner.
“customer”	any occupier of any property to which the Municipality has agreed to supply services or already supplies services to, or if there is no occupier, then the owner of the property (including registered indigent household).
“defaulter”	a person who owes money to the Municipality in respect of a municipal account after the due date for payment has expired.
“Director”	the person in charge of the civil and/or electrical component(s) of the Municipality and includes any person:- (a) acting in such position; and (b) to whom the Director has delegated a power, function or duty in respective of such a delegated power, function or duty.
“equipment”	a, structure, pipe, pump, wiring, cable, meter, machine or any fittings.
“household”	all persons who are jointly living on a stand or site on a permanent basis and who receive electricity and/or water from one meter, regardless whether the person rents or owns the property.
“Income”	Income is the gross sum of all monthly income from all sources, including wages, salaries, profits, dividends, pensions, rentals, board & lodging, interest received, grants or investment income and other forms of earnings received by every person residing on the property.
“indigent”	a household which is not financially capable of paying for the delivery of basic services and meeting criteria determined by Council from time to time.
“interest”	a levy with the same legal priority as service fees and calculated on the first day of the new month on all arrear amounts older than the most recent monthly service account in respect of assessment rates and service levies at a standard rate as approved by Council.

OVERSTRAND MUNICIPALITY

CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

“Municipality”	the institution that is responsible for the collection of funds and the provision of services to the customers of Overstrand.
“municipal account” or “billing”	<p>the proper and formal notification by means of a statement of account, to persons liable for monies levied and indicating the net accumulated balance of the account, specifying charges levied by the Municipality, or any authorised and contracted service provider, in the format of, but not limited to:-</p> <ul style="list-style-type: none"> (a) show the levies for assessment rates and/or building clause; and (b) “monthly account” rendered monthly and shows the levies for assessment rates and/or building clause, availability charge, sewerage, refuse removal, electricity, water, sundries, housing rentals and instalments, as well as the monthly instalment for annual services paid monthly.
“Municipal Manager”	<p>the accounting officer appointed in terms of section 82 of the Local Government: Municipal Structures Act, 1998 (Act No 117 of 1998) and being the head of administration and accounting officer in terms of section 55 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000) and includes any person:-</p> <ul style="list-style-type: none"> (a) acting in such position; and (b) to whom the Municipal Manager has delegated a power, function or duty in respect of such a delegated power, function or duty.
“municipal services”	those services provided by the Municipality such as, amongst others the supply of water and electricity, refuse removal, sewerage treatment, and for which payment is required by the Municipality or not.
“occupier”	any person who occupies any property or part thereof, without any regard to the title under which he/she so occupies the property – in process of phasing out from 01/07/2010.
“owner”	<ul style="list-style-type: none"> (a) the person in whom the legal title to the property is vested; (b) a person mentioned below may for the purposes of this Policy be regarded by a municipality as the owner of a property in the following cases: <ul style="list-style-type: none"> (i) A trustee, in the case of a property in a trust excluding state trust land; (ii) an executor or administrator, in the case of a property in a deceased estate; (iii) a trustee or liquidator, in the case of a property in an insolvent estate or in liquidation; (iv) a judicial manager, in the case of a property in the estate of a person under judicial management; (v) a curator, in the case of a property in the estate of a person under curatorship; (vi) a person in whose name a usufruct or other personal servitude is registered, in the case of a property that is subject to a usufruct or other personal servitude; (vii) a lessee, in the case of a property that is registered in the name of a municipality and is leased by the lessee; (viii) a buyer, in the case of a property that was sold by a municipality and of which possession was given to the buyer pending registration of ownership in the name of the buyer; (c) in the case where the Council is unable to determine the identity of such person, the person who is entitled to the benefit of such property or any building thereon; (d) in the case of a property for which a lease agreement of 30 years or more has been entered into, the lessee thereof; (e) regarding:- <ul style="list-style-type: none"> (i) a portion of land delineated on a sectional title plan registered in terms of the Sectional Titles Act, 1986 (Act No 95 of 1986), and without restricting the above mentioned stipulations, the developer or body corporate of the communal property; or (ii) a portion as defined in the Sectional Titles Act, the person in whose name that portion is registered under a sectional title deed, including the legally appointed representative of such person; (i) any legal entity, including but not limited to:-

OVERSTRAND MUNICIPALITY
CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

	<p>(i) a company registered in terms of the Companies Act, 2008 (Act No 71 of 2008), a trust <i>inter vivos</i>, trust <i>mortis causa</i>, a closed corporation registered in terms of the Closed Corporations Act, 1984 (Act No 69 of 1984), and any voluntary organisation;</p> <p>(ii) any local, provincial or national government;</p> <p>(iii) any council, board or entity established in terms of any legislation applicable to the Republic of South Africa; and</p> <p>(iv) any embassy or other foreign entity.</p> <p>(ii) in the case of property owned by the Council and which has been alienated, but which has not been transferred to the person to whom it has been alienated, such person from the date of the alienation concerned; and</p> <p>(iii) in the case of property owned by or under the control or management of the Council while held under a lease or any express or tacit extension thereof or under any other contract or under a servitude or right analogous thereto, the person so holding the right to the immovable property.</p>
“premises” or “property”	<p>any portion of land, the external surface boundaries of which are delineated on:-</p> <p>(a) a general plan or diagram registered in terms of the Land Survey Act, 1927 (Act No 9 of 1927) or in terms of the Deeds Registry Act, 1937 (Act No 47 of 1937); or</p> <p>(b) a sectional plan registered in terms of the Sectional Titles Act, 1986 (Act No 95 of 1986);</p> <p>which is situated within the area of jurisdiction of the Municipality.</p>
“Residential”	<p>means improved property that is:</p> <p>(a) used predominantly (60% or more) for residential purposes, with not more than two dwelling units per property.</p> <p>(b) a unit registered in terms of the Sectional Title Act 95 of 1986, used predominantly (60% or more) for residential purposes, and includes any unit in the same Sectional Title Scheme registered in the name of the same owner which is used together with the residential unit as if it were one property, for example a garage or store room. (Any such grouping shall be regarded as one residential property for rate rebate or valuation purposes.) or</p> <p>(c) owned by a share-block company and used predominantly (60% or more) for residential purposes, or</p> <p>(d) a residence used for residential purposes situated on property used for or related to educational purposes.</p>

2. GENERAL OBJECTIVES:

The objectives of this Policy are to:-

- 2.1 provide a framework within which the Municipality can exercise its executive and legislative authority with regard to credit control and debt collection;
- 2.2 ensure that all monies due and payable to the Municipality are levied and collected in a financially sustainable manner;
- 2.3 provide a framework for customer care and indigent support;
- 2.4 describe credit control measures and sequence of events;
- 2.5 outline debt collection and credit control procedures and mechanisms; and
- 2.6 set realistic targets for credit control and debt collection.

3. PRINCIPLES

- 3.1 The administrative integrity of the Municipality must be maintained at all costs. The democratically elected councillors are responsible for the approval of the policy, while it is the responsibility of the Municipal Manager to ensure the execution of this policy.
- 3.2 All customers must complete an official application form, formally requesting the Municipality to connect them to service supply lines. Existing customers may be required to complete new application forms from time to time, as determined by the Municipal Manager.

OVERSTRAND MUNICIPALITY

CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

- 3.3 Application forms, agreements and documents relating to this Policy must be available in Afrikaans and English. Officials designated to control and manage these documents must be able to explain the contents thereof in the three languages of the Western Cape.
- 3.4 A copy of the application form, conditions of services and extracts of the Council's Customer Care, Credit Control and Debt Collection Policy and By-Laws must be handed to every customer on request at such fees as may be prescribed by Council.
- 3.5 Billing is to be accurate, timeous and understandable as far as possible.
- 3.6 The customer is entitled to reasonable access to pay points and to a variety of reliable payment methods which will include cash, debit or credit card, electronic fund transfer, debit order and bank order payments.
- 3.7 The customer is entitled to an efficient, effective and reasonable response to appeals, and should suffer no disadvantage during the processing of a reasonable appeal.
- 3.8 Enforcement of payment must be prompt, consistent and effective.
- 3.9 Unauthorised consumption, connection and reconnection, the tampering with or theft of meters, service supply equipment and the reticulation network and any fraudulent activity in connection with the provision of municipal services will lead to disconnections, charges, penalties, loss of rights and/or criminal prosecutions. A certificate reflecting the nature and extent of the unauthorized activity must be issued by a duly qualified person to substantiate the claim.
- 3.10 Incentives and disincentives may be used in collection procedures.
- 3.11 The collection process must be cost-effective.
- 3.12 Results will be regularly and efficiently reported and monitored.
- 3.13 Application forms may be used to, *amongst others*, categorise customers according to credit risk and to determine relevant levels of services and deposits required.
- 3.14 Targets for performance in both customer service and debt collection will be set and pursued and remedies implemented for non-performance.
- 3.15 Where practicably possible the Customer Care and Debt Collection Policies will be handled independently of each other and the organisational structure will reflect the separate functions.
- 3.16 The principle of providing services instead of payment for arrear accounts is supported.
- 3.17 Customers that meet council's indigent criteria must be identified and supported.
- 3.18 UISP customers who occupied the allocated area already, will be charged the required deposits retrospectively.

4. PERFORMANCE EVALUATION

This is addressed in the SDBIP and the Municipal Performance Management System.

5. REPORTING

- 5.1 The Chief Financial Officer (Director: Finance) shall report monthly to the Municipal Manager in a suitable format to enable the Municipal Manager to report to the Executive Mayor, as supervisory authority in terms of section 99 of the Act, read with section 100(c). This report shall contain particulars on:-
 - (a) Cash collection statistics, showing high-level debt recovery information (number of customers; enquires; arrangements; default arrangements; growth or reduction of arrear debt). Where possible, the statistics should ideally be divided into wards, business (commerce and industry), domestic, state, institutional and other such divisions.
 - (b) Performance on all areas against targets agreed to in paragraph 5 of this policy document.
- 5.2 If in the opinion of the Chief Financial Officer, the Municipality will not achieve cash receipt income equivalent of the income projected in the annual budget as approved by Council, the Chief Financial Officer will report this with motivation to the Municipal Manager who will, if he/she agrees with the Chief Financial Officer, immediately move for a revision of the budget according to realistically realisable income levels.
- 5.3 The Executive Mayor, as supervisory authority, shall report at intervals of 3 months to Council as contemplated in section 99(c) of the Act.

OVERSTRAND MUNICIPALITY

CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

6. CUSTOMER CARE

6.1 Objective

To focus on the customer's need in a responsible and pro-active way to enhance the payment for services and to create a positive and cooperative relationship between the persons responsible for the payment for services received and the Municipality and where applicable, the service provider.

6.2 Communication and feedback

6.2.1 The Municipality will, within its financial and administrative capacity, conduct an annual process of compiling and communicating its budget, which will include targets for credit control and debt collection. This process will include the effort to ensure that the residents and customers understand the costs involved in the service provision, the reasons for payment of service tariffs and the manner in which monies raised from the customers are utilised.

6.2.2 Council will endeavour to distribute a regular newsletter (also available on the website), which will give prominence to customer care and debt collection issues.

6.2.3 Ward councillors will give feedback at ward meetings, at which customer care and debt collection issues will be given prominence.

6.2.4 The press will be encouraged to give prominence to Council's customer care, credit control and debt collection issues, and may be invited to council or committee meetings where these are discussed.

6.2.5 The residents and users of services will be encouraged to give feedback through the established mechanisms to the Municipality regarding the quality of services and the performance of service providers.

6.3 Metering

6.3.1 The Municipality will endeavour, within practical and financial constraints, to provide meters to every paying customer for all measurable services.

6.3.2 All meters will be read monthly, as far as possible. If the meter is not read monthly, the consumption may be estimated in terms of Council's operational procedures.

6.3.3 If any meter is not accessible for meter reading, the customer must apply and pay to have the meter moved out to the borderline and convert the electricity meter to a pre-paid meter.

6.3.4 Customers must:-

- (a) safeguard and maintain service meters in a readable condition;
- (b) notify the Municipality when services are no longer required at a particular service delivery point;
- (c) maintain credit and pre-payment meters; and
- (d) supply the Municipality with accurate information with regard to the supply of services or applications for indigent cases.

6.3.5 Customers are entitled to request verification of meter readings at the prescribed tariff.

6.3.6 Customers are entitled to request testing of meters for accuracy within reason. If the test reveals the meter to register outside the norm as prescribed for the service in question (Electricity or Water), the meter will be replaced and the customer's account will be adjusted accordingly. The adjustment may not exceed a period of six (6) months, preceding the date on which the metering equipment was found to be inaccurate. If the outcome shows that the meter was not defective, the consumer is liable for payment for the cost of the testing as well as for the removal and re-installation thereof at the prescribed tariff as well as for other amounts outstanding.

6.3.7 Customers must give notice of at least 48 hours to the Municipality should a final reading or discontinuation of service be required. When a customer vacates a property and a final reading of the meter is not possible due to no access, an estimated consumption will be used by the Municipality and the final account rendered accordingly.

OVERSTRAND MUNICIPALITY

CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

- 6.3.8 If a service is metered but it cannot be read due to financial and/or human resource constraints or circumstances beyond the control of the Municipality or its authorised agent, and the customer is charged for an estimated consumption, the account following the reading of the metered consumption must articulate the difference between the actual consumption and the average consumption, and the resulting credit or debit adjustments.
- 6.3.9 The Municipality may apply debt collection as a percentage (at least 60%) on the pre-payment electricity system, to ensure collection of all arrear debt on the account of the customer.

6.4 Accounts and billing

- 6.4.1 The Municipality will as far as possible render to its customers on the billing system an understandable and accurate statement, which will consolidate all service costs and subsidies granted in terms of this Policy for that property.
- 6.4.2 Accounts will be produced in accordance with the meter reading cycle and due dates will be linked to the statement date.
- 6.4.3 The customer's municipal account shall be credited for energy generated by the embedded generator and exported to the network in the amount/s reflected in the annual tariff relating to the import and export of electrical energy for embedded generation. Small scale embedded generator customers (SSEG) will be billed as follows:
- (a) The service charge and all energy and maximum demand charges, as applicable, will be billed on the monthly electricity account.
 - (b) A credit will be passed for export of energy monthly against the normal monthly electricity account.
 - (c) Customers will not be compensated if the monthly export reflects a credit balance. A credit balance for export will be carried forward to the following month.
 - (d) In the instance where an export credit exists on 30 June, this credit will be forfeited.
 - (e) At the time that the customer ceases to be on the small scale embedded generation tariff, any remaining credit balance for export, will not be refunded to the customer.
 - (f) The municipality shall not be obliged to grant credit to the customer for export not received onto the electrical grid due to unavailability of the grid or for any other reason.
- 6.4.4 If no official complaint in writing is received by the 15th of the month it will be considered that the account delivered is correct.
- 6.4.5 Accounts will be rendered monthly in cycles of approximately 30 days at the address last recorded with the Municipality or its authorised agent.
- 6.4.6 It is the customer's responsibility to ensure that his/her postal address and all other required details are correct.
- 6.4.7 Should an owner have an e-mail address stated on the clearance application form, during and subsequent to the transfer of the property into his or her name, said e-mail address shall take preference over a postal address provided on the said application. The email address shall be regarded as the default address for all correspondence inclusive of the monthly account send to that owner until otherwise advised in writing.
- 6.4.8 (a) Accounts are delivered monthly. It is the customer's responsibility to enquire from the Municipality should an account not be received in order to ensure timely payment and to obtain a duplicate account when the account is not delivered during the normal billing cycle.
- (b) Customers residing outside the borders of the Republic of South Africa will receive only electronic accounts, unless a local address is supplied.
- 6.4.9 Settlement or due dates will be as indicated on the statement and are normally as follows:-
- (a) Monthly accounts are payable before or on the due date in accordance with the specific account billing (invoicing) cycle as indicated on the

OVERSTRAND MUNICIPALITY

CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

- account, or the first working day thereafter should it fall on a weekend or public holiday, of the month following the month of the statement of the account.
- (b) Large Power and Time of Use electricity customer accounts are payable on or before the 15th of each month, or the first working day thereafter should the 15th be on a week-end.
 - (c) Annual accounts are payable on or before the 30th of September of each year.
 - (d) Accounts of councillors and employees may be deducted from their salaries/allowances on a monthly basis; alternatively, they may sign a debit order for deduction of the monthly account off their bank account.
 - (e) Staff arrears will be dealt with in accordance with Schedule 2(10) of Local Government: Municipal Systems Act 32 of 2000 and in terms of any procedures, method or actions referred to in this Policy. Notwithstanding any other procedure, method or action that may be taken in terms of this Policy, the Municipality shall deduct any outstanding amount from such staff members' salary after this 3 (three) month period. Outstanding arrears will be settled out of any annual bonus due to the staff member.
 - (f) All staff joining the Municipality must, within 30 days, sign an agreement to pay arrears.
 - (g) Where the Municipality provides temporary employment to members of the community who are in arrears with payments for municipal rates and services, they will be required to enter into a written agreement to pay up to a maximum of 30% of their gross remuneration towards the arrear debt.
 - (h) In accordance with Schedule 1(12A) of the Local Government: Municipal Systems Act 32 of 2000, a Councillor of the Municipality may not be in arrears to the Municipality for rates and service charges for a period longer than 3 months. Notwithstanding any other procedure, method or action that may be taken in terms of this Policy, the Municipality shall deduct any outstanding amount from such Councillors' remuneration after this 3 (three) month period.
- 6.4.10 Where an account is not settled in full, any lesser amount tendered and accepted shall not be deemed to be in full and final settlement of such an account.
- 6.4.11 Where any payment made to the Municipality, or its authorised representative, by negotiable instrument is subsequently dishonoured by a bank, the Municipality or its authorised agent:-
- (a) may recover the average bank charges incurred relating to dishonoured negotiable instruments, together with an administration fee, against the account of the customer;
 - (b) shall regard such an event as a default on payment and services may be discontinued should a valid payment by cash, a bank-guaranteed cheque or electronic fund transfer not be made by the date provided by the authorized official;
 - (c) may insist on cash, debit order or electronic fund transfer payments for all future accounts;
 - (d) may only consider application for re-instatement of debit order/cheque after twelve months, except in instances where the Senior Manager: Revenue, or delegated official, authorises otherwise.
- 6.4.12 The Municipality must issue a duplicate account or any acceptable alternative to a customer on request, at a cost determined by Council from time to time.
- 6.4.13 The registered owner of a property being leased is at his/her own cost entitled to obtain a copy of the account of a lessor and to be informed if a lessee is in arrears with his/her service charges within 60 days.
- 6.4.14 All contracts for service delivery with tenants will be phased out over a period of time and all new service contracts will only be with the owners of the property.
- 6.4.15 Opening of tenant accounts will only be allowed when :
- (a) the customer is an indigent household and the property is registered in the name of another person;

OVERSTRAND MUNICIPALITY

CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

- (b) the customer is a contractor for municipal projects
- 6.4.16 When tenants are in default, the service contract with the tenant will be cancelled and services transferred to the owner.
- 6.4.17 The amount which the Municipality may recover from the tenant or occupier of a property where there exists only an owners account, is limited to the amount of rent or other money due and payable, but not yet paid, by the tenant or occupier to the owner of the property
- 6.4.18 The tenant or occupier of a property must, on request from the Municipality, furnish the Municipality with a written statement specifying all payments to be made by the tenant or occupier to the owner of the property for rent or other money payable on the property during a period determined by the Municipality.
- 6.5 Payment facilities and methods**
- 6.5.1 The Municipality will operate and maintain suitable payment facilities, which facilities will be accessible to all customers.
- 6.5.2 The Municipality will, at its discretion, allocate a payment between service debts. A debtor does not have the right to indicate that the payment is for a specific portion of the account.
- 6.5.3 The Municipality may, in terms of section 103 of the Act and with the consent of a customer, approach an employer of the customer to secure a debit or stop order arrangement.
- 6.5.4 The Municipality will endeavour to appoint a variety of agents (super markets, SA Postal Service, etc.) for the receipt and transfer of payments to the Municipality. The customer will acknowledge in the customer agreement that the use of customer agents in the transmission of payments to the Municipality is at the risk of the customer – also the time lapse for transfer of the payment.
- 6.5.5 The Municipality will, in the event of notices sent to customers, as well as in the instance of services having been disconnected or restricted, only accept cash or electronic fund transfer / direct deposit into the Municipality's bank account, or payment at any one of the nominated cash receipting points or agents of the Municipality. Documented proof must be send via e-mail to the sender as stated on the Overstrand Municipality's notice document, during office hours, not later than 16:00.
- 6.6 Incentives for prompt payment (Annexure "A")**
- 6.6.1 The Council may, to encourage prompt payment and/or to reward regular payers, from time to time consider incentives for the prompt payment of accounts or payment by debit or stop order.
- 6.6.2 If introduced, the cost associated with the incentive scheme will be reflected in the operational budget as additional expenditure.
- 6.7 Feedback, enquiries, appeals and service complaints**
- 6.7.1 Within its administration and financial ability the Municipality will establish:-
- (a) Decentralised complaints/feedback offices;
 - (b) A centralised complaints database to enhance co-ordination of complaints, their speedy resolution and effective communication with customers;
 - (c) Appropriate training for officials dealing with the public to enhance communications and service delivery; and
 - (d) The introduction of a regular article in the newsletter to inform customers on the safe and economic use of services.
- 6.7.2 If a customer is convinced that his/her account is inaccurate, he/she can lodge a query, together with supporting documentation and proof, with the Municipality before due date for investigation of this account, and where necessary the relevant alterations.
- 6.7.3 In the interim the debtor must pay an average based on previous consumption where such history of the account is available. Where no such history is available,

OVERSTRAND MUNICIPALITY

CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

the debtor is to pay an estimate provided by the Municipality before payment due date until the matter is resolved.

- 6.7.4 The relevant department will investigate and endeavour to inform the debtor within 14 days of the outcome of the investigation and the measures that have been or will be taken to correct the situation.
- 6.7.5 Failure to make such agreed interim payment or payments will result in the customer forming part of the normal credit control procedures.
- 6.7.6 A customer may appeal against the finding of the Municipality in terms of sub clause (6.7.4).
- 6.7.7 An appeal and request in terms of sub clause (6.7.6) must be made and lodged with the Municipality within 21 (twenty-one) days after the customer became aware of the finding referred to in sub clause (4) and must:-
 - (a) set out the reasons for the appeal;
 - (b) be accompanied by any security determined for the testing of a measuring device, if applicable.
 - (c) Appeal deposits in accordance with approved tariffs for the review of water rebate applications, will be levied to the customer's municipal account, in the instance of a dismissal of the appeal.

6.8 Customer assistance programs

- 6.8.1 Water leakages:
 - (a) If the leakage is on the customer's side of the meter, the customer will be responsible for payment of the full account.
 - (b) Water leakage discount will not be considered in the instance of irrigation systems.
 - (c) A customer will qualify for a Water Leakage Discount upon application on the prescribed form within 90 days after the leak has been repaired, which application will only be regarded as a valid application if complete information and documentation as prescribed is received and:-
 - (i) the leak was repaired within 10 working days since its detection; or any further leakages was prevented effectively after detection, with reference to the subsequent consumption patterns;
 - (ii) the customer applied only once in a cycle of 30 months for a discount; and in the instance were a customer experience a second leak within the 30 months period as mentioned in above, the customer may apply on the prescribed form within 60 days after the leak has been repaired, which application will only be regarded as a valid application if the customer is prepared to convert to a flow restrictor meter at cost of the customer
 - (iii) proof of repair and costs as well as the date of repair, or a sworn affidavit from any person who has repaired the leak, has been submitted, or where the leak was repaired through the client's insurance, all of the following must be submitted:
 - (1) proof of claim submitted to the insurance;
 - (2) confirmation letter from the plumber who was appointed by the insurance to repair the leak.
 - (d) Discount for consumption over the period that the leak was present will be calculated by comparing the average consumption over a corresponding period. Any consumption above the average will be charged at the rebate tariff applicable, subject to a maximum period of 3 months.
 - (e) A discount will be applicable on the excess sewer consumption charge as calculated.
 - (f) A discount will be applicable on the excess sewer consumption charge as calculated if the customer prove that the excess water did not go through the sewer system

OVERSTRAND MUNICIPALITY

CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

- (g) It is the responsibility of the customer to control and monitor his/her consumption.

6.8.2 Rate rebates:

- (a) The municipal council may grant rate rebates annually to certain categories of ratepayers in accordance to the Municipality's Property Rates Policy and By-Laws.
- (b) Rate rebates will be subject to certain criteria as determined by Council from time to time.

6.8.3 Arrangements for payment of arrears (**Annexure "B"**):

- (a) Customers whose municipal accounts become in arrears may enter into a written arrangement for settlement of the arrears with the Municipality. Such customers may be requested to complete a new application and agreement for Municipal Services.
- (b) If required, customers with arrears must agree to the conversion to a pre-payment electricity meter and a flow limiter water meter. If and when implemented, the cost of which, and the arrears total, will be paid off either by:-
 - (i) adding the debt to the arrears bill and repaying it over the agreed period; or
 - (ii) adding the debt as a surcharge to the pre-paid electricity cost, and repaying it with each purchase of electricity at a percentage rate (at least 60%), until the debt is liquidated.
- (c) In the case of the customer who is not a natural person, an organ of state, a local authority, a public company or a public corporation, the major shareholder or member will be obligated to guarantee the debt of the customer.
- (d) Council reserves the right to raise the deposit/security requirement of debtors who seek arrangements and/or other stipulations it may deem necessary.

6.9 Subsidy for indigent households

Please refer Overstrand Municipality, Indigent Policy

6.10 Additional subsidy categories

- 6.10.1 Subject to an equitable share contribution received from National Treasury, Council may provide, free of charge to a customer, basic services as determined from time to time.
- 6.10.2 Rebates on property rates may be granted to categories of properties or owners in accordance to Council's Property Rates Policy.

6.11 Customer categories

- 6.11.1 Customers will be categorised according to specific classifications based on amongst others the type of entity, applicable tariffs and risk levels of the provision of services. Processes for credit control, debt collection and customer care may differ from category to category, as deemed appropriate from time to time by the Municipal Manager.

OVERSTRAND MUNICIPALITY
CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

6.12 Deceased Estates/Abandoned Properties

- 6.12.1 the death certificate of the deceased person must be presented;
- 6.12.2 proof from the Registrar of Estates should be obtained that a deceased estate is not liable for any claims;
- 6.12.3 if the estate will be liable for claims, a claim should be laid against the said estate;
- 6.12.4 if no estate is registered but a death certificate was obtained, such debts should be written off with effect from the date of death;
- 6.12.5 if a subsequent new tenant/owner/authorised person qualify for indigent subsidies, the total outstanding amount should be written off;
- 6.12.6 in the instance that the new tenant/owner/authorised person will not qualify for a subsidy, the new tenant/owner/authorised person shall be responsible to pay the outstanding amount on the account from the date of death of the deceased person, up to the current date, or to arrange for a settlement agreement;
- 6.12.7 child headed families, where the parents are both deceased and only unemployed minor children stays in the dwelling, a social worker report must be obtained in order for the debt to be written off. The child headed family may apply for indigent subsidy on the account of the deceased owner;
- 6.12.8 **In the case of a deceased property owner**, the authorised person(s) of the family members may give permission with the submission of an affidavit to identify the responsible occupier of the property, to be responsible for the payment of the municipal account on the property. This occupier may apply for indigent subsidy. A tenant account will be opened and property rates will also be levied on the tenants account.
- 6.12.9 **If the owner has passed away or abandoned the property** and another person who resides on the property, applies for indigent subsidy, but has no contact with the registered owner and/or the family members, the applicant must submit an affidavit that he/she takes responsibility for the municipal account and a tenant account will be opened.

OVERSTRAND MUNICIPALITY

CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

CREDIT CONTROL POLICY

7.1 Objective

- 7.1.1 To implement procedures which ensure the collection of debt, meeting of service targets and the prevention of escalation in arrear debt.
- 7.1.2 To facilitate financial assistance and basic services for the community's poor.
- 7.1.3 To provide incentives for prompt payment.
- 7.1.4 To limit risk levels by means of effective management tools.

7.2 Service applications and agreements

- 7.2.1 All customers of services will be required to sign an agreement governing the supply and cost of municipal services. On default by a tenant, the owner will be the debtor of last resort except where the Municipality is the owner of the property.
- 7.2.2 Prior to signing these agreements, customers will be entitled to access the policy documents. Also available on the official website at: www.overstrand.gov.za.
- 7.2.3 On the signing of the agreement when requested thereto, customers will receive a copy of the agreement for their records.
- 7.2.4 Customers will accept responsibility in the agreement for administration costs of collection, interest and penalties in the event of delayed and/or non-payment.
- 7.2.5 The Municipality may refuse to supply services to an applicant should such applicant owe monies to the Municipality regarding a previous period when he/she was rendered services by the Municipality, until such debt has been settled in full. Should the applicant prove to the Chief Financial Officer that he/she is unable to pay, the application will be dealt with in terms of Council's Indigent Subsidy Scheme.
- 7.2.6 The Municipality will read the meters within the period stipulated in the agreement after notification of change in ownership or application for the supply of services and render an account within the normal cycle applicable to the property.
- 7.2.7 Existing customers may be required to sign new agreements in the following instances:
 - (a) Any change of service profile;
 - (b) With any instruction given or actual disconnection or restriction of services or any legal action taken;
 - (c) Any form of tampering with service networks or meters etc (as mentioned in Section 7.5.1 below;
 - (d) As determined by the Municipal Manager from time to time.
- 7.2.8 Should a customer fail to enter into such agreement with Council or to provide the security described in clause 7.6, Council may:-
 - (a) hold the customer liable for all outstanding debt on services for the property; and/or
 - (b) restrict or discontinue the supply of Municipal services.
- 7.2.9 The Municipality shall open only one account per property for the rates, fixed levies and service charges.
- 7.2.10 All arrangements may be subject to periodic review.
- 7.2.12 Debtors who default on two occasions in respect of arrangements, will be denied the privilege of making further arrangements, and the full amount will be payable. Interest will be calculated on the first day of the new month on all arrear amounts older than the most recent monthly service account, taking any payments into consideration.
- 7.2.13 An amount of at least the monetary value of the most recent 3 months accounts must be settled before a recommendation by the Manager: Revenue can be made for further arrangements in excess of the two occasions mentioned above, to be considered by the Senior Manager: Revenue, based on current circumstances.

7.3 Right of access to premises

- 7.3.1 The owner and/or occupier of a property is to allow an authorised representative of the Municipality access at all reasonable hours to the property in order to read,

OVERSTRAND MUNICIPALITY

CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

- inspect, install or repair any meter or service connection for reticulation, or to disconnect, stop or restrict, or reconnect the provision of any service.
- 7.3.2 The owner is responsible to ensure that all meters installed on his/her property are easily accessible.
- 7.3.3 The owner is responsible for the cost of relocating a meter if satisfactory access is not possible.
- 7.3.4 If a person fails to comply to any requirements, the Municipality or its authorised representative may:-
- (a) by written notice require such person to restore access at his/her own expense within a specified period.
 - (b) without prior notice restore access and recover the cost from such person if it is the opinion that the situation is a matter of urgency.

7.4 Enforcement mechanisms

- 7.4.1 Interest may be raised as a charge on all accounts not paid by the due date in accordance with applicable legislation.
- 7.4.2 The Municipality shall restrict or discontinue the supply of services or implement any other debt collection actions necessary due to late or non-payment of accounts, relating to any customer, owner or property.
- 7.4.3 Council reserves the right to deny or restrict the sale of electricity or water to customers who are in arrears with their rates or other municipal charges.
- 7.4.4 Upon the liquidation of arrears, or the conclusion of acceptable arrangements for term payments, the service will be reconnected as soon as conveniently possible.
- 7.4.5 The administration cost of the restriction or disconnection, and the reconnection, will be determined by tariffs approved by Council, and will be payable by the customer.
- 7.4.6 If a person is indigent a pre-paid electricity meter must be installed and a flow limiter water meter may be installed free of charge.
- 7.4.7 The deposit(s) of any defaulter will be adjusted in terms of paragraph 7.2.2 and brought into line with relevant policies of Council.
- 7.4.8 Defaulters' deposits will be reviewed annually, based on the debtor's Municipal payment record, indicating no default, over the preceding 12 (twelve) months, excluding customers with current arrangements. The deposit will be adjusted to the minimum deposit required in terms of the approved Tariff Schedule.
- 7.4.9 Defaulters deposits will be reviewed immediately, where the account was settled in full and a debit order is signed to prevent late payments.
- 7.4.10 In accordance with Section 102 of the Municipal Systems Act, the Municipality may
- Consolidate any separate accounts of persons liable for payments to the municipality;
 - (b) Credit a payment of such a person against any account of that person; and
 - (c) Implement any of the debt collection and credit control measures provided for in Chapter 9 of the Act in relation to any arrears on any of the accounts of such a person.

7.5 Theft and fraud

- 7.5.1 Any person (natural or juristic) found to be illegally connected or reconnected to municipal services, tampering with meters, the reticulation network or any other supply equipment or committing any unauthorised act associated with the supply of municipal services, as well as theft of and damage to Council property, will be prosecuted and/or liable for costs at the prescribed tariffs as determined from time to time.
- 7.5.2 The Municipality has the right to obtain authorisation from the Magistrate for the imposition of fines for the offences as mentioned in paragraph 7.5.1 above.

OVERSTRAND MUNICIPALITY

CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

- 7.5.3 The Municipality may terminate and/or remove the electricity supply of services to a customer should such conduct as outlined above, be detected and certified.
- 7.5.4 The Municipality may install a water flow restrictor meter to a customer should such conduct as outlined above, be detected and certified.
- 7.5.5 The total bill owing, including administration cost, assessment of unauthorised consumption and discontinuation and reconnection fees, and increased deposits as determined by Council if applicable, will be due and payable before any reconnection can be sanctioned.
- 7.5.6 Council will maintain monitoring systems and teams in order to identify and monitor customers who are undertaking such illegal actions.
- 7.5.7 Council reserves the right to lay criminal charges and/or to take any other legal action against both vandals and thieves.
- 7.5.8 Any person failing to provide information or providing false information on his application for or other document pertaining to the supply of services to the Municipality may face immediate disconnection of services.

7.6 Customer screening and securities

- 7.6.1 Security deposits, may be required. The minimum deposit being the equivalent of amounts fixed from time to time by the Municipality.
- 7.6.2 Security deposit in respect of electricity will be adjusted annually, which will be equal to twice the average consumption during the preceding 12 months.
- 7.6.3 Applicants who are not natural persons, organs of state, local authorities, public companies or public corporations must supply details of their directors, members, partners or trustees and at least the main shareholder must in his/her personal capacity guarantee the payment of the applicant's municipal account and in the case of a trust, all the trustees in their personal capacity.
- 7.6.4 On the termination of the agreement the amount of the deposit, less any outstanding amount due to the Municipality, will be refunded to the customer.

7.7 Contractors who tender to the Municipality

- 7.7.3 The Supply Chain and Procurement Management Policy and Tender Conditions of the Municipality will include the following:-
 - (a) When inviting tenders for the provision of services or delivery of goods, potential contractors may submit tenders subject to a condition that consideration and evaluation thereof will necessitate that the tenderer obtain from the Municipality a certificate stating that all relevant municipal accounts owing by the tenderer and/or its directors, owners or partners have been paid or that suitable arrangements (which include the right to set off in the event of non-compliance) have been made for payment of any arrears.
 - (b) No tender will be allocated to a person/contractor until a suitable arrangement for the repayment of arrears has been made. No further debt may accrue during contract period.
 - (c) Tender Conditions will include a condition allowing the Municipality to deduct any moneys owing to the Municipality from contract payments.
 - (d) A tenderer will be required to declare all the municipal account numbers for which it is responsible and/or partially responsible.

7.8 Pre-payment metering system

- 7.8.3 The Municipality will use its pre-payment metering system to:-
 - (a) link the provision of electricity by the Municipality to a "pre-payment" system comprising, pre-payment of electricity units; and
 - (b) a payment in respect of arrears comprising all accrued municipal taxes and other levies, tariffs and charges in respect of services such as water, refuse removal, sanitation and sewage.

OVERSTRAND MUNICIPALITY

CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

- (c) To load an auxiliary on the “pre-payment” system in order to allocate a portion of the rendered amount to the customers arrear account for other services.
- (d) To enforce satisfactory arrangements with customers in arrears by blocking access to pre-payment electricity purchases.
- (e) Amounts tendered for the purchase of pre-payment electricity will not be refunded after the pre-payment meter voucher has been issued or in case of purchasing against an incorrect meter number.

OVERSTRAND MUNICIPALITY

CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

8. DEBT COLLECTION

8.1 Objective

8.1.1 To provide procedures and mechanisms to collect all the monies due and payable to the Municipality arising out of the supply of services and annual levies, in order to ensure financial sustainability and delivery of municipal services in the interest of the community.

8.2 Personal contact

8.2.1 Personal and Telephonic contact / Agents calling on customers:-

- (a) Council, or its agent, may make personal contact with arrear debtors to encourage their payment via electronic, SMS, telephonic or any other officially recognised communication method.
- (b) Such contact is not a right for debtors to enjoy and disconnection of services and other collection proceedings will continue in the absence of such contact for whatever reason.
- (c) Services as contemplated in 8.2.1(a) will be rendered at a charge as determined during the annual budget process.

8.3 Interruption of service

8.3.1 Customers who are in arrears with their municipal accounts and who have not made arrangements with the Municipality will have their supply of electricity, water and other municipal services, suspended, restricted or disconnected.

8.3.2 Customers who have submitted mobile phone numbers can be notified via SMS at the applicable tariff, if their accounts are not settled on or before the due date.

8.3.3 The disconnection or restriction of services, as mentioned in section 7.4.2, may be enforced should the account remain in arrears after the expiring of the 14 (fourteen) days' notice of restriction of services.

8.3.4 Council reserves the right to deny or restrict the sale of electricity or water to customers who are in arrears with their rates or other municipal charges, or who do not honour their arrangements.

8.3.5 Upon the liquidation of arrears, including the additional levies in terms of clauses 8.3.6 and 8.3.7, or the conclusion of acceptable arrangements for term payments, the services will be reconnected as soon as conveniently possible.

8.3.6 The cost of notice of restriction or disconnection and the reconnection, will be determined by tariffs approved by Council, and will be payable by the customer.

8.3.7 The deposit of any defaulter will be adjusted, and brought into line with relevant policies of Council (refer to Annexure "B").

8.4 Legal process (Annexure "A") - (Use of attorneys/Use of credit bureaus)

8.4.1 The Municipality may, when a debtor is in arrears, commence legal process against that debtor, which process could involve final demands, summonses, court trials, judgements, garnishee orders and, as last resort, sales in execution of property.

8.4.2 The Municipality will exercise strict control over this process to ensure accuracy and legality within it and will require regular reports on progress from staff responsible for the process or outside parties, be they attorneys or any other collection agents appointed by Council.

8.4.3 The Municipality will establish procedures and codes of conduct with such outside parties.

8.4.4 In the case of employed debtors, garnishee orders, are preferred to sales in execution, but both are part of the Municipality's system of debt collection procedures.

8.4.5 All steps in the credit control procedure will be recorded for the Municipality's records and for the information of the debtor.

8.4.6 All administration costs of this process will be for the account of the debtor.

OVERSTRAND MUNICIPALITY

CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

- 8.4.7 Individual debtor accounts are protected and are not the subject of public information. However, the Municipality may release debtor information to credit bureaus and the property owner in respect of his/her lessee(s). This release will be in writing or by electronic means and will be covered in the agreement with customers.
- 8.4.8 The Municipality may consider the cost effectiveness of the legal process, and will receive reports on relevant matters and report to the Executive Mayor.
- 8.4.9 Upon recommendation from the Municipal Manager, Council may consider the use of agents and innovative debt collection methods and products. Cost effectiveness, the willingness of agents to work under appropriate codes of conduct and the success of such agents and products will be part of the agreement Council might conclude with such agents or service providers.
- 8.4.10 Customers will be informed of the powers and duties of such agents and their responsibilities, including their responsibility to observe agreed codes of conduct.
- 8.4.11 Any agreement concluded with an agent or product vendor shall include a clause whereby breaches of the code of conduct by the agent or vendor will constitute termination of the contract.
- 8.4.12 If, after the due date an amount due for rates is unpaid by the owner of the property, the Municipality may recover the amount, in whole or in part, from the tenant or occupier of the property, after it has served written notice on the tenant or occupier. The Municipality may recover the outstanding amount despite any contractual obligation to the contrary on the tenant or occupier.
- 8.4.13 If, after the due date an amount due for rates is unpaid by the owner of the property, the Municipality may recover the amount, in whole or in part, from the agent of the owner, if this is more convenient for the Municipality, after it has served written notice on the agent. The agent must on request from the Municipality, provide a statement reflecting all payments made to the agent for the owner during a period determined by the Municipality.
- 8.4.14 At any stage while the debt is outstanding, all reasonable steps shall be taken to ensure that the ultimate sanction of a sale-in execution is avoided or taken as a last resort. Overstrand Municipality, however, has total commitment to a sale-in execution should the debtor fail to make use of the alternatives provided for by the Municipality from time to time. This is also applicable to all debt and includes all debt which is a charge against a property as referred to in this policy. As part of the recovery process the Chief Financial Officer may determine a reserve price to be recovered in terms of arrears, equal to the municipal property value or outstanding debt, whichever is the lowest. In the instance that sales statistics / prices of properties sold in the past 12 months, in the immediate area of the particular property prove that there is no market demand for similar properties, that the reserve price, to be recovered in terms of arrears as mentioned, may be lowered with up to 50%. The remaining outstanding debt in excess of the net proceeds of the auction will be written off, in terms of the prescriptions of this policy.
- 8.4.15 Adjustments on the accounts will only be calculated for three years. (Prescription Act, 1969 (Act 68 of 1969).

8.5 Cost of collection

All costs of legal processes including interest, penalties, service discontinuation costs and legal costs associated with customer care or credit control, where ever applicable, are for the account of the debtor and should reflect at least the cost of the particular action.

Collection costs on indigent clients, will be kept to a minimum by re-setting the pre-paid electricity debt collection percentage to 90%.

8.6 Clearance Certificate

- 8.6.1 On the sale of any property in the municipal jurisdiction, Council will cause the delay of the registration of transfer until all rates, service and sundry charges and any estimated amounts for the duration of a certificate in connection with the

OVERSTRAND MUNICIPALITY

CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

property are paid, by withholding a clearance certificate. The municipality will issue such clearance certificate on receipt of an application on the prescribed form from the conveyancer.

- 8.6.2 All payments will be allocated to the registered seller's municipal accounts and all refunds will be made to such seller.
- 8.6.3 No interest shall be paid in respect of these payments.
- 8.6.4 The Municipality will only issue a clearance certificate once a completed prescribed application form from the conveyancer has been received.
- 8.6.5 Where any residential or non-residential debtor has entered into an arrangement with the Municipality in respect of the arrears on a property, the prescribed certificate as referred to in Section 118 of the Systems Act, will not be issued until such time as the full outstanding amount has been paid.

8.7 Irrecoverable debt

8.7.1 Debt will only be considered as irrecoverable if it complies with the following criteria:-

- (a) all reasonable notifications and cost effective legal avenues have been exhausted to recover a specific outstanding amount; or
- (b) any amount equal to or less than [R1 500.00] R5 000.00, or as determined by Council from time to time, will be considered too small, after having followed basic checks, to warrant further endeavours to collect it; or
- (c) the cost to recover the debt does not warrant the further action; or
- (d) the amount outstanding is the residue after payment of a dividend in the rand from an insolvent estate; or
 - (i) there is a danger of a contribution; or
 - (ii) no dividend will accrue to creditors; or
- (e) a deceased estate has no liquid assets to cover the outstanding amount following the final distribution of the estate; or
 - (iv) where the estate has not been reported to the Master and there are no assets of value to attach; or
- (f) it has been proven that the debt has prescribed; or
- (g) the debtor is untraceable or cannot be identified so as to proceed with further action; or
 - (i) the debtor has emigrated leaving no assets of value to cost effectively recover Councils' claim; or
- (h) it is not possible to prove the debt outstanding; or
- (i) a court has ruled that the claim is not recoverable; or
- (j) the outstanding amount is due to an irreconcilable administrative error by the Municipality.
- (k) After the transfer of a property, outstanding debt on the previous owner account older than 2 years;

8.7.2 All debtors who qualify and are registered as indigent, will have their arrears written off once during ownership of the property.

8.8 Abandonment of claims

8.8.1 The Municipal Manager must ensure that all avenues are utilised to collect the Municipality's debt.

8.8.2 There are some circumstances, as contemplated in section 109(2) of the Act, that allow for the valid termination of debt collection procedures, such as:-

- (a) The insolvency of the debtor, whose estate has insufficient funds.
- (b) A balance being too small to recover, for economic reasons considering the cost of recovery.
- (c) Where Council deems that a debtor or group of debtors are unable to pay for services rendered.

8.8.3 The Municipality will maintain audit trails in such an instance, and document the reasons for the abandonment of the action or claim in respect of the debt.

OVERSTRAND MUNICIPALITY
CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

9. SHORT TITLE

This Policy shall be called the **Customer Care, Credit Control and Debt Collection Policy of the Overstrand Municipality**.

CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

CUSTOMER CARE AND DEBT COLLECTION – ANNEXURE "A"**10.1. INCENTIVE MEASURES**

- 10.1.1. Incentive measures may be implemented as per Council resolution.
- 10.1.2. Where a customer is prepared to pay off the capital amount on an outstanding account, older than **[two (2)]** one (1) years, in one payment, the Municipal Manager will approve the write off of all interest charged with regard to aforementioned period;
- 10.1.3. An agreement to pay off the debt not older than **[two (2)]** one (1) year, must be signed at the time of the implementation of the incentive referred to in 10.1.2;
- 10.1.4. In the instance where a customer is prepared to pay off the total amount of an outstanding account in one payment, then the Municipal Manager will approve the write off of all interest charged to date for the total period.

10.2. DEBT COLLECTION

- 10.2.1. Should annual accounts remain unsettled after 30 September of the applicable year, notice will be given to the owner/customer that the amount owed must be settled within fourteen (14) days, failure of which it will be handed over for collection, including legal proceedings.
- 10.2.2. Should monthly accounts remain unsettled after the due date, notice will be given to the owner/customer that the amount owed must be settled within fourteen (14) days, failure of which will lead to restriction/disconnection of services, including legal proceedings.
- 10.2.3. All debtors regarding houses in rental, selling and self-build schemes, without any capital debt, which are still registered in the name of the Municipality, should be notified in writing that if satisfactory arrangements for transfer of the property into his/her name are not made within one (1) month, the property concerned will be put up for sale by Council at a public auction.
- 10.2.4. Upon handing over of accounts for collection, details of employers and work addresses of the debtors should be made available to the attorneys as far as possible for the purposes of garnishee orders.
- 10.2.5. Attorneys should report to the Revenue Department on a monthly basis on the progress made and the cost aspect regarding each debtor.
- 10.2.6. Attorneys should pay monies collected over to the Municipality monthly.

CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

11. ARRANGEMENTS FOR PAYMENT – ANNEXURE "B"**11.1. DEBT FOR WHICH ARRANGEMENTS CAN BE MADE**

Arrangements for the payment of outstanding debt can be made according to the procedures described hereafter.

11.2. CONCLUSION OF AGREEMENT

11.2.1 Regardless of the stipulations of sections 11.3.1. and 11.3.2, if a customer cannot pay his/her account with the Municipality then the Municipality may enter into an extended term of payment, only the Chief Financial Officer may consider and approve any extension on these arrangements on receipt of a written recommendation by the Senior Manager: Revenue.

11.2.2 The customer must:-

- (a) sign an acknowledgement of debt;
- (b) sign a consent to judgement;
- (c) in the case of a company, trust or closed corporation, supply the guarantee as prescribed in clause 6.8.3(c) of the Policy.
- (d) submit proof of income on the prescribed form;
- (e) pay the current portion of the account in cash;
- (f) customer deposits may be adjusted to the higher of the sum of twice the average consumption during the preceding 12 months or the minimum deposit required in terms of the approved Tariff Schedule
- (g) acknowledge liability of all costs incurred; and

11.3. ARRANGEMENTS THAT CAN BE ENTERED INTO:**11.3.1. Residential Customers:**

- (a) 1st default within a 12-month period:
 - (i) 10% of the outstanding amount plus cost of the credit control actions together with the current account is payable immediately.
 - (ii) The balance is payable over a maximum period of twelve months.
 - (iii) First offence in 2 years – no deposit increase will be applicable and if already charged, will be reversed on application.
 - (iv) Customer deposits may be adjusted to the higher of the sum of twice the average consumption during the preceding 12 months or the minimum deposit required in terms of the approved Tariff Schedule.
- (b) 2nd default within a 12-month period:
 - (i) An amount of at least the monetary value of the most recent 3 months accounts must be settled before a recommendation by the Manager: Revenue can be made for further arrangements to be considered by the Senior Manager: Revenue, based on current circumstances of the customer.
- (c) 3rd default within a 12-month period:
 - (i) Metered services will be discontinued or restricted and the account will be handed over for legal proceedings.
- (d) An amount of at least 20% of the arrears, plus the current account be settled before a recommendation by the Snr Manager: Revenue can be made for further consideration of arrangements in excess of the two occasions mentioned above, to be considered by the Chief Financial Offer, based on current circumstances of the customer.

11.3.2. Non-residential Customers:

- (a) 1st default within a 12-month period:-

CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

- (i) 50% of the outstanding amount plus cost of the credit control actions.
- (ii) The balance is payable over a maximum period of three months.
- (iii) First offence in 2 years – no deposit increase will be applicable and if already charged, will be reversed on application.
- (iv) Customer deposits will be adjusted to the higher of the sum of three times average consumption during the preceding 12 months or the minimum deposit required in terms of the approved Tariff Schedule.
- (a) 2nd default within a 12-month period:-
 - (i) Full outstanding amount plus cost of credit control actions.
 - (ii) No arrangements will be allowed.
 - (iii) Customer deposits will be adjusted to the higher of the sum of four times average consumption during the preceding 12 months or the minimum deposit required in terms of the approved Tariff Schedule.

11.3.3. Government Departments – Customer Accounts:

- (a) 1st default within a 12-month period:-
 - (i) 3 weeks' notice – no arrangements
 - (ii) First offence in 2 years – no deposit increase will be applicable and if already charged, will be reversed on application.
 - (iii) Customer deposits will be adjusted to the sum of three time's average consumption during the preceding 12 months.
- (b) 2nd default within a 12-month period:-
 - (i) 2 weeks' notice – no arrangements.
 - (ii) Customer deposits will be adjusted to the sum of four time's average consumption during the preceding 12 months.

11.3.4. Government Departments – Rates & Taxes:

- (a) 1st default within a 12-month period:-
 - (i) Final demand and legal action in terms of "The Institution of Legal Action against Certain Organs of State Act, 2002 (Act No 40 of 2002)".

11.3.5. Administration:

Where a person has been placed under administration the following procedures will be followed:-

- (a) The debt as at the date of the administration court order will be placed on hold, and collected in terms of the court order by the administrator's dividend.
- (b) The administrator is to open a new account on behalf of the debtor. No account is to be opened or operated in the debtor's name as the debtor is not entitled to accumulate debt.
- (c) Until such time as this new account is opened, the debtor is to be placed on limited services levels. The customer will be compelled to install a pre-paid electricity meter and flow limiter water meter, should one not already be in place. The Municipality will be entitled to recover the cost of the basic services by means of purchases made on the pre-paid meter.
- (d) Should there be any default on the current account, the supply of services is to be limited or terminated, and the administrator handed over for the collection of this debt.

11.3.6. Indigent:

All customers (including any other occupants), qualifying as indigent and who accumulated any arrear debt after any relief has been granted, will repay that debt as follows:-

By instalments over 24 months, in addition to monthly service charges, with immediate payment of the cost of the credit control action taken.

CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

There are no limitations on debtors at any time to pay amounts in excess of arrangements towards outstanding debt, than prescribed above.

12. IMPLEMENTATION AND REVIEW PROCESS

This policy will come into effect on **1 July 2024** and will be reviewed at least annually or when required by way of a Council resolution.

POLICY SECTION:	SENIOR MANAGER: REVENUE
CURRENT UPDATE:	31 MAY 2024
PREVIOUS REVIEW:	26 JULY 2023
PREVIOUS REVIEW:	28 JUNE 2023
PREVIOUS REVIEW:	31 MAY 2023
PREVIOUS REVIEW:	29 JUNE 2022
PREVIOUS REVIEW:	31 MAY 2022
PREVIOUS REVIEW:	24 AUG 2021
PREVIOUS REVIEW:	26 MAY 2021
PREVIOUS REVIEW:	30 SEPT 2020
PREVIOUS REVIEW:	27 MAY 2020
PREVIOUS REVIEW:	29 MAY 2019
PREVIOUS REVIEW:	30 MAY 2018
PREVIOUS REVIEW:	31 MAY 2017
PREVIOUS REVIEW	25 MAY 2016
PREVIOUS REVIEW	28 MAY 2015
PREVIOUS REVIEW	28 MAY 2014
PREVIOUS REVIEW	25 SEPT 2013
PREVIOUS REVIEW	29 MAY 2013
PREVIOUS REVIEW	30 MAY 2012
PREVIOUS REVIEW	04 MAY 2011
PREVIOUS REVIEW	26 MAY 2010
PREVIOUS REVIEW	27 MAY 2009
PREVIOUS REVIEW:	30 MAY 2007
APPROVAL BY COUNCIL:	30 JUN 2006

OVERSTRAND MUNICIPALITY



INDIGENT POLICY

P R E A M B L E

Whereas section 96 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000) requires a municipality to adopt, maintain and implement a credit control, debt collection and customer care policy;

And whereas section 97 of the Systems Act prescribes that such policy must provide for “provision for indigent debtors that is consistent with its rates and tariff policies and any national policy on indigents.”

Now therefore the Municipal Council of the Municipality of Overstrand adopts the Indigent Policy as set out in this document:-

TABLE OF CONTENTS

	PAGE
1. DEFINITIONS	4
2. OBJECTIVES OF POLICY	5
3. SUBSIDY FOR INDIGENT HOUSEHOLDS.....	5
4. PRINCIPLES OF POLICY	6
5. CRITERIA OF SUBSIDY	6
6. APPLICATION FOR A SUBSIDY	7
7. SWORN STATEMENT	7
8. CONVERSION OF CONVENTIONAL ELECTRICITY METERS	7
9. PUBLICATION OF NAMES	7
10. FALSE OR MISLEADING INFORMATION.....	7
11. CALCULATION OF SUBSIDY	8
12. VERIFICATION AND AMNESTY PERIOD	8
13. DURATION OF SUBSIDY	8
14. ACCOUNTS IN ARREAR.....	8
15. REGISTER.....	8
16. ENCOURAGEMENT	8
17. REVIEW AND IMPLEMENTATION PROCESS.....	9

1. DEFINITIONS

For the purpose of this policy, unless the context indicates otherwise, any word or expression to which a meaning has been attached in the Act shall bear the same meaning and means:-

“authorised representative”	The person or instance legally appointed by the Council to act or to fulfil a duty on its behalf.
“basic service”	the amount or level of any municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, would endanger public health or safety of the environment and for the purposes of this Policy are restricted to the delivery of electricity, refuse, sewerage and water services.
“Chief Financial Officer”	An officer of the Municipality appointed as the Head of the Finance Department and includes any person:- a. acting in such position; and b. to whom the Chief Financial Officer has delegated a power, function or duty in respect of such a delegated power, function or duty.
“Council” or “municipal council”	A municipal council referred to in section 18 of the Local Government: Municipal Structures Act, 1998 (Act No 117 of 1998) and for purposes of this policy, the municipal council of the Municipality of Overstrand.
“customer”	Any occupier of any property to which the Municipality has agreed to supply services or already supplies services to, or if there is no occupier, then the owner of the property (including registered indigent household).
“defaulter”	A person who owes money to in respect of a municipal account after the due date for payment has expired.
“Household”	Any customer who are jointly living on a stand or site on a permanent basis and who receive electricity and/or water from one meter, regardless whether the person rents or owns the property.
“Income”	Income is the gross sum of all monthly income from all sources, including wages, salaries, profits, dividends, pensions, backyard dweller rentals and other rentals, board & lodging, interest received, grants or investment income and other forms of earnings received by the applicant(s), including income received by spouses/life partners. In the instance where a spouse/life partner is no longer part of the household, the applicant must submit an affidavit to declare that (i) the spouse/life partner is on a permanent basis no longer part of the household; and (ii) the relationship with the spouse/life partner was ended. Child Support Government grants and other Government Support grants will not be added as a financial contribution towards the household income. Particulars of any Government Support grants received by any member of the household must be declared in the affidavit.
“Indigent”	A household which qualifies in terms of clause 5.
“interest”	A levy with the same legal priority as service fees and calculated on all amounts in arrears in respect of assessment rates and service levies at a standard rate as approved by Council.
“municipal account” or “billing”	the proper and formal notification by means of a statement of account, to persons liable for monies levied and indicating the net accumulated balance of the account, specifying charges levied by the Municipality, or any authorised and contracted service provider, in the format of, but not limited to:- (a) show the levies for assessment rates and/or building clause; and “monthly account” rendered monthly and shows the levies for assessment rates and/or building clause, availability charge, sewerage, refuse removal, electricity,

	water, sundries, housing rentals and instalments, allas well as the monthly instalment for annual services paid monthly
“Municipality”	The institution that is responsible for the collection of funds and the provision of services to the customers of Overstrand.
“the Act”	The Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000) as amended from time to time.

2. OBJECTIVES OF POLICY

The objectives of this Policy are to:-

1. provide a framework within which the Municipality can exercise its executive and legislative authority with regard to the implementation of financial aid to indigent households in respect of their municipal account;
2. determine the criteria for qualification of indigent households;
3. ensure that the criteria is applied correctly and fairly to all applicants;
4. allow the Municipality to conduct in loco visits to the premises of applicants to verify the actual status of the household;
5. allow the Municipality to maintain and publish the register of names and addresses of account holders receiving subsidies.

3. SUBSIDY FOR INDIGENT HOUSEHOLDS

- a. A basic level of services will be provided to qualifying households with:
 - (i) a total gross income which is below a determined amount, and
 - (ii) according to further specified criteria, as determined by the Municipality from time to time;
- b. Indigence subsidies will be funded from the equitable share contribution made by National Treasury and as provided for in the municipal budget. The subsidy can only be credited to the qualifying customers' accounts until the amount received by the Municipality from National Treasury and provided for in the municipal budget for this purpose, has been exhausted, whereupon no further credits will be made until further national funds for this purpose are received or additional funds has been provided for in the municipal budget.
- c. Subsidised services are refuse removal, sewerage and consumption service charges.
- d. Customers who qualify for an indigent subsidy must convert to pre-payment electricity meter, except for areas where electricity is not supplied by Overstrand Municipality, and a flow limiter water meter may be installed, free of charge for these customers.
- e. If a customer's consumption or use of the municipal service is less than the subsidised amount of the service, the subsidy will be limited to the lesser amount. The unused portion, if any, may not be accrued by the customer and will not entitle the customer to cash or a rebate in respect of the unused portion.
- f. If a customer's consumption or use of a municipal service is in excess of the subsidised service, the customer will be obliged to pay for such excess consumption at the applicable rates.
- g. All customers who qualify for an indigent subsidy will be considered placed on restricted service levels in order to limit further escalation of debt.
- h. Where applicable, indigent customers may be exonerated from a portion of their arrear debt.
- i. An indigent customer must immediately request de-registration by the Municipality or its authorised agent if his/her circumstances have changed to the extent that he/she no longer meet the criteria.
- j. An indigent customer may, at any time, request de-registration.
- k. A list of indigent customers will be maintained and may be made available to the general public, subject to the Promotion of Access to Information Act (“PAIA”) and/Protection of Personal Information Act (“POPI Act”).
- l. The applicant may not be the registered owner of more than one property.
- m. Councillors and municipal officials do not qualify for any benefit in terms of this Policy.

- n. The costs in respect of the informal settlements in connection with supply charges and 70 kWh for electricity will be recovered from the equitable share.

4. PRINCIPLES OF POLICY

- a. The administrative integrity of the Municipality must be maintained at all costs. The democratically elected councillors are responsible for the approval of this policy, while it is the responsibility of the Municipal Manager to ensure the execution of this policy;
- b. Applicants must complete an official application form, which is to be submitted together with the supporting documents as specified in this policy.
- c. Application forms, agreements and documents relating to this Policy must be available in Afrikaans, English and isiXhosa.
- d. The customer is entitled to an efficient, effective and reasonable response to appeals, and should suffer no disadvantage during the processing of a reasonable appeal.
- e. Compliant applications received before the 15th of a particular month will be considered for subsidy for that account levied for the month.

5. CRITERIA OF SUBSIDY

The subsidy for needy households is recognised for purposes of receiving an indigent subsidy.

- (i) The total household income may not be more than four times the Government State Old Age pension amount plus R1 per month;
The following grants should not be added to the qualifying income threshold:
- (a) additional grant for older persons;
 - (b) disability grant;
 - (c) war veterans grant;
 - (d) care dependency grant;
 - (e) foster child grant;
 - (f) child support grant;
 - (g) grant-in-aid;
 - (h) social relief of distress
- (ii) Average monthly units purchase of electricity over the previous 3 months may not exceed 500 kWh;
- (iii) Average monthly consumption of water over the previous 3 months may not exceed 20 kℓ;
Or: A flow limiter meter will be installed immediately on application for a flow limiter meter and flow will be limited to a maximum of 20 kl per month;
- (iv) Occupy the property as his/her primary residence;
- (v) Must be a South African citizen; and
- (vi) The recipient of an indigent benefit in terms of this policy must not be the registered owner of more than one property.
- (vii) The property must only be used for residential purposes.

If any of the above criteria is not complied with, the household will immediately be given notice and will lose the status of “indigent” and the subsidy will be forfeited.

Subsidy

- (i) 100% of the basic levy for electricity for one service point per month;
- (ii) 100% of the basic levy for water for one service point per month;
- (iii) 100% of the basic levy for sewage for one service point per month;
- (iv) 100% of 1 X vacuum tanker service after hours, per annum;
- (v) 100% of the basic levy for refuse removal for one service point per month;
- (vi) The first **[50]** 70 kWh in the tariff block 0-350 of electricity per month shall be free of charge;

- (vii) 10 kℓ of water;
- (viii) 7 kℓ of water consumption for sewerage; and
- (ix) R11.84 in regard of Infrastructure Levy.

6. APPLICATION FOR A SUBSIDY

A. Applications for indigent subsidy must be submitted on the prescribed application form and must be accompanied by the following documentation:-

- (i) the latest municipal account of the account holder;
- (ii) proof of the applicant's identity and an affidavit confirming responsibility for the account in the instance where the applicant is not the account holder, but reside on the property; and a letter from account holder;
- (iii) In the instance of a deceased estate, indigent applications will be considered in accordance with requirements for Deceased Estates as stipulated in the Overstrand Customer Care, Credit Control and Debt Collection Policy, inclusive of submission of the executors letter, or letter of authority from the Master/Court and a letter from the relatives of the deceased confirming responsibility for the account and In the instance of a child headed household, also a report from a social worker,
- (iv) proof of the total gross household income, e.g. a letter from his/her employer, salary slip/envelope, pension card, unemployment insurance fund (UIF) card.; and
- (v) proof of medical condition when requiring additional water and electricity.

B. Incomplete forms or forms without the required documentation attached thereto will be rejected.

7. SWORN STATEMENT

The applicant must complete the sworn statement that forms part of the application form. Failure to do so will render the application invalid.

8. CONVERSION OF CONVENTIONAL ELECTRICITY METER

The applicant must agree to the conversion to pre-payment electricity meter and flow limiter water meter. Refer clause 3(d) of Policy.

9. PUBLICATION OF NAMES

The applicant must grant permission for the Municipality to publish his/her name and address on a list of account holders receiving subsidies in terms of this Policy. Refer clause 3(k) of Policy.

10. FALSE OR MISLEADING INFORMATION

A person who provides false information will be disqualified and be refused further participation in the subsidy scheme. In addition he/she may be held liable for the immediate repayment of any subsidies already granted and legal action may be instituted against the guilty party/parties. A person who provides misleading information may only apply again for Indigent Subsidy after a period of 12 months.

11. CALCULATION OF SUBSIDY

- a. The subsidies below will be funded from the “equitable share” contribution received from National Treasury, plus an amount from the Municipality’s own income as budgeted for in the financial year in question. The subsidies will only be granted to qualifying households to the extent that the above-mentioned funds are available for allocation.
- b. The accounts of qualifying applicants are credited monthly by the subsidies calculated in section 5.

12. VERIFICATION AND AMNESTY PERIOD

The Municipality reserves the right to send officials and/or representatives of the Municipality to the household or site of the recipient(s) of a subsidy at any reasonable time with the aim of carrying out an ongoing audit on the accuracy of the information provided.

13. DURATION OF SUBSIDY

- a. If an application is approved, the subsidy will be applicable up until the equitable share contribution made from the National Governments’ fiscus and as provided for in the municipal budget is depleted.
- b. The municipality will at least annually, verify the status of the indigent households to confirm that the requirements as per the indigent policy are still met. The subsidy will be cancelled with immediate effect in the absence of proof that the criteria is still met.
- c. If the Municipality obtains information that indicates that the circumstances of the applicant have changed to such an extent that he/she no longer qualifies for the subsidy, the Municipality reserves the right to cancel the subsidy immediately.
- d. If any of the criteria, as set out in 5, is not complied with any more, the onus is on the recipient of the subsidy to notify the Municipality within 7 days after such criteria is no longer complied with. If a recipient cannot write, a designated official must be informed in person.
- e. If any of the above criteria is not complied with, the household will immediately be given notice and will lose its Indigent status and the subsidy will be forfeited
- f. In the case of misrepresentation or false declaration, including subsidy recipients of qualifying properties, the Municipality reserves the right to refuse the approval of the subsidy and to recover any subsidy amount if already granted a may institute appropriate legal action civil or otherwise, against guilty party(ies).

14. ACCOUNTS IN ARREAR

Applicants, whose municipal accounts show arrear amounts at the time of the application for a subsidy, will have to make arrangements with the Municipality for paying off the amounts in arrears.

15. REGISTER

- a. The Municipality will compile a register of households that qualify as “indigent”.
- b. The register will be updated continually and reconciled with the relevant subsidy account in the general ledger on a monthly basis.

16. ENCOURAGEMENT

Councillors should encourage tax payers/customers in their various wards to apply for participation in the indigent subsidy scheme.

17. REVIEW AND IMPLEMENTATION PROCESS

This policy will come into effect on 1 July 2024;

This policy will be reviewed at least annually or when required by way of a Council resolution.

POLICY SECTION:	SENIOR MANAGER: REVENUE
CURRENT UPDATE:	31 MAY 2024
PREVIOUS REVIEW	01 FEB 2024
PREVIOUS REVIEW	26 JULY 2023
PREVIOUS REVIEW	28 JUNE 2023
PREVIOUS REVIEW	31 MAY 2023
PREVIOUS REVIEW	28 FEB 2023
PREVIOUS REVIEW	27 JUNE 2022
PREVIOUS REVIEW:	31 MAY 2022
PREVIOUS REVIEW:	26 MAY 2021
PREVIOUS REVIEW	25 NOV 2020
PREVIOUS REVIEW	27 MAY 2020
PREVIOUS REVIEW	29 MAY 2019
PREVIOUS REVIEW	30 MAY 2018
PREVIOUS REVIEW	26 JUN 2017
PREVIOUS REVIEW	31 MAY 2017
PREVIOUS REVIEW	31 AUG 2016
PREVIOUS REVIEW	28 MAY 2015
PREVIOUS REVIEW	28 MAY 2014
PREVIOUS REVIEW	29 MAY 2013
PREVIOUS REVIEW:	30 MAY 2012
PREVIOUS REVIEW:	04 MAY 2011
PREVIOUS REVIEW:	26 MAY 2010
PREVIOUS REVIEW	27 MAY 2009
PREVIOUS REVIEW	31 MAY 2006
APPROVAL BY COUNCIL:	30 JUNE 2004

OVERSTRAND MUNICIPALITY



SPECIAL RATING AREA POLICY

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

INDEX

1. DEFINITIONS
2. INTRODUCTION
3. AIM OF POLICY
4. EXCLUSION
5. POLICY STATEMENT
6. FACTORS CONSIDERED WHEN DETERMINING A SPECIAL RATING AREA
7. APPLICABILITY OF THE RATES POLICY AND OTHER POLICIES
8. PROCESS
9. INSTITUTIONAL ARRANGEMENTS
10. ESTABLISHMENT PRINCIPLES OF A SPECIAL RATING AREA
11. BUSINESS PLAN CONTENT
12. ANNUAL REQUIREMENTS
13. AMENDMENT TO THE BUSINESS PLAN
14. EXTENSION OF THE SRA TERM
15. DISSOLUTION
16. FINANCIAL CONTROL
17. COMMENCEMENT AND IMPLEMENTATION
18. COST
19. SHORT TITLE

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

1. DEFINITIONS

In this Policy words or expressions shall bear the meaning assigned to them and, unless the context otherwise indicates –

"additional rate"	means a rate as contemplated in sections 19(1)(d) and 22(1)(b) of the MPRA read together with section 10 of the Municipality's Property Rates Policy and section 12(2) of the Municipality's Special Ratings Area By-law, which Additional Rate shall be determined on an annual basis by the Municipality and shall be a debt due to the Municipality by the registered owner of a property within the SRA, and collected in the same manner as other property rates imposed by the Municipality;
"applicant"	means any owner who makes an application for the determination of a special rating area in accordance with Chapter 1 of the By-law, or if a management body is established in terms of section 10 thereof, any reference to "the Applicant" means the management body;
"business plan"	means a motivation report, implementation plan and term budget as contemplated in section 10 of the By-law;
"By-law"	means the Overstrand Municipality: Special Rating Area By-law;
"CFO"	means the Chief Financial Officer;
"Companies Act"	means the Companies Act, 2008 (Act No. 71 of 2008), as amended or replaced;
"Council"	means the Council of the Overstrand Municipality
"IDP"	means Integrated Development Plan
"majority"	means the majority of property owners as contemplated in paragraphs 6.5 and 6.6 of the Policy;
"management body"	means the management body of a special rating area to be established in accordance with the provisions of section 11 of the By-law; "owner" has the meaning assigned to it in section 1 of the Property Rates Act;
"non-profit company"	defined as a non-profit company with members as defined in section 1 of the Companies Act No 71 of 2008
"Policy"	means the Policy for the determination of special rating areas, or any other policy adopted by the Council in relation to special rating areas, as in force from time to time;
"Property Rates Act"	means the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004);
"rateable property"	has the meaning assigned to it in section 1 of the Property Rates Act;
"special rating area" or "SRA"	means a special rating area approved by the Council in accordance with the provisions of section 22 of the Property Rates Act;
"steering committee"	means the steering committee of a special rating area to be established in accordance with the provisions of paragraph 9.1.1 of the Policy;

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

"term budget" means the budget of the management body contemplated in section 6 of the By-law.

2 INTRODUCTION

- 2.1 This Policy for the establishment of special rating areas must be read together with the Property Rates Act and the By-Law.
- 2.2 All words and phrases defined in the Property Rates Act and the By-law have the same meaning in this Policy.
- 2.3 In the event of any conflict between the provisions of the By-law and the provisions of this Policy, the By-law prevails.
- 2.4 The Policy should at all times be read together with the Rates Policy of Overstrand Municipality.

3 AIM OF THE POLICY

This Policy aims to –

- 3.1 set out Council's position on special rating areas and the factors that will influence Council's decision whether or not to determine a particular special rating area;
- 3.2 provide guidance to members of the local community and to decision- makers within the Overstrand Municipality in relation to the establishment of special rating areas;
- 3.3 strike an appropriate balance between facilitating self-funded community initiatives that aim to improve and/or upgrade neighborhoods by making use of a non-profit company ("**NPC**") structure as contemplated in the Companies Act, which is referred to in the By-law as "the management body"; and ensure commitment to good, fair and transparent governance by the management body as defined in the By-law, by implementing a transparent process when appointing service providers to improve and/or upgrade the special rating area in the public areas and ensuring that these improved and/or upgraded services are not provided for private properties.

4 EXCLUSION

This Policy does not apply to privately-owned property developments.

5 POLICY STATEMENT

- 5.1 The special rating area model is based on international best practice. It is aimed at preventing the degeneration of towns and the consequential urban decay, and facilitating their upliftment, economic growth and sustainable development.
- 5.2 The purposes of a special rating area is to –
 - 5.2.1 enhance and supplement the **municipal services** provided by the Overstrand Municipality;
 - 5.2.2 facilitate investment in the special rating area;
 - 5.2.3 facilitate a co-operative approach between the Municipality and the private sector in the provision of municipal services;

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

- 5.2.4 halt the degeneration and facilitate the upliftment of distressed business and mixed-use areas; and
- 5.2.5 promote economic growth and sustainable development and in this way assist the Council in the fulfilment of its objects and developmental duties as set out in its Integrated Development Plan ("IDP").
- 5.3 The Overstrand Municipality recognises special rating areas as a potential tool for assisting it to fulfill its constitutional and statutory obligations to allow property owners within a geographical area to improve and upgrade their area by means of a property rate in addition to the standard property rate.
- 5.4 The Overstrand Municipality does not see its role as advocating or initiating the establishment of special rating areas, but rather facilitating the process with guidance and advice and assisting and helping to capacitate management bodies

6 FACTORS CONSIDERED WHEN DETERMINING A SPECIAL RATING AREA

The Council will consider determining a special rating area where the requirements of section 22 of the Property Rates Act are complied with, including that-

- 6.1 the purpose of the special rating area is to allow an additional rate to be levied on property in the defined area to raise funds for improving or upgrading the area;
- 6.2 the special rating area will not be used to reinforce existing inequities in the development of the Overstrand's area of jurisdiction;
- 6.3 the determination of the special rating area is consistent with the IDP;
- 6.4 residential special rating areas mean an area in which more than 40% (forty percent) of the rates base value consists of Residential Property as defined in the Municipalities Rates Policy;
- 6.5 any residential special rating area must comply fully with the provisions of the By-law, save that, with reference to the majority support, the applicant must provide written proof to the Council that owners of rateable property within the boundary of the special rating area who own not fewer than 50% (fifty percent) plus 1 in number of such properties, approve the formation of the special rating area;
- 6.6 any non-residential special rating area must comply fully with the provisions of the By-law, save that, with reference to the majority support, the applicant must provide written proof to the Council that owners of rateable property within the boundary of the special rating area who own not fewer than 50% (fifty percent) plus 1 in number of such properties, approve the formation of the special rating area;
- 6.7 the procedural requirements of section 22 of the Property Rates Act as well as the By-law and the Policy, are complied with, including the community consultation requirement, as determined by the CFO;
- 6.8 the proposed improvement or upgrade has been clearly and fully defined;
- 6.9 the proposed improvement or upgrade can be clearly and logically linked to a geographical area, the boundaries of which can be clearly determined;
- 6.10 there is evidence that it will be financially viable to use a special rating area to raise funds for the proposed improvement or upgrade;
- 6.11 Overstrand is satisfied with the institutional arrangements proposed in respect of the special rating area; and

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

- 6.12 ultimately, the decision whether or not to determine a special rating area rests with the Council in its sole discretion.

7 **APPLICABILITY OF THE OVERSTRAND MUNICIPALITIES RATES POLICY AND OTHER POLICIES**

- 7.1 The Overstrand Municipality's rates policy applies with the necessary changes to this Policy. In particular, and without limiting the generality of the afore-going, Section 17 of the Property Rates Act, the exemptions, rebates and reductions set out in the Rates Policy apply with the necessary changes in relation to the levying of an additional rate for special rating area purposes.
- 7.2 Notwithstanding the provisions of paragraph 7.1 above, when the Municipality grants a partial rebate as set out in the Rates Policy, the relevant property owner will be granted a full (100%) rebate in relation to the additional rate.
- 7.3 Other policies approved by the Council apply with the necessary changes to the collection of additional rates in terms of the Policy, the By-Law and section 22 of the Property Rates Act, including, but not limited to, the Overstrand Municipality Credit Control and Debt Collection Policy.

8 **PROCESS**

This Policy sets out –

- 8.1 the institutional arrangements for special rating areas (paragraph 9);
- 8.2 the establishment principles (paragraph 10);
- 8.3 the information to be included in the business plan which needs to be submitted to the Overstrand Municipality in order to motivate a request for determination of a special rating area (paragraph 11); and
- 8.4 the annual requirements for Special Rating Areas (paragraph 12);
- 8.5 the amendment and/or extension of term for special rating area (paragraph 13 and paragraph 14);
- 8.6 the dissolution requirements which must be followed (paragraph 15);
- 8.7 the financial arrangements (paragraph 16).

9 **INSTITUTIONAL ARRANGEMENTS**

Section 22 of the Property Rates Act is not prescriptive as to the structural arrangements which need to be put in place to administer a special rating area. The structural arrangements that will be supported by the Overstrand Municipality are the following:

9.1 **Administration by a NPC**

- 9.1.1 The ratepayers within the special rating area must establish and participate in an appropriate structure to carry out planning, contracting, financial control and administrative functions within the special rating area, in order to manage and implement the services and upgrades.

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

- 9.1.2 This structural arrangement does not entail ratepayers *setting* the additional rate, which under law can only be done by the Council.
- 9.1.3 Councilors who are actively involved in pursuing and promoting the establishment of a special rating area must recuse themselves when Council considers the application for establishment of a special rating area.
- 9.1.4 Amongst other reasons, because funds collected by government are placed in the hands of the private sector through this structural arrangement, the requirements set out in this Policy must be met.
- 9.1.5 The functions of the structure would include:
 - (a) determining the funding required each year (paragraph 16.2);
 - (b) appointing contractors to effect the improvement/s or upgrade/s and
 - (c) receiving the additional rate collected by the Overstrand Municipality and expending the funds in accordance with the approved business plan.

9.2 Structural requirements:

- 9.2.1 Before Overstrand Municipality will consider allowing ratepayers in a special rating area to carry out administrative and other functions in relation to the area, the Steering Committee must establish a non-profit company ("**NPC**") in terms of the Companies Act for that purpose.
- 9.2.2 The inaugural memorandum of incorporation ("**MOI**") of the NPC must be aligned with the prescribed format determined by the CFO; and any amendments thereto must be approved by the CFO;
- 9.2.3 The NPC must be managed in terms of the Companies Act, and must also comply with any other legislation as a result of the financial connection to Council;
- 9.2.4 The NPC must have at least 3 (three) directors, each with specific portfolio(s) aligned with the business plan;
- 9.2.5 The Executive Mayor will appoint councilor(s) as director(s) and alternate director(s) as representative(s) of the Municipality, who shall attend and participate in, but not vote at meetings of the management body, to the board of the management body in accordance with sections 11(4) and 11(5) of the By-law. The director(s) appointed by the Executive Mayor will not have the powers and duties of directors as set out in the Companies Act and the management body's MOI;
- 9.2.6 The NPC must give a written notice to all the affected property owners within the special rating area of the intention to hold a members meeting within six months of the establishment of the NPC and thereafter an annual general meeting ("**AGM**") (paragraph 12.2) on the date stated in the notice by advertising in one English and one Afrikaans daily newspaper and must also give notice in a community (local) newspaper to accommodate other official languages where applicable; and
- 9.2.7 The purpose of the meetings referred to in paragraph 9.2.6 will be to, amongst other items on the agenda:
 - (a) appoint directors, other than the director(s) appointed in terms of paragraph 9.2.5;
 - (b) amend the NPC's MOI if required and with prior written consent of the CFO; and

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

- (c) approve the following year's budget and implementation plan (paragraph 16.2).

10 ESTABLISHMENT PRINCIPLES OF A SPECIAL RATING AREA

The process for establishing special rating areas as set out in Chapter 1 of the By-law, must be followed.

10.1 Initiation Phase

- 10.1.1 The applicant must form a steering committee that is representative of property owners within the proposed special rating area.
- 10.1.2 The Steering Committee must keep a comprehensive portfolio of evidence of the establishment process.
- 10.1.3 The Steering Committee must meet with the CFO before commencing with the establishment process to ensure that the special rating area is the appropriate vehicle.
- 10.1.4 All documents relating to the establishment process must be approved by the CFO before circulating them to the public.
- 10.1.5 After the Steering Committee confirms in writing that it will engage in the pursuit of establishing a special rating area it must supply the Overstrand Municipality with a map depicting the boundaries of the special rating area.
- 10.1.6 The Overstrand Municipality will extract a property database which the Steering Committee, with the assistance of the Municipality, must verify as correct. Any anomalies must be reported to the Municipality for remedial action.
- 10.1.7 All properties except municipal properties predominantly used for municipal purposes or properties exempted from paying property rates or receiving partial rates relief (paragraph 7.1) will form part of the property database of the proposed special rating area.
- 10.1.8 After the Overstrand Municipality has prepared a total arrears profile of the area and is satisfied with the outcome thereof the Steering Committee may proceed with the establishment process.
- 10.1.9 The Steering Committee will be required to conduct an urban management survey (only one survey per property owner) of not less than 20% of properties in the database (proportional split in terms of the usage code is required). In addition a random sample of people within the area, which is equal in number to not less than 5% of the properties in the database, is also required. Where a reduction in the number of survey forms is required it may be motivated for consideration by the CFO.
- 10.1.10 The Steering Committee must consult with the respective Overstrand Municipality Directorate(s) regarding the current service(s) provided and the levels thereof as well as the SRA anticipated service(s) and level thereof.
- 10.1.11 The Steering Committee must compile a business plan in accordance with the provisions of paragraph 11 of this Policy.

10.2 First Public Meeting

- 10.2.1 The public meeting must be conducted in accordance with section 5 of the By-law.

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

10.3 Obtaining Support

- 10.3.1 Support may only be obtained after the public meeting and on the consent form provided by the Overstrand Municipality.
- 10.3.2 All support forms must be filed and cross-referenced to the property database in terms of paragraph 10.1.6 of the Policy to verify the accuracy thereof.
- 10.3.3 Any property owner that wants to object to the establishment of a special rating area or to the provisions of the business plan can do so by indicating it on the consent form. The objector will be required to submit an objection letter once an application for the establishment of a special rating area is submitted to Council.

10.4 Application

- 10.4.1 An application must be submitted in terms of paragraph 11 of this Policy.
- 10.4.2 The application must be advertised in terms of paragraph 9.2.6 and also set a date for a second public meeting to occur not more than twenty days or less than seven days before the objection period closes.
- 10.4.3 Prior to submitting an application the Steering Committee will be required to set up a website that displays the following:
- application letter;
 - business plan;
 - urban management perception report;
 - public meeting presentations and minutes;
 - By-law;
 - Policy;
 - SRA frequently asked questions;
 - notices; and
 - blank consent / objection form.
- 10.4.4 The special rating area application must be submitted by 30 September of the financial year preceding the establishment of the special rating area. The CFO may extend this date if a properly motivated request is received. This will depend on Council's ability to accommodate the late application within the budget process.

10.5 Objections

- 10.5.1 Consents and objections will be considered only if they are submitted to Council by the last day specified in the application notice.
- 10.5.2 Property owners objecting to the establishment of a special rating area in terms of paragraph 10.3.3 must do so in writing and include a motivation for their objection.
- 10.5.3 The Steering Committee must engage with all the objectors and provide them and Council with minutes of these meetings. The objector/s will be allowed to respond to the minutes.

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

10.5.4 Any property owner who wants to make oral representations for submission to Council in terms of section 7(4) of the By-law will be assisted by an official to document this for inclusion in the report to be considered by Council.

10.6 Inaugural Phase

10.6.1 The process and appointment of all service providers must be communicated to the property owners on the NPC's website and in newsletters.

10.6.2 The application form to become a member of the NPC must also be available on the website.

10.6.3 Any special rating area that is approved more than nine months prior to the effective date may:

10.6.3.1 delay the implementation of the special rating area and commence with year two of the business plan. This will imply that the term is effectively reduced by one year; or

10.6.3.2 implement the original business plan.

11 BUSINESS PLAN CONTENT

The business plan comprises of the following:

- a motivation report;
- an implementation plan; and
- a term budget.

11.1 Motivation report

The motivation report must contain the following:

11.1.1 Introduction:

11.1.1.1 an executive summary of the improvement or upgrade proposed for the special rating area as set out in the business plan;

11.1.1.2 an explanation of how the proposed improvement or upgrade is linked to the geographical area of the proposed special rating area;

11.1.1.3 an explanation of why the proposed special rating area will not reinforce existing inequities in the development of the Overstrand Municipality;

11.1.1.4 an explanation of how the special rating area, if determined, will be consistent with the Overstrand Municipalities IDP as per the Service Departments' business plans;

11.1.1.5 an explanation of the institutional arrangements proposed in relation to the special rating area;

11.1.2 Vision;

11.1.3 Mission;

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

11.1.4 Goal;

11.1.5 A diagram clearly indicating the boundaries of the proposed special rating area;

11.1.6 Proposed management structure:

- composition of special rating area board including allocation of portfolios; and
- operational arrangements;

11.1.7 Services:

11.1.7.1 Service providers to be appointed as contemplated in paragraphs 2.1.4 and 9.6.1.

11.1.8 Financial Impact:

- provide details regarding the calculation of the additional rate;
- provide details of criteria to qualify for exemption from paying the additional rate as per paragraph 10.1.7;

11.1.9 A list of all rateable properties within the proposed special rating area, contact details of all property owners and the value of each property as set out in the Council's general valuation roll. Differentiation between categories of properties, as provided for in section 8 of the Property Rates Act, must be considered;

11.1.10 Proof of the consent of the majority of the members of the local community in the proposed special rating area who will be liable for paying the additional rate;

11.1.11 Proof of the notice of the public meeting or meetings contemplated in the By-law;

11.1.12 Minutes of the public meeting or meetings; and

11.1.13 Compilation date.

11.2 **Implementation plan**

The implementation plan is a schedule of goals to implement improvements or upgrades as per the motivation report and must at least address the following:

11.2.1 Milestones;

11.2.2 Tasks per milestone;

11.2.3 Start and finish date per task;

11.2.4 Assign responsibility per goal, milestone & task; and

11.2.5 Performance indicators per milestone.

11.3 **Term budget**

11.3.1 The budget for the proposed improvements or upgrades must at least address the following:

11.3.1.1 an annual budget per line item commencing on 1 July of the first year and ending on 30 June of the last year of the term; and

11.3.1.2 a budget split for the provision of improvements or upgrades between the different categories of properties.

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

11.3.2 subject to the provisions of the Property Rates Act, the additional rate in any category of property must not exceed 25% of the municipal property rate. Any deviation must be fully motivated to Council for consideration.

12. ANNUAL REQUIREMENTS

- 12.1 The NPC must confirm the property data base which the Steering Committee must verify as correct or report anomalies to the Overstrand Municipality for remedial action.
- 12.2 The NPC must hold its AGM before 31 December as per the MOI requirements.
- 12.3 Within two months of the end of each financial year the NPC must provide the CFO with its Audited Financial Statements for the immediately preceding year.
- 12.4 Within three months after the AGM the NPC must provide Council with its audited Financial Statements for the immediately preceding year and an Annual Report on its progress in carrying out the provisions of the Business Plan in the preceding year to improve and upgrade the Special Rating Area.
- 12.5 The NPC must submit an annual budget and implementation plan for comment by the CFO before approval at the AGM (paragraph 16.2), and ensure that -
- 12.5.1 the quantum of financial reserves is not less than two months of revenue received from the Overstrand Municipality in terms of the approved budget per SRA except if these funds have been duly allocated to a project;
- 12.5.2 the implementation plan is aligned with the proposed budget.
- 12.6 The submission of the annual budget and implementation plan as referred to in paragraph 12.5 will be subject to approval by Council during the municipalities annual budget process.
- 12.7 The NPC must by 31 January each year provide the CFO with a mid- year performance scorecard based on the activities set out in the implementation plan.
- 12.8 The NPC will within one month after the AGM provide the CFO with draft minutes of the AGM to ensure compliance with the legal requirements.

13. AMENDMENT TO THE BUSINESS PLAN

- 13.1 In the event that a NPC seeks to amend the boundaries of the SRA and/or the business plan content then the procedures set out in section 14 of the By-law must be followed and submitted by 30 September.
- 13.2 The following factors, although not limited to, must be addressed in the motivation:
- explanation of impact on costs, budget and implementation plan expectations;
 - cross subsidisation by existing members;
 - fairness and equity;
 - affordability and sustainability of the existing SRA;
 - intention of the legislation prescribing that all property owners; must be allowed to participate in the formation of a SRA;

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

- priorities of the new area may differ from the existing SRA priorities; and
- arrears profile

13.3 The boundary changes must not affect the vested rights of existing property owners as per the Business Plan.

13.4 Boundary changes are subject to the following criteria:

13.4.1 Obtaining by special resolution the support from existing NPC members at a members meeting before expansion is pursued;

13.4.2 Determining the profile of the new total SRA as it could change from non-residential to residential and vice versa;

13.4.3 Obtaining the required majority support from the property owners in the new area only, based on the determination referred to in paragraph 13.4.2.

13.4.4 Any geographical boundary changes must be continuous with the existing SRA geographical area.

13.5 Property owners in the new area must follow the establishment process as per Chapter 1 of the By-law.

14 EXTENSION OF THE SRA TERM

In the event that a NPC seeks to extend the term of the special rating area for a further period then the procedures set out in section 15 of the By-law must be followed.

15 DISSOLUTION

The special rating area may be dissolved by resolution of the Council in terms of section 16 of the By-law. Thereafter the management body may be wound up in terms of the provisions of section 16 of the By-law and the NPC's MOI.

16 FINANCIAL CONTROL

16.1 As stated in the By-law, the amount of any additional rate levied in a special rating area is determined by Council. The additional rate is imposed by the Council, is a debt owing to the Overstrand Municipality and is payable and collected in the same manner as other property rates imposed by the Council.

16.2 The NPC must submit an annual budget as approved at an AGM or Special General Meeting ("**SGM**") to the Overstrand Municipality by 31 January, with appropriate motivation including an implementation plan for the next financial year, and the Council will consider the recommendation during its budgeting process.

16.3 Before the Overstrand Municipality will pay over any additional rate collected to the NPC, the NPC and the Overstrand Municipality must have concluded a written finance agreement regulating, amongst other things:

16.3.1 the mechanisms and manner of payment;

16.3.2 how the additional rate is to be held by the NPC;

16.3.3 any parameters relating to expenditure; and

16.3.4 any obligations on the NPC to take out and maintain appropriate insurance.

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

- 16.4 The CFO may request a forensic audit should he deem it necessary.
- 16.5 The CFO may request a special board meeting.
- 16.6 The CFO may amend the percentage retained as a provision for bad debt for SRA's with high arrears, as contemplated in the Finance Agreement concluded between the Overstrand Municipality and each SRA, should he/she deems it necessary.

17 COMMENCEMENT AND IMPLEMENTATION

- 17.1 This Policy will come into effect on **1 July 2024**.
- 17.2 Where the Overstrand Municipality is legally empowered to do so, requirements set out in this Policy may be imposed as conditions attached to the determination of a special rating area.
- 17.3 This Policy and its implementation must be reviewed annually.

18 COSTS

Unless otherwise agreed by the Municipal Manager or his/her nominee, the Overstrand Municipality shall not be liable for any costs incurred by ratepayers within the relevant proposed special rating area in respect of the implementation of the steps set out in this Policy and in the By-law.

19 SHORT TITLE

This policy will be referred to as the **Special Rating Area Policy of the Overstrand Municipality**.

POLICY SECTION:	SENIOR MANAGER: REVENUE
CURRENT UPDATE	31 MAY 2024
PREVIOUS REVIEW:	31 MAY 2023
PREVIOUS REVIEW:	31 MAY 2022
PREVIOUS REVIEW:	26 MAY 2021
PREVIOUS REVIEW:	27 MAY 2020
PREVIOUS REVIEW:	29 MAY 2019
PREVIOUS REVIEW:	30 MAY 2018
PREVIOUS REVIEW:	31 MAY 2017
APPROVAL BY COUNCIL:	25 MAY 2016

OVERSTRAND MUNICIPALITY



ASSET MANAGEMENT POLICY

TABLE OF CONTENTS

	Page
1. OBJECTIVE	3
2. BACKGROUND	3
3. DEFINITIONS	4
4. STATUTORY AND REGULATORY FRAMEWORK	7
5. RESPONSIBILITIES AND ACCOUNTABILITIES	8
6. FINANCIAL MANAGEMENT	9
7. INTERNAL CONTROLS	11
8. MANAGEMENT OF ASSETS BELOW THRESHOLD	13
9. MANAGEMENT AND OPERATION OF ASSETS	13
10. CLASSIFICATION & COMPONENTS	14
11. ACCOUNTING FOR ASSETS	15
12. FINANCIAL DISCLOSURE	23
13. IMPLEMENTATION AND REVIEW PROCESS	23
14. SHORT TITLE	23
APPENDIX 1	25
ANNEXURE 1	28
ANNEXURE 2	29
ANNEXURE 3	31
ANNEXURE 4	32

1. OBJECTIVE

- 1.1. To ensure the effective and efficient control of the municipality's assets through:
 - 1.1.1 proper recording of assets from authorisation to acquisition and to subsequent disposal;
 - 1.1.2 providing for safeguarding procedures;
 - 1.1.3 setting proper guidelines as to authorised utilisation; and
 - 1.1.4 prescribing for proper maintenance.
- 1.2. To assist officials in understanding their legal and managerial responsibilities with regard to assets.

2. BACKGROUND

- 2.1. The proper utilization and management of its assets is one of the prime mechanisms by which a municipality can fulfill the constitutional objects for:
 - 2.1.1 Delivery of sustainable services;
 - 2.1.2 Promotion of Social and economic development;
 - 2.1.3 Promoting a safe and healthy environment and,
 - 2.1.4 Providing for the basic needs to the community.
- 2.2. The municipality has a legal and moral obligation to ensure it implements policies to provide for the effective and efficient usage of its assets over the useful life thereof.
- 2.3. The asset management policy deals with the municipal rules required to ensure the enforcement of appropriate stewardship of assets.
- 2.4. Stewardship has three components being the:
 - 2.4.1. Management, utilization and control by municipal officials;
 - 2.4.2. Financial administration by the Director: Finance, and
 - 2.4.3. Physical administration by the Manager: Expenditure & Asset Management.
- 2.5. Statutory provisions exist to protect public property against arbitrary and inappropriate management or disposal by a municipality.
- 2.6. Accounting standards are set to ensure the appropriate financial treatment for property, plant or equipment. The requirements of these accounting standards include:
 - 2.6.1. The compilation of asset registers recording all assets controlled by the municipality;
 - 2.6.2. Accounting treatment for the acquisition, disposal, recording and depreciation of property, plant or equipment, and
 - 2.6.3. The standards to which these financial records must be maintained.

3. DEFINITIONS

“Accounting Standards Board”	<i>was established by the Public Finance Management Act to set standards of Generally Recognized Accounting Practice (GRAP) as required by the Constitution of the Republic of South Africa.</i>
“Amortization”	<i>is the systematic allocation of the depreciable amount of an intangible asset over its useful life.</i>
“Assets”	<i>are resources controlled by the municipality as the result of past events and from which future economic benefits or future service potential are expected to flow to the municipality and for the purpose of this policy refers to property, plant and equipment but excludes Investment Properties.</i>
“Assets below capitalization threshold”	<i>are items of assets that are not significant enough for financial recognition but are valuable enough to warrant special safeguarding, previously referred to as Control Items.</i>
“Asset categories”	<i>are the asset categories as per the Overstrand Asset Register.</i>
“Basic Municipal Services”	<i>means the amount or level of any municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, would endanger public health or safety of the environment and for this Policy includes, but is not restricted to electricity, refuse collection, sanitation, local roads, storm water drainage, fire services and water services.</i>
“Capitalization”	<i>is the recognition of expenditure as an Asset in the Financial Asset Register.</i>
“Carrying amount”	<i>is the amount at which an asset is included in the Statement of Financial Position after deducting any accumulated depreciation and accumulated impairment thereon.</i>
“Cost”	<i>is the amount of cash or cash equivalents paid or the fair value of the other consideration given or received to acquire an asset at the time of its acquisition or construction.</i>
“Cost of acquisition”	<i>is all the costs incurred in bringing an asset item to the required condition and location for its intended use.</i>
“Depreciation”	<i>is the systematic allocation of the depreciable amount of an asset over its useful life.</i>
“Depreciable amount”	<i>is the cost of an asset, or other amount substituted for cost in the financial statements, less its residual value.</i>
“Director”	<i>is the “head of each Directorate” that has the functional accountability for and control of the physical management of a particular set of assets in order to achieve the municipality’s strategic objectives relevant to that directorate. The execution of this responsibility will require the relevant asset manager to control the acquisition, utilization, management and disposal of this set of assets to optimize the achievement of these objectives.</i>

“Disposal”	<i>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.</i>
“Fair value”	<i>is the amount for which an asset could be exchanged between knowledgeable willing parties in an arm’s length transaction.</i>
“Finance Lease”	<i>is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred.</i>
“Financial asset register”	<i>is the control register recording the financial and other key details for all municipal assets recognized in accordance with this policy.</i>
“Fixed Asset”	<i>(also referred to as a “non-current asset”) is an asset with an expected useful life greater than 12 months and includes moveable and immovable assets.</i>
“Grantor”	<i>is the entity that grants the right to use the service concession asset to the operator.</i>
“Heritage Assets”	<i>are assets defined as culturally, environmental, historical, natural, scientific, technological or artistic significant and are held indefinitely for the benefit of present and future generations. Examples are works of art, historical buildings and statues.</i>
“Immovable Assets”	<i>are fixed structures such as roads, tied to the land, as well as immovable property – land and buildings, meaning it cannot physically be moved somewhere else. A plant that is built-in to the fixed structures and is an essential part of the functional performance of the primary asset is considered an immovable asset (though it may be temporarily removed for repair).</i>
“Impairment loss” of a cash-generating asset	<i>is the amount by which the carrying amount of an asset exceeds its recoverable amount.</i>
“Impairment loss” of a non-cash-generating asset	<i>is the amount by which the carrying amount of an asset exceeds its recoverable service amount.</i>
“Infrastructure assets”	<i>are defined as any assets that are part of a network of similar assets. Examples are roads, water reticulation schemes, sewerage purification and trunk mains.</i>
“Intangible assets”	<i>are defined as identifiable non-monetary assets without physical substance.</i>
“Investment properties”	<i>are defined as properties that are acquired for economic and capital gains.</i>
“Mandated Function”	<i>involves the delivery of a public service by an operator on behalf of a grantor that falls within the grantor’s mandate.</i>
“Minor Assets”	<i>are moveable assets with the exception of items specifically</i>

OVERSTRAND MUNICIPALITY – ASSET MANAGEMENT POLICY

	<i>excluded in Annexures 1, 2 & 3 of this Policy</i>
“Movable Assets”	<i>are the stock of equipment owned or leased by the municipality such as office equipment and furniture, motor vehicles and mobile plant.</i>
“Operator”	<i>is the entity that uses the service concession asset to provide a mandated function subject to the grantor’s control of the asset.</i>
“Organ of State”	<i>in terms of this policy, means –</i> <i>(a) a national department or national public entity;</i> <i>(b) a provincial department or provincial public entity;</i> <i>(c) a municipality or municipal entity; or</i> <i>(d) any other organ of state within the meaning assigned to "organ of state" in section 239 of the Constitution.</i>
“Other assets”	<i>are defined as assets utilized in normal operations. Examples are plant and equipment, motor vehicles and furniture.</i>
“Prescribe”	<i>means as prescribed by the Minister of Finance by regulation.</i>
“Property, plant or equipment” (PPE)	<i>Means tangible assets that:</i> <i>(a) are held by a municipality for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and</i> <i>(b) are expected to have a useful life extending for more than one financial year.</i>
“Recoverable amount”	<i>is the amount that the municipality expects to recover from the future use of an asset, including its residual value on disposal.</i>
“Residual value”	<i>is the net amount that the municipality expects to obtain for an asset at the end of its useful life after deducting the expected costs of disposal.</i>
“Service concession arrangement”	<i>is a contractual arrangement between a grantor and an operator in which:</i> <i>(a) the operator uses the service concession asset to provide a mandated function on behalf of the grantor for a specified period of time; and</i> <i>(b) the operator is compensated for its services over the period of the service concession arrangement.</i>
“Service concession asset”	<i>is an asset used to provide a mandated function in a service concession arrangement that:</i> <i>a) is provided by the operator which:</i> <i>i. the operator constructs, develops, or acquires from a third party; or</i> <i>ii. is an existing asset of the operator; or</i> <i>b) is provided by the grantor which:</i> <i>i. is an existing asset of the grantor; or</i> <i>ii. is an upgrade to an existing asset of the grantor.</i>

<p>“Useful life”</p>	<p><i>is either:</i></p> <p>(a) <i>the estimated period of time over which the future economic benefits or future service potential embodied in an asset are expected to be consumed by the municipality, or</i></p> <p>(b) <i>the estimated total service potential expressed in terms of production or similar units that is expected to be obtained from the asset by the municipality.</i></p>
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4. STATUTORY AND REGULATORY FRAMEWORK

- 4.1. This policy must comply with all relevant legislative requirements including:
- 4.1.1 The Constitution of the Republic of South Africa, 1996
 - 4.1.2 Municipal Structures Act No 117 of 1998
 - 4.1.3 Municipal Systems Act No 32 of 2000
 - 4.1.4 Division of Revenue Act (enacted annually)
 - 4.1.5 Municipal Finance Management Act No 56 of 2003
 - 4.1.6 Local Government: Municipal Asset Transfer Regulations, 2008
- 4.2. Also, this policy must comply with the standards specified by the Accounting Standards Board. The relevant currently recognized accounting standards include:
- 4.2.1 GRAP 5 Borrowing Costs
 - 4.2.2 GRAP 11 Construction Contracts
 - 4.2.3 GRAP 12 Inventories
 - 4.2.4 GRAP 13 Leases
 - 4.2.5 GRAP 16 Investment property
 - 4.2.6 GRAP 17 Property, Plant and Equipment
 - 4.2.7 GRAP 21 Impairment of Non-Cash Generating Assets
 - 4.2.8 GRAP 26 Impairment of Cash Generating Assets
 - 4.2.9 GRAP 31 Intangible Assets (Previously GRAP 102)
 - 4.2.10 GRAP 32 Service Concession Arrangements: Grantor
 - 4.2.11 GRAP 100 Discontinued Operations
 - 4.2.12 GRAP 103 Heritage Assets
 - 4.2.13 GRAP 110 Living and Non-Living Resources
- 4.3. This policy does not overrule the requirement to comply with other policies such as Supply Chain Management policy, Budget policies or the Administration of Immovable Property policy.

5. RESPONSIBILITIES AND ACCOUNTABILITIES

5.1. **The Municipal Manager** is responsible for the management of the assets of the municipality, including the safeguarding and the maintenance of those assets.

5.2. **The Municipal Manager** must take all reasonable steps to ensure that:

5.2.1 the municipality has and maintains a management, accounting and information system that accounts for the assets of the municipality;

5.2.2 the municipality's assets are valued in accordance with standards of GRAP;

5.2.3 the municipality has and maintains a system of internal control of assets, including an asset register, and

5.2.4 the Directors comply with this policy.

5.3. **The Director: Finance** is responsible to the Municipal Manager to ensure that the financial investment in the municipality's assets is properly recorded.

5.3.1. The Director: Finance must take all reasonable steps to ensure that:

a) appropriate systems of financial management and internal controls are established and carried out diligently;

b) the financial and other resources of the municipality are utilized effectively, efficiently, economically and transparently;

c) any unauthorized, irregular or fruitless or wasteful expenditure, and losses resulting from criminal or negligent conduct, are prevented;

d) the systems, processes and registers required to substantiate the financial values of the municipality's assets are maintained to standards sufficient to satisfy the requirements of all statutes;

e) financial processes are established and maintained to ensure the municipality's financial resources are optimally utilized through appropriate asset plans, budgeting, purchasing, maintenance and disposal decisions;

f) the Municipal Manager is appropriately advised on the exercise of powers and duties pertaining to the financial administration of assets, and

g) the Directors are appropriately advised on the exercise of their powers and duties pertaining to the financial administration of assets.

5.3.2. The Director: Finance may delegate or otherwise assign responsibility for performing these functions but will remain accountable for ensuring these activities are performed.

5.4. **The Directors** must take all reasonable steps to ensure that:

5.4.1 appropriate systems of physical management and controls are established and carried out for assets in their areas of responsibility;

5.4.2 the municipal resources assigned to them are utilized effectively, efficiently, economically and transparently;

5.4.3 the assets under their control are appropriately safeguarded and maintained to the extent necessary and that risk management systems are in place and applied;

- 5.4.4 any unauthorized, irregular or fruitless or wasteful expenditure, and losses resulting from criminal or negligent conduct, are prevented;
- 5.4.5 their asset management systems and controls can provide an accurate, reliable and up to date account of assets under their control;
- 5.4.6 they are able to justify that their asset plans, budgets, purchasing, maintenance and disposal decisions optimally achieve the municipality's strategic objectives;
- 5.4.7 the purchase of assets complies with all municipal policies and procedures, including the procurement of items from the correct budget allocation;
- 5.4.8 all moveable property, plant and equipment is duly processed and identified when it is received into his/her stewardship;
- 5.4.9 all moveable assets received into his/her stewardship are appropriately safeguarded against inappropriate use or loss. This will include control over the physical access to these assets and regular asset counts to ensure any losses have not occurred. Any known losses should be immediately reported to the Director: Finance, and
- 5.4.10 assets are appropriately utilized for the purpose for which the municipality acquired them.
- 5.4.11 The Director may delegate or otherwise assign responsibility for performing these functions but will remain accountable for ensuring these activities are performed.

5.5 Safeguarding of assets.

Directors shall be directly responsible for the physical safeguarding of any fixed asset controlled or used by the department in question.

In exercising this responsibility, Directors shall adhere to the stipulations of this policy as well as any other written directives issued by the municipal manager to the department in question, or generally to all departments, in regard to the control of or safeguarding of the municipality's fixed assets.

6. FINANCIAL MANAGEMENT

6.1 Approval to acquire Property, Plant or Equipment

Money can only be spent on a capital project if:

- 6.1.1 the money has been appropriated in the capital budget, and the future annual operations and maintenance needs have been calculated and have been budgeted for in the operations budget;
- 6.1.2 the project, including the total cost and funding sources, has been approved by Council;
- 6.1.3 the Director: Finance confirms that funding is available for that specific project, and
- 6.1.4 the Supply Chain Management prescripts/procedures have been adhered to.

6.2 Funding period of capital projects

The acquisition of assets will not be funded over a period longer than the useful life of that asset.

6.3 Disposal of assets (excluding immovable property – land and buildings covered under the Administration of Immovable Property Policy)

- 6.3.1 The municipality may not transfer ownership as a result of a sale or other transaction or otherwise permanently dispose of an asset needed to provide the minimum level of basic municipal services, unless such asset is obsolete or surplus to requirements or beyond a state of good repair or being replaced and provided that the delivery of the minimum level of basic municipal services must not be compromised as a result of the disposal of the asset.
- 6.3.2 The decision that a specific asset is not needed to provide the minimum level of basic municipal services, may not be reversed by the municipality after that asset had been sold, transferred or otherwise disposed of.
- 6.3.3 The disposal of an item of property, plant or equipment must be fair, equitable, transparent, competitive and cost effective and comply with a prescribed regulatory framework for municipal supply chain management and the Supply Chain Management Policy of the municipality.
- 6.3.4 The transfer of assets to another municipality, municipal entity, national department or provincial department is excluded from these provisions, provided such transfer is being done in accordance with a prescribed regulatory framework.
- 6.3.5 Directors shall report in writing to the Director: Finance on all fixed assets controlled or used by the department concerned, which such Director wishes to alienate by public auction or public tender. The Director: Finance shall thereafter consolidate the requests received from the various departments, and shall promptly report such consolidated information to the council or the municipal manager of the municipality, as the case may be, recommending the process of alienation to be adopted.
- 6.3.6 Fixed assets identified to be disposed of by means of auction / tender must have been considered for impairment.
- 6.3.7 Once the fixed assets are alienated, the Director: Finance shall de-recognize the asset from the accounting records and the fixed asset register.
- 6.3.8 All gains and losses realized on the alienation of fixed assets shall be accounted for according to section 11.13 below (Accounting treatment on disposal).
- 6.3.9 Disposal of immovable property – land and buildings is dealt with in terms of the Overstrand Administration of Immovable Property Policy.

6.4 Loss, Theft, Destruction or Impairment of assets

- 6.4.1 Directors shall ensure that any incident of loss, theft, destruction, or material impairment of any asset controlled or used by the department in question is promptly reported in writing to the Director: Finance, to the internal auditor, and – in cases of suspected theft or malicious damage – also to the South African Police Service.
- 6.4.2 Directors shall further ensure that all the required insurance claim documentation and information is promptly submitted to the Director: Finance in terms of the prescribed claims procedures.

7. INTERNAL CONTROLS

7.1 Financial Asset registers

7.1.1 Establishment and Management of the Financial Asset Register:

- a) The Director: Finance will establish and maintain the Asset Register containing key financial data on each item of Assets that satisfies the criterion for recognition.

7.1.2 Contents of the Financial Asset Register:

- a) The fixed asset register shall be maintained in the format determined by the Director: Finance, which format shall comply with the requirements of generally recognized accounting practice (GRAP) and any other accounting requirements which may be prescribed.
- b) Directors under whose control any fixed asset falls shall promptly provide the Director: Finance in writing with any information required to compile the fixed asset register, and shall promptly advise the Director: Finance in writing of any material change which may occur in respect of such information.

7.1.3 Internal Controls over the Financial Asset Registers:

- a) Controls around the asset registers should be sufficient to provide Directors with an accurate, reliable and up to date account of assets under their control to the standards specified by the Director: Finance and required by relevant legislation.
- b) These controls will include the physical management and recording of all acquisitions, assignments, transfers, losses and disposals of assigned assets as well as regular asset counts and systems audits to confirm the adequacy of controls.
- c) The Municipal Manager shall ensure that the municipality maintains a fixed asset identification system which shall be operated in conjunction with its computerized fixed asset register.

7.2 Responsibilities: Physical Receipting and Management

7.2.1 The Manager: Expenditure & Asset Management will undertake at least an annual count of assets as part of the annual reporting process.

7.2.2 The date of acquisition of assets is deemed to be the time when legal title or control passes to the municipality.

7.2.3 The date of acquisition of assets may vary for different categories of assets but will be the point of time when the asset is in the final condition and location as intended for use by the Director.

7.2.4 A Director must advise the Director: Finance, in writing, of capital work-in-progress at the end of the financial year.

7.2.5 A Director must advise the Director: Finance, promptly in writing whenever capital work-in-progress is completed, for inclusion in the Asset Register.

7.3 Transfers between Directorates

7.3.1 Permanent transfers to another Directorate:

- a) A Director retains managerial accountability and control for a particular asset unless:

- i. another Director agrees in writing to accept responsibility for the assets, and
 - ii. the Director: Finance endorses the transfer.
- b) The Finance Directorate must appropriately amend the Financial Asset register by accounting for all approved transfers.
- c) The Director to whom the asset is transferred must assume accountability for the transferred asset.

7.3.2 Relocation or Re-assignment of Assets:

- a) A Director must ensure that assets are appropriately safeguarded for loss, damage or misuse wherever it is located. Safeguarding includes ensuring reasonable physical restrictions.
- b) A Director must advise the Director: Finance, in writing, whenever an asset is permanently relocated or reassigned from the location (or base) or cost centre recorded in the Financial Asset Register.
- c) A Director must advise the Director: Finance, in writing, whenever an asset is temporarily relocated or reassigned from the location (or base) or cost centre recorded in the Financial Asset Register. In this case, the Director must also advise the Director: Finance when the asset is returned. In the case of assets being utilized in the normal course of operations away from its base, such as vehicles, reporting is not necessary.

7.4 Verification of moveable fixed assets

- 7.4.1 Directors shall, at least once during each year, undertake a comprehensive verification of all moveable fixed assets controlled or used by the department concerned.
- 7.4.2 Directors shall promptly and fully report in writing to the Director: Finance, in the format determined by the Director: Finance, all relevant results of such moveable fixed asset verification. The resultant reports shall be submitted by the Directors, to the Director: Finance, by not later than 30 days after the last day of the period in question.

7.5 Insurance of fixed assets

- 7.5.1 The Municipal Manager shall ensure that movable fixed assets are insured at least against fire and theft, and that all municipal buildings are insured at least against fire and allied perils.
- 7.5.2 If the municipality operates a self-insurance reserve, the Director: Finance shall annually determine the contribution to be made to the self-insurance reserve.

7.6 Recovery of loss

- 7.6.1 A Claims and Asset Loss Control Committee, appointed by the Accounting Officer, must be established to investigate all losses and to consider the settlement of third-party insurance claims falling within the relevant excess limits.
- 7.6.2 The Claims and Asset Loss Control Committee must comprise of a representative from Legal Services, Human Resources (Labour Relations), Finance (Asset Management) and the senior manager within whose vote

the transaction occurs or a senior official as representative for his/her department or division.

- 7.6.3 Where applicable, the matter must be referred to the relevant Department in order to institute disciplinary action in order to recover any possible loss in incidents where negligence or misconduct may be suspected.

8. MANAGEMENT OF ITEMS BELOW CAPITALIZATION THRESHOLD

- 8.1 The Director Finance has identified asset items which will not be capitalized. These assets are qualitative and quantitatively immaterial and the costs to maintain these assets were considered and found to exceed the economic benefit if considered over the life cycle of the assets. Three types of assets were defined as per the annexures hereto.
- 8.2 The requirements to manage assets below threshold include:
- Receipting and bar-coding of these items.
 - Maintaining and updating a register.
 - Regular asset counts by the assigned person to ensure these assets below threshold are being appropriately safeguarded.
 - Recording and reporting of any disposal, transfer or loss of assets below threshold by the assigned official to the CFO and adjustment of the assets below threshold register.
- 8.3 Assets below threshold will **not** be:
- capitalized as an asset,
 - depreciated,
 - revalued,
 - recorded in the financial asset register, or
 - otherwise treated as an asset.
- 8.4 On an annual basis, the Director: Finance will review the listing of items not capitalized in order to ensure that the effect of the treatment is not material in any aspects.

9. MANAGEMENT AND OPERATION OF ASSETS

9.1 Accountability to manage assets

- Each Director is accountable to ensure that municipal resources assigned to him are utilized effectively, efficiently, economically and transparently.
- Directors need to manage assets under their control to provide the required level of service or economic benefit at the lowest possible long-term cost.

9.2 Reporting on Impeding Issues

- Each Director should report to the Municipal Manager on issues that will significantly impede the assets capability to provide the required level of service or economic benefit.

10. CLASSIFICATION & COMPONENTS

10.1 Classification of assets

10.1.1 Any asset recognized as an asset under this policy will be classified according to categories as per the Overstrand Asset Register.

10.1.2 All fixed assets should be classified under the following headings in the Asset Register:

a) Property, plant and equipment:

- land (not held as investment property)
- buildings (not held as investment property)
- community assets (resources contributing to the general well-being of the community)
- infrastructure assets (assets which are part of a network of similar assets)
- other assets (ordinary operational resources, consisting of Furniture, Equipment and Vehicles)

b) Heritage Assets

- heritage assets (culturally, environmental, historical, natural, scientific, technological or artistic significant assets)

c) Investment property

- investment assets (resources held for capital or operational gain)

d) Intangible Assets

- non-monetary assets without physical substance such as computer software, licenses etc.

e) Leased Assets

- asset financed through a lease arrangement such as cell phone contracts or finance leases

f) Service Concession asset

- is the asset used in a service concession agreement in order to provide services to the public within the juristic boundaries of the municipality
- Examples hereof include water treatment plants being operating by a third party or a toll road operated by a third party if the conditions of GRAP 32 are met

g) Living and Non-Living Resources

- Assets that undergo biological transformation (living resources) or assets that occur naturally and that are not extracted (non-living resources)

10.1.3 The Director: Finance may agree to subdivide these classifications further. This decision will be noted as an amendment to the Asset Register of the Overstrand Municipality.

10.2 Treatment of Major Components

- All parts of an asset that is significant to the cost of the item as a whole shall be treated as a separate major component and each major component shall be treated as described below.
- A Director may, with agreement of the Director: Finance, treat other non-significant parts as major components of an item of property plant or equipment as a separate asset for the purposes of this policy.
- These major components may be defined by its physical parameters (e.g. a reservoir roof) or its financial parameters (e.g. a road surface).
- In agreeing to these treatments the Director: Finance must be satisfied that these components:
 - *have a significantly different useful life or usage pattern to the main asset,*
 - *align with the asset management plans,*
 - *justify the costs of separate identification,*
 - *have probable future economic benefits or potential service delivery associated with the asset which will flow to the municipality,*
 - *is such that the cost of the asset to the municipality can be measured reliably,*
 - *is such that the municipality has control over the asset,*
 - *the item is not listed as an expense or asset below threshold in the appendixes hereto, and*
 - *is such that the asset is expected to be used during more than one financial year.*
- Once a major component is recognized as a separate asset, it may be acquired, depreciated and disposed of as if it was a separate asset.

11. ACCOUNTING FOR ASSETS

11.1 Recognition of assets

- An item of property, plant or equipment will be recognized as an asset when:
 - *it is probable that future economic benefits or potential service delivery associated with the asset will flow to the municipality,*
 - *the cost of the asset to the municipality can be measured reliably,*
 - *the municipality has control over the asset,*

- *the item is not listed as an expense or asset below threshold in the appendixes hereto, and*
- *the asset is expected to be used during more than one financial year.*

11.2 Initial measurement

- An item of property, plant or equipment that qualifies for recognition as an asset should be initially measured at its “cost of acquisition”.
- This “cost of acquisition” usually includes the following:
 - *Purchase costs (less any discounts given)*
 - *Delivery costs*
 - *Installation costs*
 - *Professional fees for architects, engineers and attorneys*
 - *Import duties*
 - *Non-refundable taxes*
 - *Site development costs*
 - *Contractor fees*

11.3 Donations or exchanges

Where an item of property plant or equipment is acquired at no cost, or for a nominal cost, it will be initially measured at its fair value as at the date of acquisition and included in the asset register if the item is considered an asset other than asset below threshold or expense.

11.4 Recognition threshold

The municipality does not utilize a recognition threshold, but has rather identified items that are insignificant and thus would not be capitalized. The listing of items and methodology for identifying such items are listed in the appendixes hereto.

11.5 Carrying amount of assets

Subsequent to initial recognition as an asset, an item of property, plant or equipment should be carried at its cost of acquisition less any accumulated depreciation and accumulated impairments.

11.6 Depreciation

- All fixed assets, except land and heritage assets, shall be depreciated.
- The depreciable amount of an item of property, plant or equipment should be allocated on a systematic basis over its useful life.
- The depreciation method used should reflect the pattern in which economic benefits or potential service provisions are consumed by the municipality.
- The depreciation charge for each period will be recognized as an expense against the budget of the relevant Director unless it is included in the carrying amount of another asset.
- The depreciation method used shall reflect the pattern in which the assets future economic benefits or service potential are expected to be consumed by the municipality.

- A variety of depreciation methods can be used to allocate the depreciable amount of an asset on a systematic basis over its useful life. These methods include the straight-line method, the diminishing balance method and the units of production method. Straight-line depreciation results in a constant charge over the useful life if the asset's residual value does not change. The diminishing balance method results in a decreasing charge over the useful life. The units of production method results in a charge based on the expected use or output. The entity selects the method that most closely reflects the expected pattern of consumption of the future economic benefits or service potential embodied in the asset. That method is applied consistently from period to period unless there is a change in the expected pattern of consumption of those future economic benefits or service potential.
- The depreciation method will be the straight-line method unless otherwise agreed to in writing by the Director: Finance.
- Depreciation shall be calculated from the day the fixed asset is available for use (GRAP 17).
- Directors, acting in consultation with the Director: Finance, shall ensure that reasonable budgetary provision is made annually for the depreciation of all applicable fixed assets controlled or used by the department in question or expected to be so controlled or used during the ensuing financial year.
- The procedures to be followed in accounting and budgeting for the amortization of intangible assets shall be identical to those applying to the depreciation of other fixed assets.

11.7 Initial determination of useful life

- Directors need to determine the useful life of a particular item or class of asset through the development of a strategic asset management plan. The determination of useful life should be developed as part of any pre-acquisition planning that would consider, inter alia, the following factors:
 - The program that will optimize the expected long-term costs of owning that asset,
 - Economic obsolescence because it is too expensive to maintain,
 - Functional obsolescence because it no longer meets the municipality's needs,
 - Technological obsolescence,
 - Social obsolescence due to changing demographics, and
 - Legal obsolescence due to statutory constraints.
- The Table of Useful Lives is provided in the MFMA Local Government Capital Asset Management Guideline. These should be used as a guide to the minimum useful lives only because actual asset lives experienced greatly exceed those recommend lives.

11.8 Review of useful life

- Only the Director: Finance may amend the useful operating life assigned to any fixed asset, and when any material amendment occurs, the Director: Finance shall inform the council of the municipality of such amendment.

- The Director: Finance shall amend the useful operating life assigned to any fixed asset if it becomes known that such asset has been materially impaired or improperly maintained to such an extent that its useful operating life will not be attained, or any other event has occurred which materially affects the pattern in which the asset's economic benefits or service potential will be consumed.
- The useful life of an item of property, plant or equipment should be reviewed only when there is an indicator that the current useful lives are not appropriate. Annually the Director: Finance will review a list of circumstances that could indicate the need to revise the useful lives of assets. If any indicators require useful lives to change and these revised expectations are significantly different from previous estimates, then the depreciation charge for the current and future periods should be adjusted and the additional depreciation expenses shall be debited to the department or vote controlling or using the fixed asset in question. The indicators are those listed under impairment indicators.

11.9 Review of depreciation method

- The depreciation method applicable to property, plant or equipment should be reviewed annually, and if there has been a significant change in the expected pattern of economic benefits or potential service delivery from those assets, the method should be changed to reflect the changed pattern.
- When such a change in depreciation method is necessary the change should be accounted for as a change in accounting and the depreciation charge for the current and future periods should be adjusted.

11.10 Subsequent expenditure on property plant or equipment

- Subsequent expenditure relating to an item of property, plant or equipment that meets the definition of an asset should be added to the carrying amount of the asset when such expenditure will increase the useful life of the asset or increase the efficiency of the asset or reduce the cost of operating the asset, resulting in financial or service delivery benefits.
- All other expenditure should be recognized as an expense in the period in which it occurred.
- Before allowing the capitalization of subsequent expenditure, the Director: Finance must be satisfied that this expenditure will significantly:
 - increase the life of that asset beyond that stated in the asset register, or
 - increase the quality of service provided by that asset beyond the existing level of service, or
 - increase the quantity of services that asset can provide, or
 - reduce the future assessed costs of maintaining that asset.

Expenditure that is proposed to be capitalized must also conform to recognition criteria for assets and should also be appropriately included in the approved capital budget.

11.11 Impairment of assets

The accounting treatment relating to impairment losses is outlined as follows in **GRAP 21 & 26:**

The carrying amount (Book value) of an item or a group of identical items of property, plant and equipment should be reviewed periodically in order to assess whether or not the recoverable amount has declined below the carrying amount.

Recoverable amount is the amount that the municipality expects to recover from the future use of an asset, including its residual value on disposal. When such a decline has occurred, the carrying amount should be reduced to the recoverable amount. The amount of the reduction should be recognized as an expense immediately.

The recoverable amount of individual assets, or groups of identical assets, is determined separately and the carrying amount reduced to recoverable amount on an individual asset, or group of identical assets, basis. However, there may be circumstances when it may not be possible to assess the recoverable amount of an asset on this basis, for example when all of the plant and equipment in a sewerage purification work is used for the same purpose. In such circumstances, the carrying amount of each of the related assets is reduced in proportion to the overall decline in recoverable amount of the smallest grouping of assets for which it is possible to make an assessment of recoverable amount.

The following may be indicators that an item of PPE has become impaired:

- The asset has been damaged.
- The asset has become technologically obsolete.
- The asset remains idle for a considerable period either prior to it being put into use or during its useful life.
- Land is purchased at market value and is to be utilized for subsidized housing developments, where the subsidy is less than the purchase price.

Example:

An example of where the municipality has suffered an impairment loss is the purchase of land for an amount of R 5 000 000. The land will be utilized for new subsidized housing developments. If at year end the expectation is that the Municipality will receive only R 1 000 000 by way of subsidies an impairment loss of R4 000 000 needs to be recognized. The recoverable amount (R 1 m) is calculated as being the larger of:

- **Net Selling price** of the land which is the amount obtainable from the sale of the market in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.
- **Value in use** of the land which is the present value of the estimated future net cash inflows expected from the continuing use of the asset and from its disposal at the end of its useful life.

The following steps will have to be performed regularly during the year to account for impairment losses:

- Directorates will identify and inform Finance Department - Asset Control of assets that:
 - Are in a state of damage at year end.
 - Are technologically obsolete at year end. This can be facilitated if Directorates require Finance Department - Asset Control, to supply them with a Fixed Asset Register pertaining to major assets showing the remaining useful lives of assets. The Directorates can then assess and

indicate cases where the assessed remaining useful life is shorter than the remaining useful life on the printout.

- Have remained idle for a considerable period either prior to them being put into use at year end or during their useful life.
- Are subject to impairment losses because the subsidies to be received in exchange for assets are less than the carrying amounts. An example of this is Land that is purchased at market value and is to be utilized for subsidized housing developments.
- The recoverable amounts of these assets need to be calculated by calculating the Net selling Price per asset as defined above.
- The impairment loss per asset needs to be calculated as the difference between the Net selling price and the book value of the asset.
- The impairment loss needs to be accounted for by identifying the relevant funding source.
- The carrying amount of an asset should be reviewed annually to assess whether or not the recoverable amount has declined below the carrying amount.
- When such a decline has occurred, the carrying amount should be reduced to the recoverable amount.
- The amount of the reduction should be recognized as an impairment expense immediately, unless it reverses a previous revaluation in which case it should be charged to the Revaluation Reserve.
- For assets providing economic benefits, the recoverable amount is the net present value of future ownership.
- For assets providing future service delivery, the recoverable amount is the remaining proportional to its useful life, service capacity or quality of service that is not intended to be restored by normal maintenance programs.

11.12 Subsequent increase in recoverable amount

- A subsequent increase in the recoverable amount of an asset, previously written down due to a decline in the carrying amount, should be written back when the circumstances and events that led to the write-down or write-off cease to exist and there is persuasive evidence that the new circumstances and events will persist for the foreseeable future.
- The amount written back should be reduced by the amount that would have been recognized as depreciation had the write-down or write-off not occurred.

11.13 Accounting treatment on Disposal

- An item of property, plant or equipment should be eliminated from the Statement of Financial Position, on disposal or when the asset is permanently withdrawn from use and no future economic benefits or potential service delivery is expected from its disposal, in accordance with GRAP 100.
- Gains or losses arising from the retirement or disposal of an item of property, plant or equipment should be determined as the difference between the actual or estimated net disposal proceeds and the carrying amount of the asset, and should be recognized as revenue or expense in the Statement of Financial Performance.

- All gains realized on the alienation of fixed assets shall be appropriated annually to the municipality's Capital Replacement Reserve (except in the cases outlined below), and all losses on the alienation of fixed assets shall remain as expenses on the Statement of Financial Performance of the department or vote concerned. If, however, both gains and losses arise in any one financial year in respect of the alienation of the fixed assets of any department or vote, only the net gain (if any) on the alienation of such fixed assets shall be appropriated.

11.14 Reinstatement, maintenance and other expenses

Only expenses incurred in the enhancement of a fixed asset (in the form of improved or increased services or benefits flowing from the use of such asset) or in the material extension of the useful operating life of a fixed asset shall be capitalized.

Expenses incurred in the maintenance or reinstatement of a fixed asset shall be considered as operating expenses incurred in ensuring that the useful operating life of the asset concerned is attained, and shall not be capitalized, irrespective of the quantum of the expenses concerned.

Expenses which are reasonably ancillary to the bringing into operation of a fixed asset may be capitalized as part of such fixed asset. Such expenses may include but need not be limited to import duties, forward cover costs, transportation costs, installation, assembly and communication costs.

The following matrix will assist in distinguishing capital expenditure from maintenance expenditure: -

Capital Expenditure	Maintenance
<ul style="list-style-type: none"> ▪ Acquiring a new asset ▪ Replacing an existing asset ▪ Enhancing an existing asset so that its use is expanded ▪ Further developing an existing asset so that its original useful life is extended 	<ul style="list-style-type: none"> ▪ Restoring an asset so that it can continue to be used for its intended purpose ▪ Maintaining an asset so that it can be used for the period for which it was initially intended.

11.15 Assets held under leases

Finance leases are leases, which in effect transfer all risks and rewards associated with the ownership of an asset from the lessor to the lessee. Assets held under finance leases are capitalized by the municipality and reflected as such in the FAR. It will be capitalized at its leased value at commencement of the lease, which will be the price stated in the lease agreement. The asset is then depreciated over its expected useful life.

Operating leases are those leases which do not fall within the scope of the above definition. Operating lease rentals are expensed as they become due. Assets held under operating leases are not accounted for in the asset registers of the municipality.

11.16 Investment property

Investment assets shall be accounted for in terms of GRAP 16 and shall not be classified as property, plant and equipment for purposes of preparing the municipality's statement of position.

Investment assets shall comprise land or buildings (or parts of buildings) or both held by the municipality, as owner or as lessee under a finance lease, to earn rental revenues or for capital appreciation or both.

Investment assets shall be recorded in the fixed assets register in the same manner as other fixed assets, but a separate section of the fixed assets register shall be maintained for this purpose.

Decide on which accounting model, cost or fair value, the municipality will apply to investment property.

Fair value

Investment assets shall not be depreciated, but shall be annually valued to determine their fair (market) value. Investment assets shall be recorded in the Statement of Financial Performance at such fair value. Adjustments to the previous year's recorded fair value shall be accounted for as either gains (revenues) or losses (expenses) in the accounting records of the department or service controlling the assets concerned.

If the council of the municipality resolves to construct or develop a property for future use as an investment property, such property shall in every respect be accounted for as an ordinary fixed asset until it is ready for its intended use – where-after it shall be re-classified as an investment asset.

11.17 Fixed assets treated as inventory

Any land or buildings owned or acquired by the municipality with the intention of selling such property in the ordinary course of business, or any land or buildings owned or acquired by the municipality with the intention of developing such property for the purpose of selling it in the ordinary course of business, shall be accounted for as inventory, and not included in either property, plant and equipment or investment property in the municipality's statement of position.

Such inventories shall, however, be recorded in the fixed assets register in the same manner as other fixed assets, but a separate section of the fixed assets register shall be maintained for this purpose.

11.18 Recognition of heritage assets in the fixed asset register

Heritage assets shall be carried at their cost values. If no original costs or fair values are available in the case of one or more or all heritage assets, the Director: Finance may, if it is believed that the determination of a fair value for the assets in question will be a laborious or expensive undertaking, record such asset or assets in the fixed asset register without an indication of the costs or fair value concerned.

For Statement of Financial Performance purposes, the existence of such heritage assets shall be disclosed by means of an appropriate note.

11.19 Other write-offs of fixed assets

The only reasons for writing off fixed assets, other than the alienation of such fixed assets, shall be the loss, theft, and destruction or material impairment of the fixed asset in question.

In every instance where a not fully depreciated fixed asset is written off, the Director: Finance shall immediately debit to such department or vote, as additional depreciation expenses, the full carrying value of the asset concerned.

11.20 General maintenance of fixed assets

Every Director shall be directly responsible for ensuring that all assets are properly maintained and in a manner which will ensure that such assets attain their useful operating lives.

11.21 Service Concession arrangements

A service concession arrangement is governed through a contractual arrangement between the municipality and an independent third party (operator). It involves the creation and/or use of an existing municipal asset in order to provide services to the general public. The asset can be provided by the municipality or the arrangement can specify that the operator must create a new asset for purposes of the providing the services on behalf of the municipality (grantor).

If the municipality provides the asset (i.e. it is an existing asset that the operator uses), no liability needs to be created in relation to the assets used by the operator. However, in the case that the operator has to create a new asset in order to fulfill the obligations of the agreement, an asset and liability needs to be created in order to account for the asset.

Assets held under a concession agreement must be separately disclosed similarly to assets acquired through a lease agreement.

The assets held under the service concession agreement is under the control of the Director: Infrastructure and Planning and such director must report annually to the Director of finance of the status of the asset, such as any impairments, replacement parts, improvements etc. to the service concession assets. These assets would be disclosed in terms of the requirements of GRAP 32: *Service Concession Arrangements: Grantor*.

12. FINANCIAL DISCLOSURE

Assets must be disclosed, in respect of each class of property, plant and equipment, in accordance with Generally Recognized Accounting Practice.

13. IMPLEMENTATION AND REVIEW PROCESS

13.1 This policy will come into effect as from **1 July 2024;**

13.2 This policy will be reviewed at least annually or when required by way of a Council resolution.

14. SHORT TITLE

This policy will be known as the Asset Management Policy of the Overstrand Municipality.

POLICY SECTION:	SENIOR MANAGER: EXPENDITURE AND ASSET MANAGEMENT
CURRENT UPDATE:	31 MAY 2024
PREVIOUS REVIEW	31 MAY 2023
PREVIOUS REVIEW	31 MAY 2022
PREVIOUS REVIEW	26 MAY 2021
PREVIOUS REVIEW	27 MAY 2020

PREVIOUS REVIEW	29 MAY 2019
PREVIOUS REVIEW	30 MAY 2018
PREVIOUS REVIEW	31 MAY 2017
PREVIOUS REVIEW	25 MAY 2016
PREVIOUS REVIEW	28 MAY 2015
PREVIOUS REVIEW	28 MAY 2014
PREVIOUS REVIEW	29 MAY 2013
PREVIOUS REVIEW:	30 MAY 2012
PREVIOUS REVIEW:	04 MAY 2011
PREVIOUS REVIEW:	26 MAY 2010
APPROVAL BY COUNCIL:	24 JUNE 2009

APPENDIX 1: REVISION OF ASSET CAPITALISATION THRESHOLD

Introduction

The municipality reviewed the Asset Management Policy and has determined that that the capitalization threshold needed to be revised in order to ensure compliance with the GRAP requirements and to align the budgeting process with the requirements of GRAP. Based on the revision of the capitalization threshold it has decided that the most suitable approach would be to identify assets for which their value or use does not justify the cost to maintain the assets in the register.

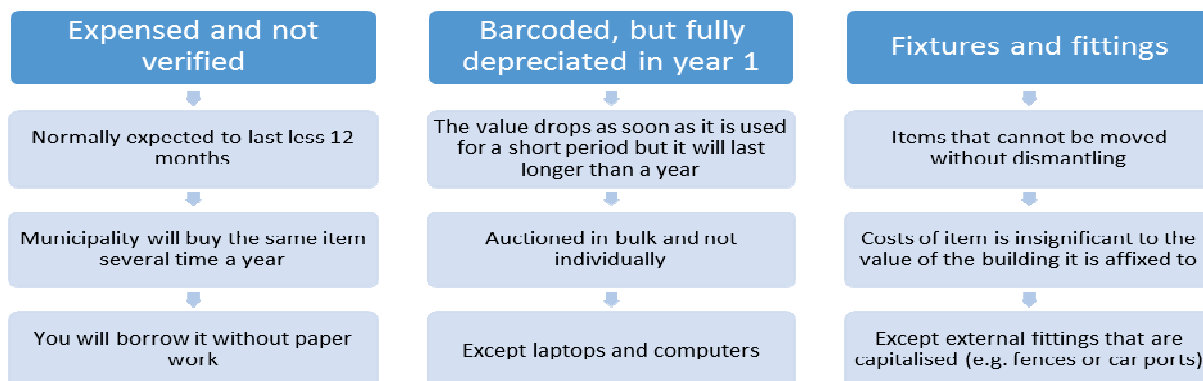
The GRAP discussion paper on materiality states the following: "Information in the financial statements is therefore relevant when it meets these information needs. The relevance of information is affected by its nature and materiality." This implies that certain information would not be relevant to the users of financial statement due to its value or nature. Furthermore, the discussion paper also states: "Materiality establishes a threshold, which may include a cut-off point, or criteria which are used in making certain decisions. Materiality in itself is not a characteristic that information must have to be useful to users." The municipality followed a qualitative materiality approach rather than a purely quantitative approach in order to identify items that are considered not material.

Management of assets within an asset register is a costly exercise and certain assets economic benefits have been noted to be exceeded by the annual cost to maintain these assets within the register. For this reason the municipality has taken an approach to identify assets that fall within this category where the management cost of the assets exceed their economic benefits.

Materiality

The full cost price of all assets that would not be included in the AFS as at 1 April 2016 was extracted and compared to materiality. The accumulative cost of all these assets listed in annexures 1-3 amounted to less 30% of materiality and thus accepted as reasonable. Materiality was based on the 2015 balance for Property, plant and equipment as utilized by the auditors during the audit of 2014/15. Annually the assets with that fall within this category will be extracted and compared to the prior year’s materiality to ensure that the threshold application does not result in any material deviation from the standards of GRAP.

Decision Tree



All items not falling in the above categories would be considered assets and would be included in the asset register.

Three different types of assets were identified that require amendment in the approach due to the revised capitalization approach. These are:

- 1) Items with expected useful lives of less than 12 months expensed immediately
- 2) Items that are considered assets, but will not be included in the asset register due to the fact that the costs to maintain these assets in the final asset register would exceed the value/economic benefits of the assets (Assets below threshold)
- 3) Items that are capital in nature, but would not be included in the asset verification process as the items are affixed to buildings and thus would no longer be considered movable assets.

1) Items that are expected to be consumed within 12 months (Items not barcoded)

Characteristics of asset type

Many purchased goods are expected to be consumed within 1 year, but due to the usage of the asset, the lifespan might be prolonged. In example, a stapler is not really expected to last more than a year as wear and tear on the items are quite excessive. However, certain staff members have indicated that their staplers could last several years. The fact that a single item lasts longer than a year does not negate from the expectation that the item would be consumed within 1 year.

OR

Another consideration in this category is the replacement or purchase rate. If the item is expected to be purchased multiple times in a single year, the item is not considered to be an item that would last for longer than 1 year. In example, despite the fact that spanners could be durable, they are often purchased throughout the year with new spanners being purchased at a regular interval. Due to the regular repurchase rate, the item is not considered to last for longer than a year despite its durable nature.

OR

The final consideration for items that fall within this category is the control over the ability to transfer assets. Some assets are of such a minute significance to a department, that when assets are transferred between users, formal asset transfer documentation would not be maintained. Example, if employee 1 is willing to borrow his wrench to employee 2 without asking for written confirmation of the transfer of the wrench since the inherent value of the item does not justify any audit trail of the transfer.

OR

The item is a plastic or wood stackable table / chair used at a community hall.

For control purposes, these items are not barcoded and will be purchased through an expense account (operational budget) Cost Code / B-key,

For ease of reference, examples of items that fall within this category:

- All stationery items excluding heavy duty versions thereof (any item titled machine, would not fall within this category e.g. Binding Machine, Laminating Machine) including calculators and other small items
- Any boxes, and containers designed to retain stationary (such as buddi-drawers, pen holders, paper racks)
- All bins and disposal containers
- Any camp site bedroom furniture such as beds and bedding
- Small appliances such as kettles, toasters, fans with a warrantee of 1 year
- Any computer accessories such and keyboards, mouse, laptop bags, dongles (UPS's and external hard drives are excluded from this)
- Fire extinguishers as their service interval requires exchanging of these items several times a year
- Hand tools that are normally transported in bulk (i.e. small tools that would be transported with other tools in toolboxes)
- Cleaning items such as buckets, mops, brooms etc. (excluding machines used to clean items such as dish washers and vacuum cleaners)
- Safety equipment that is frequently replaced, similar to helmets, goggles, gloves etc.
- Crockery, cutlery and other kitchen utensils

The approved listing of items that serve as examples of this category is listed in Annexure 1.

(Please note the difference from the next section 2 below, where “the Items below Capitalization Threshold Cost Code / B-key” is expected to last longer than 12 months and these Items will be barcoded.)

2) *Items below capitalization threshold that will be barcoded but not included in the asset register (previously referred to as control items)*

These items will be barcoded and counted during the verification, but due to the insignificant value of these items, will not be included in the final asset register for annual maintenance such as depreciation, impairments and other value-based adjustments. The items would be recorded as assets, but fully depreciated in the first year of purchase. The items are generally used both in the office and the home and thus control needs to be established to reduce the probability of items being taken home for personal use.

In the accounting records of the municipality, the assets would be purchased directly against operational expenditure based on the requirements of mSCOA. This is more practical as the full impact of the purchase must be accounted for against the expenditure rather than to retain the costs of the items within the capital maintenance system. This process is followed to ensure depreciation is not accelerated and to ensure that the asset register agrees to capital acquisitions on an annual basis.

Characteristics of asset type

These are items that are used on a daily basis. In fact, the items are used so frequently, that the frequent use is the determining factor in establishing the useful lives of the assets. These items might be designed to be durable, but the usage thereof results in rapid wear and tear. Items such as chairs, printers, microwaves, drills, angle grinders etc. are used so frequently, that their values are diminished after the first 6 months of use.

AND

The items are normally sold in bulk at auctions as bidders will not be interested in buying single items as the unit price too low to justify single sales. Often the items prices are based on the value of the components (e.g. copper or scrap metal price) rather than the resale value of the items.

BUT

Some items that fall within this category are exceptions to the rule as their value lies in an extended use, despite the diminished return on purchase price after the first use. The items specifically excluded from the listing are:

- Items purchased through means of a finance lease contract (example multi-function printers)
- Computer towers or laptops as their lifespans can easily be extended through refurbishing the assets at a fraction of their original cost
- Industrial or heavy duty tools or equipment that are designed to last for longer

These items are purchased from the Operational Budget allocation (B-key) for Assets less than threshold.

For ease of reference, examples of items that fall within this category:

- All chairs except stackable plastic chairs
- Tables that are being used by multiple users (public and internal) (e.g. training tables, library tables, visitors' tables, community halls etc.)
- Medium sized kitchen equipment such as microwaves, urn's, hydro boil systems

Explanatory comments on the characteristics:

- Desks are used every day, but the usage of a desk does not automatically reduce the value of the desk. Thus a desk does not fall within this category.
- Various power tools would also fall within this category. Industrial sized power tools will be excluded.
- Despite judgement that needs to be applied, the general consensus by an informed member of public should also come to the same conclusion as to the treatment of the item. Classification of items as assets below threshold or fully capitalised assets should not be based on budgetary requirements, but rather on the nature of the item and the municipality's intended use or the manner in which the municipality aims to control the item.

The approved listing of items that serve as examples of this category is listed in Annexure 2.

3) *Items of capital nature affixed to buildings*

When these items are purchased, the purpose is to enable or increase the productivity of the users, rather than to increase the value of the buildings that the items would be affixed to. Despite its purpose, the items are often deemed to increase the value of the buildings that it is affixed to as it is considered an investment in the building.

When a sales agreement are entered into, the fixtures must be retained to the building, unless otherwise stated. Fixtures are however, often a hindrance to many potential buyers and considered a burden rather than an additional value added to the building. More often than not, items such as air-conditioners need to be completely replaced, and built-in cupboards, shelving are not in the correct location as per the intention of any potential owners. The municipality has opted to classify fixtures and fittings as repairs and maintenance to the buildings, as new fixtures could only allow the buildings value to be reinstated (example carpets being replaced) rather than increase the value of the buildings. Fixtures are capitalized as part of the initial cost of a new building; all cost thereafter is treated as maintenance.

When the fixtures added to the building is considered against the value of the building, the fixtures are often inconsequential (has no significant impact) to the value of the building as a whole and accordingly, the capitalization of fixtures are not considered of additional value.

External fixtures, such as fences, car ports, etc. are items that are not part of the building itself and thus improve the value of the land, these items are for practical reasons **capitalized against the buildings (premises)** as land is not depreciated and any external structures will incur wear and tear.

These items are purchased from the Operational Budget allocation (B-key) for Building Maintenance.

For ease of reference, examples of items that fall within this category:

- Whiteboards permanently affixed to walls
- Air-conditioners (affixed to the buildings / walls)
- Shelving and cupboards affixed to walls or ceiling
- Office partitioning (i.e. dividers used to split rooms) when these are bolted down.
- And stands or holders that are affixed to the property (e.g. projector fittings)

The approved listing of items that serve as examples of this category is listed in Annexure 3.

OVERSTRAND MUNICIPALITY – ASSET MANAGEMENT POLICY

Annexure 1: Items expected to be consumed within 12 months

The following list of items is approved to only be purchased via the operational cost code / B-key for expenditure and these items will not be barcoded:

Description	Description
Bait pump	Jump starters
Banners	Kettles
Bar and foot stools	Label printing machine
Batteries	Lamps
Beds and mattresses	Laser Distance Meter
Bedside furniture	Laser Presentation Remote
Bins (All)	Letter Opener
Boxes - money, tender, CV's etc	Lifting Bag
Buddy drawers	Measuring wheels, tapes
Calculators	Microphones (All)
CD Racks	Modems
Chairs (Plastic stackable)	Nozzle
Chargers (including industrial)	Paper trays
Clipboards	Pool brooms, brushers
Cylinders (Fire / Gas / Oxygen / Etc)	Pots and pans
Docking Stations	Protective Clothing
Drip torch	Routers
Extension leads	Soldering bolt
Fans	Speakers (office use)
First aid and medic kits	Spotlight
Flashlight, torch	Standpipe
Foam branch	Telephones
Gazebos and tents	Toolbox incl. tools
Hand Control Divider	Wi-Fi Access Point
Hard Drive (External)	Wind meter
Headphones	Woodchipper
Heaters	Wrench

OVERSTRAND MUNICIPALITY – ASSET MANAGEMENT POLICY

Annexure 2: Items barcoded, but bought through assets below threshold (control items) budget cost code / B-key (operational expenditure)

The following list of items is approved to only be purchased via the assets below threshold vote. The items must be barcoded and verified annually:

Description	Description
Air conditioner (not fixed to the building / wall)	Jigsaw
Air gun	Ladders (All)
Alcohol Tester	Lighting System
Angle grinder	Link Stick
Audio and video recorders	Lockers
Benches (All)	Megaphone
Bicycles	Meter Wheel
Binoculars	Microscope
Blood Pressure Monitor	Microwave
Cameras	Mitre Saw
Case: Mayors chains	Mobile Dash Light
Cash Drawer, register	Monitors for PC's (excluding Televisions)
Cell Phone	Nail Gun
Chairs and Couches (All, except plastic stackable)	Optical Camera
Circular Saw	Ottoman
Coffin Hoist	PH Meter
Colorimeter	Piano Chair
Cut-off Saw	Polisher
Decoder	Punch Heavy Duty
Decontamination Pack	Radio - for communication
Drawing board	Refracto Meter
Drill set	Rotary saw
DVD, Tape Players	Safe - Loose Standing
Electric Spray Gun	Sander Machine
Electrical saw	Scale (Weight)
Electrical Screwdriver	Scanner
Examination table	Sound Bar
External hard drives	Speakers (Auditorium, etc. Not office use)
Fire Body Siren	Spectro Photometer
Flip charts	Spine board
FM/AM Radio	Spotlight Scope
Gas Burners (1 or 2 plate)	Spray trolley
Grease Pump	Stands (All)
Griller	Stapler Heavy Duty
Guillotine	Stretcher
Hand drill	Table (Foldable - steel)
Heat gun	Table (Learner/Training)
Hose Washer	Table (Wooden / plastic in community halls)
Hot plate/tray	Tester battery car
Jack trolley	Timing Light

OVERSTRAND MUNICIPALITY – ASSET MANAGEMENT POLICY

Description	Description
Tripods (All)	Vacuum cleaner
Trolleys (All)	Vice grip – steel (heavy duty)
Turbidi meter	Water cooler/dispenser
Typewriter	Winch and winch bracket
Urn – Loose Standing	Wood Stage

Annexure 3: Items considered furniture and fitting and treated as maintenance of existing buildings

The following list of items is approved to only be purchased via the maintenance cost codes / B-keys as the items are mounted to a building:

Description	Description
Air conditioner (fixed to the building / wall)	Key cabinet
Boards (All)	Pigeonhole With Credenza
Bookcase bolted to floor or wall	Projector Screen
Clocking devices	Safe – Wall Mounted
Cupboard – built in	Screen (Other)
Divider Stand	Shelving, wood and steel
Extractor fan	Strobe Lights
Flagpole	Swing Cabinet (IT) – Wall Mounted
Jet master	Urn – Wall Mounted
Key cabinet	Workstation divider

Annexure 4: Distinguishing capital expenditure from maintenance expenditure: -

<p style="text-align: center;">Capital Expenditure</p>	<p style="text-align: center;">Operational Expenditure (Maintenance)</p>
<ul style="list-style-type: none"> ▪ Acquiring a new asset ▪ Replacing an existing asset ▪ Enhancing an existing asset so that its use is expanded ▪ Further developing an existing asset so that its original useful life is extended 	<ul style="list-style-type: none"> ▪ Restoring an asset so that it can continue to be used for its intended purpose ▪ Maintaining an asset so that it can be used for the period for which it was initially intended.

OVERSTRAND MUNICIPALITY



TRAVEL & SUBSISTENCE POLICY

TABLE OF CONTENTS

	PAGE
1. PURPOSE	3
2. OBJECTIVES OF THE POLICY	3
3. LEGISLATIVE FRAMEWORK	3
4. SCOPE OF APPLICATION	3
5. DEFINITIONS	4
6. AUTHORISATION	6
7. GENERAL	6
8. EXCLUSIONS	7
9. AIR TRAVEL – Domestic and International	8
10. ACCOMMODATION AND MEALS – Domestic and International	9
11. USE OF VEHICLES	11
12. SUBSISTENCE ALLOWANCE – Domestic and International	13
13. MISCELLANEOUS EXPENSES	14
14. SPONSORED TRIPS – Domestic and International	14
15. TRAVEL INSURANCE	14
16. GIFTS AND PROMOTIONAL GOODS	15
17. DEVIATION	15
18. TRAVEL AND SUBSISTENCE ALLOWANCE CLAIM FORM	15
19. IMPLEMENTATION AND REVIEW PROCESS	15
20. SHORT TITLE	15

1 PURPOSE

The purpose of this policy is to set out general rules for the payment of subsistence and travelling allowances or costs for the attendance of approved events **outside the municipal area of Overstrand**.

2 OBJECTIVES OF THE POLICY

The objectives of this policy are to:

- 2.1 Ensure that municipal employees and Councillors adhere to procedures when arranging for travel, lodging, meals and other expenses;
- 2.2 Ensure that municipal employees and Councillors are reimbursed for reasonable expenses incurred for travel, conferences, meetings and meals as a result of conducting authorized municipal business;
- 2.3 Ensure that payments made by the municipality are for the actual and necessary expenses incurred for municipal business in **adherence with National Treasury's prescribed Cost Containment Measures**; and
- 2.4 Ensure that municipal employees and Councillors will receive reimbursements in a timely manner.

3 LEGISLATIVE FRAMEWORK

This policy is developed and guided by the following:

- 3.1 South African Revenue Services (SARS) Interpretation Notices & other Notices;
- 3.2 Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA);
- 3.3 South African Local Government Association (SALGA);
- 3.4 Remuneration of Public Office Bearers Act, 1998 (Act No. 20 of 1998);
- 3.5 Income Tax Act, 1962 (Act No. 58 of 1962);
- 3.6 Overstrand Municipality Cost Containment Policy;
- 3.7 RSA Department of National Treasury: National Travel Policy; and
- 3.8 RSA Department of National Treasury: Cost Containment Measures related to Travel and Subsistence.

This Policy must be read in conjunction with any of the Municipality's approved related policies, practices and standard operating procedures addressing specific issues essential for a full understanding of this Policy and which are not dealt with adequately herein.

4 SCOPE OF APPLICATION

This Policy is applicable to –

- 4.1 all Councillors of the Overstrand Municipality, and
- 4.2 all officials of the Overstrand Municipality,
travelling on official business and as such are formal travellers of the Overstrand Municipality.

IMPORTANT - No payments will be made to applicants for employment interviews in terms of the scope of this policy.

5 DEFINITIONS

For the purpose of this policy, except where clearly indicated otherwise, the words and expressions set out below have the following meaning:-

<i>“Accommodation”</i>	The rental of lodging facilities while away from the traveller’s place of residence while on authorized official duty.
<i>“Accounting Officer” / “Municipal Manager”</i>	The person appointed by the Council as Municipal Manager in terms of section 82 of the Municipal Structures Act, 1998 (Act 117 of 1998) and as defined in the Municipal Finance Management Act, 2003 (Act 56 of 2003), including any person acting in that position or to whom authority is delegated.
<i>“Air Travel”</i>	Travel by airline on official duty.
<i>“Car Rental”</i>	The rental of a vehicle for a short period of time by a traveller for official purposes.
<i>“Chief Financial Officer”</i>	The person appointed in terms of section 80(2)(a) of the MFMA and includes any person acting in that position or to whom authority is delegated.
<i>“Council”</i>	The Overstrand municipal council, as referred to in section 157 of the Constitution of the Republic of South Africa, 1996; and section 18 (3) of the Municipal Structures Act, 1998 (Act 117 of 1998).
<i>“Councillor”</i>	A member of the Overstrand Municipal Council.
<i>“Day”</i>	A completed period of twenty-four hours away from normal place of domicile and employment of official business of the Municipality.
<i>“Director”</i>	An official appointed by the Council in terms of section 56 of the Municipal Systems Act, 2000 (Act 32 of 2000) to head a Directorate of the municipality and shall include any person acting in that position.
<i>“Domestic Travel”</i>	Travel within the boundaries of the Republic of South Africa.
<i>“Essential User Transportation Allowance”</i>	Transportation allowance paid in accordance with the Essential User Transport Allowance Scheme to employees participating in the scheme.
<i>“Executive Management Team”</i>	Officials appointed in terms of Section 82 of the Local Government Structures Act, 1998 (Act 117 of 1998) (Structures Act) and section 56 of the Local Government Municipal Systems Act, 2000 (Act 32 of 2000).
<i>“Executive Mayor”</i>	The Executive Mayor of the Overstrand Municipality elected in terms of section 55 of Municipal Structures Act, 1998 (Act 117 of 1998) and shall include any person acting in that position.
<i>“Fixed Transportation Allowance”</i>	Transportation allowance linked directly to the managerial post level of the incumbent, also referred to as the “Old Perk Scheme”.
<i>“Host”</i>	The person or institution who has extended an invitation to the Municipality to delegate a Councillor and / or an Official to attend an event which is regarded as official business.
<i>“Incidentals”</i>	Any minor expenses normally associated with business travel.
<i>“International Travel”</i>	Travel to a location beyond the territorial boundaries of the Republic of South Africa.

OVERSTRAND MUNICIPALITY – TRAVEL AND SUBSISTENCE POLICY

<i>“Municipality”</i>	Overstrand Municipality, established in terms of sections 12 and 14 of the Structures Act.
<i>“Official”</i>	A person employed by the Municipality.
<i>“Official Business”</i>	For the purposes of this policy refers to the attendance by Councillors and / or Officials of congresses, conferences, seminars, training, meetings, workshops, roadshows, etc. related to the duties and functions of the Municipality, subject thereto that such attendance has been duly authorised in terms of the delegated authority.
<i>“Place of Work”</i>	The place where the principal duties of the Councillor or Official are performed.
<i>“Sponsored Trip”</i>	A trip where the total cost, or a portion thereof is sponsored by another organisation or third party other than the Municipality. (For the purposes of this policy such proportion of the total cost of the trip must be included in the application forms).
<i>“Subsistence allowance”</i>	An amount of money paid by the Municipality to a traveller for expenditure incurred in respect of personal subsistence and incidental costs (for example refreshments, snacks, drinks and newspapers but excludes any personal recreation such as visits to a cinema, theatre, nightclubs or sight-seeing).
<i>“Travel Allowance”</i>	An amount paid to a traveller for the use of his or her own private motor vehicle in respect of travelling expenses for business purpose.
<i>“Traveller”</i>	Any Councillor or Official travelling away from his or her normal place of domicile and employment on official business of the Overstrand Municipality.

6 AUTHORISATION

- 6.1 For purposes of implementing this policy:
- 6.1.1 **Only the Municipal Manager** may authorize any travel to be undertaken by the Executive Mayor and Directors, provided the expenses to be incurred are on the approved budget of the municipality.
 - 6.1.2 **Only the Executive Mayor** may authorize any travel to be undertaken by public office bearers and the Municipal Manager, provided the expenses to be incurred are on the approved budget of the municipality.
 - 6.1.3 **Only Directors** may authorize any travel to be undertaken by employees in the respective Directorate, provided the expenses to be incurred are on the approved budget of the municipality.
- 6.2 Authorization as per paragraph 6.1 must be obtained **prior** to an occasion by any traveller who travels on the business of the municipality.
- 6.3 An invitation to attend a workshop, meeting or related event is not an automatic authorization to attend such workshop or event. The required authorization must still be obtained from the Municipal Manager or Executive Mayor or Director as the case may be.
- 6.4 No Councillor and / or Official of the Overstrand Municipality may go on any official business travel without the prior authorization as provided for in paragraph 6.1 above.

7 GENERAL

- 7.1 Municipal delegates or travellers to any conference, workshop or meeting must ensure that they arrive on time and attend until the conclusion of such event. If any traveller fails to do so, the Executive Mayor, the Municipal Manager or Director, as the case may be, may recover all allowances and disbursements paid to enable such delegate or traveller to attend such event, provided that such delegate or traveller is afforded the opportunity to submit reasons for not being able to be present from the commencement to conclusion of such event.
- 7.2 The contents of this policy will not be regarded as conditions of employment but as a reimbursement for travelling and subsistence expenditure incurred or deemed to be incurred for the attendance of events for official purposes.
- 7.3 Travellers should plan official travel in advance. They should obtain approval and make a booking / reservation at least seven (7) working days prior to departure for domestic travel and fourteen (14) working days prior to international travel.
- 7.4 Accommodation, flights and vehicle rental arrangements will be based on the most cost-effective option in relation to the proximity of the venue, traffic, availability and other cost factors.
- 7.5 All efforts should be made to minimize the costs for the municipality i.e. by travelling together in one vehicle, minimizing overnight stay where possible, etc:
- 7.5.1 Delegations to the same event, conference, consultation or meeting may only exceed three (3) travellers or persons appointed on grounds of policy considerations if approved in advance by the **Municipal Manager**.
 - 7.5.2 Where multiple travellers attend approved events, inclusive of meetings, they must make arrangements for up to four (4) people to travel together in one vehicle.
 - 7.5.3 Any deviation from paragraph 7.5.2 must be approved in writing by the Director / Municipal Manager / Executive Mayor as the case may be, **prior** to the date of departure, based on **valid reasons** as motivated in a submission.
 - 7.5.4 The most cost-effective mode of transport should be used at all times,

domestically and internationally.

- 7.6 In the event that the traveller must attend an early morning meeting, in a distant location within South Africa, consideration could be given to allow the travelling to take place a day before the event, subject to the approval of such travel by the **Municipal Manager** in terms of the delegated authority to do so.
- 7.7 In the event of direct payments made by travellers for traveling and accommodation, refunds will only be made on condition that the expense was pre-approved in accordance with the stipulations of this policy and that all aspects of this policy have been complied with.
- 7.8 A claim for subsistence and travelling cannot be made at the municipality as well as another institution for attending the same event. Such action shall lead to disciplinary action.
- 7.9 Any claim must be submitted on the official claim form with the necessary vouchers where specific expenses are claimed.
- 7.10 Sufficient documentation must be attached to the application for the trip e.g., official invitation, agenda or programme, itinerary, details of sponsor and amount, etc.
- 7.11 Any claim containing false information will lead to disciplinary steps being instituted and payments thus made may be recovered from any money payable by the municipality to the person who submitted the claim.
- 7.12 In the event of a traveller combining personal travelling either prior to or after a business trip, it must not lead to additional expenditure for the Municipality or impair the work performance of the traveller. NO costs incurred during the personal part of the trip will be for the account of the Municipality.
- 7.13 The Municipality distances itself from any private reservations made by the traveller. The arrangement is solely between the traveller and the relevant service provider. Thus, the processing of related payments through the Municipality's official payment system will not be allowed.
- 7.14 The traveller must safeguard Municipal information and assets while travelling and must avoid compromising that security.
- 7.15 The traveller should maintain personal travel documents such as a passport. The cost for obtaining such travel documents is for the traveller's own account.

8 EXCLUSIONS

The following expenses shall explicitly not be covered by the Municipality:

- 8.1 Any expenses covered by a host extending an invitation;
- 8.2 Alcoholic beverages;
- 8.3 Expenses of a personal nature, such as private telephone calls and personal recreation such as visits to a cinema, theatre, nightclub or sight-seeing, etc;
- 8.4 In instances where costs are incurred in entertaining external business associates, contacts, clients or potential investors:

- 8.4.1 Where the traveller receives an entertainment allowance, the costs must be claimed against such entertainment allowance; and
- 8.4.2 All expenses shall fall outside the scope of this policy, unless specific written pre-approval as to the nature and estimated cost of the expenditure to be incurred, together with a reason(s) why such costs needs to be incurred, was obtained from the Municipal Manager for any such expenditure. prior to submission of the claim.

9 AIR TRAVEL – Domestic and International

- 9.1 The Municipality must, as far as possible, make use of the improved upfront discounted flights which the National Treasury has negotiated on behalf of all three spheres of government, unless lower air travel rates can be negotiated.
- 9.2 For domestic trips both major and low-cost airlines may be utilized. All travellers should use discounted economy class (best fare on the day) where possible. In the event where discounted economy class tickets are not available, special authorization as provided for in paragraph 6.1 must be obtained to book full economy tickets.
- 9.3 Business class tickets may be considered for domestic and international trips under the following scenarios, including amongst others:
 - 9.3.1 Travellers with special needs based on medical grounds (e.g. deep vein thrombosis, varicose veins, recent surgery and pregnancy). In these instances, a medical certificate noting the medical need and the applicable period of time must be provided. If it is a long-term condition, an updated doctor's certificate should be presented on an annual basis to confirm that the condition still exists;
 - 9.3.2 Where economy class tickets are not available, travellers are not allowed to book business class tickets unless otherwise approved in terms of paragraph 6.1, where it has been confirmed that the permitted airline class was full and no other applicable flights are available;
 - 9.3.3 Disabled persons can be accommodated in business class upon receipt of approval provided for in paragraph 6.1.
- 9.4 For domestic trips preference will be given to airlines which operate direct flights between Cape Town and the end destination.
- 9.5 For international trips all major airlines may be utilized where the most economical airline is chosen on quotation basis.
- 9.6 For international trips the comparison of more expensive direct flights from Cape Town versus cheaper indirect flights should always be performed. When choosing a flight, consideration should also be given to the traveller's ability to function optimally when arriving at their destination, especially when travelling across time zones.
- 9.7 For special trips requiring the use of helicopters or chartered aircrafts, special authorization by the Executive Mayor or Municipal Manager or their delegated nominees is required

9.8 Amendments to Air tickets:

- 9.8.1 Travellers should limit the number of amendments to air tickets as far as possible;
- 9.8.2 The costs associated with amendments is subject to the rules of the particular ticket and can include penalty fees;
- 9.8.3 The costs incurred as a result of amendments requested by the traveller for his / her convenience or lack of planning will be for the traveller's personal account;
- 9.8.4 The costs of amendments as a result of revised business requirements or any other circumstances outside the traveller's control will be incurred by the relevant line department.

9.9 Baggage Allowance:

- 9.9.1 The traveller must acquaint him- or herself with the baggage policy of the airline that he / she will be travelling on. The baggage policy provides information on the prescribed baggage allowance and the cost for baggage in instances where the airline charges separately for baggage;
- 9.9.2 Based on the class of travel, the airline will prescribe the specific number of pieces of luggage that will be allowed as well as the weight and size per piece;
- 9.9.3 The reimbursement for any excess baggage is subject to the traveller obtaining approval for exceeding the baggage allowance due to valid business reasons, prior to the trip.

10 ACCOMMODATION AND MEALS – Domestic and International

When travelling to a destination outside the boundaries of the Overstrand Municipality in circumstances requiring absence from the office for longer than 24 hours, the following may be utilised and claimed (the time of departure from residence or office up until the time of arrival back at residence or office shall be used for purposes of calculating the length of absence):

10.1 Accommodation

- 10.1.1 The National Treasury, on behalf of all three spheres of government, has negotiated improved upfront discounted accommodation rates. Therefore, municipalities have been requested to utilize these agreements to assist in their respective cost containment measures, unless other service providers that offer lower rates can be utilized.
- 10.1.2 Travellers who travel on the business of the municipality, where the business unavoidably entails one or more nights to be spent away from home, may stay in a hotel, motel, guesthouse or bed and breakfast establishment:
 - a) Where the distance to and from the venue in total, exceeds 500 kilometers;
 - b) Any deviation from paragraph (a) must be motivated in writing by the traveller, **recommended by the relevant Director** or Executive Mayor, as the case may be, and must be approved in writing by the Municipal Manager, **prior** to any reservations being made, and prior to the date of departure, based on valid reasons.
- 10.1.3 The actual cost of accommodation will be borne by the municipality, subject to a maximum of 4-star rating for the accommodation itself in respect of domestic travel. Where such accommodation is available, the rate for a single room will be payable.
- 10.1.4 If no such accommodation is available, higher rating accommodation can be used

subject to the prior written approval of the **Municipal Manager or the Executive Mayor, as applicable.**

- 10.1.5 If a traveller stays with a relative or friend, no accommodation expense may be claimed, but the traveller may claim a subsistence allowance per day as per par. 12.1.2(a) of this policy.
 - 10.1.6 The location of the accommodation should not be more than 20 km from the venue of the event, unless prior written approval is obtained from the Municipal Manager or Executive Mayor.
 - 10.1.7 Where advance payments have to be made to the establishment based on “pro-forma” invoices in order to secure the reservation, it is the responsibility of the traveller to obtain the valid Tax Invoice from the establishment on or before departure and to submit it to the Creditor Section within 7 working days of returning from the event.
- 10.2 Meal Expenses – Domestic Trips
- 10.2.1 Travellers will not be entitled to be reimbursed for (a) meals(s) and / or incidental expenses within the area of jurisdiction of the Overstrand Municipality.
 - 10.2.2 Where the cost of meals has not been included in the cost of overnight accommodation, receipts for the meals for domestic trips paid for by the traveller must be kept and attached to the claim form. The maximum amount allowable per meal is:
 - a) Breakfast = R80-00;
 - b) Lunch = R120-00 (if not provided / included at the event);
 - c) Dinner = R150-00.
- 10.3 Meal Expenses – International Trips
- 10.3.1 These meals will be covered in terms of the SARS rates applicable to the country being visited.
- 10.4 No-Shows and Cancellations
- 10.4.1 It is the responsibility of the traveller to notify the accommodation establishment of any cancellations of reserved accommodation as soon as he / she becomes aware of the fact.
 - 10.4.2 Each accommodation establishment has different conditions / rules in terms of cancellations. Last-minute cancellations may result in the payment of a cancellation fee. The traveller must familiarize him- / herself with the cancellation policy of the specific establishment.
 - 10.4.3 The traveller should inform the accommodation establishment if he / she expects to be arriving later than the expected arrival time to ensure that the reservation is not cancelled or a cancellation fee is charged.
 - 10.4.4 If the traveller does not check in at the accommodation establishment without any prior notification. any no-show cost charged is regarded as fruitless and wasteful expenditure.
 - 10.4.5 The traveller could be responsible for any fruitless expenditure incurred due to a now-show or late cancellation where it was in his / her ability to cancel the booking on time.

11 USE OF VEHICLES

11.1 Hired Vehicles:

- 11.1.1 Shall be applied for, quantified and paid for by the Municipality.
- 11.1.2 May only be obtained when the traveller is on official municipal business where air travel was involved and other modes of transport are not available, too costly or impractical.
- 11.1.3 Requires prior approval in accordance with paragraph 6.1.
- 11.1.4 May not be used for private purposes or for travel from the municipal offices.
- 11.1.5 Any fines, penalties and administration fees payable as a result of the contravention of any traffic rules and regulations while driving a hired vehicle will be for the traveller's personal account and must be settled within thirty (30) days of receipt of the fine or penalty.
- 11.1.6 Only travellers with a valid South African driver's license may hire vehicles; where the traveller who hires a vehicle, is not in possession of such license, he or she may be held personally liable for all damages and may be subject to disciplinary action by Council; the responsibility and related costs of obtaining an international driving permit, where required, rests with the traveller.
- 11.1.7 Only "A" or "B" category vehicles may be rented, unless it is more cost-effective to hire a more expensive vehicle, for example, when the number of representatives involved could justify the hire of a micro-bus, for groups of 5 (five) or more travellers. The latter to be approved in advance by the Executive Mayor or Municipal Manager, according to the provisions as provided for in paragraph 6.1.
- 11.1.8 For physically handicapped travellers who are only able to drive a particular type of vehicle and those in possession of a driver's license restricted to automatic vehicles, the most suitable vehicle may be obtained.
- 11.1.9 Chauffeur driven vehicles may not be used. Travellers who are unable to drive must utilize either a shuttle service or another mode of public transport.
- 11.1.10 The traveller should book a rental vehicle for the period that is actually required for official business only as the car rental companies charge a full daily rate for a 24-hour cycle or part thereof.
- 11.1.11 For car rental inspections the traveller should verify and complete the quality check card prior to leaving the car rental premises, both on collection and return of the rental vehicle. The traveller must ensure that all scratches, chips, dents, windscreen and cracks are marked on the card and signed off by the car rental attendant. Failure to complete the quality check card could result in the traveller being held personally responsible for any damages.
- 11.1.12 The traveller must take every reasonable precaution to safeguard a rental or fleet vehicle against damage, theft or irregular use while driving it and when it is parked.
- 11.1.13 The traveller must ensure that the rental vehicle is returned within the specified rental period as it can be regarded as stolen if the vehicle is not returned in time without any notification to the car rental company. The traveller will be held responsible for the additional charges for the late return of the vehicle, unless approved in terms of the provisions provided for in paragraph 6.1 upon submitting sound reason(s) by the traveller.
- 11.1.14 If the traveller needs to extend the rental period for official business purposes, the traveller must obtain the required approval in terms of the provisions provided

for in paragraph 6.1 and inform the car rental company accordingly.

- 11.1.15 If the traveller extends his / her stay for personal reasons, the charges will be for the traveller's personal account. The car rental company must be informed of the arrangement and the car must be returned. The traveller must enter into a separate rental agreement for the period of private travel for personal usage.

11.2 Private Vehicles

- 11.2.1 The boundaries of the Overstrand Municipality shall be used to determine payment for travel outside such boundaries by means of private transport for officials who are in receipt of a fixed transportation allowance, or where such an allowance has been factored into the total cost of employment package of the official concerned. In such cases, only the applicable cost per kilometer will be paid as updated from time to time. Should the destination of the trip be outside the boundaries of the Municipality, the distance for the cost per kilometer will be measured from place of residence or place of work, whichever is the nearest to the place of the approved event.
- 11.2.2 Councillors using private transport outside the boundaries of the Overstrand Municipality will be reimbursed according to the guidelines issued by the relevant National Department as updated from time to time.
- 11.2.3 Travellers in receipt of a fixed transportation allowance, or where such an allowance has been factored into the total cost of remuneration package of the traveller concerned, travelling on official municipal business within the boundaries of the Overstrand Municipality but outside a radius of 15 km from their normal place of work, will be reimbursed for such travelling at the prevailing AA-Running Cost km tariff, calculated from their normal place of work or residence, which-ever is the nearest to the place of the approved destination.
- 11.2.4 Those employees who are in receipt of an Essential User Transportation Allowance shall be reimbursed in accordance with the applicable Scheme. The travelling distance shall be calculated from their place of work or residence, which-ever is the nearest to the place of the approved destination.
- 11.2.5 Those travellers who are not in receipt of a travel allowance shall be reimbursed according to the latest prescribed SARS km tariff, calculated from their place of work or residence, which-ever is the nearest to the place of the approved destination.
- 11.2.6 A traveller who uses private transport rather than air travel shall be paid the lower of the following two options:
- a) Cash equivalent of the avoided air ticket cost, which would have been paid in the event of air travel being the most economical and practical means of transport plus the cost of a hired vehicle to get to the traveller's destination; or
 - b) Actual cost per kilometer as determined according to the rate applicable to the traveller, on condition that such person may not claim subsistence costs for a longer period than would have been applicable in the case of air travel.
- 11.2.7 A claim submitted by a traveller, when travelling outside the municipal area of the Overstrand with private transport on official municipal affairs, will be considered for re-imbusement, subject to the following conditions:
- a) that the trip is for an approved official event;
 - b) that no other municipal transport was available to officials not in receipt of a transportation allowance at the time of the travel, as confirmed with the

Executive Mayor, relevant Director or Municipal Manager;

- c) that the use of private transport is pre-approved by the Mayor, relevant Director or Municipal Manager.

12 SUBSISTENCE ALLOWANCE – Domestic and International

12.1 Domestic Travel

12.1.1 A traveller may claim a daily subsistence allowance as provided for in this policy with the understanding that all authorized personal expenses are covered by the subsistence allowance. No further expenses, with the exception of certain business expenses (see paragraph 13 below), may be claimed.

12.1.2 A daily subsistence allowance will only be applicable where-

- a) official business unavoidably entails **one or more nights to be spent away from home**, a subsistence allowance as amended by SARS from time to time, will apply in respect of domestic travel; or
- b) where the traveller will be on official business for a **period exceeding 8 hours, without being away from home for one or more nights**, an allowance as amended by SARS from time to time, will apply in respect of domestic travel;
- c) No daily subsistence allowance will be payable to representatives that will be attending courses, training or meetings where lunch will be provided, but without being away from home for one or more nights.

12.1.3 A traveller of the municipality must obtain approval for his or her subsistence allowance, as provided for in this policy, before embarking on any official trip.

12.1.4 No subsistence allowance will be paid, and no traveller will be entitled to a subsistence allowance, if the trip or travel is not related to the official business of the municipality. All travel on business of the municipality must be approved as such before a traveller is entitled to a subsistence allowance.

12.2 International Travel

12.2.1 When traveling in countries other than in South Africa on specially authorised Municipal business, the expenses actually incurred for accommodation and official transport will be payable.

12.2.2 The daily subsistence allowance is to cover all meals, transport for private use and other incidental costs, this subsistence allowance for international travel will be in accordance with SARS Foreign Travel 1.1 List of Daily Maximum amount per Country, as amended by SARS from time to time, available on the SARS website under Legal Counsel / Secondary Legislation / Income Tax Notices as per the relevant year.

12.2.3 No additional claim in respect of such costs will therefore be paid, except for entertainment by full-time Councillors or the Executive Management Team, of official guests, clients, potential clients, investors or potential investors which is to be dealt with as “entertainment allowance” claims.

13 MISCELLANEOUS EXPENSES – Domestic and International

13.1 Items that may be considered for approval, subject to proof of payment being provided, where expenditure is incurred within the boundaries of the Republic of South Africa during a period of absence is as follows:-

- 13.1.1 Parking fees while travelling;
- 13.1.2 Toll fees;
- 13.1.3 Bus / Taxi fares.
- 13.2 Items that may be considered for approval, where expenditure is incurred outside the boundaries of the Republic of South Africa during a period of absence are as follows:-
 - 13.2.1 Reasonable Laundry costs;
 - 13.2.2 Parking / Bus fares;
 - 13.2.3 Transport costs to and from official meetings;
 - 13.2.4 Visas (for the shortest available period);
 - 13.2.5 Inoculations;
 - 13.2.6 Specialized tours / entries to events related to the travelling;
 - 13.2.7 Copying and printing of relevant documentation.

14 SPONSORED TRIPS – Domestic and International

- 14.1 A trip shall be regarded as sponsored when the full / partial cost of the trip is borne by an institution other than the Overstrand Municipality. Such sponsored proportion of the total cost of the trip must be declared in the application for the trip.
- 14.2 Travelling and Subsistence payable by the Overstrand Municipality will be calculated as the difference between the amounts claimable per this policy less the monetary value of the sponsored amounts.

15 TRAVEL INSURANCE

- 15.1 Travellers, where the necessary travel and special leave forms have been duly authorized in accordance with paragraph 6.1, will be insured by the municipality in terms of its current approved policies, practices and standard operating procedures. The insurance shall cover, inter alia, the following:
 - 15.1.1 medical expenses and assistance services;
 - 15.1.2 personal accident, including death and disability, as well as repatriation and evacuation;
 - 15.1.3 luggage;
 - 15.1.4 travel documents; and
 - 15.1.5 personal liability.
- 15.2 Insurance cover is only for the period that the traveller is away from home or place of work on a trip relating to municipal business.
- 15.3 Private vehicles and contents thereof will not be covered under this Policy.
- 15.4 Hired vehicles are automatically covered for both Super Waiver Damage and Theft by the vehicle rental company.

16 GIFTS AND PROMOTIONAL GOODS

- 16.1 Where appropriate, the traveller may offer gifts to their hosts.
- 16.2 The gifts in question shall be provided by the municipality, through the appropriate department, in conjunction with the Department of Communication.
- 16.3 Suitable promotional and marketing products shall be supplied, on request, by the appropriate department of the Municipality in conjunction with the Department of

Communication.

16.4 Gifts received by officials are subject to the guidelines as set out on the Gift Policy for Officials.

16.5 Gifts received by Councillors should be declared to the Speaker.

17 DEVIATION

Any deviation from this policy for whatsoever reason must be authorized by the Municipal Manager.

18 TRAVEL AND SUBSISTENCE ALLOWANCE CLAIM FORM

18.1 The official Travel and Subsistence Allowance claim form, as prescribed by the Chief Financial Officer must be used with regard to Travel and Subsistence Allowance applications (NOTE: The relevant Director must authorize the trip in the provided space **PRIOR** to undertaking the trip and approve the payment of the expenses incurred in the provided space **AFTER** the trip).

18.2 All travel and subsistence claims will only be reimbursed after the trip has been undertaken, unless prior approval is obtained from the Municipal Manager to, in highly exceptional circumstances, make a provisional payment in advance.

18.3 Travel & Subsistence allowances will be paid with the next salary run, provided it was submitted to the Salary Office before the relevant deadline. Requests may be submitted to the Salary Office to pay these claims together with the weekly wage payment, but after the expenses was incurred as stipulated in Section 18.2 above.

19 IMPLEMENTATION AND REVIEW PROCESS

This policy will come into effect on **1 July 2024**;

This policy will be reviewed at least annually or when required by way of a Council resolution.

20 SHORT TITLE

This policy shall be called the Travel and Subsistence Policy of the Overstrand Municipality.

POLICY SECTION:	SENIOR MANAGER: EXPENDITURE AND ASSET MANAGEMENT
CURRENT UPDATE	31 MAY 2024
<u>PREVIOUS REVIEW</u>	31 MAY 2023
PREVIOUS REVIEW	31 MAY 2022
PREVIOUS REVIEW	26 MAY 2021
PREVIOUS REVIEW	27 MAY 2020
PREVIOUS REVIEW	29 MAY 2019
PREVIOUS REVIEW	30 MAY 2018
PREVIOUS REVIEW	31 MAY 2017
PREVIOUS REVIEW	25 MAY 2016
PREVIOUS REVIEW	28 MAY 2015
PREVIOUS REVIEW	28 MAY 2014
PREVIOUS REVIEW	29 MAY 2013
PREVIOUS REVIEW	30 MAY 2012
PREVIOUS REVIEW	04 MAY 2011
APPROVAL BY COUNCIL	26 MAY 2010
APPROVAL BY EXECUTIVE MAYOR:	10 DEC 2004

OVERSTRAND MUNICIPALITY



PETTY CASH POLICY

TABLE OF CONTENTS

	PAGE
1. INTRODUCTION	3
2. OBJECTIVES OF THE POLICY	3
3. LEGISLATIVE FRAMEWORK	3
4. DEFINITIONS	3
5. RESPONSIBILITY AND ACCOUNTABILITY	4
6. PETTY CASH POLICY	4
6.1 General Policy	4
6.2 Establishing and Operating a Petty Cash Float	5
6.3 Security of Petty Cash Floats	6
6.4 Completing a Cash Purchase Claim Form	6
6.5 Sub-Advances to Staff Members	7
6.6 Out-of-Pocket Payments	8
6.7 Reimbursement of Petty Cash Floats	8
6.8 Shortages and Losses	9
6.9 Internal Controls	9
6.10 Procedure where a Petty Cash Float is Repaid / Cancelled	9
7. IMPLEMENTATION AND REVIEW PROCESS	9
8. SHORT TITLE	9

1. INTRODUCTION

The accounting officer of a municipality is responsible for the management of the expenditure of the municipality in an effective and controlled manner. This includes Petty Cash, which is a small amount of funds that is minor in the form of cash, used for expenditure where it is impractical to obtain prior quotations due to the nature of the goods, monetary value and / or services required.

Therefore the Overstrand Municipality adopts the following Petty Cash Policy.

2. OBJECTIVES OF THE POLICY

Compliance with the regulatory framework in terms of the relevant legislation is required. The objectives of the policy are to ensure that:

- a) Goods and / or services are procured by the municipality in accordance with an authorised process only;
- b) The municipality has and maintains an effective Petty Cash system of expenditure control;
- c) Sufficient Petty Cash is available when required; and
- d) The items to be procured are approved Petty Cash items.

3. LEGISLATIVE FRAMEWORK

- a) Local Government: Municipal Finance Management Act, No 56 of 2003 (MFMA)
- b) Overstrand Municipality Supply Chain Management Policy (specifically Paragraph 15 – Petty cash and direct purchases).

4. DEFINITIONS

Accounting Officer: The person appointed by council in terms of section 54A2 of the Local Government: Municipal Systems Act, No 32 of 2000, also known as the Municipal Manager, and defined in terms of section 60 of the MFMA.

Chief Financial Officer: The person designated in terms of section 80(2)(a) of the MFMA and includes any person acting in that position or to whom authority is delegated.

Petty Cash: A relatively small amount of cash kept at hand for making immediate payments for miscellaneous small expenses.

Petty Cash Float: The total sum of Petty Cash which has been granted to a Petty Cash Officer.

Petty Cash Officer: An employee, made responsible for the day-to-day operating of the Petty Cash Float.

Reconciliation: Is the process of comparing information, for example cash spent, compared with the relevant documentation and receipts.

Sub-advances: A relatively small amount of cash made available by the Petty Cash Officer on request to buy miscellaneous small items.

5. RESPONSIBILITY AND ACCOUNTABILITY

The key responsibilities in terms of Section 65 of the MFMA are:

Accounting Officer (Municipal Manager)-

5.1 The Accounting Officer of a municipality is responsible for the management of the expenditure of the municipality.

5.2 The Accounting Officer must for the purpose of paragraph 5.1 take all reasonable steps to ensure:

- (a) that the municipality has and maintains an effective system of expenditure control, including procedures for the approval, authorisation, withdrawal and payment of funds;
- (b) that the municipality has and maintains a management, accounting and information system which:
 - (i) recognises expenditure when it is incurred;
 - (ii) accounts for creditors of the municipality; and
 - (iii) accounts for payments made by the municipality;
- (c) that the municipality has and maintains a system of internal control in respect of creditors and payments;
- (d) that payments by the municipality are made:
 - (i) directly to the person to whom it is due unless agreed otherwise for reasons as may be prescribed; and
 - (ii) either electronically or by way of non-transferable cheques, provided that cash payments and payments by way of cash cheques may be made for exceptional reasons only, and only up to a prescribed limit;

The Municipal Manager may delegate authority to the Chief Financial Officer.

6. PETTY CASH POLICY

6.1 General Policy

- (a) The use of a petty cash float (**a float may not exceed R10 000-00**) is strictly confined to **individual cash purchases of up to a maximum of R1 000-00**. The Chief Financial Officer may approve petty cash purchases up to R2000;

- (b) The petty cash float is only to be used for non-recurring expenditure of an ad-hoc nature with a maximum of 15 sub-advances per Department per month; except in instances with the explicit pre-approval of the Chief Financial Officer.
- (c) **The same goods / services may not be purchased out of Petty Cash within a 60-day period**, unless it is of an insignificant value and the demand for the year is less than or equal to R2 000;
- (d) A register of Petty Cash purchases must be maintained for each department;
- (e) The expenditure with regard to petty cash purchases **shall not be deliberately split into more than one transaction to avoid the said limit**;
- (f) The petty cash float is **not to be used** for any of the following:
 - (i) the cashing of cheques;
 - (ii) loans to any person whatsoever;
 - (iii) payment of personal remuneration to any person whatsoever, whether for fees, salaries, wages, travel allowance as part of remuneration, honorarium or other reason, unless authorized by the Chief Financial Officer;
 - (iv) for instalment invoices such as rental of equipment or open orders, even if the amount falls within the specified limit;
 - (v) fuel.
- (g) Other cash floats may also be established for the purpose of providing change for a cash register, or any other purpose approved by the Chief Financial Officer. Use of such floats is restricted to the purpose for which they were established and does not form part of the scope of this policy;
- (h) The Accounting Officer, or delegated official, may conduct internal audits to evaluate compliance with this policy, and
- (i) Any purchase violating the true meaning of petty cash transactions will be regarded as a deviation from the accepted accounting practices in the use of Petty Cash and shall constitute a serious offence under the Disciplinary Code, unless authorized by the Chief Financial Officer;

6.2 Establishing and Operating a Petty Cash Float

- (a) To establish a new petty cash float or increase an existing advance, a written application must be made to the Chief Financial Officer by the relevant Manager of a department.
- (b) A request for the establishment of an advance will indicate the position of a senior administrative employee to be held responsible for the control over the petty cash float within the relevant department.

- (c) The senior administrative employee mentioned under paragraph 6.2(b) will be responsible for the security and set arrangements in place to ensure safe custody of funds in the office.
- (d) The minimal security arrangement that will be acceptable is that the float must be kept in a locked box which will be kept in a locked filing cabinet or safe.
- (e) When an advance is approved, the Accountant: Creditors will advise the relevant Department accordingly and request that the senior administrative employee mentioned under paragraph 6.2(b) collect the advance. This establishing/initial advance will be charged to a "Petty Cash Advances – Position/Dept" in the General Ledger and not against any expenditure votes. A register of advances is thus maintained per Ledger Account for the purpose of accounting for all petty cash floats.

6.3 Security of Petty Cash Floats and Documentation

- (a) The cash on hand and used petty cash vouchers are to be kept in a locked box for which there must be two keys. One key is to be retained by the petty cash officer (on his / her person) normally responsible for the petty cash and the other to be kept by a senior administrative employee mentioned under paragraph 6.2(b) in a sealed envelope in the office safe or other secure place, to be used only in an emergency.
- (b) The locked petty cash box must be kept in a secure place when not in use and must be removed and returned by the responsible staff member only. At no stage must staff other than the responsible administrative / clerical staff member have access to the storage place of the petty cash box.
- (c) Under no circumstance are keys to be left in the lock to the petty cash box, cabinet or safe.
- (d) If the responsible Petty Cash Officer is either going on leave or is leaving the Municipality's employment, the Petty Cash Officer must perform a reconciliation and compile a Summary Claim Cover Page before possession of Petty Cash can be handed over.

The Summary Claim Cover Page must be signed by both the Petty Cash Officer and the recipient in order to verify that the amount in cash correspond with the balance on the Summary Claim Cover Page.

When the Petty Cash is returned to the Petty Cash official, the same processes must be undertaken.

6.4 Completing a Cash Purchase Claim Form

- (a) Petty cash stationery is available from the Expenditure Section (Financial Services). The form consists of two parts:

- (i) Cash Purchase Claim page
 - (ii) Cash Purchase Record page
 - (iii) Receipt for cash advance (Only when appropriate, refer paragraph on Sub-Advances).
- (b) All details entered on the Cash Purchase Claim must appear on the Cash Purchase record page.
- (c) The Cash Purchase Claim must be completed as follows:
- (i) description and cost of the goods/services purchased
 - (ii) purchaser's name in print and signature
 - (iii) correct vote- or unique / short number with an adequate budget to be charged
 - (iv) signature of the Officer in Charge of Petty Cash.
- (d) Original receipts and other valid documentation as required must be attached as proof of payment with the signature of an appropriate financial delegate on this documentation. The receipt and invoice must be in a formal business format. When a vendor's printed invoice is used as a receipt, the invoice must clearly indicate that it has been paid.
- (e) A financial delegate cannot authorise a cash purchase claim where he or she is the purchaser.

6.5 Sub-Advances to Staff Members

- (a) If it is necessary to make an initial sub-advance to a staff member, a receipt for cash advance must be completed. The receipt for cash advance form must be completed as follows:
- (i) description and *estimated* cost of the goods/services purchased;
 - (ii) purchaser's name in print and signature;
 - (iii) correct vote- or unique / short number with an adequate budget to be charged;
 - (iv) signature of the Petty Cash Officer.
- (b) In order to receive an initial sub-advance, the relevant staff member must submit an approval notice (authorized by a delegated official) to the Petty Cash Officer.
- (c) On completion of the purchase the recording-, documentation- and authorization requirements will be as stated in paragraph 6.4.
- (d) **All such sub-advances must be accounted for within 24 hours**, by submitting original receipts and other applicable documentation required attached as proof of payment (with the approval signature on the documentation). Where this cannot be achieved, the buyer will be liable to pay back the advance without any delay or if not possible, such advance to be deducted from the individual's salary and of which the individual agrees in writing to the deduction when completing the receipt for cash advance form.

- (e) No more than one advance will be made to any one individual at a time.

6.6 Out-of-Pocket Payments

- (a) Where a staff member has made a purchase from own funds and seeks reimbursement from the petty cash, supporting documentation must be provided to substantiate the claim which must be submitted within 10 working days from date of incurring the expense.
- (b) The responsibility to ensure that the purchase will be in accordance with all the prescriptions of this policy will be the sole responsibility of the purchaser of such item(s).
- (c) The recording-, documentation- and authorization requirements will be as stated in paragraph 6.4 above.

6.7 Reimbursement of Petty Cash Floats

- (a) A petty cash float is operated on the basis that expenditure from the float is periodically reimbursed. Such reimbursement requires-
 - (i) returning the cash level of the petty cash float to its original level, and;
 - (ii) charging the expenditure which has been made to the correct expenditure vote.
- (b) Accordingly, **at any point of time**, the sum of the cash on hand, i.e. remaining unspent, plus the cash advances for un-finalised purchases, plus the completed cash purchase claim forms, updated on the Summary Cash Purchase Claim form, shall equal the level of the petty cash advanced to a Department.
- (c) Completed Cash Purchase Claim forms, with attached cash register slips, etc., must be submitted to the Expenditure Section for reimbursement after the Summary Claim Cover Page and attached documentation have been authorised by a financial delegate.
- (d) Reimbursement of claims where supporting documentation as prescribed in this policy is absent / missing, must be declined.
- (e) The prescribed Summary Cash Purchase Claim Form as well as other relevant forms attached to it must be completed in full.
- (f) The most recently completed Cash Purchase Claim Form must record the reconciliation of the petty cash float. The Accountant: Creditors will decline reimbursement of claims where this is not supplied.
- (g) A petty cash float must never be reimbursed with funds derived from any other source whatsoever.

6.8 Shortages and losses

- (a) The holder of the Petty Cash float will be held accountable for any shortages and / or losses unless there is physical evidence of breaking in and no act or omission on the part of the relevant official contributed to the loss.
- (b) Any shortages in respect of a petty cash float must be reimbursed immediately by the responsible petty cash officer.
- (c) Where a petty cash float is stolen the incident must be promptly reported to the Chief Financial Officer in the required format and a case be logged at the South African Police Services.

6.9 Internal Controls

- (a) Random surprise Petty Cash counts / audits must be conducted by the relevant Manager / Senior Manager throughout the financial year.
- (b) Petty Cash reconciliations to the General Ledger must be reconciled and replenished before 30 June of every year (financial year-end).

6.10 Procedure where a Petty Cash Float is Repaid / Cancelled

When an advance is no longer required, a departmental memorandum must be submitted, signed by the Manager of the relevant Department, to the Accountant: Creditors, with the balance of cash on hand and completed and authorized Cash Purchase Claim forms. The most recently completed Cash Purchase Claim form will record the reconciliation of the petty cash float.

The Cashier must issue a receipt to the person delivering the cash.

7. IMPLEMENTATION AND REVIEW PROCESS

This policy will come into effect on **1 July 2024**.

This policy will be reviewed at least annually or when required by way of a Council resolution.

8. SHORT TITLE

This policy shall be called the Petty Cash Policy of the Overstrand Municipality.

OVERSTRAND MUNICIPALITY – PETTY CASH POLICY

POLICY SECTION:	SENIOR MANAGER: EXPENDITURE AND ASSET MANAGEMENT
CURRENT UPDATE:	31 May 2024
PREVIOUS REVIEW	28 Feb 2024
PREVIOUS REVIEW	31 May 2023
PREVIOUS REVIEW	31 May 2022
PREVIOUS REVIEW	26 May 2021
PREVIOUS REVIEW	27 May 2020
PREVIOUS REVIEW	29 May 2019
PREVIOUS REVIEW	30 May 2018
PREVIOUS REVIEW	31 May 2017
PREVIOUS REVIEW	25 May 2016
PREVIOUS REVIEW	28 May 2015
PREVIOUS REVIEW	28 May 2014
PREVIOUS REVIEW	29 May 2013
PREVIOUS REVIEW	30 May 2012
PREVIOUS REVIEW	04 May 2011
APPROVAL BY COUNCIL:	26 May 2010

OVERSTRAND MUNICIPALITY



PAYDAY POLICY

TABLE OF CONTENTS

	Page
1. PURPOSE	3
2. OBJECTIVES OF THE POLICY	3
3. DEFINITIONS	3
4. LEGISLATIVE FRAMEWORK	3
5. SCOPE OF THE POLICY	3
6. POLICY PRINCIPLES	4
6.1 Councillors and Permanent employees	4
6.2 Contractual employees	4
6.3 Temporary employees and Seasonal Workers	4
6.4 Payment of additional allowances	4
7. IMPLEMENTATION AND REVIEW PROCESS	5
8. SHORT TITLE	5

1. PURPOSE

The purpose of the policy is to regulate the date on which Councillors and Employees of the Overstrand Municipality will receive their remuneration and / or allowances.

2. OBJECTIVES OF THE POLICY

The objectives of this Policy are to:-

- a) Establish a consistent payment routine for the payment of remuneration and / or allowances; and
- b) Provide information as to when remuneration and / or allowances will be paid.

3. DEFINITIONS

For the purpose of this policy, except where clearly indicated otherwise, the words and expressions set out below have the following meaning:

<i>“Councillor”</i>	A member of the Overstrand Municipal Council.
<i>“Permanent Employee”</i>	An official or worker appointed with paid leave and other entitlements / benefits in a position with unlimited duration.
<i>“Contractual Employee”</i>	A worker appointed on a fixed duration full-time or part-time basis for a period exceeding twelve (12) months to undertake and complete a specific task.
<i>“Temporary Employee”</i>	A worker appointed on a full-time or part-time basis for a maximum period not exceeding twelve (12) months to undertake and complete a specific task.
<i>“Seasonal Employee”</i>	A worker who is employed to work on a cyclical basis for a full season not exceeding a continuous period of six (6) months.

4. LEGISLATIVE FRAMEWORK

This Policy must be read in conjunction with the:-

- a) Remuneration of Public Office Bearers Act (Act 20 of 1998, as amended);
- b) Basic Conditions of Employment Act (Act 75 of 1997, as amended); and
- c) Organisational Rights Collective Agreement (as amended)

5. SCOPE OF THE POLICY

This Policy applies to all:-

- a) Councillors;
- b) Permanent employees;
- c) Contractual employees;
- d) Temporary employees; and
- e) Seasonal workers.

6. POLICY PRINCIPLES

6.1 Councillors and Permanent employees

- a) For newly elected Councillors and newly appointed permanent employees, payday for the first month will be on the last working day of the month;
- b) Thereafter, payday will be on the 25th day of each month, or the last working day before the 25th should the 25th day of the month fall on a:-
 - Saturday;
 - Sunday
 - Monday;
 - Public Holiday; or
 - Day after a public holiday.
- c) For the month of December in every year, payday will be three (3) working days before the 25th, with the exception of circumstances as set out in paragraphs 6.1(a), 6.1(b) and 6.1(d).
- d) For outgoing Councillors and resigning / dismissed / retiring permanent employees, payday for the last month will be on the last working day of the month, but no later than 7 working days after the last day on which work was performed if not exiting on the last working day.
- e) For employees who are on unauthorised / unpaid leave, and do not have sufficient annual leave days available to cover the period between payday and actual end of the month, payday will fall on the last working day of the month. This aims to eliminate the risk these employees pose for owing council money, should they not return to work for the duration of the month.
- f) For any amount of money owed to Council in respect of (e) above, or any other irrecoverable salary related amount of money, a report will be submitted to the Municipal Public Accounts Committee (MPAC) for consideration in terms of the regulations on Fruitless and Wasteful Expenditure.

6.2 Contractual employees

Payday for Contractual employees will be aligned to payment dates of Permanent Employees, but no later than 7 working days after the last day on which work was performed. Employment contracts and attendance registers must be aligned accordingly.

6.3 Temporary employees and Seasonal workers

Temporary employees and Seasonal Workers will, as far as possible, be paid on a weekly, fortnightly or monthly basis, as specified in their appointment letters, within 7 working days after the last day on which work was performed as per their approved timesheets.

6.4 Payment of additional allowances

6.4.1 Travel & Subsistence allowances will be paid with the next salary run, provided it was submitted to the salary office before the relevant deadline. Requests may be submitted to the salary office to pay these

claims together with the weekly wage payment, but after the expenses were incurred (as stipulated in Sections 18.2 & 18.3 of the approved Travel & Subsistence policy).

6.4.2 Long Service allowances will be paid with the salary run of the month in which the employee qualifies for this allowance, provided it was submitted to the salary office before the relevant deadline. Requests may be submitted to pay these claims together with the weekly wage payment, given that this payment date is after the qualifying date.

6.4.3 Acting allowances will be paid with the salary run of the month after the acting was performed.

7. IMPLEMENTATION AND REVIEW PROCESS

This policy will come into effect on **1 July 2024**;

This policy will be reviewed at least annually or when required by way of a Council resolution.

8. SHORT TITLE

This policy shall be called the Payday Policy of the Overstrand Municipality.

POLICY SECTION:	SENIOR MANAGER: EXPENDITURE AND ASSET MANAGEMENT
CURRENT UPDATE:	31 MAY 2024
PREVIOUS REVIEW	31 MAY 2023
PREVIOUS REVIEW	31 MAY 2022
PREVIOUS REVIEW	26 MAY 2021
PREVIOUS REVIEW	27 MAY 2020
PREVIOUS REVIEW	29 MAY 2019
PREVIOUS REVIEW	30 MAY 2018
PREVIOUS REVIEW	31 MAY 2017
PREVIOUS REVIEW	25 MAY 2016
PREVIOUS REVIEW	28 MAY 2015
PREVIOUS REVIEW	28 MAY 2014
APPROVAL BY COUNCIL:	28 November 2000 (Resolution)

**OVERSTRAND
MUNICIPALITY**



**SUPPLY CHAIN
MANAGEMENT POLICY**

OVERSTRAND
MUNICIPALITY



SUPPLY CHAIN MANAGEMENT POLICY,
adopted in terms of section 111 of the
LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, NO. 56 OF
2003
and the
MUNICIPAL SUPPLY CHAIN MANAGEMENT REGULATIONS, NOTICE 868 OF 30
MAY 2005, as amended

MUNICIPAL SUPPLY CHAIN MANAGEMENT POLICY

LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003

The Council of the Overstrand Municipality resolved on 25 June 2008 in terms of Section 111 of the Local Government: Municipal Finance Management Act (no. 56 of 2003) to adopt the following as the Supply Chain Management Policy of the municipality.

TABLE OF CONTENTS

POLICY STATEMENT AND OBJECTIVES

1. Definitions

**CHAPTER 1:
IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY**

2. Supply Chain Management Policy
3. Adoption, amendment and implementation of the Supply Chain Management Policy
4. Delegation of Supply Chain Management powers and duties
5. Sub-delegations
6. Oversight role of council
7. Supply Chain Management Unit
8. Training of Supply Chain Management officials

**CHAPTER 2:
FRAMEWORK FOR SUPPLY CHAIN MANAGEMENT POLICY**

9. Format of Supply Chain Management Policy

Part 1: DEMAND MANAGEMENT

10. System of demand management

Part 2: ACQUISITION MANAGEMENT

11. System of Acquisition Management
12. Range of procurement processes
13. General preconditions for consideration of written quotations or bids
14. Lists of accredited prospective providers
15. Petty Cash and Direct Purchases
16.
17. Formal written price quotations
18. Procedures for procuring goods or services through formal written price quotations
19. Competitive bids
20. Process for competitive bidding
21. Bid documentation for competitive bids
22. Public invitation for competitive bids
23. Procedure for handling, opening, recording and cancellation of bids
24. Negotiations with preferred bidders and communication with prospective providers and bidders
25. Two-stage bidding process
26. Committee system for competitive bids
27. Bid Specification Committees
28. Bid Evaluation Committees
29. Bid Adjudication Committees
30. Procurement of Banking Services
31. Procurement of Information- and Communication Technology (ICT) related goods or services
32. Procurement of goods and services under contracts secured by other organs of state
33. Procurement of goods necessitating special safety arrangements

34. Proudly SA Campaign
35. Appointment of consultants
36. Deviation from, and ratification of minor breaches of procurement processes
37. Unsolicited bids
38. Combating of abuse of supply chain management system

Part 3: LOGISTICS, DISPOSAL, RISK AND PERFORMANCE MANAGEMENT

39. Logistics management
40. Disposal management
41. Risk management
42. Performance management

Part 4: OTHER MATTERS

43. Prohibition on awards to persons whose tax matters are not in order
44. Prohibition on awards to persons in the service of the state
45. Awards to close family members of persons in the service of the state
46. Ethical standards
47. Inducements, rewards, gifts and favours to municipal officials and other role players
48. Sponsorships
49. Objections and complaints
50. Resolution of disputes, objections, complaints and queries
51. Contract management
52. Public Private Partnerships
53. Contract Management
54. Transversal Contracts
55. Framework for Infrastructure Delivery
56. Framework for Infrastructure Procurement
57. Infrastructure Procurement Gates
58. Gateway Reviews
59. Short title and commencement

Annexures

- ANNEXURE A -** Delegations
- ANNEXURE B -** Code of Conduct

POLICY STATEMENT AND OBJECTIVES

- 1 Section 111 of the Local Government: Municipal Finance Management Act, 56 (MFMA) requires each municipality and municipal entity to adopt and implement a Supply chain Management Policy, which give effect to the requirements of the Act.
- 2 In addition, the Preferential Procurement Policy Framework Act requires an Organ of State to determine its Preferential Procurement Policy and to implement it within the framework prescribed.
- 3 The objectives of this Policy are:
 - 1) to give effects to section 217 of the Constitution of the Republic of South Africa by implementing a system that is fair, equitable, transparent, competitive and cost effective;
 - 2) to comply with applicable provisions of the Municipal Finance Management Act including Municipal Supply Chain Management Regulations published under GN868 in Government Gazette 27636, 30 May 2005 and any National Treasury Guidelines issued in terms of the MFMA and regulations pertaining thereto; and
 - 3) to acknowledge the provisions of:
 - a) the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
 - b) The Competitions Act 1998 (Act No. 89 of 1998)
 - c) the Construction Industry Development Board Act, 2000 (Act No.38 of 2000);
 - d) the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);
 - e) the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998);
 - f) the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000);
 - g) the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000);
 - h) the Prevention and Combating of Corrupt Activities Act, 2000 (Act No. 12 of 2004);
 - i) the Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000)

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE A**

1 Definitions

In this Policy, unless the context otherwise indicates, a word or expression to which a meaning has been assigned in the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) has the same meaning as in the Act, and –

<i>“Accounting Officer”</i>	means a person appointed by the Municipality in terms of Section 82 of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998) and who is the head of administration and also the Municipal Manager for the Municipality.
<i>“Act” or “MFMA”</i>	means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);
<i>“Budget Holder”</i>	Means the person/s accountable for expenditure from, and income to a particular budget. Each budget holder is responsible for the control of his/her budget and for the general financial administration of his/her area of responsibility. The Budget Holder is responsible to authorise expenditure from their budget up to a total of their budget allocation.
<i>“Capital Asset”</i>	means a) any immovable asset such as land, property or buildings; or b) any movable asset that can be used continuously or repeatedly for more than one year in the production or supply of goods or services, for rental to others or for administrative purposes, and from which future economic benefit can be derived, such as plant, machinery and equipment.
<i>“CFO”</i>	means Chief Financial Officer of the Municipality or Director of Finance in this instance;
<i>“CIDB”</i>	means Construction Industry Development Board
<i>“close family member”</i>	a person’s spouse, whether in a marriage or in a customary union according to indigenous law, domestic partner in a civil union, or child, parent, brother, sister, whether such a relationship results from birth, marriage or adoption
<i>“closing date”</i>	means the time and day specified in the bid documents and/or advertisement of the receipt of bids.
<i>“competitive bidding process”</i>	means a competitive bidding process referred to in paragraph 12(1)(c) of this Policy;
<i>“competitive bid”</i>	means a bid in terms of a competitive bidding process;
<i>“Construction Works”</i>	means any work in connection with: c) the erection, maintenance, alteration, renovation, repair, demolition or dismantling of or addition to a building or any similar structure; d) the installation, erection, dismantling or maintenance of a fixed plant; e) the construction, maintenance, demolition or dismantling of any bridge, dam, canal, road, railway, sewer or water reticulation system or any similar civil engineering structure; or f) the moving of earth, clearing of land, the making of an excavation, piling or any similar type of work.
<i>“Consultant”</i>	means a person or entity providing services requiring knowledge based expertise
<i>“contract”</i>	means the agreement that results from the acceptance of a bid by the Municipality;
<i>“Contract Owner”</i>	means the deputy director, senior manager or manager, as the case may be, that is ultimately accountable for all activities during the life cycle of the contract. The Contract Owner can also be seen as the Budget holder.
<i>“day(s)”</i>	Means calendar days unless the context indicates otherwise;
<i>“delegation”</i>	in relation to a duty, includes an instruction a request to perform, or to assist in performing the duty.
<i>“Direct purchase”</i>	means the procurement of goods and/or services whereby only one written quote is required to be obtained.
<i>“director”</i>	means a manager referred to in section 56 of the Municipal Systems Act.
<i>“emergency”</i>	an emergency is an unforeseeable and sudden event with harmful or potentially harmful consequences for the municipality which requires urgent action to address.
<i>“emerging enterprise”</i>	means an enterprise which is owned, managed and controlled by previously disadvantaged persons and which is overcoming business impediments arising from the legacy of apartheid.
<i>“essential community services”</i>	means (in Local Government context) as published in Government Gazette numbers 18043 of 6 June 1997; Government Gazette number 18276 of 12 September 1997; Government Gazette number 18439 of 21 November 1997; Government Gazette number 18761 of 27 March 1998; Government Gazette number 22670 of 21 September 2001; Government Gazette number 27104 of 24 December 2004; Government Gazette number 28076 of 28 July 2006; Government Gazette number 29987 of 22 June 2007; Government Gazette number 30805 of 29 February 2008: l. Municipal traffic services and policing.

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE A**

	<p>II. Municipal health</p> <p>III. Municipal security.</p> <p>IV. Supply and distribution of water.</p> <p>VI. Generation, transmission and distribution of power.</p> <p>VII. Fire- fighting.</p> <p>XXVI. The following parts of sanitation services:</p> <p>a) Maintenance and operation of water borne sewerage systems, including pumping stations and the control of discharge of industrial effluent into the system;</p> <p>b) Maintenance and operation of sewerage purification works;</p> <p>c) Collection of refuse of an organic nature;</p> <p>d) Collection of infectious refuse from medical and veterinary hospitals or practices;</p> <p>e) Collection and disposal of refuse at a disposal site;</p> <p>f) Collection of refuse left uncollected for fourteen (14) days or longer, including domestic refuse and refuse on public roads and open spaces.</p>
<i>"final award"</i>	in relation to bids or quotations submitted for a contract, means the final decision on which a bid or quote is accepted;
<i>"financial interest"</i>	means where a municipal staff member is a close family member of a person who is the owner, partner, principal shareholder or member, manager or who serves on the board of directors, etc of a tendering enterprise;
<i>"financial year"</i>	means a twelve-month period ending 30 June of every year.
<i>"formal written price quotation"</i>	means quotations referred to in paragraph 12(1)(d) of this Policy;
<i>"Granting of Rights"</i>	means the granting by the Overstrand Municipality of the right to use, control or manage capital assets in circumstances where sections 14 and 90 of the MFMA and Chapters 2 and 3 of the Municipal Asset Transfer Regulations do not apply. In other words, where the granting of such rights does not amount to "transfer" or "disposal" of the asset and which includes leasing, letting, hiring out, etc., of the capital asset.
<i>"Head: Supply Chain Management"</i>	Any post in the approved organisational structure to whom the entire SCM Unit reports to functionally
<i>"IDP"</i>	means Integrated Development Plan;
<i>"in the service of the state"</i>	<p>means to be –</p> <p>a member of –</p> <p>a) any municipal council;</p> <p>b) any provincial legislature; or</p> <p>c) the National Assembly or the National Council of Provinces;</p> <p>d) a member of the board of directors of any municipal entity;</p> <p>e) an executive member of the accounting authority of any national or provincial public entity; or</p> <p>f) an official of any national or provincial department, national or provincial public entity or institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);</p> <p>g) a member of the accounting authority of any national or provincial public entity; or</p> <p>h) an employee of Parliament or a provincial legislature;</p>
<i>"long term contract"</i>	means a contract with a duration period exceeding one year;
<i>"list of accredited prospective providers"</i>	means the list of accredited prospective providers which the Overstrand Municipality must keep in terms of paragraph 14 of this policy;
<i>"municipality"</i>	means the Overstrand Municipality;
<i>"notice boards"</i>	means the official notice boards at the municipal offices and libraries;
<i>"other applicable legislation"</i>	<p>means any other legislation applicable to municipal supply chain management, including –</p> <p>a) the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000);</p> <p>b) the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);</p> <p>c) the Construction Industry Development Board Act, 2000 (Act No.38 of 2000);</p> <p>d) the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);</p> <p>e) the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000);</p> <p>f) the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998);</p> <p>g) the Prevention and Combating of Corrupt Activities Act, 2000 (Act No. 12 of 2004);</p> <p>h) the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003); Municipal Supply Chain Management Regulations;</p> <p>i) the Preferential Procurement Regulations The Competitions Act 1998 (Act No. 89 of 1998), 2017</p>
<i>"Policy"</i>	means the Supply Chain Management Policy of the Overstrand Municipality;

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE A**

"quotation"	means a stated price that a supplier expects to receive for the provision of specified services, works or goods;
"Regulations"	means the Local Government: Municipal Finance Management Act, 2003, Municipal Supply Chain Management Regulations published by Government Notice 868 of 30 May 2005; as amended.
"SDBIP"	means Service Delivery and Budget Implementation Plan;
"single provider"	Sole supplier - One and Only (Alone of its kind) Supplier (Oxford Dictionary). If such goods or services are produced or available from a single provider only. There is no competition and only one provider exists in South Africa (for example, sole distribution rights);
"small business"	means a separate and distinct business entity, including cooperative enterprises and non-governmental organisations, managed by one owner or more which, including its branches or subsidiaries, if any, is predominantly carried on in any sector or sub-sector of the economy mentioned in column 1 of the Small Business Classification Schedule, and which can be classified as a micro-, a very small, a small or a medium enterprise by satisfying the criteria mentioned in columns 3,4 and 5 of the Schedule opposite the smallest relevant size or class as mentioned in column 2 of the Schedule.
"supply chain management practitioners"	includes the Chief Financial Officer and the Head: Supply Chain Management;
"survivalist enterprise"	means a business set up by people unable to find a paid job or get into an economic sector of their choice. Income generated from these activities usually falls far short of even a minimum income standard, with little capital invested, virtually no skills training in the particular field and only limited opportunities for growth into a viable business. This category is characterised by poverty and the attempt to survive.
"tender"	means a 'bid' or a 'quotation' in relation to a "Tender Box";
"tender box"	means the specified tender box at the offices of Overstrand Municipality, Magnolia Avenue, Hermanus.
"Treasury guidelines"	means any guidelines on supply chain management issued by the Minister in terms of section 168 of the Act
"validity period"	means the period for which a bid is to remain valid and binding as stipulated in the relevant tender document.
<i>Reckoning of number of days: When any particular number of days is prescribed for the doing of any act, or for any other purpose, the same shall be reckoned exclusively of the first and inclusively of the last day, unless the last day happens to fall on a Sunday or on any public holiday, in which case the time shall be reckoned exclusively of the first day and exclusively of every such Sunday and public holiday.</i>	
<i>Words importing the singular shall include the plural and vice versa and words importing the masculine gender shall include females and words importing persons shall include companies, closed corporations and firms, unless the context clearly indicates otherwise.</i>	
<i>All amounts / limits stated in this document shall be deemed to be inclusive of Value Added Tax (VAT).</i>	

CHAPTER 1: IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY

2 Supply Chain Management Policy

- 1) All officials and other role players in the Supply Chain Management system of the Municipality must implement this Policy in a way that –
 - a) gives effect to –
 - (i) section 217 of the Constitution; and
 - (ii) Part 1 of Chapter 11 and other applicable provisions of the Act;
 - (iii) Regulations pertaining to Supply Chain Management.
 - b) is fair, equitable, transparent, competitive, cost effective. and complies with –
 - (i) the Regulations; and
 - (ii) any minimum norms and standards that may be prescribed in terms of section 168 of the Act;
 - c) is consistent with other applicable legislation;
 - d) does not undermine the objective for uniformity in Supply Chain Management Systems between organs of state in all spheres; and
 - e) is consistent with national economic policy concerning the promotion of investments and doing business with the public sector.
- 2) This Policy applies when the Municipality –
 - a) procures goods or services;
 - b) disposes of goods no longer needed;

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE A**

- c) selects contractors to provide assistance in the provision of municipal services including circumstances where Chapter 8 of the Municipal Systems Act applies.
 - d) Selects external mechanisms referred to in section 80(1)(b) of the Municipal Systems Act for the provision of municipal services in circumstances contemplated in section 83 of the Act.
- 3) This Policy, except where provided otherwise, does not apply in respect of:
- a) the procurement of goods and services contemplated in section 110(2) of the Act, including –
 - (i) water from the Department of Water Affairs or a public entity, another municipality or a municipal entity;
 - (ii) electricity from Eskom or another public entity, another municipality or a municipal entity; and
 - (iii) or any other such entities.

3 Adoption, Amendment, and Implementation of the Supply Chain Management Policy

- 1) The Accounting Officer must –
 - a) at least annually review the implementation of this Policy; and
 - b) when the Accounting Officer considers it necessary, submit proposals for the amendment of this Policy to Council.
- 2) If the Accounting Officer submits proposed amendments to Council that differs from the model policy issued by the National Treasury, the Accounting Officer must –
 - a) ensure that such proposed amendments comply with the Regulations; and
 - b) report any deviation from the model policy to the National Treasury and the Provincial Treasury.
- 3) When amending this supply chain management policy the need for uniformity in supply chain practices, procedures and forms between organs of state in all spheres, particularly to promote accessibility of supply chain management systems for small businesses must be taken into account.
- 4) The Accounting Officer must in terms of section 62(1)(f)(iv) of the Act, take all reasonable steps to ensure that the municipality implements the supply chain management policy.

4 Delegation of supply chain management powers and duties

- 1) Council hereby delegates all powers and duties to the Accounting Officer which are necessary to enable the Accounting Officer –
 - a) to discharge the supply chain management responsibilities conferred on Accounting Officers in terms of –
 - (i) Chapter 8 or 10 of the Act; and
 - (ii) this Policy;
 - b) to maximize administrative and operational efficiency in the implementation of this Policy;
 - c) to enforce reasonable cost-effective measures for the prevention of fraud, corruption, favouritism and unfair and irregular practices in the implementation of this Policy; and
 - d) to comply with his or her responsibilities in terms of Section 115 and other applicable provisions of the Act.
- 2) Section 79 of the Act applies to the sub delegation of powers and duties delegated to the Accounting Officer in terms of sub-paragraph (1).
- 3) The Accounting Officer may not sub-delegate any supply chain management powers or duties to a person who is not an official of the Municipality or to a committee which is not exclusively composed of officials of the Municipality.
- 4) This 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 26 of this Policy.

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE A**

5 Sub-delegations

- 1) The Accounting Officer may in terms of section 79 of the Act sub-delegate any supply chain management powers and duties, including those delegated to the Accounting Officer in terms of this Policy, but any such sub-delegation must be consistent with sub-paragraph (2) of this paragraph and paragraph 4 of this Policy.
- 2) The power to make a final award –
 - a) above R10 million (Incl. VAT), may not be sub-delegated by the Accounting Officer;
 - b) above R300 000 (Incl. VAT), but not exceeding R10 million (Incl. VAT) may be sub-delegated, but only to a bid adjudication committee of which the Chief Financial Officer is the chairperson and directors are members;
 - c) below R300 000 (Incl. VAT) may be sub-delegated as per Council's delegations, attached as Annexure A, pertaining to the procurement of goods and services.
- 3) An official or bid adjudication committee to which the power to make final awards has been sub-delegated in accordance with sub-paragraph (2) must within five days of the end of each month submit to the official referred to in sub-paragraph (4) a written report containing particulars of each final award made by such official or committee during that month, including–
 - a) contract numbers and description of goods, services or infrastructure projects;
 - b) the name of the person to whom the award was made;
 - c) the B-BBEE level of contribution claimed;
 - d) the amount of the award; and
 - e) the reason why the award was made to that person.
- 4) A written report referred to in sub-paragraph (3) must be submitted to the Accounting Officer, in the case of an award by a bid adjudication committee of which the Chief Financial Officer and directors are members.
 - a) The awards scheduled must be published on Council's website in terms of Section 75(g) of the Act).
- 5) Sub-paragraphs (3) and (4) of this policy do not apply to procurement 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. Also refer to paragraph 4(4) and 5(2)(a) of this Policy.
- 7) No supply chain management decision-making powers may be delegated to an advisor or consultant.

6 Oversight role of council

- 1) Council must maintain oversight over the implementation of this Policy.
- 2) For the purposes of such oversight the Accounting Officer must –
 - a) within 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 to Council.
- 3) The Accounting Officer must, within 10 days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the mayor of the municipality.
- 4) The reports must be made public in accordance with section 21A of the Local Government Municipal Systems Act 32, 2002.

7 Supply Chain Management Unit

- 1) The Overstrand Municipality has established a Supply Chain Management Unit to implement this Policy.
- 2) The Chief Financial Officer is administratively in charge of the supply chain management unit which operates under the direct supervision of the Head: Supply Chain Management, to whom this duty has been sub-delegated in terms of Section 82 of the Act.

8 Training of Supply Chain Management officials

The training of officials involved in implementing this Policy should be in accordance with relevant legislation, including Treasury guidelines on supply chain management.

CHAPTER 2: SUPPLY CHAIN MANAGEMENT SYSTEM

9 Format of Supply Chain Management system

- 1) This Policy provides systems for –
 - a) demand management;
 - b) acquisition management;
 - c) logistics management;
 - d) disposal management;
 - e) risk management; and
 - f) performance management.

Part 1: DEMAND MANAGEMENT

10 System of Demand Management

- 1) The Accounting Officer must establish and implement an appropriate demand management system in order to ensure that the resources required by the Municipality support its operational commitments and its strategic goals outlined in the Integrated Development Plan, the Budget and the Service Delivery and Budget Implementation Plan.
- 2) The Demand Management Plan must be developed in conjunction with the IDP, Service Delivery and Budget Implementation Plan (SDBIP) and annual budget.
- 3) All user departments are required to submit their draft Demand Management plans to the Supply Chain Management Unit by 31 December in terms of the IDP and Budget processes.
- 4) The Demand Management Plan must be submitted to and approved by the Accounting Officer or his or her delegate by 30 June of each year.
- 5) The Demand Management Plan must be reviewed regularly and submitted to the Accounting Officer or his delegate on a monthly basis.
- 6) Demand management must be co-ordinated by SCM officials of the Municipality in consultation with budget holders.
- 7) The outcome of this activity should be a detailed planning document that outlines what goods, works or services should be procured, the manner in which they should be procured as well as the timelines to execute the procurement functions.

Part 2: ACQUISITION MANAGEMENT

11 System of Acquisition Management

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE A**

- 1) The Accounting Officer must implement the system of acquisition management set out in this Part in order to ensure –
 - a) that goods and services are procured by the Municipality in accordance with authorised processes only;
 - b) that expenditure on goods and services is incurred in terms of an approved budget in terms of section 15 of the Act;
 - c) that the threshold values for the different procurement processes are complied with;
 - d) that bid documentation, evaluation and adjudication criteria, and general conditions of a contract, are in accordance with any applicable legislation; and
 - e) that any Treasury guidelines on acquisition management are properly taken into account.
- 2) When procuring goods or services contemplated in section 110(2) of the Act, the Accounting Officer must, subject to paragraph 2(3), make public the fact that such goods or services are procured otherwise than through the Municipality's supply chain management system, including -
 - a) the kind of goods or services; and
 - b) the name of the supplier.

12 Range of procurement processes

- 1) Goods and services may only be procured by way of –
 - a) petty cash purchases in terms of Council's Petty Cash Policy and direct purchases for procurement transactions with a value up to R2 000 (Incl. VAT);
 - b) formal written price quotations for procurement of a transaction value over R2 000 (Incl. VAT) up to R300 000 (Incl. VAT); and
 - c) a competitive bidding process for procurement above a transaction value of R300 000 (Incl. VAT).
- 2) The Accounting Officer may, in writing -
 - a) lower, but not increase, the different threshold values specified in sub-paragraph (1); or
 - b) direct that –
 - (i) formal written price quotations be obtained for any specific procurement of a transaction value lower than R30 000 (Incl. VAT); or
 - (ii) a competitive bidding process be followed for any specific procurement of a transaction value lower than R300 000 (Incl. VAT).
- 3) Goods or services may not deliberately be split into parts or items of a lesser value merely to avoid complying with the requirements of the policy. When determining transaction values, a requirement for goods or services consisting of different parts or items must as far as possible be treated and dealt with as a single transaction.

13 General preconditions for consideration of written quotations or bids

- 1) A written quotation or bid may not be considered unless the provider who submitted the quotation or bid –
 - a) has furnished that provider's –
 - (i) full name;
 - (ii) identification number or company or other registration number; and
 - (iii) tax reference number and VAT registration number, if any;
 - b) has authorised the Municipality to verify any of the documentation referred to in sub-paragraph (a) above; and
 - c) has indicated –

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE A**

- (i) whether he or she is in the service of the state, or has been in the service of the state in the previous twelve months;
- (ii) if the provider is not a natural person, whether any of its directors, managers, principal shareholder or stakeholders are in the service of the state, or has been in the service of the state in the previous twelve months; or
- (iii) whether a spouse, child or parent of the provider or of a director, manager, shareholder or stakeholder referred to in sub-paragraph (ii) is in the service of the state or has been in the service of the state in the previous twelve months.

14 Lists of accredited prospective providers

- 1) The Accounting Officer must –
 - a) keep a list of accredited prospective providers of goods and services that must be used for the procurement requirements through formal written price quotations; and
 - b) at least once a year through newspapers commonly circulating locally, the website and any other appropriate ways, invite prospective providers of goods or services to apply for evaluation and listing as accredited prospective providers; and
 - c) The listing criteria for prospective suppliers are:
 - (i) Name of supplier / service provider;
 - (ii) Street and postal address;
 - (iii) Contact person for quotations/enquiries;
 - (iv) Contact numbers for quotations / enquiries;
 - (v) Contact details for quotations/enquiries
 - (vi) VAT registration yes/no;
 - (vii) VAT registration number;
 - (viii) Banking details in the name of the entity;
 - (ix) Type of industry;
 - (x) Valid certification for specialised services;
 - (xi) Valid tax clearance certificate or pin;
 - (xii) CIDB registration if applicable;
 - (xiii) Valid certification in respect of Exempted Micro Enterprises or
 - (xiv) B-BBEE Status Level of Contributor.
 - (xv) Relevant identification numbers and certified copies of identity documents of all members, directors, principal shareholders and partners.
 - d) Disallow the listing of any prospective provider whose name appears on the National Treasury's database as a person prohibited from doing business with the public sector.
- 2) The list must be updated at least quarterly to include any additional prospective providers and any new commodities or types of services. Prospective providers must be allowed to submit applications for listing at any time.
- 3) The list must be compiled per commodity and per type of service.

15 Petty Cash and Direct Purchases

- 1) The following shall be applicable for all purchases not exceeding R2 000 (Incl. VAT)
- 2) Conditions for petty cash purchases –
 - a) Petty cash purchases are limited to R1 000 per transaction.
 - b) The Chief Financial Officer may approve petty cash purchases up to R2 000.

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE A**

- c) Only officials duly delegated in terms of delegation 4.2.81.1 of the Delegations of Power may authorise purchases from petty cash.
 - d) Each department is allowed a maximum of 15 petty cash transactions per month.
 - e) Petty cash purchases are to be used for ad-hoc goods/services and not routinely occurring needs.
 - f) The same goods/services may not be purchased again out of petty cash within a 60-day period, unless it is of an insignificant value and the demand for the year is less than or equal to R2 000. E.g. ad-hoc courier services.
 - g) A register of petty cash purchases must be maintained for each department.
- 3) The conditions for the procurement of goods by means of written quotations referred to in paragraph 12(1)(b) of this Policy for minor items that are purchased for up to R2,000 (Incl. VAT), are as follows:
- a) written quotations for transactions must be obtained from at least one prospective supplier or service provider preferably from, but not limited to, suppliers or service providers whose names appear on the list of accredited prospective providers of the Municipality provided that if quotations are obtained from providers who are not listed, such providers must meet the listing criteria set out in paragraph 14(1)(b), (c) and (d) of this Policy;
 - b) if a quotation was submitted verbally, the order may be placed only against written confirmation by the selected provider.
- 4) The practice of splitting orders to circumvent the formal written price quotation process through petty cash or direct purchases are not permissible.

16

[Deleted by amendment dated 31 January 2024]

17 Formal written price quotations

- 1) The conditions for the procurement of goods or services through formal written price quotations for amounts above R2,000 (Incl. VAT) up to R300,000 (Incl. VAT) are as follows:
- a) quotations must be obtained in writing from at least three different providers whose names appear on the list of accredited prospective providers of the Municipality.
 - b) quotations may be obtained from providers who are not listed, provided that such providers meet the listing criteria set out in paragraph 14(1)(c) and (d) of this Policy.
 - c) if it is not possible to obtain at least three quotations, the reasons must be recorded and approved by the Chief Financial Officer, or an official designated by the Chief Financial Officer; and
 - d) the Accounting Officer must record the names of the potential providers and their written quotations.
- 2) A designated official referred to in sub-paragraph (1)(c) must by the 3rd of each month report to the Chief Financial Officer on any approvals given during the preceding month by that official in terms of that sub-delegation.

18 Procedures for procuring goods or services through formal written price quotations

- 1) The procedure for the procurement of goods or services through 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 (Incl. VAT) that are to be procured by means of formal written price quotations must, in addition to the requirements of paragraph 17, be advertised for at least seven days on the website and an official notice board of the Municipality;

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE A**

- c) quotations received must be evaluated on a comparative basis taking into account unconditional discounts;
- d) the Accounting Officer or Chief Financial Officer must on a monthly basis be notified in writing of all formal written price quotations accepted by an official acting in terms of a sub-delegation;
- e) quotations must be awarded based on compliance to specifications, conditions of contract, ability and capability to deliver the goods and services and the preference points system will apply in terms of the Preferential Procurement Policy for quotations up to R300 000 (Incl. VAT);
- f) the Chief Financial Officer must set requirements for proper record keeping of all formal written price quotations accepted on behalf of the municipality;

19 Competitive bids

- 1) Goods or services above a transaction value of R300 000 (Incl. VAT) may only be procured through a competitive bidding process, subject to paragraph 11(2) of this Policy.
- 2) No requirement for goods or services above an estimated transaction value of R300 000 (Incl. VAT), may deliberately be split into parts or items of lesser value merely for the sake of procuring the goods or services otherwise than through a competitive bidding process.

20 Process for competitive bidding

- 1) The procedures for the following stages of a competitive bidding process are as follows:
 - a) Compilation of bidding documentation is detailed in paragraph 21;
 - b) Public invitation of bids is detailed in paragraph 22;
 - c) Site meetings or briefing sessions are detailed in paragraph 22;
 - d) Handling of bids submitted in response to public invitation is detailed in paragraph 23;
 - e) Evaluation of bids is detailed in paragraph 28;
 - f) Award of contracts is detailed in paragraph 29;
 - g) Administration of contracts is detailed in paragraph 6 of Council's Contract management Policy
 - h) Proper record keeping: Original and legal copies of all tender documentation must be kept in a secure place for reference purposes.

21 Bid documentation for competitive bids

- 1) The criteria to which bid documentation for a competitive bidding process must comply, must –
 - a) take into account –
 - (i) the general conditions of contract and any special conditions of contract, if specified;
 - (ii) any Treasury guidelines on bid documentation; and
 - (iii) the requirements of the Construction Industry Development Board (CIDB), in the case of a bid relating to construction, upgrading, refurbishment of buildings or infrastructure.
 - b) include the preference points system to be used as contemplated in the Preferential Procurement Regulations, 2022, evaluation and adjudication criteria, including any criteria required by other applicable legislation;
 - c) compel bidders to declare any conflict of interest they may have in the transaction for which the bid is submitted;
 - d) if the value of the transaction is expected to exceed R10 million (Incl. VAT) –
 - (i) if the bidder is required by law to prepare annual financial statements for auditing, its audited annual financial statements –
 - (a) for the past three years; or
 - (b) since its establishment if established during the past three years;

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE A**

- (ii) certificate signed by the bidder certifying that the bidder has no undisputed commitments for municipal services towards a Municipality or other service provider in respect of which payment is overdue for more than 30 calendar days;
 - (iii) particulars of any contracts awarded to the bidder by the municipality during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract;
 - (iv) a statement indicating whether any portion of the goods or services are expected to be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality or municipal entity is expected to be transferred out of the Republic; and
- e) stipulate that disputes must be settled by means of mutual consultation, mediation (with or without legal representation), or, when unsuccessful, in a South African court of law;
- 2) A fee shall be raised for bid forms, plans, specifications, samples and any other bid documentation, depending on the nature, magnitude and value of technical information or samples provided by the municipality for tenders in excess of R300 000 (Incl. VAT).
- 3) Tenders to be evaluated on functionality:
- a) The Municipality must indicate in the tender documents if the tender will be evaluated on functionality.
 - b) The evaluation criteria for measuring functionality must be objective.
 - c) The tender documents must specify-
 - (i) evaluation criteria for measuring functionality.
 - (ii) the points for each criterion and, if any, each sub-criterion; and
 - (iii) minimum qualifying score for functionality,
 - d) The minimum qualifying score for functionality for a tender to be considered further-
 - (i) must be determined separately for each tender; and
 - (ii) may not be so-
 - (a) low that it may jeopardise the quality of the required goods or services; or
 - (b) high that it is unreasonably restrictive.
 - e) Points scored for functionality must be rounded off to the nearest two decimal places.
 - f) A tender that fails to obtain the minimum qualifying score for functionality as indicated in the tender documents is not an acceptable tender.
 - g) Each tender that obtained the minimum qualifying score for functionality must be evaluated further in terms of price and the preference point system and any objective criteria envisaged.

22 Public invitation for competitive bids

- 1) The procedure for the invitation of competitive bids is as follows:
- a) Any invitation to prospective providers to submit bids must be by means of a public advertisement:
 - (i) in newspapers commonly circulating locally,
 - (ii) on the notice boards at selected offices of the Municipality,
 - (iii) on the website of the Municipality,
 - (iv) on the e-Tender Publication Portal of the National Treasury
 - (v) on the i-Tender website of the CIDB for construction procurement related transactions or
 - (vi) any other appropriate ways (which may include an advertisement in the Government Tender Bulletin).
 - b) The information contained in a public advertisement, must include –
 - (i) the closure date for the submission of bids, which may not be less than 30 days in the case of transactions over R10 million (Incl. VAT), or which are of a long term nature (in excess of three years), or 14 days in any other case, from the date on which the advertisement is placed in a newspaper, subject to sub-paragraph (2) of this policy;
 - (ii) a statement that bids may only be submitted on the bid documentation provided by the Municipality;

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE A**

- (iii) a statement that bids will only be considered if it was deposited into the bid box indicated in the bid invitation;
 - (iv) the required CIDB contractor category and grading designation for construction procurement, date, time and venue of any proposed site meetings or briefing sessions, provided that site meetings / information sessions may not be scheduled within 7 days of the date on which a bid advertisement is placed.
- 2) The Accounting Officer may determine a closure date for the submission of bids which is less than the required 30 or 14 days, but only if such shorter period can be justified on the grounds of urgency or emergency or any exceptional case where it is impractical or impossible to follow the official procurement process.
 - 3) The notice shall further state that all bids for the contract must be submitted in a sealed envelope on which it is clearly stated that such envelope contains a bid and the contract title and contract or bid reference number for which the bid is being submitted.
 - 4) The period for which bids are to remain valid, irrevocable, and open for acceptance must be indicated in the bid documents and must not exceed 180 days.
 - 5) The validity period of a bid may be extended by the accounting officer, or his/her duly appointed delegate, prior to the expiry of the validity period indicated in the bid document.
 - 6) Communication with bidders before the closing date:
 - a) The budget holder must approach the Bid Specification Committee, if necessary, to consider authorisation in writing, of communication with bidders prior to bids closing.
 - b) The Municipality is entitled to amend any bid condition, validity period, specification or plan, or extend the closing date of such a bid or quotation before the closing date, provided that such amendments or extensions are advertised and/or where possible, that all bidders to whom bid documents have been issued, are advised in writing per e-mail or by fax of such amendments or of the extension clearly reflecting the new closing date and time. For this reason, officials and authorised service providers issuing bids shall keep a record of the names, addresses and contact numbers of the persons or enterprises to whom bid documents have been issued.
 - c) All amendments must be approved by the Accounting Officer or the relevant delegated director prior to the closing date of the bid invitation. The communication of the minutes of site meetings is not subject to this requirement.

23 Procedure for handling, opening, recording and cancellation of bids

- 1) The procedures for the handling, opening and recording of bids, are as follows:
 - a) Bids–
 - (i) must be opened only in public;
 - (ii) must be opened on the same date and as soon as possible after the period for the submission of bids has expired; and
 - b) Any bidder or member of the public has the right to request that the names of the bidders who submitted bids in time must be read out and, if practical, also each bidder's total bidding price;
 - c) No information, except the provisions in sub-paragraph (b), relating to the bid should be disclosed to bidders or other persons until the successful bidder is notified of the award; and
 - d) The Accounting Officer must –
 - (i) record in a register all bids received in time;
 - (ii) make the register available for public inspection; and
 - (iii) publish the entries in the register and the bid results on the website.
- 2) Stamping of bids and reading out of names:
 - a) As each bid is opened the name of the bidder and the amount – if practical – shall be read out.
 - b) An official shall date-stamp the bid or quotation and all enclosures related to prices, delivery periods and special conditions.

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE A**

- c) Bids and quotations shall be numbered in the sequence in which they have been opened and the words “and last” shall be endorsed on the last bid or quotation.
 - d) In instances where only one bid has been received the words “and only” shall be endorsed on such bid.
 - e) Where prices have not been inserted in all relevant spaces on the form and such items have not been deleted by bidders, such spaces shall be stamped “no price” by the employee who opens the bids or quotations.
 - f) A bid will not be invalidated if the amount in words and the amount in figures do not correspond, where there is a discrepancy, the amount in words shall be read out at the bid opening and shall be deemed to be the bid amount.
- 3) Late Bids
- a) Bids or quotations arriving after the specified closing time shall not be considered and where practicable and cost effective shall be returned to the bidder unopened with a letter explaining the circumstances.
 - b) Where it is necessary to open a late bid or quotation to obtain the name and address of the sender, each page of the document shall be stamped “late bid” before the bid is returned to the bidder. The envelope must be stamped and initialled in like manner and must be retained for record purposes.
- 4) Dealing with bids and quotations if the closing date thereof has been extended.
- a) Where the closing date of a bid or quotation is extended, bids or quotations already received, will be retained unopened in the bidding box and be duly considered after the expiry of the extended period, unless the bidder cancels it by submitting a later dated bid or quotation before the extended closing date.
- 5) Cancellation of tender/s:
- a) The Municipality may, before the award of a tender, cancel a tender invitation if-
 - (i) due to changed circumstances, there is no longer a need for the goods or services specified in the invitation.
 - (ii) funds are no longer available to cover the total envisaged expenditure.
 - (iii) no acceptable tender is received; or
 - (iv) there is a material irregularity in the tender process.

24 Negotiations with preferred bidders and communication with prospective providers and bidders

- 1) The Accounting Officer may negotiate the final terms of a contract with bidders identified through a competitive bidding process as preferred bidders, provided that such negotiation –
 - a) does not allow any preferred bidder a second or unfair opportunity;
 - b) is not to the detriment of any other bidder; and
 - c) does not lead to a higher price than the bid as submitted;
 - d) does not lead to a lower price in respect of sale of land / goods.
- 2) Minutes of such negotiations must be kept for record purposes and as far as practical be made part of the final contract.
- 3) No unauthorised communication with bidders and prospective providers:
 - a) where bids and quotations have been submitted to the municipality, a bidder may not communicate with any councillor, official, or authorised service provider on any matter regarding his bid, quotation or offer other than a notice of withdrawal.
 - b) No municipal personnel may communicate with a bidder or any other party who has an interest in a bid, during the period between the closing date for the receipt of the bid or quotation (or date of receipt of an offer), and the date of notification of the successful bidder of acceptance of his bid, quotation or offer, except as provided for in paragraph (c) below. Every such case of unauthorised communication shall forthwith be reported to the Supply Chain Management Unit as well as the chairperson of the Bid Adjudication Committee. A bid or quotation in respect of which unauthorised communication has occurred may be disqualified.

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE A**

- c) The budget holder must approach the Bid Evaluation Committee, as determined in paragraph 28(2), to consider authorising an employee or authorised consulting service provider, in writing, to communicate with a bidder during the period mentioned in subsection (b) above for the purpose of:-
 - (i) Obtaining an explanation and verification of declarations made in the bid response;
 - (ii) confirming technical particulars and the compliance thereof with specifications;
 - (iii) clarifying delivery times/quantities;
 - (iv) extending the validity period of a bid;
 - (v) clarifying any other commercial aspect;
 - (vi) for the submission of substantiating documents;
 - (vii) any other clarifications
- d) In all cases where authority has been granted to communicate with bidders in terms of paragraph (c) above, it should be clearly stated in the submission to the Bid Adjudication Committee the nature of the communication as well as by whom such authority to communicate has been granted.

25 Two-stage bidding process

- 1) A two-stage bidding process is allowed for –
 - a) large complex projects; or
 - b) projects where it may be undesirable to prepare complete detailed technical specifications; or
 - c) long term projects with a duration period exceeding three years.
- 2) In the first stage technical proposals on conceptual design or performance specifications should be invited, subject to technical as well as commercial clarifications and adjustments.
- 3) In the second stage final technical proposals and priced bids should be invited.

26 Committee system for competitive bids

- 1) A committee system for competitive bids is hereby established, consisting of the following committees for each transaction or cluster of transactions as the Accounting Officer may determine:
 - a) a bid specification committee;
 - b) a bid evaluation committee; and
 - c) a bid adjudication committee;
- 2) The Accounting Officer appoints the members of each committee, taking into account section 117 of the Act, and
- 3) The Accounting Officer may appoint a neutral or independent observer, to attend or oversee a committee when this is appropriate for ensuring fairness and promoting transparency.
- 4) The committee system must be consistent with –
 - a) paragraphs 27, 28 and 29 of this Policy; and
 - b) any other applicable legislation.
- 5) The Accounting Officer may apply the committee system to formal written price quotations.

27 Bid Specification Committees

- 1) The appropriate bid specification committee must compile the specifications for each procurement transaction for goods or services by the Municipality, depending on the department involved.
- 2) Specifications –
 - a) must be drafted in an unbiased manner to allow all potential suppliers to offer their goods or services;
 - b) must take account of any accepted standards such as those issued by Standards South Africa, the International Standards Organization, or an authority accredited or recognised by the South African National Accreditation System with which the equipment or material or workmanship should comply;
 - c) must, where possible, be described in terms of performance required and / or in terms of descriptive characteristics for design;
 - d) may not create trade barriers in contract requirements in the forms of specifications, plans, drawings, designs, testing and test methods, packaging, marking or labelling of conformity certification;
 - e) may not make reference to any particular trademark, name, patent, design, type, specific origin or producer unless there is no other sufficiently precise or intelligible way of describing the characteristics of the work, in which case such reference must be accompanied by the word “equivalent”;
 - f) must indicate the preference points system for which points may be awarded as set out in the prevailing Preferential Procurement Regulations; and
 - g) must be approved by the Accounting Officer or the relevant delegated director prior to publication of the invitation for bids in terms of paragraph 22 of this Policy.
- 3) A Bid Specification Committee must be composed of one or more officials of the municipality, including, but not limited to:-
 - a) a delegated supply chain management practitioner;
 - b) the budget holder from the Directorate for whom the bid is called; and
 - c) the chairperson to be appointed by the Accounting Officer.
 - d) any other officials appointed by the Accounting Officer.
- 4) The Committee may, when appropriate, include external specialist advisors.
- 5) No person, advisor or corporate entity involved with the bid specification committee, or director of such a corporate entity, may bid for any resulting contracts.

28 Bid Evaluation Committees

- 1) A Bid Evaluation Committee must –
 - a) evaluate all bids in accordance with –
 - (i) the specifications for a specific procurement; and
 - (ii) the points system set out in terms of the Preferential Procurement Policy;
 - b) evaluate each bidder’s ability to execute the contract;
 - c) check in respect of the recommended bidder whether municipal rates and taxes and municipal
 - d) service charges are not in arrears for more than three months;
 - e) submit to the adjudication committee a report and recommendations regarding the award of the bid or any other related matter; and
- 2) A Bid Evaluation Committee must as far as possible be composed of:-
 - a) the budget holder or officials from departments requiring the goods or services
 - b) at least one delegated supply chain management practitioner, and

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE A**

- c) the chairperson to be appointed by the Accounting Officer
- d) any other official appointed by the Accounting Officer

29 Bid Adjudication Committees

- 1) A bid adjudication committee must –
 - a) consider the report and recommendations of the bid evaluation committee; and
 - b) either –
 - (i) depending on its delegations, make a final award or a recommendation to the Accounting Officer to make the final award; or
 - (ii) make another recommendation to the Accounting Officer how to proceed with the relevant procurement.
- 2) The bid adjudication committee must be composed of at least four directors of the municipality which must include –
 - a) the Chief Financial Officer or, if the Chief Financial Officer is not available, another manager reporting directly to the Chief Financial Officer and designated by the Chief Financial Officer;
 - b) a senior supply chain management practitioner; and
 - c) a technical expert in the relevant field who is an official of the municipality, if the municipality has such an expert.
- 3) The Accounting Officer must appoint the chairperson of the committee. If the Chairperson is unable to chair the meeting, the members of the committee who are present must elect one of them to preside at the meeting.
- 4) A quorum for the Adjudication Committee shall be four members.
 - a) In the event of an equality of votes the chairperson shall have a casting vote over and above a deliberate vote.
 - b) The Director of the department that called for the tender must be present at the meeting where the particular tender is considered.
- 5) The members of the Bid Evaluation Committee, or their delegates, must be present at the Bid Adjudication Committee meetings to clarify issues that were dealt with in the Bid Evaluation Committee meetings without voting rights.
- 6) A technical expert in the relevant field, who is an official, if such an expert exists, may attend the meeting as an advisor for clarification purposes. This official will not have voting rights at the Bid Adjudication Committee meeting.
- 7) Neither a member of a bid evaluation committee, nor an advisor or person assisting the bid evaluation committee, may be a member of a bid adjudication committee.
- 8) If the bid adjudication committee decides to award a bid other than the one recommended by the bid evaluation committee –
 - a) the bid adjudication committee must prior to awarding the bid –
 - (i) check in respect of the preferred bidder whether that bidder's municipal rates and taxes and municipal service charges are not in arrears for more than three months, and;
 - (ii) notify the Accounting Officer.
 - b) The Accounting Officer may –
 - (i) after due consideration of the reasons for the deviation, ratify or reject the decision of the bid adjudication committee referred to in paragraph (a); and
 - (ii) if the decision of the bid adjudication committee is rejected, refer the decision of the adjudication committee back to that committee for reconsideration.
- 9) 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.

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE A**

- 10) The Accounting Officer must comply with Section 114 of the Act within 10 working days–
 - a) If a tender other than the one recommended in the normal course of implementing the supply chain management policy is approved, the Accounting Officer must, in writing, notify the Auditor-General, the Provincial Treasury and the National Treasury of the reasons for deviating from such recommendation.
 - b) Subsection (1) does not apply if a different tender was approved in order to rectify an irregularity.

30 Procurement of Banking Services

- 1) A contract for banking services –
 - a) must be procured through competitive bids;
 - b) must be consistent with section 7 of the Act; and
 - c) may not be for a period of more than five years at a time.
- 2) The process for procuring a contract for banking services must commence at least nine months before the end of an existing contract.
- 3) The closure date for the submission of bids may not be less than 60 days from the date on which the advertisement is placed in a newspaper in terms of paragraph 22(1).
- 4) Bids must be restricted to banks registered in terms of the Banks Act, 1990 (Act No. 94 of 1990).

31 Procurement of Information- and Communication Technology (ICT) related goods or services

- 1) The Accounting Officer may request the State Information Technology Agency (SITA) to assist with the acquisition of ICT related goods or services through a competitive bidding process.
- 2) Both parties must enter into a written agreement to regulate the services rendered by, and the payments to be made to, SITA.
- 3) The Accounting Officer must notify SITA together with a motivation of the ICT needs if –
 - a) the transaction value of ICT related goods or services required in any financial year will exceed R50 million ; or
 - b) the transaction value of a contract to be procured whether for one or more years exceeds R50 million.
- 4) If SITA comments on the submission and the Municipality disagree with such comments, the comments and the reasons for rejecting or not following such comments must be submitted to Council, the National Treasury, the Provincial Treasury and the Auditor-General.
- 5) The Municipality is required to follow the following process before inviting proposals for a new financial management system:
 - a) National and Provincial Treasury should immediately be informed of any intention to replace the accounting or billing system currently operating at the municipality;
 - b) The submission should include a comprehensive motivation with specific reasons for why it is deemed necessary to replace the existing financial system;
 - c) A copy of the service level agreement with minutes of the meetings between the municipality and the current service provider (financial system vendor) during the previous twelve months must be made available;
 - d) The organisational structure, specifically for the IT department/function, clearly indicating management capacity and responsibility for operating the financial system, must be submitted;
 - e) An assessment should be done to determine which modules of the existing financial system are being utilised by the municipality and reasons must be provided for modules not in operation. In cases where an existing system is not an ERP system the municipality must provide details of any other systems utilised by the municipality;
 - f) The date on which the existing financial system was implemented, the procurement and implementation costs and the current operational costs thereof must be disclosed;

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE A**

- g) A technical assessment must be undertaken on the server and network requirements of the new financial system and a copy of such report should be submitted; and
- h) Copies of all IT strategies, policies and procedural documents including the IT disaster recovery plan must be made available.

32 Procurement of goods and services under contracts secured by other organs of state

- 1) The Accounting Officer may procure goods or services under a contract secured by another organ of state, but only if –
 - a) the contract has been secured by that other organ of state by means of a competitive bidding process applicable to that organ of state;
 - b) there is no reason to believe that such contract was not validly procured;
 - c) there are demonstrable discounts or benefits to do so; and
 - d) that other organ of state and the provider have consented to such procurement in writing.

33 Procurement of goods necessitating special safety arrangements

- 1) The acquisition and storage of goods in bulk (other than water), which necessitate special safety arrangements, including gasses and fuel, should be avoided wherever possible.
- 2) Where the storage of goods in bulk is justified, such justification must be based on sound reasons, including the total cost of ownership, cost advantages and environmental impact and must be approved by the official duly authorised in terms of the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993).

34 Proudly SA Campaign

- 1) The Municipality supports the Proudly SA Campaign to the extent that, as far as possible, preference is given to procuring local goods and services as per Council's Preferential Procurement Policy

35 Appointment of consultants

- 1) The Accounting Officer may procure consulting services provided that any National Treasury guidelines and CIDB requirements in respect of consulting services are taken into account when such services are procured.
- 2) Consultancy services must be procured through competitive bids if:
 - a) the value of the contract exceeds R300 000 (Incl. VAT); or
 - b) the period of the contract exceeds one year.
- 3) In addition to any requirements prescribed by this policy for competitive bids, bidders must furnish particulars of –
 - a) all consultancy services provided to an organ of state in the last five years; and
 - b) any similar consultancy services provided to an organ of state in the last five years.
- 4) The Accounting Officer must ensure that copyright in any document produced, and the patent rights or ownership in any plant, machinery, thing, system or process designed or devised, by a consultant in the course of the consultancy service is vested in the Municipality.
- 5) A municipality or municipal entity may only appoint consultants if an assessment of the needs and requirements confirms that the affected municipality or municipal entity does not have the requisite skills or resources in its full -time employ to perform the function.
- 6) An accounting officer must adopt a fair and reasonable remuneration framework for consultants taking into account the rates -
 - a) determined in the "Guideline on fees for audits undertaken on behalf of the Auditor - General of South Africa ", issued by the South African Institute of Chartered Accountants;

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE A**

- b) set out in the "Guide on Hourly Fee Rates for Consultants ", issued by the Department of Public Service and Administration; or
 - c) as prescribed by the body regulating the profession of the consultant.
- 7) The tender documentation for the appointment of consultants must include a paragraph that the remuneration rates will be subject to negotiation, not exceeding the applicable rates mentioned in sub -regulation (2).
- 8) When negotiating cost -effective consultancy rates for international consultants, the accounting officer may take into account the relevant international and market –determined rates.
- 9) When consultants are appointed, an accounting officer must -
- a) appoint consultants on a time and cost basis with specific start and end dates;
 - b) where practical, appoint consultants on an output- specified basis, subject to specific measurable objectives and associated remuneration;
 - c) ensure that contracts with consultants include overall cost ceilings by specifying whether the contract price is inclusive or exclusive of travel and subsistence disbursements;
 - d) ensure the transfer of skills by consultants to the relevant officials of a municipality or municipal entity;
 - e) undertake all engagements of consultants in accordance with the Municipal Supply Chain Management Regulations, 2005 and the municipality or municipal entity's supply chain management policy; and
 - f) develop consultancy reduction plans to reduce the reliance on consultants.
- 10) All contracts with consultants must include a fee retention or penalty paragraph for poor performance.
- 11) A municipality or municipal entity must ensure that the specifications and performance are used as a monitoring tool for the work to be undertaken and are appropriately recorded and monitored.
- 12) The travel and subsistence costs of consultants must be in accordance with the national travel policy issued by the National Department of Transport, as updated from time to time.
- 13) The contract price must specify all travel and subsistence costs and if the travel and subsistence costs for appointed consultants are excluded from the contract price, such costs must be reimbursed in accordance with the national travel policy of the National Department of Transport.

36 Deviation from, and ratification of minor breaches of procurement processes

- 1) The Accounting Officer may –
- a) dispense with the official procurement processes established by this Policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only –
 - (i) in an emergency;
 - (a) Circumstances that warrant emergency dispensation, includes but are not limited to -
 - (i) the possibility of human injury or death;
 - (ii) the possibility of damage to property;
 - (iii) failure to take necessary action may result in the municipality not being able to render an essential community service;
 - (iv) the interruption of services related to communication facilities or support services critical to the effective functioning of the municipality as a whole; or
 - (v) the eminent possibility of serious damage occurring to the natural environment.
 - (b) The prevailing situation, or imminent danger, should be of such a scale and nature that it could not readily be alleviated by interim measures, in order to allow time for the formal tender process.

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE A**

- (c) Procurement in the case of emergencies must be tacitly approved by the relevant director or his delegate prior to incurring the expenditure (before issuing an instruction to the supplier) and must be reported in writing to the Accounting Officer or duly appointed delegated official within five working days.
 - (ii) if such goods or services are produced or available from a single provider only;
 - (iii) for the acquisition of special works of art or historical objects where specifications are difficult to compile;
 - (iv) acquisition of animals for zoos and/or nature and game reserves; or
 - (v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes including, but not limited to-:
 - (a) ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids;
 - b) ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature; and
 - c) may condone any irregular expenditure incurred in contravention of, or that is not in accordance with a requirement of this Policy and which is not also a contravention of the Municipal Supply Chain Management Regulations (GG 27636 of 30 May 2005), provided that such condonation and the reasons therefore shall be reported to Council at the next ensuing meeting.
- 2) The Accounting Officer must record the reasons for any deviations in terms of sub-paragraphs (1)(a) and (b) of this policy and report them to the next Council Meeting and include as a note to the annual financial statements.
- 3) Sub-paragraph (2) does not apply to the procurement of goods and services contemplated in paragraph 11(2) of this policy.

37 Unsolicited bids

- 1) In accordance with Section 113 of the Act there is no obligation to consider unsolicited bids received outside a normal bidding process.
- 2) The Accounting Officer may decide in terms of Section 113(2) of the Act to consider an unsolicited bid, only if –
 - a) the product or service offered in terms of the bid is a demonstrably or proven unique innovative concept;
 - b) the product or service will be exceptionally beneficial to, or have exceptional cost advantages;
 - c) the person who made the bid is the sole provider of the product or service; and
 - d) the reasons for not going through the normal bidding processes are found to be sound by the Accounting Officer.
- 3) If the Accounting Officer decides to consider an unsolicited bid that complies with sub-paragraph (2) of this policy, the decision must be made public in accordance with Section 21A of the Municipal Systems Act, together with –
 - a) reasons as to why the bid should not be open to other competitors;
 - b) an explanation of the potential benefits if the unsolicited bid was to be accepted; and
 - c) an invitation to the public or other potential suppliers to submit their comments within 30 days of the notice.
- 4) The Accounting Officer must submit all written comments received pursuant to sub-paragraph (3), including any responses from the unsolicited bidder to the National Treasury and the Provincial Treasury for comment.
- 5) The bid adjudication committee must consider the unsolicited bid and may award the bid or make a recommendation to the Accounting Officer, depending on its delegations.
- 6) A meeting of the bid adjudication committee to consider an unsolicited bid must be open to the public.

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE A**

- 7) When considering the matter, the adjudication committee must take into account –
 - a) any comments submitted by the public; and
 - b) any written comments and recommendations of the National Treasury or the Provincial Treasury.
- 8) If any recommendations of the National Treasury or Provincial Treasury are rejected or not followed, the Accounting Officer must submit to the Auditor General, the Provincial Treasury and the National Treasury the reasons for rejecting or not following those recommendations.
- 9) Such submission must be made within 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.

38 Combating of abuse of the supply chain management system

- 1) The Accounting Officer is hereby enabled to –
 - a) take all reasonable steps to prevent abuse of the supply chain management system;
 - b) investigate any allegations against an official or other role player of fraud, corruption, favouritism, unfair or irregular practices or failure to comply with this Policy, and when justified –
 - (i) take appropriate steps against such official or other role player; or
 - (ii) report any alleged criminal conduct to the South African Police Service;
 - c) check the National Treasury's database prior to awarding any contract to ensure that no recommended bidder, or any of its directors, is listed as a person prohibited from doing business with the public sector;
 - d) reject any bid from a bidder –
 - (i) if any municipal rates and taxes or municipal service charges owed by that bidder or any of its directors to the Municipality, or to any other municipality or municipal entity are in arrears for more than three months; or
 - (ii) who during the last five years has failed to perform satisfactorily on a previous contract with the Municipality or any other organ of state after written notice was given to that bidder that performance was unsatisfactory;
 - e) reject a recommendation for the award of a contract if the recommended bidder, or any of its directors, has committed a corrupt or fraudulent act in competing for the particular contract;
 - f) cancel a contract awarded to a person if –
 - (i) the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract; or
 - (ii) an official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person; and
 - g) reject the bid of any bidder if that bidder or any of its directors –
 - (i) has abused the supply chain management system of the Municipality or has committed any improper conduct in relation to such system;
 - (ii) has been convicted for fraud or corruption during the past five years;
 - (iii) has wilfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - (iv) has been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 2) The Accounting Officer must inform the National Treasury and relevant provincial treasury in writing of any actions taken in terms of sub-paragraphs (1)(b)(ii), (e) or (f) of this policy.

Part 3: LOGISTICS, DISPOSAL, RISK AND PERFORMANCE MANAGEMENT

39 Logistics management

- 1) The Accounting Officer must establish and implement an effective system of logistics management, which must include -
 - a) the monitoring of spending patterns on types or classes of goods and services incorporating, where practical, the coding of items to ensure that each item has a unique number;
 - b) the setting of inventory levels that includes minimum and maximum levels and lead times wherever goods are placed in stock;
 - c) the placing of manual or electronic orders for all acquisitions other than those from petty cash prior to the receipt of goods and/or services. Orders must be issued by 31 July or within one month of contracts (excluding once-off contracts) becoming active, where possible;
 - d) before payment is approved, certification by the responsible officer that the goods and services are received or rendered on time and is in accordance with the order, the general conditions of contract and specifications where applicable and that the price charged is as quoted in terms of a contract. Orders may be amended/issued where estimates are used to issue orders for rates/tariff based contracts when it is impractical to determine the final amount upfront;
 - e) appropriate standards of internal control and warehouse management to ensure that goods placed in stores are secure and only used for the purpose for which they were purchased;
 - f) regular checking to ensure that all assets are properly managed and maintained in terms of Council's Asset Management Policy; and
 - g) monitoring and review of the supply vendor performance to ensure compliance with specifications and contract conditions for particular goods or services.
 - h) Contracts will be implemented in terms of the requirements of Section 116 of the Act and Council's Contract Management Policy.

40 Disposal management

- a) Assets must be disposed of or leased in terms of the Municipal Asset Transfer Regulations, Overstrand Municipality's Asset Management Policy and Administration of Immovable Property Policy respectively.
- b) Disposal Management does not *per se* represent a procurement process, although the prescribed procurement processes are followed in the disposal of assets and is thus exempt from the prohibitions of paragraph 44 of this policy in relation to the disposal of immovable assets for residential purposes only. As a result, the municipality is not prohibited from selling/disposing of immovable assets to persons in the service of the state where such sale/disposal is to be used for primary residential occupation.

c) Granting of Rights

The granting of rights (where sections 14 and 90 of the MFMA do not apply) by the Overstrand Municipality, shall be executed strictly in accordance with Chapter 4 of the Municipal Asset Transfer Regulations and the Administration of Immovable Property Policy, as amended from time to time.

41 Risk management

The Accounting Officer must implement an effective system of risk management for the identification, consideration and avoidance of potential risks in the supply chain management system as per Council's Risk Management Policy.

42 Performance management

The Accounting Officer must implement an internal monitoring system in order to determine, on the basis of a retrospective analysis, whether the authorised supply chain management processes were

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE A**

followed and whether the objectives of this Policy were achieved in terms of the Performance Management System Implementation Policy.

Part 4: OTHER MATTERS

43 Prohibition on awards to persons whose tax matters are not in order

- 1) Irrespective of the procurement process followed, the municipality may not make any award above R30 000 to a person whose tax matters have not been declared by the South African Revenue Service to be in order.
- 2) Before making an award, the municipality must verify the bidder's tax compliance status. Where the recommended bidder is not tax compliant, the bidder should be notified of the non-compliant status and be requested to submit proof of tax compliance to the municipality within 7 working days or written proof from SARS that they have made arrangements to meet their outstanding tax obligations. The proof of tax compliance submitted by the bidder must be verified by the municipality via CSD or e-Filing. The municipality should reject a bid submitted by the bidder if such bidder fails to provide proof of tax compliance within the timeframe stated.
- 3) The municipality is not required to verify a suppliers' tax compliance status with SARS during the execution of any contract procured through the supply chain management system. Subject to sub-paragraphs (1) and (2), tax matters are only verified when the duly appointed delegated authority makes an award.
- 4) Sub-paragraphs (1) and (2) is applicable when contracts are amended by the duly appointed delegated authority as contemplated in paragraph 5.6 of the Contract Management Policy.
- 5) Sub-paragraphs (1) and (2) is applicable when the cumulative value of transactions entered into with a supplier during a financial year is anticipated to exceed R30 000.

44 Prohibition on awards to persons in the service of the state

- 1) Irrespective of the procurement process followed, no award may be made to a person in terms of this Policy –
 - a) who is in the service of the state;
 - b) that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state; or
 - c) a person who is an advisor or consultant contracted with the Municipality in respect of a contract that would cause a conflict of interest.

45 Awards to close family members of persons in the service of the state

- 1) The Accounting Officer must ensure that the notes to the annual financial statements disclose particulars of any award of more than R2 000 (Incl. VAT) to a person who is a spouse, child or parent of a person in the service of the state, or has been in the service of the state in the previous twelve months, including –
 - a) the name of that person;
 - b) the capacity in which that person is in the service of the state; and
 - c) the amount of the award.

46 Ethical standards

- 1) A code of ethical standards for supply chain management practitioners and other role players involved in supply chain management is hereby established in accordance with sub-paragraph (2) in order to promote –
 - a) mutual trust and respect; and
 - b) an environment where business can be conducted with integrity and in a fair and reasonable manner.

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE A**

- 2) An official or other role player involved in the implementation of the supply chain management policy –
 - a) must treat all providers and potential providers equitably;
 - b) may not use his or her position for private gain or to improperly benefit another person;
 - c) may not accept any reward, gift, favour, hospitality or other benefit directly or indirectly, including to any close family member, partner or associate of that person, of a value more than R350;
 - d) notwithstanding sub-paragraph (2)(c), must declare to the Accounting Officer details of any reward, gift, favour, hospitality or other benefit promised, offered or granted to that person or to any close family member, partner or associate of that person;
 - e) must declare to the Accounting Officer details of any private or business interest which that person, or any close family member, partner or associate, may have in any proposed procurement or disposal process of, or in any award of a contract by, the Municipality;
 - f) must immediately withdraw from participating in any manner whatsoever in a procurement or disposal process or in the award of a contract in which that person, or any close family member, partner or associate, has any private or business interest;
 - g) must be scrupulous in his or her use of property belonging to the municipality;
 - h) must assist the Accounting Officer in combating fraud, corruption, favouritism and unfair and irregular practices in the supply chain management system; and
 - i) must report to the Accounting Officer any alleged irregular conduct in the supply chain management system which that person may become aware of, including –
 - (i) any alleged fraud, corruption, favouritism or unfair conduct;
 - (ii) any alleged contravention of paragraph 47(1) of this policy; or
 - (iii) any alleged breach of this code of ethical standards.
- 3) Declarations in terms of sub-paragraphs (2)(d) and (e) -
 - a) must be recorded in a register which the Accounting Officer must keep for this purpose;
 - (i) by the Accounting Officer must be made to the mayor of the municipality who must ensure that such declarations are recorded in the register.
- 4) A breach of the code of ethics must be dealt with as follows -
 - a) in the case of an employee, in terms of the disciplinary procedures of the Municipality envisaged in section 67(1)(h) of the Municipal Systems Act;
 - b) in the case a councillor, in terms of Schedule 1 of the Systems Act;
 - c) in the case a role player who is not an employee, or a councillor through other appropriate means in recognition of the severity of the breach; and
 - d) in all cases, financial misconduct must be dealt with in terms of Chapter 15 of the Act.

47 Inducements, rewards, gifts and favours to municipal officials and other role players

- 1) No person who is a provider or prospective provider of goods or services, or a recipient or prospective recipient of goods disposed or to be disposed of may either directly or through a representative or intermediary promise, offer or grant –
 - a) any inducement or reward to the Municipality for or in connection with the award of a contract; or
 - b) any reward, gift, favour or hospitality to –
 - (i) any official; or
 - (ii) any other role player involved in the implementation of this Policy.
- 2) The Accounting Officer must promptly report any alleged contravention of sub-paragraph (1) to the National Treasury for considering whether the offending person, and any representative or intermediary through which such person is alleged to have acted, should be listed in the National Treasury's database of persons prohibited from doing business with the public sector.

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE A**

- 3) Sub-paragraph (1) does not apply to gifts less than R350 (Incl. VAT) in value.

48 Sponsorships

- 1) The Accounting Officer must promptly disclose to the National Treasury and the relevant provincial treasury any sponsorship promised, offered or granted, whether directly or through a representative or intermediary, by any person who is –
- a) a provider or prospective provider of goods or services; or
 - b) a recipient or prospective recipient of goods disposed or to be disposed.

49 Objections and complaints

Persons aggrieved by decisions or actions taken in the implementation of this supply chain management system, may lodge within 14 days of the decision or action, a written objection or complaint against the decision or action subject to the payment of applicable appeal deposit as per Council's approved tariffs.

50 Resolution of disputes, objections, complaints and queries

- 1) The Accounting Officer must appoint an independent and impartial person or persons, not directly involved in the supply chain management processes –
- a) to assist in the resolution of disputes between the Municipality and other persons regarding -
 - (i) any decisions or actions taken in the implementation of the supply chain management system; or
 - (ii) any matter arising from a contract awarded in the course of the supply chain management system;
 - b) to deal with objections, complaints or queries regarding any such decisions or actions or any matters arising from such contract.
- 2) The Accounting Officer, or another official designated by the Accounting Officer, is responsible for assisting the appointed person to perform his or her functions effectively.
- 3) The person appointed must –
- a) strive to resolve promptly all disputes, objections, complaints or queries received; and
 - b) submit monthly reports to the Accounting Officer on all disputes, objections, complaints or queries received, attended to or resolved.
- 4) A dispute, objection, complaint or query may be referred to the Provincial Treasury if –
- a) the dispute, objection, complaint or query is not resolved within 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 will 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.

51 Contracts providing for compensation based on turnover

- 1) If a service provider acts on behalf of the Municipality to provide any service or act as a collector of fees, service charges or taxes and the compensation payable to the service provider is fixed as an agreed percentage of turnover for the service or the amount collected, the contract between the service provider and the Municipality must stipulate:-
- a) A cap on the compensation payable to the service provider; and
 - b) That such compensation must be performance based.

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE A**

52 Public-Private Partnerships

Public-Private Partnerships will be procured in terms of Part 2 of Chapter 11 of the Act.

53 Contract Management

Contracts will be implemented in terms of the requirements of Section 116 of the Act and Council's Contract Management Policy.

54 Transversal Contracts

All commodities, services and products covered by a transversal contract concluded by the National Treasury must be considered before approaching the market, to benefit from savings where lower prices or rates have been negotiated.

55 Framework for Infrastructure Delivery

1) **The Infrastructure Delivery Management Project Processes**

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 process 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	<p>Initiation Report or Pre-feasibility Report</p> <p>(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.</p> <p>Or</p> <p>(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.</p> <p>Stage 1 is complete when the Initiation Report or Pre-feasibility Report is approved.</p>
2	Concept	<p>Concept Report or Feasibility Report</p> <p>(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.</p> <p>(ii) The Concept Report should provide the following minimum information:</p>

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE A**

		<p>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.</p> <p>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.</p> <p>c) Provide an indicative schedule for documentation and construction, or maintenance services, associated with the project.</p> <p>d) Include a site development plan, or other suitable schematic layouts, of the works.</p> <p>e) Describe the statutory permissions, funding approvals and utility approvals required to proceed with the works associated with the project.</p> <p>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.</p> <p>g) Contain a risk report, need for further surveys, tests, investigations, consents and approvals, if any, during subsequent stages.</p> <p>(iii) A Feasibility Report must provide the following minimum information:</p> <p>a) Details regarding the preparatory work covering:</p> <ul style="list-style-type: none"> • A needs and demand analysis with output specifications. • An options analysis. <p>b) A viability evaluation covering:</p> <ul style="list-style-type: none"> • A financial analysis. • An economic analysis, if necessary. <p>c) A risk assessment and sensitivity analysis;</p> <p>d) A professional analysis covering:</p> <ul style="list-style-type: none"> • A technology options assessment. • An environmental impact assessment. • A regulatory due diligence. <p>e) An implementation readiness assessment covering:</p> <ul style="list-style-type: none"> • Institutional capacity. • A procurement plan. <p>Stage 2 is complete when the Concept Report or the Feasibility Report is approved.</p>
3	Design Development	<p>Design Development Report</p> <p>(i) The Design Development Report must, as necessary:</p> <p>a) Develop, in detail, the approved concept to finalise the design and definition criteria.</p> <p>b) Establish the detailed form, character, function and costings.</p> <p>c) Define the overall size, typical detail, performance and outline specification for all components.</p> <p>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.</p> <p>e) Confirm that the project scope can be completed within the budget or propose a revision to the budget.</p> <p>Stage 3 is complete when the Design Development Report is approved.</p>
4	Design Documentation	<p>Design Documentation</p> <p>(i) Design documentation provides:</p> <p>a) the production information that details performance definition, specification, sizing and positioning of all systems and components that will enable construction;</p> <p>b) the manufacture, fabrication and construction information for specific components of the work, informed by the production information.</p> <p>Stage 4 is complete when the Design Documentation Report is approved.</p>

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE A**

5	Works	<p>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.</p> <p>Stage 5 is complete when the Works Completion Report is approved.</p>
6	Handover	<p>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.</p> <p>Stage 6 is complete when the Handover/Record Information Report is approved.</p>
7	Close-Out	<p>Defects Certificate or Certificate of Final Completion; Final Account; Close-Out Report (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.</p> <p>Stage 7 is complete when the Close-out Report is approved.</p>

56 Framework for Infrastructure Procurement

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 transformational needs, as specified in the IDP.

2) Minimum requirements for infrastructure procurement

- a) Infrastructure procurement must be undertaken in accordance with the Local Government Framework for Infrastructure Delivery and Procurement Management and all applicable infrastructure procurement related legislation.
- b) Infrastructure procurement must be implemented in accordance with the institutional Supply Chain Management System, which promotes differentiated procurement for infrastructure.
- c) Infrastructure procurement must be implemented in accordance with the procurement gates prescribed in paragraph 56 below.
- d) 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.
- e) 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.
- f) Procurement gates provided in paragraph 56 below must be used as appropriate, to:
 - (i) Authorise commencement of activities that lead to the next control gate;
 - (ii) Confirm conformity with requirements; and/or

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE A**

- (iii) Provide information to eliminate any cause of non-conformity and to prevent reoccurrence.
- 1) 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.
- 2) The accounting officer must develop and implement effective and efficient emergency procurement procedures, including relevant approval delegation, in compliance with relevant legislation.
- g) 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 continuing with the procurement strategy.
- h) The accounting officer must keep records of Procurement Gate Approvals, in a manual or electronic format, with the following minimum requirements:
 - (i) Procurement gate;
 - (ii) Delegated person/s or body;
 - (iii) Date on which the approval request was received;
 - (iv) Date on which the approval was actioned; and
 - (v) Signature of the delegated person or body.
- i) All assets must be recorded in the municipal asset register as required by the GRAP standards.

57 Infrastructure Procurement Gates (PG)

- 1) Procurement Gate 1
 - a) Initiate a procurement process
 - b) Minimum Requirement for Gate 1
 - (i) Establish and clarify the procurement need, aligned to the municipality's development and transformation priorities specified in the IDP.
 - (ii) Determine a suitable title for the procurement, to be applied as the project description.
 - (iii) Prepare the broad scope of work for the procurement.
 - (iv) Perform market analysis.
 - (v) Estimate the financial value of proposed procurement and contract for budgetary purposes, based on the broad scope of work.
 - (vi) Confirm the budget.
 - (vii) Compliance with section 33 of the MFMA with respect to community and stakeholder participation.
 - 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.
- 2) Procurement Gate 2
 - a) Approve procurement strategy to be adopted.
 - b) Minimum Requirement for Gate 2
 - (i) Develop a procurement strategy aligned to the institutional procurement strategy.
 - (ii) Establish contracting and pricing strategy comprising of an appropriate allocation of responsibilities and risks; and the methodology for contractor payments.
 - (iii) Identify service required for works.
 - (iv) Decide on contracting strategy.

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE A**

- (v) Decide on form of contract.
 - (vi) 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.
- 3) Procurement Gate 3
 - a) Approve procurement documents
 - b) Minimum Requirements for Gate 3
 - (i) Prepare procurement documents that are compatible with:
 - (ii) Approved procurement strategies
 - (iii) Project management design documentation.
 - c) PG 3 is complete when the bid specification committee approves the procurement document.
- 4) Procurement Gate 4
 - a) Confirm that cash flow processes are in place to meet projected contractual obligations.
 - b) Minimum Requirement for Gate 4:
 - (i) Confirm that cash flow processes are in place to meet contractual obligations.
 - (ii) Establish control measures for settlement of payment 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.
- 5) Procurement Gate 5
 - a) Solicit tender offers.
 - b) Minimum Requirements for Gate 5
 - (i) Invite contractors to submit tender offers.
 - (ii) Receive tender offers.
 - (iii) Record tender offers.
 - (iv) 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) Procurement Gate 6
 - a) Evaluate tender offers premised on undertakings and parameters established in procurement documents.
 - b) Minimum Requirement for Gate 6
 - (i) Determine whether tender offers are complete.
 - (ii) Determine whether tender offers are responsive.
 - (iii) Evaluate tender submissions.
 - (iv) Review minimum compliance requirements for each tender.
 - (v) Perform a risk analysis.
 - (vi) 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.
- 7) Procurement Gate 7
 - a) Award the contract.

- b) Minimum Requirement for Gate 7
 - (i) Bid adjudication committee review of the BEC evaluation report.
 - (ii) Bid adjudication committee makes a recommendation of an award.
 - (iii) Accounting Officer approval of the tender process.
 - (iv) Notify successful tenderer and unsuccessful tenderers of the outcome.
 - (v) Sign contract document.
 - (vi) 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 the requirements as stated in the tender data and formally accepts the tender offer in writing, and issues the contractor with a signed copy of the contract.
- 8) Procurement Gate 8
- a) Administer and monitor the contract.
 - b) Minimum Requirements for Gate 8:
 - (i) Contract Management to:
 - (a) Capture contract award data.
 - (b) Administer contract in accordance with the terms and provisions of the contract.
 - (ii) Financial Services to:
 - (a) Manage cash flow projection.
 - (iii) User Department to:
 - (a) 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.

58 Gateway Reviews

- 1) Gateway reviews for mega capital projects
 - a) 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.”
 - b) The LGFIDPM prescribes the Gateway Review at the end of stage 2, as the minimum requirement to comply with section (i) above.
 - c) The focus of such a review must be on the quality of the documentation in the first instance, and thereafter on:
 - (i) Deliverability: the extent to which a project is deemed likely to deliver;
 - (ii) Expected benefits: within the declared cost, time and performance area;
 - (iii) 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
 - (iv) Value for money: The optimum combination of whole life costs and quality (or fitness of purpose), to meet the user’s requirements.
 - d) 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.
 - e) 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.

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE A**

- f) 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.
- g) The gateway review team must base its findings primarily on:
 - (i) The information contained in the end-of-stage deliverable;
 - (ii) Supplementary documentation, if any, provided by key staff and obtained during an interview process; and
 - (iii) Interviews with key staff members and stakeholders.
- h) 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.
- i) The gateway review findings must be classified by the gateway review team as:
 - (i) Critical: Findings that pose adverse effect to the project or package. Critical findings are findings related to the stage deliverable that are wholly unacceptable.
 - (ii) 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.
 - (iii) 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.
- j) A Stage 2 deliverable must not be approved until such time that all findings have been resolved.

59 Short title and commencement

This part of the policy is called the Overstrand Municipality **Supply Chain Management Policy**.

This policy will come into effect on **01 July 2024** and will be reviewed at least annually by way of a Council resolution.

POLICY SECTION:	HEAD: SUPPLY CHAIN MANAGEMENT				
CURRENT UPDATE	2024/05/31				
PREVIOUS REVIEW	2024/02/28	PREVIOUS REVIEW:	2019/05/29	PREVIOUS REVIEW:	2013/05/29
PREVIOUS REVIEW	2024/01/31	PREVIOUS REVIEW	2018/05/30	PREVIOUS REVIEW:	2012/11/28
PREVIOUS REVIEW:	2023/05/31	PREVIOUS REVIEW:	2017/11/29	PREVIOUS REVIEW:	2012/06/26
PREVIOUS REVIEW:	2022/12/14	PREVIOUS REVIEW:	2017/05/31	PREVIOUS REVIEW:	2012/05/30
PREVIOUS REVIEW:	2022/05/31	PREVIOUS REVIEW:	2017/03/29	PREVIOUS REVIEW:	2011/11/30
PREVIOUS REVIEW:	2021/05/26	PREVIOUS REVIEW:	2016/05/25	PREVIOUS REVIEW:	2011/05/04
PREVIOUS REVIEW:	2020/05/27	PREVIOUS REVIEW:	2016/02/24	PREVIOUS REVIEW:	2010/05/26
PREVIOUS REVIEW:	2020/03/25	PREVIOUS REVIEW:	2015/05/28	PREVIOUS REVIEW	2009/05/27
PREVIOUS REVIEW:	2019/06/26	PREVIOUS REVIEW:	2014/05/28	APPROVAL	2008/06/25

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE A**

DELEGATION OF POWERS AND DUTIES PARAGRAPH 4.2.81		
As far as contractual obligations are concerned: Personnel to be nominated in writing by the Municipal Manager, and/or Directors, subject to the under-mentioned criteria, and further subject to the municipality's Supply Chain Management Policy, financial regulations and council resolutions where applicable.		
4.2.81.1. APPROVAL / AWARD / CANCELLATION OF QUOTATIONS, FORMAL QUOTATIONS AND TENDERS		
RAND VALUE (VAT inclusive)	LEVEL OF APPROVAL (With due regard to proper segregation of duties)	QUOTATIONS / TENDERS PROCESS FOLLOWED
Up to R2 000	A manager (Director) directly accountable to the Municipal Manager.	Petty cash Purchases in terms of the Petty Cash Policy AND / OR direct purchases
R2 000.01 – R30 000.00	A manager directly accountable to the Chief Financial Officer or a Senior Manager (Director).	Three (3) written price quotations in terms of Paragraph 17(1)(a) of the SCM Policy
R30 000.01 – R300 000.00	Head: Supply Chain Management	Formal written price quotations in terms of Paragraph 18(b) of the SCM Policy
R300 000.01 – R10 million	Bid Adjudication Committee	Competitive Bidding – committee system
> R10 million	Municipal Manager after recommendation from the Bid Adjudication Committee	Competitive Bidding – committee system
4.2.81.2 APPROVAL OF DEVIATIONS		
RAND VALUE (VAT inclusive)	LEVEL OF APPROVAL	
IN TERMS OF PARAGRAPH 36 ((1)(a)(i) TO (v)(a))		
>R0.00	Accounting Officer	
4.2.81.3 APPROVAL OF REQUESTS FOR PURCHASE ORDERS & MUNICIPAL STORE ISSUES		
Up to R2 000	Level of approval as delegated by relevant director	
R2 000.01 – R30 000.00	Post level T12 and higher	
R30 000.01 – R70 000.00	Post level T13 and higher	
> R70 000.00	Post level T16 and higher	
4.2.81.4 CERTIFICATION AND AUTHORISATION OF ALL PAYMENTS inclusive of where an official order has been issued in terms of sub-paragraph 4.2.81.3 above		
RAND VALUE (VAT inclusive)	LEVEL OF APPROVAL (With due regard to proper segregation of duties)	
R0 – R70 000.00	Post Level 13 and Higher	
R70 000.01 – R500 000.00	Post Level 16 and Higher	
> R 500 000.00	Municipal Manager & Directors	
Eskom Bulk Electricity Purchases	Senior Manager: Electro-technical Services	
4.2.81.5 APPROVAL OF SPECIFICATIONS FOR COMPETITIVE BIDS, in terms of Paragraph 27(2)(g) of the SCM Policy		
Cryptic description of Power or Duty	Sub-delegated to	Remarks, Limitations or Conditions
Specifications for Competitive Bids must be approved prior to the publication of the invitation for bids in terms of paragraph 22 of the SCM Policy.	Directors	This delegation applies in so far as each director's responsibility for managing the respective votes of the municipality and to whom powers and duties for this purpose have been delegated in terms of Section 79 of the MFMA (Act 56 of 2003).
4.2.81.6 APPROVAL OF COMMUNICATION WITH PROSPECTIVE BIDDERS		
Cryptic description of Power or Duty	Sub-delegated to	Remarks, Limitations or Conditions
The budget holder must approach the bid specification committee to consider authorising communication with bidders prior to the closing date of tenders in terms of paragraph 22(6)(a) of the SCM Policy	Bid Specification Committee	This delegation applies in so far as the tender to which the communication relates and the members of the committee as appointed by the accounting officer
The budget holder must approach the bid evaluation committee to consider authorising communication with bidders after the closing of tenders in terms of paragraph 24(3)(c) of the SCM Policy	Bid Evaluation Committee	This delegation applies in so far as the tender to which the communication relates and the members of the committee as appointed by the accounting officer
4.2.81.7 APPROVAL OF EXPANSIONS / VARIATIONS / AMENDMENTS IN THE CONTRACT SUM OR PERIOD		
RAND VALUE (VAT inclusive)	LEVEL OF APPROVAL	PROCESS FOLLOWED
R0 – R300 000.00 (total inclusive of amendment)	Head: Supply Chain Management	NT Circular 62 Expansion / Variation
R300 000.01 – R10 million (total inclusive of amendment)	Bid Adjudication Committee	NT Circular 62 Expansion / Variation
R0 - unlimited	Municipal Manager with consent from Council	S116(3) Amendments
Cryptic description of Power or Duty	Sub-delegated to	Remarks, Limitations or Conditions
Extension of time for construction contracts.	Directors	The General Conditions of Contract for construction works makes provision in Sub-Clause 5.6.4 for the review and adjustment of the construction program.
Extension of delivery periods in respect of ad-hoc and specific term contracts.	Chief Financial Officer (Director: Finance)	Motivated applications for the extension of delivery periods in respect of ad hoc and specific term contracts may be considered favourably but are subject to the restriction that no price adjustments, which arise during the extended period, will be considered.

CODE OF CONDUCT FOR SUPPLY CHAIN MANAGEMENT PRACTITIONERS AND OTHER ROLE PLAYERS

The **purpose** of this Code of Conduct is to promote mutual trust and respect and an environment where business can be conducted with integrity and in a fair and reasonable manner.

1. General Principles

- 1) The Municipality commits itself to a policy of fair dealing and integrity in the conducting of its business. Officials and other role players involved in supply chain management (SCM) are in a position of trust, implying a duty to act in the public interest. Officials and other role players should not perform their duties to unlawfully gain any form of compensation, payment or gratuities from any person, or provider/contractor for themselves, their family or their friends.
- 2) Officials and other role players involved in SCM should ensure that they perform their duties efficiently, effectively and with integrity, in accordance with the relevant legislation, policies and guidelines. They should ensure that public resources are administered responsibly.
- 3) Officials and other role players involved in SCM should be fair and impartial in the performance of their functions. They should at no time afford any undue preferential treatment to any group or individual or unfairly discriminate against any group or individual. They should not abuse the power and authority vested in them.

Conflict of interest

- 4) An official or other role player involved with supply chain management –
 - a) must treat all providers and potential providers equitably;
 - b) may not use his or her position for private gain or to improperly benefit another person;
 - c) may not accept any reward, gift, favour, hospitality or other benefit directly or indirectly, including to any close family member, partner or associate of that person, of a value more than R350;
 - d) must declare to the accounting officer details of any reward, gift, favour, hospitality or other benefit promised, offered or granted to that person or to any close family member, partner or associate of that person;
 - e) must declare to the accounting officer details of any private or business interest which that person, or any close family member, partner or associate, may have in any proposed procurement or disposal process, or in any award of a contract by the Municipality;
 - f) must immediately withdraw from participating in any manner whatsoever in a procurement or disposal process or in the award of a contract in which that person, or any close family member, partner or associate, has any private or business interest;
 - g) must declare any business, commercial and financial interests or activities undertaken for financial gain that may raise a possible conflict of interest;
 - h) should not place him/herself under any financial or other obligation to outside individuals or organizations that might seek to influence them in the performance of their official duties; and
 - i) should not take improper advantage of their previous office after leaving their official position.

Accountability

- 5) Practitioners are accountable for their decisions and actions to the public.
- 6) Practitioners should use public property scrupulously.
- 7) Only accounting officers or their delegates have the authority to commit the Municipality to any transaction for the procurement of goods and / or services.
- 8) All transactions conducted by a practitioner should be recorded and accounted for in an appropriate accounting system. Practitioners should not make any false or misleading entries into such a system for any reason whatsoever.
- 9) Practitioners must assist the accounting officer in combating fraud, corruption, favouritism and unfair and irregular practices in the supply chain management system.

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – ANNEXURE B**

- 10) Practitioners must report to the accounting officer any alleged irregular conduct in the supply chain management system which that person may become aware of, including
 - a) any alleged fraud, corruption, favouritism or unfair conduct;
 - b) any alleged contravention of the policy on inducements, rewards, gifts and favours to municipalities or municipal entities, officials or other role players; and
 - c) any alleged breach of this code of conduct.
- 11) Any declarations made must be recorded in a register which the accounting officer must keep for this purpose. Any declarations made by the accounting officer must be made to the **mayor** who must ensure that such declaration is recorded in the register.

Openness

- 12) Practitioners should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only if it is in the public interest to do so.

Confidentiality

- 13) Any information that is the property of the Municipality or its providers should be protected at all times. No information regarding any bid / contract / bidder / contractor may be revealed if such an action will infringe on the relevant bidder's / contractor's personal rights.
- 14) Matters of confidential nature in the possession of officials and other role players involved in SCM should be kept confidential unless legislation, the performance of duty or the provisions of law requires otherwise. Such restrictions also apply to officials and other role players involved in SCM after separation from service.

2. Bid Specification / Evaluation / Adjudication Committees

- 1) Bid specification, evaluation and adjudication committees should implement supply chain management on behalf of the Municipality in an honest, fair, impartial, transparent, cost-effective and accountable manner.
- 2) Bid evaluation / adjudication committees should be familiar with and adhere to the prescribed legislation, directives and procedures in respect of supply chain management in order to perform effectively and efficiently.
- 3) All members of bid adjudication committees should be cleared by the accounting officer at the level of "CONFIDENTIAL" and should be required to declare their financial interest annually.
- 4) No person should-
 - a) interfere with the supply chain management system of the Municipality; or
 - b) amend or tamper with any price quotation / bid after its submission.

3. Combative Practices

- 1) Combative practices are unethical and illegal and should be avoided at all cost. They include but are not limited to:
 - a) Suggestions to fictitious lower quotations;
 - b) Reference to non-existent competition;
 - c) Exploiting errors in price quotations / bids;
 - d) Soliciting price quotations / bids from bidders / contractors whose names appear on the Register for Tender Defaulters.

OVERSTRAND MUNICIPALITY



CONTRACT MANAGEMENT POLICY

TABLE OF CONTENTS

1. PRE-AMBLE	2
2. DEFINITIONS	3
3. ABBREVIATIONS	4
4. OBJECTIVES	4
5. STATUTORY AND REGULATORY FRAMEWORK FOR MANAGING CONTRACTS	5
6. MAINTENANCE AND CONTRACT ADMINISTRATION	7
7. ROLES AND RESPONSIBILITIES OF OFFICIALS	7
8. RECORD KEEPING	8
9. CONTRACTS HAVING BUDGETARY IMPLICATIONS BEYOND THREE FINANCIAL YEARS	9
10. RESOLUTION OF DISPUTES, OBJECTIONS, COMPLAINTS AND QUERIES	9
11. CONTRACT PRICE ESCALATIONS	9
12. PERFORMANCE ON CONTRACTS	9
13. REVIEW OF CONTRACTS	11
14. IMPLEMENTATION AND REVIEW PROCESS	11

1. PRE-AMBLE

All transactions undertaken by the Overstrand Municipality involves a contract whether explicitly agreed in writing, or implicitly implied through actions.

Properly managed contracts by all stakeholders involved, can ensure that services are delivered within specifications as set and agreed by all during the specifications phase and at the agreed cost , (Inclusive of escalation clauses in contracts) time period and qualities of the goods and services procured.

All contracts must be managed throughout the contract Life Cycle, based on the level of management control appropriate for the classification of that contract.

Improperly managed contracts may impact negatively on service delivery. Adverse effects of ineffective contract management include but are not limited to:

- 1.1 goods and services outside of specification;
- 1.2 cost overruns;
- 1.3 poor suppliers-, buyer- or other stakeholder relations;
- 1.4 negative public perception, and
- 1.5 potentially complete service delivery failures.
- 1.6 irregular expenditure or un-authorized expenditure

Hence, good contract management by all stakeholders involved is essential for good financial management and will contribute greatly to the effectiveness and efficiency of service delivery. In effect it would give strategic direction to all directorates following a centralised strategy of contract management. This policy must be read in coincidence with the SCM Policy of the Overstrand Municipality.

2. DEFINITIONS:

In this Policy, unless the context indicates otherwise-

Accounting Officer <i>(in relation to a municipality)</i>	means the municipal official referred to in section 60 of the MFMA (2003); and include a person acting as the accounting officer.
Act or MFMA	Means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);
Circular 62	means communication from National Treasury by means of a Circular to enhance compliance and accountability to SCM Regulations and the MFMA of 2003.
Construction Industry Development Board (CIDB):	means the Construction Industry Development Board (CIDB), a national body established by an Act of Parliament (Act 38 of 2000) to oversee the sustainability and growth of construction enterprises across the country.
Contract	means the agreement that results from the acceptance of a bid by the Municipality (mutual agreement)
Contract Alteration	means changing technical writing or input errors to the agreement of the contract without changing the scope of contract.
Contract Amendment	means changing the scope, nature, duration, purpose or objective of the agreement or contract (In context of Circular 62 and section 116 (3) of the MFMA).
Contract Champion	means the official/s within a specific department, responsible for all day to day administrative and management activities (including performance management and dispute resolution) during the life cycle of the contract (with delegated powers to perform this function).
Contract Management	means the holistic term of all role players involved in an agreement (SLA/SDA) or contract and include the; SCM contract manager, contract director, contract owner, contract champion and supplier.
SCM Contract Manager	means the SCM official responsible for monitoring, regulating and reporting on all contract related activities as set out in Section 116 of the MFMA.
Contract Owner	means the deputy director, senior manager or manager, as the case may be, that is ultimately accountable for all activities during the life cycle of the contract. The Contract Owner can also be seen as the Budget holder.
Contract Director	Appointment according to sect 56 of the Systems Act
Delegation <i>(in relation to a duty)</i>	Includes an instruction or request to perform or to assist in performing the duty.
Force Majeure	Is the expression used to denote irresistible superior force which might cause damage or prevent the execution of an obligation, therefore suppliers is not liable for damages caused by force majeure or for failure to carry out a contract if prevented (Term and conditions in this regard will be determined by every individual contract/s).
Official <i>(In relation to a municipality)</i>	means: <ul style="list-style-type: none"> • an employee of a municipality; • a person seconded to a municipality to work as a member of the staff of the municipality; or • a person contracted by a municipality to work as a member of the staff of the municipality otherwise than as an employee.
Users	Means all officials as set out in the organogram of the Overstrand Municipality involved with contracts.
User Department	Refers to the official/s within the relevant department of a directorate, as set out in the organogram of the Overstrand Municipality responsible for contract management.

3. ABBREVIATIONS:

BEE	Black economic empowerment
B-BBEE	Broad-Based Black Economic Empowerment
GCC	means General Conditions of contract.
MSA	means Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000).
NT	means National Treasury established by section 5 of the Public Finance Management Act.
SCC	means Special Conditions of Contract.
SCM	means Supply Chain Management
SDA	means Service Delivery Agreement.
SLA	means Service Level Agreement.

4. OBJECTIVES:

- 4.1 To give effect to Section 217 of the Constitution of South Africa (1996) that stipulate:
 - 4.1.1 When an organ of state in the national, provincial or local sphere of government, or any other institution identified in national legislation, contracts for goods or services, it must do so in accordance with a system which is:
 - 4.1.1.1 equitable
 - 4.1.1.2 transparent
 - 4.1.1.3 competitive
 - 4.1.1.4 cost-effective and
 - 4.1.1.5 fair
- 4.2 The effective and efficient control of contracts procured through the SCM system ensuring:
 - 4.2.1 proper recording and enforcement of contracts throughout the contract life cycle (specifications to contract reviews);
 - 4.2.2 support to the demand management framework as set out in Circular 62 of National treasury (August 2012), optimizing proper planning, resulting in effective service delivery;
 - 4.2.3 management of Contract Performance;
 - 4.2.4 compliance with the regulatory framework;
 - 4.2.5 to assist officials in understanding their legal and managerial responsibilities with regards to contract management;
 - 4.2.6 the optimization of efficient and sustainable financial wellbeing of the municipality, resulting in lower cost drivers, and
 - 4.2.7 the continuous development of effective Management Information systems, resulting in strategic support and risk preventions.
- 4.3 To ensure that no contract procurement of goods and services (excluding land sales or rentals of Overstrand Municipal Assets, which are managed by Property Management Services), takes place outside of the SCM System.

5. STATUTORY AND REGULATORY FRAMEWORK FOR MANAGING CONTRACTS

- 5.1 Application and Framework of the Contract Management Policy
 - 5.1.1 All officials and other role players in the Supply Chain Management system of the Overstrand Municipality must implement this Policy in a way that gives effect to:
 - 5.1.1.1 Section 217 of the Constitution;
 - 5.1.1.2 Section 116 of the MFMA;
 - 5.1.1.3 Section 33 of the MFMA;
 - 5.1.1.4 SCM Policy;
 - 5.1.1.5 SCM Regulations
 - 5.1.1.6 any other legislation pertaining to SCM.
 - 5.1.2 This Policy applies when the Municipality:
 - 5.1.2.1 procures goods or services;
 - 5.1.2.2 disposes of goods no longer needed; and
 - 5.1.2.3 selects service providers and suppliers to provide assistance in the provision of municipal services including circumstances where Chapter 8 of the Municipal Systems Act applies.
- 5.2 Adoption, Amendment and Implementation of the Contract Management Policy
 - 5.2.1 The accounting officer must:
 - 5.2.1.1 at least annually review the implementation of this Policy; and
 - 5.2.1.2 when the accounting officer considers it necessary, submit proposals for the amendment of this Policy to Council;
 - 5.2.1.3 in terms of section 62(1) (f) (IV) of the Act, take all reasonable steps to ensure that the Contract Management Policy is implemented.
- 5.3 Conditions of Contract
 - 5.3.1 A contract or agreement procured through the Supply Chain Management System of the Municipality must:
 - 5.3.1.1 be in writing;
 - 5.3.1.2 stipulate the terms and conditions of the contract or agreement, which must provide for:
 - 5.3.1.2.1 the termination of the contract or agreement in the case of non- or underperformance;
 - 5.3.1.2.2 dispute resolution mechanisms to settle disputes between the parties;
 - 5.3.1.2.3 a periodic review of the contract or agreement once every three years in the case of a contract or agreement for longer than three years; and
 - 5.3.1.2.4 any other matters that may be prescribed.

- 5.4 Administrative Capacity
 - 5.4.1 The relevant Director, with delegated powers from the Municipal Manager, must establish capacity in his/her directorate to assist the accounting officer in carrying out the duties set out in section 116(2) of the MFMA.

- 5.5 Management of Contracts
 - 5.5.1 The accounting officer and delegated officials must take all reasonable steps to:
 - 5.5.1.1 ensure that a contract or agreement procured through the supply chain management policy of the municipality is properly enforced;
 - 5.5.1.2 monitor on a monthly basis the performance of the contractor under the contract or agreement.
 - 5.5.1.3 administrate the contract with the necessary competencies and delegations, ensuring effective management of contracts.
 - 5.5.2 The Contract Owner must ensure that contract champions submit suppliers' performance reports to the SCM contract manager within 5 business days after the end of each month.
 - 5.5.3 The SCM Contract Manager submits a consolidated report to the relevant Director and Contract Owner within 15 business days after the end of each month for purposes of Section 116 (2)(b) of the Act.
 - 5.5.4 The SCM Contract Manager submits a consolidated report on the performance of contracts or agreements for purposes of Section 116 (2)(d), to the Accounting Officer within 15 business days of the end of each quarter.

- 5.6 Amendment of Contracts
 - 5.6.1 A contract or agreement procured through the supply chain management policy of the municipality may be amended by the parties, in exceptional circumstances in order to mitigate abuse, in perception after the fact to prevent financial inefficiencies and influencing financial sustainability.
 - 5.6.2 In terms of Section 116(3) of the MFMA, (56 of 2003), amendments (in compliance with SCM procedures), may only be made after:
 - 5.6.2.1 the reasons for the proposed amendment have been tabled in the council; and
 - 5.6.2.2 the local community has been given reasonable notice of the intention to amend the contract or agreement; and
 - 5.6.2.3 has been invited to submit representations to the municipality.
 - 5.6.3 Amendments of contracts where the expansion or variation is not more than (NT Circular 62):
 - 5.6.3.1 20% (construction related goods, services and/or infrastructure projects), and
 - 5.6.3.2 15% (all other goods and/or services) of the original value of the contract, must be submitted directly to the Contract Management Office for approval and further reference to the SCM committee system for approval.
 - 5.6.4 Amendments of contracts where the expansion or variation is more than the threshold prescribed by National Treasury (Circular 62), must be dealt with in terms of the provisions of section 116(3) of the MFMA, and are exempt from this process.

- 5.6.5 Amendments to the contract, without influencing the value or term of the contract, within the scope of the original terms and conditions, may be altered, provided that both parties have consensus on the amendment and the contract amendment is in writing and signed by both parties.
- 5.6.6 No agreement to amend or vary a contract shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties.
- 5.6.7 Section 33 of the MFMA will apply when an amendment has budgetary implications for a term longer than the 3 (three) financial years of the current year's budget, (Section 116 (3) of the MFMA will be followed with section 33, when amending an existing contract for longer than 3 years). It remains the responsibility of the user department to give effect to section 33, following due process, as stipulated in Section 33 of the MFMA. The SCM Contract Management office will support the relevant user department in order to ensure that compliance to all SCM legislation is adhered to.
- 5.6.8 All expansions, variations or amendments to the contract sum or contract period must be approved by the delegated authority prior to implementation thereof.

6. MAINTENANCE AND CONTRACT ADMINISTRATION

- 6.1 Contract administration includes all administrative duties associated with a contract once it is adjudicated and implemented.
- 6.2 No rights in terms of an awarded contract will accrue before the SCM appeal period and/or appeal has been finalised.
- 6.3 The contract should be signed by all parties concerned (The relevant official should also ensure that the suppliers have the delegated powers to sign and amend the contractual agreement).
- 6.4 The contract will only be enforceable after all the signatures of the relevant parties are documented.
- 6.5 A signed service level agreement (if applicable) must be compiled and signed which will incorporate all the relevant sections of the tender documentation.
- 6.6 All once-off purchases shall have a specified end delivery date.

7. ROLES AND RESPONSIBILITIES OF OFFICIALS:

- 7.1 SCM Contract Manager:
 - 7.1.1 The SCM Contract Manager is the SCM official responsible for system administration, status and SCM performance reporting on all contracts related activities.
 - 7.1.2 For the purposes of **contract management** activities performed by the relevant role players, the SCM contract manager will monitor and report on the following activities:
 - 7.1.2.1 identification and classification of contracts for management purposes in terms of the SCM processes;
 - 7.1.2.2 recognition, measurement and disclosure;
 - 7.1.2.3 oversight of contract management as is provided for in this policy;
 - 7.1.2.4 document and information management;

- 7.1.2.5 relationship management;
 - 7.1.2.6 performance management;
 - 7.1.2.7 contract risk management.
- 7.2 Contract Champion
- 7.2.1 The contract champion is responsible for the following activities:
 - 7.2.2.1 ensuring that all the necessary legal formalities in entering into the contract are adhered to;
 - 7.2.2.2 ensuring that all applicable contract information is maintained in the applicable electronic contract system
 - 7.2.2.3 ensuring that purchase orders are processed on the financial system in accordance with the pricing schedule;
 - 7.2.2.4 maintaining adequate records (paper and/or electronic) in sufficient detail on an appropriate contract file to provide an audit trail;
 - 7.2.2.5 inform the Asset Management section of the Expenditure Department of the location of newly procured assets for asset register and insurance purposes; and
 - 7.2.2.6 where appropriate, in terms of Council's Delegations, authorise invoices due for payment.
 - 7.2.2.7 to take appropriate action in consultation with the contract owner and the SCM contract manager, where a contractor is underperforming or is in default or breach of the contract.
 - 7.2.2.8 ensure performance of suppliers is managed appropriately to the terms and conditions of the contract.
- 7.3 Contract Owner
- 7.3.1 The contract owner is responsible for ensuring that contract champions are assigned to all contracts.
 - 7.3.2 The contract owner is ultimately responsible for management of the activities.
- 7.4 Contract Director
- 7.4.1 The contract director is responsible for signing of contracts with the relevant service provider, in line with the Delegation of Powers and Duties Policy.
 - 7.4.2 The contract director is ultimately accountable for the contract.

8. RECORD KEEPING

- 8.1 Proper records regarding all aspects of the contract must be maintained and kept in accordance with relevant legislation.
- 8.2 All communication related to contracts must be linked to the master document on the electronic system, by the relevant official.
- 8.3 Safe custody of all contract documents must be enforced by all relevant users.

- 8.4 Contract Champions and Contract Owners are responsible for the electronic capturing of the contract information and maintenance thereof on the Contract Management system.
- 8.5 The original signed contract must be sent to the records department (by the contract management office) for safekeeping and storage.
- 8.6 The records department is responsible for the administration of archived contract documentation.

9. CONTRACTS HAVING BUDGETARY IMPLICATIONS BEYOND THREE FINANCIAL YEARS

Overstrand Municipality may not enter into any contract that will impose financial obligations beyond the three years covered in the annual budget for that financial year, unless the requirements of Section 33 of the Municipal Finance Management Act have been fully complied with.

10. RESOLUTION OF DISPUTES, OBJECTIONS, COMPLAINTS AND QUERIES:

The accounting officer is responsible to establish a dispute resolution mechanism as per paragraph 5.3.1.2.2 and also as required by section 116(1) of the MFMA and paragraph 50 of the SCM Policy.

11. CONTRACT PRICE ESCALATIONS:

- 11.1 An appropriate contract price adjustment formula or specified terms of escalation must be specified in the bid documents
- 11.2 Escalation notification must be in writing and presented before the implementation date thereof.
- 11.3 User departments are responsible to manage, verify and implement price escalations as per originally agreed terms and conditions set out in the specifications of the contract and keep proof of evidence to the newly agreed escalations on the system for all other relevant stakeholders to access.

12. PERFORMANCE ON CONTRACTS:

- 12.1 In terms of the SCM Policy and the Municipal Systems Act, the accounting officer must implement an internal monitoring system in order to determine, on the basis of a retrospective analysis, whether the authorised supply chain management processes were followed and whether the objectives of this Policy were achieved in terms of the Performance Management System Implementation Policy (Paragraph 9).
 - 12.1.1 Municipality's Performance:
 - 12.1.1.1 The municipality is required to pay creditors within 30 days of receiving all relevant invoice statements.
 - 12.1.1.2 The municipality is also required to create a favourable environment to receive services and goods without preventing the supplier to perform their duties.
 - 12.1.1.3 All parties involved must perform according to the terms and conditions of the relevant contract, while the contract is alive.
 - 12.2.1 Supplier Performance:
 - 12.2.1.1 The supplier of goods and services is required to perform as per terms and conditioned agreed upon and should inform the

municipality if circumstances prevents them to perform, with reasons provided, within 5 working days (to be included in all contracts).

12.2.1.2 For all relevant deviations from the agreed terms and conditions of any contract, the key performance indicators (KPI's) should be reviewed as well as the alignment with the strategic objectives established in the IDP.

12.2.1.3 Suppliers performance will be reviewed by Overstrand Officials on a monthly basis (every 25th of the month) giving effect to section 116 of the MFMA, 2003 and the Performance Management System Implementation Policy

12.2.1.4. Prescribed procedures to evaluate service providers must be complied with.

(Refer to the Performance Management Framework Policy)

THE FOLLOWING PROCEDURES NEED TO BE FOLLOWED:

1. The requirements of this policy must be included in the contract of the service provider.
2. The performance of the service provider under the contract or service level agreement must be assessed monthly by the Reporting Officer.
3. The assessment must be completed in the contract management system.
4. The Reporting Officer must complete the Service Provider Assessment on the contract management at the end of each month.
5. The quarterly assessment and reporting must be completed within 15 working days after the end of each quarter. (Refer to the Performance Management Framework Policy, paragraph 9.2.1).
6. The Reporting Officer must provide a copy of the assessment to the Service Provider at the end of each quarterly assessment period and on completion or termination of the contract.
7. Supply Chain Management Unit (Contract Management Office) will review the quarterly Service Provider assessments within 20 days after the end of each quarter and submit a summary report to the Accounting Officer.
8. The Accounting Officer need to develop the necessary forms and report structures to be utilised to manage the above processes. The forms and reporting requirements need to be reviewed on a regular basis.
9. In the instance of under-performance:
 - a. The Municipality will facilitate support interventions to service providers in the identified areas of underperformance
 - b. Service providers who have been identified as under-performing in identified areas must be informed of these support interventions.
 - c. The impact of support interventions must be monitored by the Reporting Officer.
 - d. Corrective action should be documented in writing within the contract management system
 - e. The records of the support interventions must be documented, signed by both parties and appropriately filed in the contract management system.

13. REVIEW OF CONTRACTS

- 13.1 In terms of section 116 (1) of the MFMA, a contract or agreement procured through the Supply Chain Management system must have a periodic review once every three years in the case of a contract or agreement that are longer than three years.
- 13.2 The contract owner or champion must conduct, as appropriate, within 3 months after the expiry of contracts, post contract reviews.

14 IMPLEMENTATION AND REVIEW PROCESS

This policy will come into effect on **1 July 2024**;

This policy will be reviewed at least annually or when required by way of a Council resolution.

POLICY SECTION:	MANAGER: CONTRACTS & LOGISTICS
CURRENT UPDATE	31 MAY 2024
PREVIOUS UPDATE	31 MAY 2023
PREVIOUS UPDATE	31 MAY 2022
PREVIOUS UPDATE	27 MAY 2021
PREVIOUS REVIEW	27 MAY 2020
PREVIOUS REVIEW	29 MAY 2019
PREVIOUS REVIEW	30 MAY 2018
PREVIOUS REVIEW	31 MAY 2017
PREVIOUS REVIEW	25 MAY 2016
PREVIOUS REVIEW	28 MAY 2015
PREVIOUS REVIEW	28 MAY 2014
APPROVAL BY COUNCIL	08 MAY 2013

**OVERSTRAND
MUNICIPALITY**



**INVESTMENT, LIQUIDITY & CASH
MANAGEMENT POLICY**

PREAMBLE

Whereas section 13 of the Local Government: Municipal Finance Management Act, 2003 (Act No 56 of 2003) determines that a municipality must introduce appropriate and effective investment arrangements;

And whereas a municipality must disclose its investment details;

And whereas councillors and officials as trustees of public funds, have an obligation to ensure that cash resources are managed as effectively, efficiently and economically as possible;

Now therefore the Overstrand Municipality adopts the following Investment, Liquidity & Cash Management Policy:

TABLE OF CONTENTS

1.	DEFINITIONS	1
2.	OBJECTIVE OF POLICY	1
3.	SCOPE OF POLICY	2
4.	RESPONSIBILITY / ACCOUNTABILITY	2
5.	INVESTMENT INSTRUMENTS	2
6.	LIQUIDITY & CASH FLOW ESTIMATES	3
7.	INVESTMENT ETHICS AND PRINCIPLES	5
8.	INVESTMENT PROCEDURES	6
9.	OTHER EXTERNAL DEPOSITS	7
10.	CONTROL OVER INVESTMENTS	7
11.	IMPLEMENTATION AND REVIEW OF POLICY	8
12.	SHORT TITLE	8

OVERSTRAND MUNICIPALITY – INVESTMENT, LIQUIDITY & CASH MANAGEMENT POLICY

1. DEFINITIONS

For the purpose of this policy, unless the context indicates otherwise, any word or expression to which a meaning has been attached in the Act shall bear the same meaning and means:-

“Accounting Officer”	a person appointed by the Municipality in terms of Section 82 of the Local Government: Municipal Structure Act, 1998 (Act No. 117 of 1998) and who is the head of administration and also the Municipal Manager for the Municipality.
“Chief Financial Officer”	an officer of the municipality appointed as the Head of the Finance Department and includes any person:- a) acting in such position; and b) to whom the Chief Financial Officer has delegated a power, function or duty in respect of such a delegated power, function or duty.
“Council” or “municipal council”	a municipal council referred to in section 18 of the Local Government: Municipal Structures Act, 1998 (Act No 117 of 1998) and for purposes of this policy, the municipal council of the Municipality of Overstrand.
“Councillor”	a member of the Municipal Council
“Investments”	funds not immediately required for the defraying of expenses and invested at approved financial institutions.
“Municipal Manager”	the accounting officer appointed in terms of section 82 of the Local Government: Municipal Structures Act, 1998 (Act No 117 of 1998) and being the head of administration and accounting officer in terms of section 55 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000) and includes any person:- a) acting in such position; and b) to whom the Municipal Manager has delegated a power, function or duty in respect of such a delegated power, function or duty.
“municipality”	the institution that is responsible for the collection of funds and the provision of services to the customers of Overstrand.
“public funds”	all monies received by the municipality to perform the functions allocated to them.

2. OBJECTIVE OF POLICY

The objectives of the Policy are:-

- 2.1 to manage the liquidity and investments of the municipality in such a manner that it will not tie up the municipality’s scarce resources required to improve the quality of life of the citizens;
- 2.2 to manage the liquidity and investments of the municipality in such a manner that sufficient cash resources are available to finance the capital and operating budgets

OVERSTRAND MUNICIPALITY – INVESTMENT, LIQUIDITY & CASH MANAGEMENT POLICY

of the municipality; and

- 2.3 to gain the highest possible return on investments during periods when excess funds are not being used, without unnecessary risk.

3. SCOPE OF POLICY

- 3.1 The Policy deals with:-
- 3.2 Responsibility / accountability;
- 3.3 Investment instruments;
- 3.4 Liquidity and Cash flow estimates;
- 3.5 Investment ethics and principles;
- 3.6 Investment procedures;
- 3.7 Other external deposits; and
- 3.8 Control over investments.

4. RESPONSIBILITY / ACCOUNTABILITY

- 4.1 The Municipal Manager as the Accounting Officer of the municipality is accountable for investment management.
- 4.2 The municipal council must approve a policy directing procedures, processes and systems required to ensure efficient and effective management of investments.
- 4.3 Efficient and effective investment management include:-
- a. Accurately forecasting the institution's cash flow requirements.
 - b. Timing of the in- and outflow of cash.
 - c. Recognising the time value of money.
 - d. Taking any other action that avoids locking up money unnecessarily and inefficiently.
 - e. Avoiding bank overdrafts.

5. INVESTMENT INSTRUMENTS

- 5.1 The Minister of Provincial and Local Government may with the concurrence of the Minister of Finance by notice in the Gazette determine instruments or investments other than those referred to below in which Municipality may invest:-
- a. Deposits with banks registered in terms of the Banks Act, 1990 (Act No 94 of 1990);

OVERSTRAND MUNICIPALITY – INVESTMENT, LIQUIDITY & CASH MANAGEMENT POLICY

- b. Securities issued by the National Government;
- c. Investments with the Public Investment Commissioners as contemplated by the Public Deposits Act, 1984 (Act No 46 of 1984);
- d. A municipality's own stock or similar type of debt; internal funds of a municipality which have been established in terms of a law to pool money available to the municipality and to employ such money for the granting of loans or advances to departments within a municipality, to finance capital expenditure;
- e. Bankers' acceptance certificates, negotiable certificates or deposits of banks;
- f. Long-term securities offered by insurance companies in order to meet the redemption fund requirements of municipalities; and
- g. Any other instruments or investments in which a municipality was under a law permitted to invest before the commencement of the Local Government Transition Act, 1996: provided that such instruments shall not extend beyond the date of maturity or redemption thereof.

6. LIQUIDITY AND CASH FLOW ESTIMATES

- 6.1 Before money can be invested, the Municipal Manager must determine whether there will be surplus funds available for the term of the investment.
- 6.2 In order to be able to make investments for any fixed term, it is essential that cash flow estimates be drawn up.
- 6.3 Provision must be made in the cash flow estimates for the operating and capital requirements of the municipality:-
 - a. The operating requirements must include provisions for:-
 - i. Payment of monthly salaries.
 - ii. Payment for bulk purchases of electricity and water.
 - iii. Interest on long-term loans.
 - iv. Maintenance of assets.
 - v. General expenditure.
 - vi. Expected daily and monthly income.
 - b. Capital requirement must provide for:-
 - i. The anticipated cash flow requirements for each capital project.
- 6.4 The minimum risk management measures that has to be implemented and adhere to in order to ensure that its current and future liquidity position is managed in a prudent manner, must include the following key elements to take into consideration when determining the liquidity requirement of Overstrand Municipality, :

OVERSTRAND MUNICIPALITY – INVESTMENT, LIQUIDITY & CASH MANAGEMENT POLICY

- 6.4.1 To comply with statutory requirements, the following funds, reserves and provisions must be fully covered by unencumbered cash and investments;
- 6.4.2 *All earmarked or conditional grant transfers from spheres of Government or from Public Contributions made to Overstrand Municipality that have not yet been utilized;*
- 6.4.3 *All commitments resulting from the legally entrenched rights and benefits employees have, with specific reference to the Council's short term commitment to staff retirement benefits and medical fund claims payable;*
- 6.4.4 *All funds not yet been utilized in relation to agency services provided on behalf of Provincial or National Government should also be treated as earmarked funds;*
- 6.4.5 *All reserves stated by Overstrand Municipality on its Statement of Financial Position that have been established for the purposes of making provisions for a defined purpose.*

Cognisance also needs to be taken of the external loan commitments and the servicing of capital and interest on these loans. Therefor provision should be made that Overstrand Municipality can meet its external loan/financial commitments together with the normal operational expenditure, as well as its liabilities to staff.

All investments ceded as security against long term loans need to be excluded from total cash and investment balances for calculation of the minimum liquidity level required.

In addition, a level of cash available for normal operational expenditure needs to be held in cash to ensure that, notwithstanding fluctuations in the monthly income levels of Overstrand Municipality, Overstrand Municipality will be in a position to meet its financial requirements. In this respect, the average monthly operational expenditure needs to be used as a guide of the minimum buffer required. At least two month's operational expenditure should be available for liquidity cover.

The MFMA circular 71 stipulates the following two prescribed ratios to manage liquidity:

Cash/Cost Coverage Ratio (The norm range between 1 month to 3 months)

Interpretation of Results

This ratio should ideally not be less than 2 months. If a municipality has a ratio below the norm it would be vulnerable and at a higher risk in the event of financial "shocks/set-backs" and its ability to meet its obligations to provide basic services or its financial commitment is compromised. The results from this ratio should be viewed along with results from analysis on Debtor Management to fully assess Cash Flow Risk. The more cash reserves a municipality or municipal entity has available the lower the risk of it being unable to fund monthly fixed operational expenditure and to continue rendering services.

Current Ratio: Current Assets / Current Liabilities (The norm range between 1.5 to 2 :1)

Interpretation of Results

The higher the current Ratio, the more capable the Municipality or Municipal Entity

OVERSTRAND MUNICIPALITY – INVESTMENT, LIQUIDITY & CASH MANAGEMENT POLICY

will be to pay its current or short-term obligations and provide for a risk cover to enable it to continue operations at desired levels. A financial ratio under 1 suggests that the Municipality or Municipal Entity would be unable to pay all its current or short-term obligations if they fall due at any specific point.

7 INVESTMENT ETHICS AND PRINCIPLES

- 7.1 The Municipal Manager will be responsible for the investment of funds, and he/she has to steer clear of outside interference, regardless of whether such interference comes from individual councillors, agents or any other institution.
- 7.2 Under no circumstances may he/she be forced or bribed into making an investment.
- 7.3 No member of staff may accept any gift unless that gift can be deemed so small that it would not have an influence on his/her work or was not intended to do so, and can merely be seen as goodwill.
- 7.4 A certificate in respect of any gifts received should be furnished to the Municipality.
- 7.5 Interest rates offered should never be divulged to another institution.
- 7.6 Long-term investments should be made with an institution with at least a minimum BB- rating (where the BB- refers to a negative outlook in terms of the current Fitch Grading).
- 7.4 Short-term investments should be made with an institution with at least a minimum F1+ rating. The first and foremost objective for investments is the preservation and safety of the principal amount invested. It is a requirement that investments may only be made with institutions with a credit-worthy rating of F1+ (Fitch Grading) and better. Any investments made must be liquidated if an institution's credit-worthy rating falls below the level of F1+.
- 7.8 Not more than 50% of the funds that have become available for investing, on any given day, should be placed with a single institution if the available funds exceed R100m.
- 7.9 The maximum amount invested with a financial institution should not exceed 10% of the relevant institution's shareholder's funds (capital and reserves).
- 7.10 The municipality may not borrow money specifically for reinvestment, as this would mean interest rates would have to be estimated in advance, which can be seen as speculation with public funds.
- 7.11 If the Municipal Manager invests with financial institutions, he/she must ensure that such institutions are registered in terms of the Banks Act, 1990 (Act No 94 of 1990) and that they are approved financial institutions, as approved by the Reserve Bank of South Africa from time to time.
- 7.12 When making growth related investments, the Municipal Manager must obtain a guarantee that at least the capital amount invested is safe, and must exercise

OVERSTRAND MUNICIPALITY – INVESTMENT, LIQUIDITY & CASH MANAGEMENT POLICY

due diligence in this regard.

8 INVESTMENT PROCEDURES

After determining whether there is cash available for investment and fixing the maximum term of investment, the Municipal Manager must consider the way in which the investment is to be made.

8.1 Short-term investments:

- a. Quotations should be obtained from a minimum of three financial institutions (local banks), for the term of which the funds will be invested.
- b. Should one of the institutions offer a better rate for a term, other than what the municipality had in mind, the other institutions which were approached, should also be asked to quote a rate for the other term.
- c. Quotations should be obtained in writing or electronic medium.
- d. Quotations from institutions must include the following:-
 - i Name of institution;
 - ii Name of person quoting rates;
 - iii Period of the investment;
 - iv Relevant conditions; and
 - v Other facts, such as interest payable monthly or on maturation date.
- e. Once the required number of quotes has been obtained, a decision must be taken regarding the best terms offered and the institution with which funds are going to be invested.
- f. The best offer must under normal circumstances be accepted, with thorough consideration of investment principles.
- g. No attempt must be made to make institutions compete with each other as far as their rates and terms are concerned.
- h. The investment capital must only be paid over to the institution with which it is to be invested and not to an agent or third party.
- i. The financial institution where the investment is made must issue a confirmation stating the details of the investments.
- j. The Municipal Manager must make sure that the investment document, if issued, is a genuine document and issued by the approved institution.
- k. The financial institution, where the investment is made, must issue a certificate for each investment made stating that no commission has, nor will, be paid to any agent or third party, or to any person nominated by the agent or third party.

OVERSTRAND MUNICIPALITY – INVESTMENT, LIQUIDITY & CASH MANAGEMENT POLICY

- l. The municipality must be given a monthly report on all investments.
- m. The Municipal Manager must obtain information from which the creditworthiness of financial institutions can be determined. This must be obtained and analysed annually.

8.2 Long-term investments:

- a Written quotations must be obtained for all investments made for periods longer than twelve months.
- b The municipal council must approve all investments made for periods longer than twelve months after considering the cash requirement for the next three years.
- c The municipality must within 30 days after an investment with a term of 12 months or longer has been made, publish in a local newspaper in circulation within its area of jurisdiction, full details of any investments so made.

8.3. Withdrawals

All investment amounts withdrawn and not to be reinvested at the same institution at the time of withdrawal, shall be paid into the primary bank account.

All interest shall be paid into the primary bank account at the time of withdrawal of an investment, irrespective of the capital being reinvested.

9 OTHER EXTERNAL DEPOSITS

The principles and procedures set out above must apply to other investment possibilities subject to the applicable legislation, which is available to the municipality, including debentures and other securities of the state as well as other municipalities or statutory bodies in the Republic of South Africa, instituted under and in terms of any law.

10 CONTROL OVER INVESTMENTS

10.1 An investment register should be kept of all investments made. The following information must be recorded:-

- a. name of institution;
- b. capital invested;
- c. date invested;
- d. interest rate;
- e. maturation date;
- f. interest received;
- g. capital repaid; and
- h. balance invested.

OVERSTRAND MUNICIPALITY – INVESTMENT, LIQUIDITY & CASH MANAGEMENT POLICY

- 10.2 The investment register and accounting records must be reconciled on a monthly basis.
- 10.3 The investment register must be examined on a weekly basis to identify investments falling due within the next week.
- 10.4 Interest, correctly calculated, must be received timeously, together with any distributable capital.
- 10.5 Investment certificates, if issued, must be kept in a safe place with dual custody.
- 10.6 The following documents must be safeguarded:-
- a Fixed deposit letter or investment certificate;
 - b. Receipt confirmation for capital invested;
 - c. Copy of electronic transfer or cheque requisition;
 - d. Schedule of comparative investment figures;
 - e. Commission certificate indicating no commission was paid on the investment; and
 - f. Interest rate quoted.

11 IMPLEMENTATION AND REVIEW OF POLICY

This policy shall be implemented on **1 July 2024** and shall be reviewed on an annual basis to ensure that it is in line with the municipality's strategic objectives and with legislation.

12 SHORT TITLE

This Policy shall be called the Investment, Liquidity & Cash Management Policy of the Overstrand Municipality.

POLICY SECTION:	SENIOR MANAGER: FINANCIAL SERVICES
CURRENT UPDATE:	31 MAY 2024
PREVIOUS UPDATE:	31 MAY 2023
PREVIOUS UPDATE:	31 MAY 2022
PREVIOUS REVIEW:	26 MAY 2021
PREVIOUS REVIEW:	27 MAY 2020
PREVIOUS REVIEW:	29 MAY 2019
PREVIOUS REVIEW:	30 MAY 2018
PREVIOUS REVIEW:	31 MAY 2017
PREVIOUS REVIEW:	25 MAY 2016
PREVIOUS REVIEW:	28 MAY 2015
PREVIOUS REVIEW:	28 MAY 2014
PREVIOUS REVIEW:	29 MAY 2013
PREVIOUS REVIEW:	30 MAY 2012
PREVIOUS REVIEW:	4 MAY 2011
PREVIOUS REVIEW:	26 MAY 2010
APPROVAL BY COUNCIL:	27 MAY 2009

**OVERSTRAND
MUNICIPALITY**



BUDGET POLICY

TABLE OF CONTENTS

1.	OBJECTIVES OF POLICY	1
2.	BUDGET PRINCIPLES	1
	Capital Budgets	1
	Operational Budgets	3
	Adjustments Budgets	7
3	IMPLEMENTATION AND REVIEW OF POLICY	7

OVERSTRAND MUNICIPALITY – BUDGET POLICY

PREAMBLE

In the spirit of the Municipal Finance Management Act, (No.56 of 2003), to modernise budget and financial management practices by placing local government finances on a sustainable footing in order to maximize the capacity of municipalities to deliver services to all residents, customers, users and investors, and,

Whereas chapter 4 of the Municipal Finance Management Act, (No 56 of 2003) determines that a municipality may, except where otherwise provided in the Act, incur expenditure only in terms of an approved budget; and within the limits of the amounts appropriated for the different votes in an approved budget,

Therefore the Overstrand Municipality adopts the budget policy set out in this document.

OVERSTRAND MUNICIPALITY – BUDGET POLICY

1. OBJECTIVES OF POLICY

- A. The policy sets out the budgeting principles which Overstrand Municipality will follow in preparing each annual budget. The policy aims to give effect to the requirements and stipulations of the Municipal Finance Management Act in terms of the planning, preparation and approval of the annual budgets.
- B. The policy shall apply to all the relevant parties within the Overstrand Municipality that are involved throughout the budget process.
- C. A Budget Steering Committee will be established to guide the budget process.
- D. Cost containment measures are to be applied in accordance with relevant legislation, when considering expenditure:

1) Use of consultants

This Policy is in line with section 35 of the **Municipal Cost Containment Regulations 2019** and the Overstrand Supply Chain Management Policy to ensure that resources of the municipality with regard to the use of consultants, are used effectively, efficiently and economically by implementing cost containment measures.

2) Vehicles used for political office –bearers

This Policy is in line with the stipulations of the Overstrand Travel and Subsistence Policy to ensure that resources of the municipality with regard to vehicles used for political office-bearers, are used effectively, efficiently and economically by implementing cost containment measures.

3) Travel and subsistence

This Policy is in line with the stipulations of the Overstrand Travel and Subsistence Policy, to ensure that resources of the municipality with regard to Travel and subsistence, are used effectively, efficiently and economically by implementing cost containment measures.

4) Domestic accommodation

This Policy is in line with the stipulations of the Overstrand Travel and Subsistence Policy, to ensure that resources of the municipality with regard to Domestic accommodation, are used effectively, efficiently and economically by implementing cost containment measures.

5) Credit cards

The accounting officer must ensure that no credit card or debit card linked to a bank

OVERSTRAND MUNICIPALITY – BUDGET POLICY

account of the municipality is issued to any official or public office bearer.

6) Sponsorships, events and catering

This Policy is in line with the stipulations of the **Municipal Cost Containment Regulations 2019**, to ensure that resources of the municipality with regard to Sponsorships, events and catering, are used effectively, efficiently and economically by implementing cost containment measures.

7) Communication

This Policy is in line with the stipulations of the **Municipal Cost Containment Regulations 2019**, to ensure that resources of the municipality with regard to Communication, are used effectively, efficiently and economically by implementing cost containment measures.

8) Conferences, meetings and study tours

This Policy is in line with the stipulations of the **Municipal Cost Containment Regulations 2019** and the Travel and Subsistence Policy, to ensure that resources of the municipality with regard to Conferences, meetings and study tours, are used effectively, efficiently and economically by implementing cost containment measures.

9) Other related expenditure items

This Policy is in line with the stipulations of the **Municipal Cost Containment Regulations 2019**, to ensure that resources of the municipality with regard to the following, are used effectively, efficiently and economically by implementing cost containment measures:

- i. All commodities, services and products covered by a transversal contract concluded by the National Treasury must be considered before approaching the market, to benefit from savings where lower prices or rates have been negotiated.
- ii. Municipal resources may not be used to fund elections, campaign activities, including the provision of food, clothing, printing of agendas and brochures and other inducements as part of, or during election periods or to fund any activities of any political party at any time.
- iii. Expenditure on tools of trade for political office bearers must be limited to the upper limits as approved and published by the Cabinet member responsible for local government in terms of the Remuneration of Public Office Bearers Act, 1998.
- iv. The municipality must avoid expenditure on elaborate and expensive office furniture.

OVERSTRAND MUNICIPALITY – BUDGET POLICY

- v. The municipality may only use the services of the South African Police Service to conduct periodical or quarterly security threat assessments of political office bearers and key officials and a report must be submitted to the speaker's office.
- vi. The municipality may consider providing additional time -off in lieu of payment for overtime worked. Planned overtime must be submitted to the relevant manager for consideration on a monthly basis. A motivation for all unplanned overtime must be submitted to the relevant manager.

2. BUDGET PRINCIPLES

2.1. Capital Budget

The capital budget refers to the allocations made to specific infrastructural projects and the purchase of equipment and other forms of assets, as classified per the Overstrand Asset Management Policy.

2.1.1 Basis of Calculation

- a. The current three year MTREF budget, including two future planning years in terms of the 5 year IDP, is the departure point in preparing the subsequent annual capital budget.
- b. The annual capital budget shall be based on realistically anticipated revenue, which should be equal to the anticipated capital expenditure in order to result in a balanced budget.
- c. The impact of the capital budget on the current and future operating budgets in terms of finance charges to be incurred on external loans, depreciation of fixed assets, maintenance of fixed assets and any other operating expenditure to be incurred resulting directly from the capital expenditure, should be carefully analyzed when the annual capital budget is being compiled.
- d. In addition, the council shall consider the likely impact of such operational expenses, net of any revenues expected to be generated by such items on future property rates and service tariffs.

2.1.2 Financing

Own Financing Sources

Own financing consists of the following sources:

- a. Unappropriated cash-backed surpluses from previous financial years, to the extent that such surpluses are not required for operational purposes and cash resources are adequate for cost coverage and liquidity ratio.
- b. Borrowing (External Loans)
- c. Proceeds on the sale of fixed assets, less cost to sell, in terms of the Asset Management-, Administration of Immovable Property- and Accounting policies.

OVERSTRAND MUNICIPALITY – BUDGET POLICY

Other Financing Sources (External)

The external funded capital budget shall be financed from external sources such as the following:

- a. Grants and subsidies as allocated in the annual Division of Revenue of Act.
- b. Grants and subsidies as allocated by Provincial government.
- c. Public contributions and donations.
- d. Any other external financing source secured by the local authority.

2.1.3 Process and responsible parties

The process to be followed in the compilation of the capital budget is as follows:

- a. The current 3 year MTREF budget is the departure point in preparing the subsequent annual capital budget.
- b. The CFO, in conjunction with the Senior Manager: Financial Services and the Manager: Budget Office and after consultation with the Budget Steering Committee sets the reasonable growth level of the capital budget to be financed out of own and external sources and determines affordability.
- c. The draft capital budget is compiled based on the projects that emanated out of the engagements with the different stakeholders.
- d. The CFO, together with the Senior Manager: Financial Services and the Manager: Budget Office, engage with the Directors and the Senior Manager: Strategic Services in order to determine the priorities for a particular financial year and to determine the ranking of projects based on these priorities.
- e. The draft capital budget is submitted to the Budget Steering Committee for perusal and suggestions.
- f. The draft capital budget is tabled in Council at least 90 days (31 March) before the start of the new financial year.
- g. After the draft budget is tabled in Council, it is advertised for public comment for a period of 30 days.
- h. Once the comments from the public have been received, noted and considered, any amendments and the final budget are tabled in Council for final approval, at least 30 days (31 May) before the start of the financial year.

2.1.4 Implementation

- a. After the budget has been approved, the service delivery and budget

OVERSTRAND MUNICIPALITY – BUDGET POLICY

implementation plan (SDBIP) is finalised.

- b. The SDBIP must be submitted to the Mayor within 14 days after aforementioned approval, for approval within a further 14 days.
- c. Each director indicates the intended spending for both capital and operating budgets.
- d. Cash flows are included in the Service Delivery and Budget Implementation Plan of the organisation.
- e. The SDBIP is monitored on a monthly basis.
- f. Each project manager uses the respective cost allocation and unique key numbers as indicated on the capital budget.

2.2. Operational Budget

The operational budget refers to the funds that would be generated for the delivery of basic services, grants & subsidies and any other municipal services rendered. These funds are in turn used to cover the expenses incurred in the day to day running of the organization.

2.2.1. Basis of Calculation

- a. The zero based and incremental approach is used by budget holders in preparing the annual operating budget, depending on the type of revenue or expenditure.
- b. The annual operating budget shall be based on realistically anticipated revenue, which should at least be equal to the anticipated cash operating expenditure in order to result in a balanced budget.
- c. An income based approach shall be used where the realistically anticipated revenue would firstly be projected. The level of operating expenditure will then be based on the projected revenue, thus resulting in a balanced budget.

2.2.2. Financing

The operating expenditure shall be financed from the following sources:

Agency Services	Compensation received by the municipality for cost to provide the agency service should be recognised as receipts and not set-off against the expenditure. This compensation maybe in the form of commission, agency fees, contract fees, etc.
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OVERSTRAND MUNICIPALITY – BUDGET POLICY

Interest, Dividend and Rent on Land	Consist of the income associated with ownership of interest-bearing financial instruments, such as bank deposits, loans extended to others, and bills and bonds issued by others. Dividends come in the form of receipts from shares and distribution of profits to the owner. Rent on land is the receipts due to ownership of land.
Operational Revenue	Operational revenue refers to all other income not elsewhere classified such as administrative fees, bad debts recovered, breakages, commission, discounts and early settlements, etc.
Rental from Fixed Assets	Operating lease income received by the municipality from external use. Distinction is made between rental income based on market related versus non-market related rates.
Sales of Goods and Rendering of Services	This category consist of sales and services rendered provided that the municipality produced or partially produced the good or service.
Service Charges	This group of accounts provides for the basic services delivered by municipalities.
Intercompany/Parent-subsidary Transactions	Revenue generated due to exchange transactions between municipalities and their subsidiary municipal entities.
Licences or Permits	Granting of licences or permits associated with a regulatory function by government. Fees recognised under this category must result from a principle agreement. If the municipality act as an agent on behalf of provincial or national government the transaction need to be treated accordingly. Judgment need to be applied in deciding whether the "licence or permits" need to be classified as exchange or non-exchange revenue.
Fines, Penalties and Forfeits	This item consists of all compulsory receipts imposed by a court or quasi-judicial body. Out-of-court settlements are also included in this category. As with taxes, this item consists of unrequited, compulsory transactions. Thus, the recipient municipality does not provide anything in return for these receipts.
Licences or Permits	Granting of licences or permits associated with a regulatory function by government. Fees recognised under this category must result from a principle agreement. If the municipality act as an agent on behalf of provincial or national government the transaction need to be treated accordingly. Judgment need to be applied in deciding whether the "licence or permits" need to be classified as exchange or non-exchange revenue.
Property Rates	Property Rates means a municipal rate on property envisaged in section 229 (1)(a) of the Constitution read with the Municipal Property Rate Act 6 of 2004 as amended by the Municipal Property Rates Amendment Act, 2014. Rateable property means property on which a municipality may in terms of section 8 levy a rate and excludes impermissible rates as per section 17 of the Act.

OVERSTRAND MUNICIPALITY – BUDGET POLICY

Transfers and Subsidies	This category provides for of all unrequited, voluntary receipts from other parties. Thus an entry should be made under this item when the municipality does not provide anything of similar value directly in return for the transfer from the other party and the transfer is voluntary. {GRAP 23: Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.} This group of accounts provide for "operational and capital transfers and subsidies" received "in-kind or in monetary value".
Interest, Dividend and Rent on Land	Consist of the income associated with ownership non-exchange transactions.

2.2.3 Budget Categories

The following expenditure categories shall be accommodated in the operating budget:

Bad Debts Written Off	The irrecoverable debts that are written off during the financial year as approved by the Council allocated according to the type of service provided to the customer. This account would also include the write-off of accounts in terms of the debt prescription rules.
Bulk Purchases	Bulk purchases of electricity and water from Eskom (including alternative service providers) and Water Sources such as Water Boards and other providers.
Contracted Services	This group of accounts distinguishes between "Outsourced Services, Contractors and Professional and Special Services".
Depreciation and Amortisation	Depreciation is the systematic allocation of the cost of an asset from the Statement of Financial Position to Depreciation Expense on the Statement of Financial Performance over the useful life of the asset. Amortisation is the systematic allocation of the discount, premium or issue cost of a financial instrument over the life of the instrument, or an intangible asset over a certain period. Amortisation is the systematic allocation of the depreciable amount of an intangible asset over its useful life.
Employee Related Cost	This item includes all payments to employees defined below. Employee Related Cost distinguish between Senior Managers and Other Staff as Section 124(1)(c) of the MFMA required disclosures of the details of remuneration for all senior managers and the Standard of GRAP on Related Party Disclosure requires disclosure of key management personnel (GRAP 20 Related Party Disclosure - no effective date determined by the Minister thus IPSAS 20 Related Parties need to be applied. Key management personnel in the context of municipalities referring to the senior management group, including the chief executive (municipal manager).

OVERSTRAND MUNICIPALITY – BUDGET POLICY

Interest, Dividends and Rent on Land	This item includes the total value of interest payments, dividends and payment for the use of land owned by another party.
Inventory Consumed	The amount of inventories recognised as an expense during the period. GRAP 12.45(d) The amount of inventories recognised as an expense during the period, which is often referred to as cost of sales, consists of those costs previously included in the measurement of inventory that has now been sold, exchanged or distributed, and unallocated production overheads and abnormal amounts of production cost of inventories. GRAP 12.47
Remuneration of Councillors	Remuneration as determined by the Remuneration of Public Office Bearers Act, 1998 (Act No 20 of 1998). Salary of full/part time councillors including the Executive Mayor or Mayor, Speakers, Deputy Executive Major or Deputy Mayor, Members of the Executive Committee or Mayoral Committee, Whip and Chairperson of a sub-council, etc.
Operating Leases	An operating lease is a lease other than a finance lease. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership. Land use portion of a building finance lease must be recorded under Rental of Land.
Operational Cost	An operating expense is a day-to-day expense such as sales and administration, or research & development, accounting expenses, license fees, advertising, office expenses, utilities such as telephone, insurance, property management, travel and vehicle expenses.
Transfers and Subsidies	This category provides for of all unrequited payments made by the municipality. A payment is unrequited provided that the municipality does not receive anything of similar value directly in return for the transfer to another party. Both current and capital transfers are included in this item. Municipalities distinguish between transfers to provinces, district municipalities, departmental agencies and accounts, universities and Technicons, public corporations, private enterprises, foreign government and international institutions, non-profit organisations and households. This group of accounts provide for "operational and capital transfers and subsidies" made "in-kind or in monetary value".

2.2.4. Process

- a. The CFO, in conjunction with the Senior Manager: Financial Services and the Manager: Budget Office, and after consultation with the Budget Steering Committee, sets the reasonable growth level of the operational budget based on the current financial performance and the prevailing industry growth levels. (i.e. CPI).
- b. After the income has been determined, an acceptable growth level for the

OVERSTRAND MUNICIPALITY – BUDGET POLICY

operating expenditure is determined and the draft operating budget is discussed with the relevant Directors for their perusal and amendments.

- c. The draft operating budget is compiled based on the submissions from the engagements with the different stakeholders.
- d. The draft operating budget serves before the Budget Steering Committee for perusal and suggestions.
- e. The draft operating budget is tabled in Council at least 90 days (31 March) before the start of the new financial year.
- f. The draft SDBIP is tabled in Council at least 90 days (31 March) before the start of the new financial year.
- g. After the draft budget is tabled in Council, it is advertised for public comment for a period of 30 days.
- h. Once the comments from the public have been received, noted and considered, the final budget (inclusive of any amendments) is tabled in Council for adoption, at least 30 days (31 May) before the start of the financial year.
- i. Sect 25(1) of the Municipal Finance Management Act (56 of 2003) states that “if a municipal council fails to approve an annual budget, including revenue raising measures necessary to give effect to the budget, the Council must reconsider the budget and again vote on the budget, or on an amended version thereof, within 7 days of the Council meeting that failed to approve the budget.”

2.2.5. Implementation

- a. After the budget has been approved, the service delivery and budget implementation plan (SDBIP) is finalised.
- b. The SDBIP must be submitted to the Mayor within 14 days after aforementioned approval, for Mayoral approval with a further 14 days.
- c. Each director indicates the intended spending for both capital and operating budgets.
- d. Cash flows are included in the Service Delivery and Budget Implementation Plan of the organisation.
- e. The SDBIP is monitored on a monthly basis.
- f. Each directorate uses their respective vote numbers as indicated on the operational budget.

OVERSTRAND MUNICIPALITY – BUDGET POLICY

2.3. Adjustments Budget

- 2.3.1 A general adjustments budget may be tabled once a year by 28 February.
- 2.3.2 The adjustments budget process shall be aligned to the annual budget in terms of consideration by the Budget Steering Committee.
- 2.3.3 The adjustments budget must be approved by Council before implementation.
- 2.3.4 Any consequential amendment of the SDBIP necessitated by the adjustments budget must be published together with the adjustments budget within 5 days after the Municipal Council has approved an adjustments budget.

3. IMPLEMENTATION AND REVIEW OF POLICY

This policy shall be implemented on **1 July 2024** and shall be reviewed on an annual basis to ensure that it is in line with the municipality’s strategic objectives and with legislation.

POLICY SECTION:	SENIOR MANAGER: FINANCIAL SERVICES
CURRENT UPDATE:	31 MAY 2024
PREVIOUS UPDATE:	31 MAY 2023
PREVIOUS REVIEW:	31 MAY 2022
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PREVIOUS REVIEW:	28 MAY 2014
PREVIOUS REVIEW:	29 MAY 2013
PREVIOUS REVIEW:	30 MAY 2012
APPROVAL BY COUNCIL:	04 MAY 2011

OVERSTRAND MUNICIPALITY



VIREMENT POLICY

CONTENTS

1	DEFINITIONS	1
2	ABBREVIATIONS	1
3	OBJECTIVE	2
4	VIREMENT CLARIFICATION	2
5	FINANCIAL RESPONSIBILITIES	2
6	VIREMENT RESTRICTIONS	2
7	VIREMENT PROCEDURE	3
8	IMPLEMENTATION AND REVIEW OF THIS POLICY	4
9	ANNEXURE A:	
	mSCOA FUNCTION/SUB-FUNCTION	5
	DIRECTORATES AND DEPARTMENTS (OWN SEGMENT)	7

OVERSTRAND MUNICIPALITY – VIREMENT POLICY

1 DEFINITIONS

“Accounting officer”	The municipal manager of a municipality is the accounting officer of the municipality in terms of section 60 of the MFMA
“Approved budget”	means an annual budget or adjustments budget approved by a municipal council.
“Basic Services”	means the following four services: Energy Sources, Water Management, Waste Water Management (Sewerage & Waste Water Treatment) and Waste Management, as contained in the mSCOA function segment
“Budget-related policy”	means a policy of a municipality affecting or affected by the annual budget of the municipality
“Chief financial officer”	means a person designated in terms of the MFMA who performs such budgeting, and other duties as may in terms of section 79 of the MFMA be delegated by the accounting officer to the chief financial officer.
“Capital Budget”	This is the estimated amount for capital items in a given fiscal period. Capital items are fixed assets such as infrastructure, facilities and equipment, the cost of which is normally written off (depreciated) over a number of fiscal periods
“Council”	means the council of a municipality referred to in section 18 of the Municipal Structures Act.
“Financial year”	means a 12-month year ending on 30 June.
Function Sub-Function	mSCOA Segment: This segment provides for the classification of budgets according to the function or service delivery objective and provides for the standardisation of functions and sub-functions across local government with due regard to specific service delivery activities and responsibilities of each individual municipality.
“Line Item”	an appropriation that is itemized on a separate line in the internal budget document for the purpose of greater control over expenditure, as contained in the mSCOA segment for Item Expenditure and Revenue, as revised from time to time.
“Operating Budget”	the Municipality’s financial plan, which outlines proposed expenditures for the coming financial year and estimates the revenues used to finance them.
“Ring Fenced Allocations”	an exclusive combination of line items grouped for specific purposes, such as Debt Impairment, Depreciation and Amortisation, Finance Charges and Provisions.
“Service delivery and budget implementation plan”	means a detailed plan approved by the mayor of a municipality in terms of section 53(1) (c) (ii) for implementing the municipality’s delivery of municipal services and its annual budget.
“Virement”	is the process of transferring an approved budget allocation from one operating line item or capital project to another, with the approval of the relevant Manager. To enable budget managers to amend budgets in the light of experience or to reflect anticipated
“Vote”	means one of the main segments into which a budget of a municipality is divided for the appropriation of funds for the different Directorates of the municipality; and which specifies the total amount that is appropriated for the purposes of the respective Directorates concerned.

2 ABBREVIATIONS

“CFO”	Chief Financial Officer
“GFS”	Government Financial Statistics
“IDP”	Integrated Development Plan
“MFMA”	Municipal Finance Management Act No. 56 of 2003
mSCOA	Municipal Standard Chart of Accounts
“SDBIP”	Service delivery and budget implementation plan

OVERSTRAND MUNICIPALITY – VIREMENT POLICY

3 OBJECTIVE

To allow limited flexibility in the use of budgeted funds to enable management to act on occasions such as disasters, unforeseen expenditure or savings, etc. as they arise to accelerate service delivery in a financially responsible manner.

4 VIREMENT CLARIFICATION

Virement is the process of transferring budgeted funds from one line item number to another, with approval of the relevant Director and CFO, in certain instances, to enable budget managers to amend budgets in the light of experience or to reflect anticipated changes. (Section 28 (2) (c) MFMA)

5 FINANCIAL RESPONSIBILITIES

Strict budgetary control must be maintained throughout the financial year in order that potential overspends and / or income under-recovery within individual vote departments are identified at the earliest possible opportunity. (Chapter 4 of the MFMA) The Chief Financial Officer has a statutory duty to ensure that adequate policies and procedures are in place to ensure an effective system of financial control. The budget virement process is one of these controls. (Section 27(4) MFMA)

It is the responsibility of each manager or head of a directorate or activity to which funds are appropriated, to plan and conduct assigned operations so as not to expend more funds than budgeted. In addition, they have the responsibility to identify and report any irregular or fruitless and wasteful expenditure in terms of the MFMA sections 78 and 32.

6 VIREMENT RESTRICTIONS

- (a) A virement of funds between votes (Directorates) will not be allowed without approval in an adjustments budget.
- (b) Cumulative virements may not exceed a maximum of 10% of the total approved operating budget per Directorate.
- (c) A virement may not create new policy, significantly vary from current policy or alter the approved outcomes / outputs as approved in the IDP for the current or subsequent years. (section 19 and 21 MFMA)
- (d) Virements resulting in adjustments to the approved SDBIP need to be submitted to the Municipal Manager after an adjustments budget, with altered outputs and measurements for approval. (MFMA Circular 13 page 3 paragraph 3)
- (e) No virement request may be effected in the current year which will increase the approved budget in future financial years without the prior approval of the Municipal Manager and the Mayor. This refers to expenditure such as entering into lease- or rental agreements for vehicles, photo copier's or fax machines, operational contracts.
- (f) No virement may be made where it would result in unauthorised expenditure. (section 32 MFMA)
- (g) No virement shall add to the staff establishment of the Municipality without the approval of the Municipal Manager.
- (h) Budget may only be transferred from Employee Related Cost if approved by the Municipal Manager and the Director: Finance.
- (i) If the virement relates to an increase in the work force establishment, then the Council's

OVERSTRAND MUNICIPALITY – VIREMENT POLICY

existing recruitment policies and procedures will apply.

- (j) Virements may not be made in respect of ring-fenced allocations.
- (k) Virements are not permitted from **[or to]** budgets allocated to the respective Basic Services, unless approved in an adjustments budget.
- (l) Virements in capital budget allocations are only permitted within specified action plans and not across funding sources and must in addition have comparable asset lifespan classifications.
- (m) No virements are permitted in the first three months or the final month of the financial year without the express approval of the CFO.
- (n) No virement proposal shall affect amounts to be paid by another Department without the agreement of the Manager of that Department, as recorded on the signed virement form. (Section 15 MFMA)
- (o) Virement amounts may not be rolled over to subsequent years, or create expectations on following budgets. (Section 30 MFMA)
- (p) An approved virement does not give expenditure authority and all expenditure resulting from approved virements must still be subject to the procurement / supply chain management policy of Council as periodically reviewed.
- (q) Virements may not be made between Expenditure and Income.
- (r) Virements may not be made between capital and operational budgets, except as indicated in paragraph 7.
- (s) No Capital Budget virements are permitted across the mSCOA Function/Sub-Function segment, except in an official adjustments budget.
- (t) Virements are not permitted from the mSCOA line item Inventory: Zero Rated (Fuel) to other expenditure line items within a directorate/department, except where approved in an official adjustments budget.

7 VIREMENT PROCEDURE

- (a) All virement proposals must be completed on the appropriate documentation and forwarded to the Budget Office for checking and implementation. All virements must be subjected to scrutiny across all seven segments of the mSCOA classification framework.
- (b) All virements relating to the operational budget must be approved by the relevant Budget Holder/Manager (Section 79 MFMA) in the case of a departmental budget transfer, and also by the relevant Director in the case of a transfer between departments within a Directorate.
- (c) Capital Budget Virements within the mSCOA Function/Sub-Function segment must be approved by the relevant manager and Director, the Municipal Manager and Director: Finance and, in cases where the amount exceeds R100 000, by the Executive Mayor. Virements across the mSCOA Function/Sub-Function segment will only be considered if it qualifies as an Adjustment Budget request and will then be done as part of an official Adjustment Budget.
- (d) A virement form must be completed for all Operational Budget Transfers and in the case of a Capital Budget transfer an official memo approved by the relevant director, MM & CFO must be submitted. The prescribed documentation must be completed.
- (e) Virements in excess of **[R50,000]** R20 000 with a maximum as determined under section 6b. requires the approval of the relevant Director for Inter-departmental transfers, as well as the express approval of the Chief Financial Officer and the MM. (Section 79 MFMA).
- (f) Virement transfers must be taken into consideration by the respective managers with regards to the SDBIP.
- (g) Virements in respect of Ward specific projects must be approved by the Chief Financial

OVERSTRAND MUNICIPALITY – VIREMENT POLICY

- Officer, Municipal Manager and the Mayor.
- (h) Virements between Capital and Operational in respect of Ward Specific Projects and grant allocations, will only be allowed if it qualifies as an Adjustment Budget request and will then be done as part of an Adjustments Budget
 - (i) All virement documentation must be in order and approved before any expenditure may be committed or incurred. (Section 79 MFMA).
 - (j) After all virement documentation has been duly completed, including all authorizations, the budget transfer will normally be effected within three working days, subject to the operating system functionality.
 - (k) The Director: Finance must report to the Municipal Manager and the Mayor on a monthly basis in respect of virements in excess of **[R50 000]** R20 000 per item.

8. IMPLEMENTATION AND REVIEW OF THIS POLICY

This policy shall be implemented on **1 July 2024** and shall be reviewed on an annual basis to ensure that it is in line with the municipality's strategic objectives and with legislation.

POLICY SECTION:	SENIOR MANAGER: FINANCIAL SERVICES
CURRENT UPDATE:	31 MAY 2024
PREVIOUS UPDATE:	31 MAY 2023
PREVIOUS UPDATE:	31 MAY 2022
PREVIOUS UPDATE:	26 MAY 2021
PREVIOUS UPDATE:	27 MAY 2020
PREVIOUS UPDATE:	29 MAY 2019
PREVIOUS UPDATE:	30 MAY 2018
PREVIOUS UPDATE:	31 MAY 2017
PREVIOUS UPDATE:	25 MAY 2016
PREVIOUS REVIEW:	28 MAY 2015
PREVIOUS REVIEW:	28 MAY 2014
PREVIOUS REVIEW:	29 MAY 2013
PREVIOUS REVIEW:	30 MAY 2012
PREVIOUS REVIEW:	04 MAY 2011
APPROVAL BY COUNCIL:	26 MAY 2010

OVERSTRAND MUNICIPALITY – VIREMENT POLICY

ANNEXURE A

DIRECTORATE	SUB-VOTE	OV CODE			Function	Subfunction
		OV	8	1		
Community Services	Director: Community Services	OV	8	1	Finance and administration	Administrative and Corporate Support
Community Services	Sports & Recreation	OV	8	9	Sport and recreation	Sports Grounds and Stadiums
Community Services	Library: Betty'S Bay	OV	8	11	Community and social services	Libraries and Archives
Community Services	Library: Kleinmond	OV	8	12	Community and social services	Libraries and Archives
Community Services	Library: Hawston	OV	8	13	Community and social services	Libraries and Archives
Community Services	Library: Mount Pleasant	OV	8	14	Community and social services	Libraries and Archives
Community Services	Library: Zwelihle	OV	8	15	Community and social services	Libraries and Archives
Community Services	Library: Hermanus	OV	8	16	Community and social services	Libraries and Archives
Community Services	Library: Stanford	OV	8	17	Community and social services	Libraries and Archives
Community Services	Library: Gansbaai	OV	8	18	Community and social services	Libraries and Archives
Community Services	Post Office Agency: Stanford	OV	8	19	Finance and administration	Administrative and Corporate Support
Community Services	Beaches: Kleinmond	OV	8	24	Sport and recreation	Beaches and Jetties
Community Services	Beaches: Hermanus	OV	8	25	Sport and recreation	Beaches and Jetties
Community Services	Beaches: Gansbaai	OV	8	26	Sport and recreation	Beaches and Jetties
Community Services	Parks & Townlands: Kleinmond	OV	8	33	Sport and recreation	Community Parks (including Nurseries)
Community Services	Parks & Townlands: Hermanus	OV	8	34	Sport and recreation	Community Parks (including Nurseries)
Community Services	Parks & Townlands: Stanford	OV	8	35	Sport and recreation	Community Parks (including Nurseries)
Community Services	Parks & Townlands: Gansbaai	OV	8	36	Sport and recreation	Community Parks (including Nurseries)
Community Services	Community Buildings: Kleinmond	OV	8	38	Community and social services	Community Halls and Facilities
Community Services	Community Buildings: Hermanus	OV	8	39	Community and social services	Community Halls and Facilities
Community Services	Community Buildings: Stanford	OV	8	40	Community and social services	Community Halls and Facilities
Community Services	Community Buildings: Gansbaai	OV	8	41	Community and social services	Community Halls and Facilities

Community Services	Auditorium & Banqueting Hall	OV	8	42	Community and social services	Community Halls and Facilities
Community Services	Office Buildings: Kleinmond	OV	8	43	Finance and administration	Property Services
Community Services	Office Buildings: Hermanus	OV	8	44	Finance and administration	Property Services
Community Services	Office Buildings: Stanford	OV	8	45	Finance and administration	Property Services
Community Services	Office Buildings: Gansbaai	OV	8	46	Finance and administration	Property Services
Community Services	Corporate Building: Hermanus	OV	8	47	Finance and administration	Property Services
Community Services	Swimming Pool: Hawston	OV	8	48	Sport and recreation	Recreational Facilities
Community Services	Sportsgrounds: Kleinmond	OV	8	49	Sport and recreation	Sports Grounds and Stadiums
Community Services	Sportgrounds: Hermanus	OV	8	50	Sport and recreation	Sports Grounds and Stadiums
Community Services	Sportgrounds: Stanford	OV	8	51	Sport and recreation	Sports Grounds and Stadiums
Community Services	Sportgrounds: Gansbaai	OV	8	52	Sport and recreation	Sports Grounds and Stadiums
Community Services	Swimming Pool: Hermanus	OV	8	53	Sport and recreation	Recreational Facilities
Community Services	Slipway: Kleinbaai	OV	8	54	Sport and recreation	Recreational Facilities
Community Services	Cemeteries: Kleinmond	OV	8	56	Community and social services	Cemeteries, Funeral Parlours and Crematoriums
Community Services	Cemeteries: Hermanus	OV	8	57	Community and social services	Cemeteries, Funeral Parlours and Crematoriums
Community Services	Cemeteries: Stanford	OV	8	58	Community and social services	Cemeteries, Funeral Parlours and Crematoriums
Community Services	Cemeteries: Gansbaai	OV	8	59	Community and social services	Cemeteries, Funeral Parlours and Crematoriums
Community Services	Caravan Park: Palmietcamp	OV	8	60	Sport and recreation	Recreational Facilities
Community Services	Caravanpark: Kleinmond	OV	8	61	Sport and recreation	Recreational Facilities
Community Services	Camping Site: Hawston	OV	8	62	Sport and recreation	Recreational Facilities
Community Services	Caravan Park: Onrus	OV	8	63	Sport and recreation	Recreational Facilities
Community Services	Caravan Park: Gansbaai	OV	8	64	Sport and recreation	Recreational Facilities
Community Services	Housing & Social Upliftment	OV	8	65	Housing	Housing
Community Services	Housing All Schemes	OV	8	66	Housing	Housing
Community Services	Public Toilets: Hermanus	OV	8	87	Waste water management	Public Toilets

Community Services	Refuse Removal: Kleinmond	OV	8	103	Waste management	Solid Waste Removal
Community Services	Refuse Removal: Hermanus	OV	8	104	Waste management	Solid Waste Removal
Community Services	Refuse Removal: Stanford	OV	8	105	Waste management	Solid Waste Removal
Community Services	Refuse Removal: Gansbaai	OV	8	106	Waste management	Solid Waste Removal
Community Services	Slipway(Kleinmond)	OV	8	116	Sport and recreation	Recreational Facilities
Corporate Services	Risk Management	OV	3	109	Finance and administration	Risk Management
Corporate Services	Municipal Court	OV	3	9	Finance and administration	Legal Services
Corporate Services	Director: Corporate Services	OV	3	3	Finance and administration	Administrative and Corporate Support
Corporate Services	Human Resources	OV	3	6	Finance and administration	Human Resources
Corporate Services	Info & Communication Technology	OV	3	7	Finance and administration	Information Technology
Corporate Services	Admin Support Services	OV	3	8	Finance and administration	Administrative and Corporate Support
Corporate Services	Customer Relations Management (24H)	OV	3	209	Public safety	Civil Defence
Municipal Council	Council's General	OV	1	1	Executive and council	Mayor and Council
Municipal Council	Mayors Office	OV	1	2	Executive and council	Mayor and Council
Municipal Council	Pensioners & Continued Members	OV	1	3	Executive and council	Mayor and Council
Financial Services	Finance: Director	OV	4	1	Finance and administration	Finance
Financial Services	Finance: Accounting Services	OV	4	3	Finance and administration	Finance
Financial Services	Finance: Expenditure, Assets & Fleet Management	OV	4	4	Finance and administration	Finance
Financial Services	Finance: Revenue	OV	4	5	Finance and administration	Finance
Financial Services	Finance: Supply Chain Management	OV	4	6	Finance and administration	Supply Chain Management
Financial Services	Data Control	OV	4	7	Finance and administration	Finance
Financial Services	Assessment Rates	OV	4	8	Finance and administration	Finance
Infrastructure Services	Director: Infrastructure Services	OV	5	1	Planning and development	Corporate Wide Strategic Planning (IDPs, LEDs)
Infrastructure Services	Bulk Water Services	OV	5	2	Planning and development	Project Management Unit
Infrastructure Services	Water Infrastructure & Quality	OV	5	4	Planning and development	Project Management Unit

Infrastructure Services	Waste Management	OV	5	6	Waste management	Solid Waste Removal
Infrastructure Services	Overstrand Housing Development	OV	5	9	Housing	Housing
Infrastructure Services	Streetlights: Kleinmond	OV	5	12	Energy sources	Street Lighting and Signal Systems
Infrastructure Services	Streetlights: Hermanus	OV	5	13	Energy sources	Street Lighting and Signal Systems
Infrastructure Services	Streetlights: Stanford	OV	5	14	Energy sources	Street Lighting and Signal Systems
Infrastructure Services	Streetlights: Gansbaai	OV	5	15	Energy sources	Street Lighting and Signal Systems
Infrastructure Services	Electricity(Admin): Herm & Klnmnd	OV	5	16	Energy sources	Electricity
Infrastructure Services	Electricity(Admin): Gansb & Standfrd	OV	5	17	Energy sources	Electricity
Infrastructure Services	Electricity(Distr): Kleinmond	OV	5	18	Energy sources	Electricity
Infrastructure Services	Electricity(Distr): Hermanus	OV	5	19	Energy sources	Electricity
Infrastructure Services	Electricity(Distr): Stanford	OV	5	20	Energy sources	Electricity
Infrastructure Services	Electricity(Distr): Gansbaai	OV	5	21	Energy sources	Electricity
Infrastructure Services	Elect(Purch/Sales): Kleinmond	OV	5	22	Energy sources	Electricity
Infrastructure Services	Elect(Purch/Sales): Hermanus	OV	5	23	Energy sources	Electricity
Infrastructure Services	Elect(Purch/Sales): Stanford	OV	5	24	Energy sources	Electricity
Infrastructure Services	Elect(Purch/Sales): Gansbaai	OV	5	25	Energy sources	Electricity
Infrastructure Services	Electricity Income	OV	5	26	Energy sources	Electricity
Infrastructure Services	Elect(Serv & Con): Kleinmond	OV	5	27	Energy sources	Electricity
Infrastructure Services	Elect(Serv & Con): Hermanus	OV	5	28	Energy sources	Electricity
Infrastructure Services	Elect(Serv & Con): Stanford	OV	5	29	Energy sources	Electricity
Infrastructure Services	Elect(Serv & Con): Gansbaai	OV	5	30	Energy sources	Electricity
Infrastructure Services	Mechanical Workshop Fleet Management	OV	5	531	Finance and administration	Fleet Management
Infrastructure Services	Solid Waste Disp: Overstrand	OV	5	31	Solid Waste Disposal (Landfill Sites)	Waste management
Infrastructure Services	Civil Engineering Services	OV	5	431	Finance and administration	Administrative and Corporate Support
Infrastructure Services	Civil Engineering Services: Kleinmond	OV	5	431	Finance and administration	Administrative and Corporate Support

Infrastructure Services	Civil Engineering Services Hermanus	OV	5	431	Finance and administration	Administrative and Corporate Support
Infrastructure Services	Civil Engineering Services: Gansbaai & Stanford	OV	5	431	Finance and administration	Administrative and Corporate Support
Infrastructure Services	Streets: Provincial Main Road	OV	8	27	Road transport	Roads
Infrastructure Services	Streets: Kleinmond	OV	8	28	Road transport	Roads
Infrastructure Services	Streets: Hermanus	OV	8	29	Road transport	Roads
Infrastructure Services	Streets: Stanford	OV	8	30	Road transport	Roads
Infrastructure Services	Streets: Gansbaai	OV	8	31	Road transport	Roads
Infrastructure Services	Overstrand: Roads	OV	8	32	Road transport	Roads
Infrastructure Services	Water(Treat): Kleinmond	OV	8	67	Water management	Water Treatment
Infrastructure Services	Water(Treat): De Bos/Preeksto	OV	8	68	Water management	Water Treatment
Infrastructure Services	Water(Treat): Gansbaai/Fransk	OV	8	70	Water management	Water Treatment
Infrastructure Services	Water(Distribution): Kleinmon	OV	8	71	Water management	Water Distribution
Infrastructure Services	Water(Distribution): Hermanus	OV	8	72	Water management	Water Distribution
Infrastructure Services	Water(Distribution): Stanford	OV	8	73	Water management	Water Distribution
Infrastructure Services	Water(Distribution): Gansbaai	OV	8	74	Water management	Water Distribution
Infrastructure Services	Water: Overstrand	OV	8	76	Water management	Water Distribution
Infrastructure Services	Water Income	OV	8	77	Water management	Water Distribution
Infrastructure Services	Water(Serv & Con): Kleinmond	OV	8	78	Water management	Water Distribution
Infrastructure Services	Water(Serv & Con): Hermanus	OV	8	79	Water management	Water Distribution
Infrastructure Services	Water(Serv & Con): Stanford	OV	8	80	Water management	Water Distribution
Infrastructure Services	Water(Serv & Con): Gansbaai	OV	8	81	Water management	Water Distribution
Infrastructure Services	Water(Raw Wat Dams): Gansbaai	OV	8	82	Water management	Water Storage
Infrastructure Services	Stormwater: Kleinmond	OV	8	83	Waste water management	Storm Water Management
Infrastructure Services	Stormwater: Hermanus	OV	8	84	Waste water management	Storm Water Management
Infrastructure Services	Stormwater: Stanford	OV	8	85	Waste water management	Storm Water Management

Infrastructure Services	Stormwater: Gansbaai	OV	8	86	Waste water management	Storm Water Management
Infrastructure Services	Sewerage(Distribu): Kleinmond	OV	8	88	Waste water management	Sewerage
Infrastructure Services	Sewerage(Distribu): Hermanus	OV	8	89	Waste water management	Sewerage
Infrastructure Services	Sewerage(Distribu): Stanford	OV	8	90	Waste water management	Sewerage
Infrastructure Services	Sewerage(Distribu): Gansbaai	OV	8	91	Waste water management	Sewerage
Infrastructure Services	Sewerage(Serv/Con): Hermanus	OV	8	92	Waste water management	Sewerage
Infrastructure Services	Sewerage(Tankers): Kleinmond	OV	8	93	Waste water management	Sewerage
Infrastructure Services	Sewerage(Tankers): Hermanus	OV	8	94	Waste water management	Sewerage
Infrastructure Services	Sewerage(Tankers): Stanford	OV	8	95	Waste water management	Sewerage
Infrastructure Services	Sewerage(Tankers): Gansbaai	OV	8	96	Waste water management	Sewerage
Infrastructure Services	Sewerage(Treatment) Kleinmond	OV	8	97	Waste water management	Waste Water Treatment
Infrastructure Services	Sewerage(Treatment): Hawston	OV	8	98	Waste water management	Waste Water Treatment
Infrastructure Services	Sewerage(Treatment): Hermanus	OV	8	99	Waste water management	Waste Water Treatment
Infrastructure Services	Sewerage(Treatment): Stanford	OV	8	100	Waste water management	Waste Water Treatment
Infrastructure Services	Sewerage(Treatment): Gansbaai	OV	8	101	Waste water management	Waste Water Treatment
Infrastructure Services	Sewerage Income	OV	8	102	Waste water management	Sewerage
Infrastructure Services	Solid Waste Disposal: B/Bay	OV	8	107	Waste management	Solid Waste Disposal (Landfill Sites)
Infrastructure Services	Solid Waste Disposal: Hawston	OV	8	108	Waste management	Solid Waste Disposal (Landfill Sites)
Infrastructure Services	Solid Waste Disposal: Voelklip	OV	8	109	Waste management	Solid Waste Disposal (Landfill Sites)
Infrastructure Services	Solid Waste Disposal: Stanford	OV	8	110	Waste management	Solid Waste Disposal (Landfill Sites)
Infrastructure Services	Refuse Disposal: P/Beach(Trfst)	OV	8	111	Waste management	Solid Waste Disposal (Landfill Sites)
Infrastructure Services	Solid Waste Disposal: Kleinmon	OV	8	112	Waste management	Solid Waste Disposal (Landfill Sites)
Infrastructure Services	Solid Waste Disposal: Hermanus	OV	8	113	Waste management	Solid Waste Disposal (Landfill Sites)
Infrastructure Services	Waste Disposal Site: Gansbaai	OV	8	114	Waste management	Solid Waste Disposal (Landfill Sites)
Infrastructure Services	Refuse Income	OV	8	115	Waste management	Solid Waste Removal

Office of the Municipal Manager	Municipal Manager	OV	2	1	Executive and council	Municipal Manager
Office of the Municipal Manager	Internal Audit	OV	2	2	Internal audit	Governance Function
Office of the Municipal Manager	Legal Services & Contract Management	OV	2	402	Finance and administration	Legal Services
Office of the Municipal Manager	Strategic Support Services	OV	2	502	Finance and administration	Corporate Wide Strategic Planning (IDPs, LEDs)
Planning and Development	Director: Planning & Development	OV	7	1	Planning and development	Economic Development/Planning
Planning and Development	Tourism	OV	7	2	Planning and development	Tourism
Planning and Development	Socio Economic Services	OV	7	3	Planning and development	Development Facilitation
Planning and Development	Thusong Centre: Hawston	OV	7	200	Community and social services	Community Halls and Facilities
Planning and Development	Town Planning	OV	7	400	Planning and development	Town Planning, Building Reg. and Enforcement
Planning and Development	Building Control Services	OV	7	500	Planning and development	Town Planning, Building Reg. and Enforcement
Planning and Development	Property Administration	OV	7	600	Finance and administration	Property Services
Planning and Development	Environmental Management Serv	OV	7	700	Environmental protection	Biodiversity and Landscape
Public Safety	Traffic	OV	6	1	Public safety	Police Forces, Traffic and Street Parking Control
Public Safety	Law Enforcement	OV	6	2	Public safety	Control of Public Nuisances
Public Safety	Vehicle Testing	OV	6	3	Public safety	Control of Public Nuisances
Public Safety	Fire Brigade	OV	6	4	Public safety	Fire Fighting and Protection
Public Safety	Director: Municipal Public Safety	OV	6	5	Finance and administration	Administrative and Corporate Support
Public Safety	Vehicle Licensing	OV	6	6	Public safety	Road and Traffic Regulation
Public Safety	Special Task Team Unit	OV	6	7	Public safety	Civil Defence
Public Safety	Disaster Management	OV	6	8	Public safety	Fire Fighting and Protection
Public Safety	Security Services	OV	6	9	Public safety	Security Services

OVERSTRAND MUNICIPALITY



BORROWING POLICY

TABLE OF CONTENTS

1	PURPOSE	1
2	OBJECTIVES.....	1
3	SCOPE OF THE POLICY	1
4	LEGISLATIVE FRAMEWORK AND DELEGATION OF AUTHORITY	1
5	TYPES OF LOANS AND FINANCING	2
6	OTHER CONSIDERATIONS	3
7	REFINANCING DEBT.....	4
8	DEBT REPAYMENT PERIOD	4
9	SECURITY	4
10	SHORT TERM DEBT	5
11	DISCLOSURE	5
12	GUARANTEES	5
13	APPROVAL OF LOANS BY THE MUNICIPALITY	5
14	PROVISION FOR REDEMPTION OF LOANS	6
15	NON-REPAYMENT OR NON-SERVICING OF LOAN	6
16	PROHIBITED BORROWING PRACTICES	6
17	FOREIGN BORROWINGS.....	7
18	NATIONAL TREASURY AND OTHER REPORTING AND MONITORING REQUIREMENTS.....	7
19	IMPLEMENTATION AND REVIEW PROCESS	7

OVERSTRAND MUNICIPALITY – BORROWING POLICY

1 PURPOSE

To establish a borrowing framework policy for the Municipality and set out the objectives, policies, statutory requirements and guidelines for the borrowing of funds.

2 OBJECTIVES OF POLICY

The objectives of this Policy are to:

- a manage interest rate and credit risk exposure;
- b maintain debt within specified limits and ensure adequate provision for the repayment of debt;
- c to ensure compliance with all Legislation and Council policy governing borrowing of funds.

3 SCOPE OF THE POLICY

The primary goal in the borrowing of funds is to ensure that the funds are obtained at the lowest possible interest rates at minimum risk, within the parameters of authorized borrowings.

3.1 Risk Management

The need to manage interest rate risk, credit risk exposure and to maintain debt within specified limits is the foremost objective of the borrowing policy. To attain this objective, diversification is required to ensure that the Chief Financial Officer prudently manages interest rate and credit risk exposure.

3.2 Cost of Borrowings

The borrowings should be structured to obtain the lowest possible interest rate, on the most advantageous terms and conditions, taking cognisance of borrowing risk constraints, infrastructure needs and the borrowing limits determined by Legislation.

3.3 Prudence

Borrowings shall be made with care, skill, prudence and diligence.

4 LEGISLATIVE FRAMEWORK AND DELEGATION OF AUTHORITY

The relevant Legislation in terms of which borrowing decisions are governed is the Local Government Municipal Finance Management Act, No 56 of 2003.

The Municipal Regulations on Debt Disclosure has been promulgated (Government Gazette no. 29966, 15 June 2007) and has been effective from 01 July 2007 for a municipality or municipal entity.

OVERSTRAND MUNICIPALITY – BORROWING POLICY

5 TYPES OF LOANS AND FINANCING

5.1 Annuity loans

Annuity loans are straight forward and uncomplicated. The loan amount, interest rate and repayment period offered by the Financial Institution are fixed. Normally with an annuity loan, the instalment of the loan will be repaid in equal six monthly instalments over the term of the loan. The capital portion of the instalment will increase over the duration of the loan, and conversely, the interest amount charged will decrease over the loan period. Where the interest rate offered by the Financial Institution is on a variable basis, an interest rate swap (IRS) option should be included in the agreement. An IRS agreement will need to be signed with the party agreeing to accept the variable rate and in turn, offer the fixed rate to the Municipality. An Interest Rate Swap Agreement must comply with the terms set out by the International Swap Dealers Association (ISDA). The fixing of debt repayments is an important consideration in meeting the financial requirements of the Municipality, that of annually producing a balanced budget. There are from time to time various options offered by Financial Institutions which need to be treated on their merits and which could invariably result in slightly lower interest rates being offered.

5.2 Bullet payment redemption

In this instance, the total capital is usually repaid at the end of the term and interest on the total amount borrowed is paid annually or semi-annually. The interest rate can be fixed and the interest payable is known for the duration of the loan. Cash has to be set aside to repay the capital at the end of the term.

The lender could require security in the form of an investment (sinking fund).

5.3 Bonds

A Bond is an instrument used by Government and Parastatals such as Telkom, Eskom, Transnet, Corporates and Municipalities to raise loan capital on the open market. Bond holders have the right to interest, usually paid on a semi-annual basis, and the repayment of the capital amount reflected on the stock certificate held on maturity date. The coupon, maturity, principal value and market value are intrinsic features of a Bond. The most critical variable factor in determining Bond rates is the expected long term trend in inflation, in order to provide a return that equals inflation plus a risk premium. The higher the risk attached to a borrower, the higher will be the risk premium investors will demand. During its tenure the Bond will trade on the Bond market at prevailing interest levels. The price of a Bond trading at any given time on the market is a function of prevailing interest rates. Bond prices move inversely to movements in interest rates.

OVERSTRAND MUNICIPALITY – BORROWING POLICY

5.4 Use of Internal Funds

The Municipality from time to time, will use certain of its surplus funds to fund its Capital programme. The utilisation of surplus funds enables the Municipality to reduce its reliance on external debt financing, thereby allowing it to borrow only funds from external sources when favourable market conditions prevail. The use of internal funds impacts negatively on surplus cash for return of interest and should be within limits to reduce the impact on the Current Ratio, ideally to be at a minimum ratio of 1.5 : 1, and the Cost Coverage, ideally not be less than 2 months.

6 OTHER CONSIDERATIONS

The Municipality has by the judicious use of surplus funds and external long term debt implemented its Integrated Development Plan, which has facilitated the much needed service delivery program.

Factors to be considered when borrowing:

- (a) the type and extent of benefits to be obtained from the borrowing;
- (b) the length of time the benefits will be received;
- (c) the beneficiaries of the acquisition or development;
- (d) the impact of interest and redemption payments on both current and forecasted property tax and services revenue;
- (e) the current and future capacity of the property tax base and rendering of services to pay for borrowings and the rate of growth of the property tax base and services;
- (f) likely movements in interest rates for variable rate borrowings;
- (g) other current and projected sources of funds;
- (h) competing demands for funds;
- (i) timing of money market interest rate movements and the long term rates on the interest rate curve.

The Municipality will, in general, seek to limit its dependence on borrowings in order to minimise future revenue committed to debt servicing and redemption charges. The Municipality may only borrow funds, in terms of the Municipal Finance Management Act, for the purpose of acquiring assets, improving facilities or infrastructure to provide service delivery.

Overstrand Municipality may incur long term debt only for the purpose of Capital expenditure on infrastructure, property, plant or equipment to be used for the purpose of achieving the objects of Local Government as set out in section 152 of the Constitution.

The use of external loans should be limited to financing infrastructure where a return can be realised from tariffs to service the debt, or major infrastructure exceeding R10 million for a single project, with long term benefits to the community as a whole, where indirect revenue streams are evident.

OVERSTRAND MUNICIPALITY – BORROWING POLICY

The gearing for external loans (total outstanding debt to operating revenue, including recurrent operational grants) was fixed at a ceiling of 60% as at 30 June 2012. To reduce the reliance on external long term borrowing this percentage must reduce till a level of 45% or less is attained by 30 June 2022.

7 REFINANCING DEBT

Section 46 of the Municipal Finance Management Act provides that the Overstrand Municipality may refinance existing long term debt, if such refinancing is in accordance with the framework as prescribed by the Municipal Finance Management Act, as follows:

- The Municipality may borrow money for the purpose of refinancing existing long term debt, provided the existing long term debt was lawfully incurred and the refinancing will not extend the term of the debt beyond the useful life of the infrastructure, property, plant or equipment for which the money was originally borrowed.

Cognisance must be taken of any early repayment penalty clauses in the initial loan agreement, as part of the financial feasibility assessment. No loans will be prematurely redeemed unless there is a financial benefit to the Municipality.

8 DEBT REPAYMENT PERIOD

Whilst the period for which loan debt may be received will vary from time to time according to the needs of the various Lenders, presently the typical debt repayment period for loans is fifteen years, though not closely matching the underlying asset lives serviced by the loans.

Cognisance is taken of the useful lives of the underlying assets to be financed by the debt, and, moreover, careful consideration is taken of the interest rates on the interest yield curve. Should it be established that it is cost effective to borrow the funds on a shorter duration (as opposed to the life of the asset) as indicated by the interest yield curve, the loan will be negotiated to optimise the most favourable and cost effective benefit to the Municipality.

9 SECURITY

In terms of the Municipal Finance Management Act the Municipality may provide security for any of its debt obligations, including the giving of a lien, pledging, mortgaging or ceding an asset, or giving any other form of collateral. It may cede as security any category of revenue or rights of future revenue. Some Lenders may require the Municipality to agree to restrictions on debt that the Municipality may incur in future until the secured debt is settled.

OVERSTRAND MUNICIPALITY – BORROWING POLICY

10 SHORT TERM DEBT

The Municipal Finance Management Act provides that the Municipality may incur short term debt only when necessary to bridge shortfalls within a financial year during which the debt is incurred, in expectation of specific and realistic anticipated income to be received within that financial year; or capital needs within a financial year, to be repaid from specific funds to be received from enforceable allocations or long term debt commitments.

The municipal council may approve an individual transaction or a credit facility for a line of credit or overdraft facility.

The Municipality must pay off short term debt within the same financial year and may not renew or refinance its short term debt if it will have the effect of extending the short term debt into a new financial year.

11 DISCLOSURE

The Municipality must, when interacting with a prospective Lender or when preparing documentation for consideration by a prospective Investor, disclose all relevant information that may be requested or that may be material to the decision of the prospective Lender or Investor. Reasonable care must be taken to ensure the accuracy of any information disclosed. Whilst this is a standard and acceptable business practice, it is also in compliance with section 49 of the Municipal Finance Management Act.

12 GUARANTEES

The Municipal Finance Management Act provides that the Municipality may not guarantee any debt of any entity unless the entity is a Municipal entity under its sole ownership control. The debt must be reflected in the approved business plan of the entity. The guarantee must be authorised by the Municipality. This must be done in the same manner and subject to the same conditions applicable to any other borrowings. Neither the National nor Provincial Government may guarantee the debt of any Municipality.

13 APPROVAL OF LOANS BY THE MUNICIPALITY

Section 46 of the Municipal Finance Management Act stipulates that the Municipality may incur long-term debt only if a resolution of the Council, signed by the mayor, has approved the debt agreement and the Accounting Officer has signed the agreement or other document which acknowledges the debt. At least 21 days prior to the meeting of the Council at which approval for the debt is to be considered, the Municipality must make public an information statement setting out particulars of the proposed debt, including the amount of the proposed debt, the purposes for which

OVERSTRAND MUNICIPALITY – BORROWING POLICY

the debt is to be incurred and particulars of any security to be provided. The Public, the National Treasury and Provincial Treasury must be invited to submit written comments or representations to the council in respect of the proposed debt.

A copy of the information statement submitted to Council at least 21 days prior to the meeting to approve the loan agreement must contain particulars of -

- (a) the essential repayment terms, including the anticipated debt repayment schedule; and
- (b) the anticipated total cost in connection with such debt over the repayment period.

14 PROVISION FOR REDEMPTION OF LOANS

Overstrand Municipality may borrow from Institutions and set up sinking funds to facilitate loan repayments, when the repayment is to be met by a bullet payment on the maturity date of the loan. These sinking funds may also be invested directly with the Lender's Bank. The maturity date and accumulated value of such investment must coincide with the maturity date and amount of the intended loan that is to be repaid.

15 NON-REPAYMENT OR NON-SERVICING OF LOAN

Overstrand Municipality must honour all its loan obligations timeously. Failure to effect prompt payment will adversely affect the raising of future loans at favourable costs of borrowing.

Failure to pay any loan instalment, even by one day, and even if only through administrative oversight, will have severe repercussions, and may jeopardise the Municipality's credit rating.

In addition to the timeous payment of the loans, the Municipality must adhere to the covenants stipulated in the loan agreements.

16 PROHIBITED BORROWING PRACTICES

Overstrand Municipality shall not borrow for investment purposes, with the sole purpose of investing to earn a return. The cost of debt is almost always more expensive than the return that the Municipality can derive by investing in permitted investments.

17 FOREIGN BORROWINGS

Foreign Borrowing is permitted in terms of section 47 of the Municipal Finance Management Act, whereby the debt must be denominated in Rand and is not indexed to, or affected by, fluctuations in the value of the Rand against any foreign currency.

18 NATIONAL TREASURY AND OTHER REPORTING AND MONITORING REQUIREMENTS

The Municipality submits returns to National Treasury quarterly and annually, as well as

OVERSTRAND MUNICIPALITY – BORROWING POLICY

submissions to Council. It is mainly coordinated by the Financial Services Department.

19 IMPLEMENTATION AND REVIEW PROCESS

This policy shall be implemented on **1 July 2024** and shall be reviewed on an annual basis to ensure that it is in line with the municipality's strategic objectives and with legislation.

POLICY SECTION:	SENIOR MANAGER: FINANCIAL SERVICES
CURRENT UPDATE:	31 MAY 2024
PREVIOUS UPDATE:	31 MAY 2023
PREVIOUS REVIEW:	31 May 2022
PREVIOUS REVIEW:	26 May 2021
PREVIOUS REVIEW:	27 May 2020
PREVIOUS REVIEW:	29 May 2019
PREVIOUS REVIEW:	30 May 2018
PREVIOUS REVIEW:	31 May 2017
PREVIOUS REVIEW:	25 May 2016
PREVIOUS REVIEW:	28 May 2015
PREVIOUS REVIEW:	28 May 2014
PREVIOUS REVIEW:	29 May 2013
APPROVAL BY COUNCIL:	27 June 2012

OVERSTRAND MUNICIPALITY



FUNDING, RESERVES AND PROVISIONS POLICY

INDEX

1.	INTRODUCTION AND OBJECTIVE	1
2.	SECTION A: FUNDING POLICY	1
	2.1 LEGISLATIVE REQUIREMENTS	1
	2.2 STANDARD OF CARE	1
	2.3 STATEMENT OF INTENT	1
	2.4 CASH MANAGEMENT	2
	2.5 LIABILITY MANAGEMENT	2
	2.6 FUNDING THE OPERATING BUDGET	2
	2.7 FUNDING THE CAPITAL BUDGET	3
	2.8 FUNDING COMPLIANCE MEASUREMENT	4
3.	SECTION B: RESERVES POLICY	7
	3.1 INTRODUCTION	7
	3.2 LEGAL REQUIREMENTS	7
	3.3 TYPES OF RESERVES/PROVISIONS	7
	3.4 ACCOUNTING FOR RESERVES AND PROVISIONS	8
4.	SECTION C: REVIEW OF THE POLICY	8

OVERSTRAND MUNICIPALITY – FUNDING, RESERVES AND PROVISIONS POLICY

1. INTRODUCTION AND OBJECTIVE

The Council sets as objective a long term financially sustainable municipality with acceptable levels of service delivery to the community.

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

2. SECTION A: FUNDING POLICY

2.1 LEGISLATIVE REQUIREMENTS

In terms of Sections 18 and 19 of the Municipal Finance Management Act (Act No 56 of 2003) (MFMA), an annual budget may only be funded from:

- 2.1.1 Realistically anticipated revenues to be collected, including grants;
- 2.1.2 Cash backed accumulated funds from previous years' surpluses not committed for other purposes, and
- 2.1.3 Borrowed funds, but only for capital projects.

Furthermore, spending on a capital project may only be commenced once the funding sources have been considered, are available and have not been committed for other purposes.

The requirements of the MFMA are clear in that the budget must be cash – funded, i.e. cash receipts inclusive of prior period cash surpluses committed to this specific budget, must equal or be more than cash paid.

In determining whether the budget is actually cash funded and in addition ensuring long term financial sustainability, the municipality will use analytical processes, including those specified by National Treasury from time to time.

2.2 STANDARD OF CARE

Each functionary in the budgeting and accounting process must do so with judgment and care with the primary objective of ensuring that the objectives of this policy are achieved.

2.3 STATEMENT OF INTENT

The municipality will not pass a budget which is not cash – funded or where any of the indicators as listed in this document are negative, unless acceptable reasons can be provided for non-compliance and provided that the requirements of the MFMA must at all times be adhered to.

OVERSTRAND MUNICIPALITY – FUNDING, RESERVES AND PROVISIONS POLICY

2.4 CASH MANAGEMENT

Cash must be managed in terms of the municipality's Investment and Cash Management Policy.

2.5 LIABILITY MANAGEMENT

Debt must be managed in terms of the municipality's Borrowing Policy, together with any requirements in this policy.

2.6 FUNDING THE OPERATING BUDGET

2.6.1 INTRODUCTION

The municipality's objective is that the user of municipal resources must pay for such usage in the period in which it will occur.

The municipality recognises the plight of the poor, and in line with national and provincial objectives, commits itself to subsidising services to the poor. This may necessitate cross- subsidisation in some tariffs to be calculated in the budget process.

2.6.2 GENERAL PRINCIPLE WHEN COMPILING THE OPERATING BUDGET

The following specific principles apply when compiling the budget:

- a) The budget must be cash – funded, i.e. revenue and expenditure projections must be realistic and the provision for impairment of receivables must be calculated on proven recovery rates;
- b) Growth parameters must be realistic and be based on historic patterns adjusted for current reliable information;
- c) Tariff adjustments must be fair, taking into consideration general inflation indicators as well as the geographic region's ability to pay;
- d) Revenue from Government Grants and Subsidies must be in accordance with the amounts promulgated in the Division of Revenue Act, proven provincial transfers and any transfers from other municipalities.
- e) Projected revenue from services charges must be reflected as net (i.e. all billing less revenue foregone, including free basic services).
- f) Projected revenue from property rates must include all rates to be levied.
- g) For the purpose of the Cash flow Budget all rebates and discounts must be deducted from the projected revenue.
- h) Only changes in fair values related to cash may be included in the cash flow budget. Changes to unamortized discount must be included in the Operating Budget. Employee related costs include contributions to non-current and current employee benefits. It is acknowledged that the non-current benefits' requirements are well above the initial cash capabilities of the municipality. It is therefore determined that the short term expenditure portion of employee benefits be funded from the current year operating cash surplus.
- i) Depreciation must be fully budgeted for in the operating budget.

OVERSTRAND MUNICIPALITY – FUNDING, RESERVES AND PROVISIONS POLICY

- j) Contributions to provisions (non-current and current) do not form part of the cash flow for provisions with a non-current portion, except for the current portion of post retirement benefits relating to continued members for medical aid and long service awards. It is necessary to provide for an increase in cash resources in order to comply with the conditions of the provision at the time when it is needed.

2.7 FUNDING THE CAPITAL BUDGET

2.7.1 INTRODUCTION

The municipality's objective is to maintain, through proper maintenance and replacement measures, existing levels of service and to improve and implement services which are neglected or non-existent.

In order to achieve this objective, the municipality must annually, within financial means, budget for the replacement of redundant assets as well as new assets.

2.7.2 FUNDING SOURCES FOR CAPITAL EXPENDITURE

The capital budget can be funded by way of own cash, grants, public contributions as well as external loans.

Cash

The capital budget or portions thereof may also be funded from surplus cash generated in previous financial years. The cash must already be available and not be committed for other purposes or expected to be generated in the current or future years. The allocations of the funding sources from own contributions will be determined during the budget process.

Grants (Including Public Contributions and Bulk Infrastructure Contributions)

Only cash portions of these grants will be made available for funding of capital projects as might be applicable. Grants for capital expenditure have become a common practice, especially in order to extend service delivery to previously disadvantaged areas. While such grants are welcomed, care should also be taken that grant funding does not place an unreasonable burden on the residents for future maintenance costs which may be higher than their ability to pay.

The accounting officer will annually evaluate the long term effect of unusual capital grants on future tariffs, and if deemed necessary, report on such to Council.

Depreciation charges on assets financed from grants and donations must not have a negative effect on tariffs charged to the users of such assets. The Accounting Officer will put such accounting measures in place as to comply with this requirement as far as possible.

MFMA Circular 48, read with MFMA Circular 58 and 75, states that municipalities may treat the 'reclaimed VAT' in terms of the expenditure from conditional grant funds as 'own revenue'. The municipality opts to utilise the full grant funding for

OVERSTRAND MUNICIPALITY – FUNDING, RESERVES AND PROVISIONS POLICY

the grant related projects.

External Loans

The municipality may only raise loans in accordance with its Borrowing Policy.

The Accounting Officer must also put such accounting measures in place to ensure that no unspent portions of loans raised, be included in the cash surplus for the year.

2.8 FUNDING COMPLIANCE MEASUREMENT

2.8.1 INTRODUCTION

The municipality must ensure that the annual budget or any subsequent adjustments budget complies with the requirements of the MFMA and this policy. For this purpose, a set of indicators must be used as part of the budget process and be submitted with the budget. These indicators include all the indicators as recommended by National Treasury as well as any additional indicators detailed in this policy.

If any of the indicators are negative during the compilation or approval process of the budget, the budget may not be approved until all the indicators provide a positive return, unless those negative indicators can be reasonable explained and any future budget projections address the turn-around of these indicators to within acceptable levels.

2.8.2 CASH AND CASH EQUIVALENTS AND INVESTMENTS

A positive Cash and Cash Equivalents position should be maintained throughout the year.

2.8.3 CASH PLUS INVESTMENTS LESS APPLICATION OF FUNDS

The overall cash position of the municipality must be sufficient to cover the following:

- a) unspent conditional grants;
- b) unspent conditional public contributions;
- c) unspent borrowings;
- d) VAT due to SARS;
- e) ceded investments;
- f) the cash portion of statutory funds such as the Housing Development Fund;
- g) other working capital requirements; and
- h) the cash position must be sufficient to back reserves as approved by the municipality and those portions of provisions as indicated elsewhere in this policy.

OVERSTRAND MUNICIPALITY – FUNDING, RESERVES AND PROVISIONS POLICY

INDICATORS

2.8.4 MONTHLY AVERAGE PAYMENT COVERED BY CASH AND CASH EQUIVALENTS (“CASH/COST COVERAGE”)

This indicator shows the level of risk should the municipality experience financial stress.

The norm indicated by National Treasury indicates 1 – 3 months Working Capital, but should ideally not be less than 2 months.

2.8.5 SURPLUS/DEFICIT EXCLUDING DEPRECIATION AND OTHER NON CASH ITEMS

It is probable that the operating budget including depreciation charges on assets funded by grants and public contributions, as well as on revalued assets, will result in a deficit.

As determined elsewhere in this policy it is not the intention that residents be burdened with tariff increases to provide for such depreciation charges. In order to ensure a “balanced” budget, the cash position must be determined.

Should a budget result in a deficit cash position, the budget will be deemed unfunded and must be revised.

2.8.6 PROPERTY RATES/SERVICE CHARGE REVENUE PERCENTAGE INCREASE LESS MACRO INFLATION TARGET

The intention of this indicator is to ensure that tariff increases are in line with macro economic targets, but also to ensure that revenue increases for the expected growth in the geographic area are realistically calculated.

2.8.7 CASH COLLECTION RATE AS A PERCENTAGE

The object of the indicator is to establish whether the projected cash to be collected is realistic and complies with section 18 of the MFMA.

The collection rate for calculating the provision for impairment of receivables must be based on past and present experience. Past experience refers to the collection rates of the prior years and present experience refers to the collection rate of the current financial year as from 1 July.

It is not permissible to project a collection rate higher than the current rate. Any improvement in collection rates during the budget year may be appropriated in an Adjustments Budget.

2.8.8 DEBT IMPAIRMENT EXPENSE AS A PERCENTAGE OF BILLABLE REVENUE

This indicator provides information as to whether the contribution to the provision for impairment of receivables is adequate. In theory it should be equal to the difference between 100% and the cash collection rate, but other factors such as past performance can have an influence on it. Any aberration must be

OVERSTRAND MUNICIPALITY – FUNDING, RESERVES AND PROVISIONS POLICY

motivated in the budget report.

2.8.9 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 Borrowing Policy.

2.8.10 GRANT REVENUE AS A PERCENTAGE OF GRANTS AVAILABLE

The percentage attained 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.

2.8.11 CONSUMER DEBTORS CHANGE (CURRENT AND NON-CURRENT)

The object of the indicator is to determine whether budgeted reductions in outstanding debtors are realistic.

Any unacceptably high increase in either current or non-current debtors' balances should be investigated and reported.

2.8.12 REPAIRS AND MAINTENANCE EXPENDITURE LEVEL

Property Plant and Equipment should be maintained properly at all times in order to ensure sustainable service delivery. The budget should allocate sufficient resources to maintain assets and care should be exercised not to allow a declining maintenance program in order to fund other less important expenditure requirements.

Similarly, if the maintenance requirements become excessive, it could indicate that a capital renewal strategy should be implemented or reviewed.

2.8.13 ASSET RENEWAL/REHABILITATION EXPENDITURE LEVEL

This indicator supports further the indicator for repairs and maintenance.

The Accounting Officer must, as part of the capital budget, indicate whether each project is a new asset or a replacement/renewal asset in order to determine whether the renewal program is sufficient or needs revision.

3 SECTION B: RESERVES AND PROVISIONS POLICY

3.1 INTRODUCTION

Fund accounting historically formed the major component of municipal finance in the IMFO standards.

After the change to General Recognised Accounting Practices (GRAP), fund accounting is no longer allowed.

OVERSTRAND MUNICIPALITY – FUNDING, RESERVES AND PROVISIONS POLICY

The municipality, however, recognizes the importance of providing to the municipality itself, as well as its creditors, financiers, staff, and general public a measure of protection for future losses, as well as providing the necessary cash resources for future capital replacements and other current and non-current liabilities.

This policy therefore aims to provide for a measure of protection by creating certain reserves and provisions.

3.2 LEGAL REQUIREMENTS

There are specific legal requirements for the creation of reserves, such as the Housing Development Fund. The GRAP Standards themselves do not provide for reserves, although certain provisions are required in terms of GRAP.

3.3 TYPES OF RESERVES / PROVISIONS

Reserves/Provisions can be classified into two main categories being “cash funded” and “non–cash funded”.

3.3.1 CASH FUNDED RESERVES

In order to provide for sufficient cash resources for future expenditure, the municipality hereby approves the establishment of the following reserves:

a) Statutory reserves

It may be necessary to create reserves prescribed by law, such as the Housing Development Fund. The Accounting Officer must create such reserves according to the directives in the relevant laws.

b) Self-Insurance reserves

The Municipality has a Self-Insurance Reserve to set aside amounts to offset potential losses or claims that cannot be insured externally. This Reserve is ring-fenced within the accumulated surplus. Contributions to the Fund are considered annually during the Budget process.

3.3.2 NON – CASH FUNDED RESERVES / PROVISIONS

On occasion it is necessary to create non – cash funded reserves. The Accounting Officer must create any reserves prescribed by the accounting standards, such as the Revaluation Reserve, if required and provisions such as post-retirement benefits and rehabilitation of land fill sites.

3.4 ACCOUNTING FOR RESERVES / PROVISIONS

3.4.1 REVALUATION RESERVE

The accounting for the Revaluation Reserve must be done in accordance with the requirements of GRAP 17.

OVERSTRAND MUNICIPALITY – FUNDING, RESERVES AND PROVISIONS POLICY

3.4.2 OTHER RESERVES

The accounting for all other reserves must be processed through the Statement of Financial Performance. The required transfer to or from the reserves must be processed in the Statement of Net Assets to or from the accumulated surplus.

In terms of GRAP1 transactions may be directly appropriated against these reserves.

3.4.3 PROVISIONS

Provisions are established from contributions appropriated in the annual budget. Currently, the long term portions of provisions are non-cash funded and are covered by non-current assets.

4. SECTION C: REVIEW OF THE POLICY

This policy shall be implemented on **1 July 2024** and shall be reviewed on an annual basis to ensure that it is in line with the municipality's strategic objectives and with legislation.

POLICY SECTION:	SENIOR MANAGER: FINANCIAL
CURRENT UPDATE:	31 MAY 2024
PREVIOUS UPDATE:	31 MAY 2023
PREVIOUS REVIEW:	31 MAY 2022
PREVIOUS REVIEW:	26 MAY 2021
PREVIOUS REVIEW:	27 MAY 2020
PREVIOUS REVIEW:	29 MAY 2019
PREVIOUS REVIEW:	30 MAY 2018
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PREVIOUS REVIEW:	25 MAY 2016
PREVIOUS REVIEW:	28 MAY 2015
PREVIOUS REVIEW:	28 MAY 2014
PREVIOUS REVIEW:	29 MAY 2013
PREVIOUS REVIEW:	30 MAY 2012
APPROVAL BY COUNCIL:	04 MAY 2011

OVERSTRAND MUNICIPALITY



LONG TERM FINANCIAL PLANNING AND IMPLEMENTATION POLICY

TABLE OF CONTENTS

	Page
1. INTRODUCTION	1
2. PURPOSE	1
3. GUIDING PRINCIPLES	1
4. DEVELOPMENT OF A FINANCIAL PLAN	2
5. ANNUAL REVIEW	5
6. IMPLEMENTATION AND REVIEW OF THIS POLICY	6

OVERSTRAND MUNICIPALITY

LONG TERM FINANCIAL PLANNING AND IMPLEMENTATION POLICY

1. INTRODUCTION

- 1.1 In essence a financial plan encompasses the development, implementation and evaluation of a plan for the provision of basic municipal services and capital assets. Such a plan aims to help Municipal Councillors and other decision makers make informed choices about the provision of basic services and capital assets and to promote stakeholder participation in the process.
- 1.2 The financial plan should set out the Municipality's estimated expenditure over the medium- term, based on its goals and objectives, as well as the resources necessary to achieve this. In addition, the financial plan must set out where funding for the planned expenditure will come from.
- 1.3 The compilation of a financial plan is a core component of an Integrated Development Plan (IDP). The envisaged timeframe allocations for a long term financial plan are:-
 - 1.3.1 Immediate (12 months).
 - 1.3.2 Medium term (3 years).
 - 1.3.3 Long term (4 years onwards).

2. PURPOSE

- 2.1 The Policy on Long Term Financial Planning is aimed at ensuring that the Municipality has sufficient and cost-effective funding in order to achieve its long term objectives through the implementation of the medium term operating and capital budgets. The purpose of the Policy on Long Term Financial Planning is therefore to:
 - 2.1.1 Ensure that all long term financial planning is based on a structured and consistent methodology in order to ensure the long term financial sustainability of Overstrand Municipality.
 - 2.1.2 Identify capital investment requirements and associated funding sources to ensure the future sustainability of the Municipality;
 - 2.1.3 Identify revenue enhancement and cost saving strategies in order to improve service delivery at affordable rates; and
 - 2.1.4 Identify new revenue sources as funding for future years.

3. GUIDING PRINCIPLES

- 3.1 The policy on Long Term Financial Planning is based on the following principles:
 - 3.1.1 Future financial sustainability;
 - 3.1.2 Annual growth in population and consumer base;

OVERSTRAND MUNICIPALITY

LONG TERM FINANCIAL PLANNING AND IMPLEMENTATION POLICY

- 3.1.3 Optimal collection of revenue, taking into consideration the socio economic environment;
- 3.1.4 Optimal utilisation of grant funding and public donations; and
- 3.1.5 Continuous improvement and expansion in service delivery framework.

4. DEVELOPMENT OF A FINANCIAL PLAN

4.1 The phases for development of the Financial Plan are set out below.

Phase One	→	Compile a Status Quo assessment of the municipality's current financial status and key challenges
Phase Two	→	Conduct financial modelling to determine financial viability
Phase Three	→	Analyse outcomes and ratios
Phase Four	→	Prepare a long term financial plan

4.2 Phase One: Status Quo Assessment

4.2.1 Perform a Status Quo assessment under the following criteria:-

- (a) The Municipality's current financial status;
- (b) Current revenue sources, internal and external;
- (c) Main cost drivers impacting on the sustainability of the municipality
- (d) Status of municipal infrastructure;
- (e) Ability to finance capital expenditure; and
- (f) Municipal service delivery backlogs.

4.2.2 The financial viability and creditworthiness of the Municipality is measured against a number of nationally recognised key ratios. These key ratios should include for example the following:

- a) Gross debtors to annual revenue;
- b) Gross Debtors Collection Period (Days);

OVERSTRAND MUNICIPALITY

LONG TERM FINANCIAL PLANNING AND IMPLEMENTATION POLICY

- c) Net debtors to annual revenue;
- d) Net Debtors Collection Period (Days);
- e) Annual Collection Rate;
- f) Service Charges and Property Rates Revenue Budget Implementation Indicator;
- g) Cash Coverage Ratio;
- h) Personnel Costs to Total Operating Expenditure;
- i) Repairs and Maintenance to PPE;
- j) Liquidity Ratio (Current Ratio); and
- k) Net Asset Position.

4.2.3 The objective of the status quo report is to assess the current financial position and to identify the key challenges faced by the Municipality. The status quo report will aim to identify issues which impact on the overall financial stability of the Municipality and will include a historical analysis and assessment of financial results (based on financial statements).

4.3 Phase Two: Planned Finance and Financial Modelling

4.3.1 Upon completion of the status quo assessment, resulting in an understanding of the Municipality's financial position, the next phase is to determine the Municipality's financing need over the medium-term.

4.3.2 This entails determining what expenditure the Municipality plans to undertake over the medium-term and what its financing requirements are likely to be and how these can be funded either internally or externally.

4.3.3 As the Municipality evolves and expands its service delivery framework, so do those of the National Government. Long term community development and economic development projects will therefore also be included under this phase.

4.4 Phase Three: Analyse Outcomes and Ratios

4.4.1 Evaluate the short-term financial viability (6 months to 12 months):

- (a) Develop a financial forecast model to identify immediate opportunities and risks;
- (b) Perform scenario planning to identify the optimum balance between revenue

OVERSTRAND MUNICIPALITY

LONG TERM FINANCIAL PLANNING AND IMPLEMENTATION POLICY

collection and municipal spending; taking into account the following:

- (c) Potential revenue enhancement strategies which may have an immediate impact on the revenue base of the Municipality;
- (d) Evaluate cost saving mechanisms to minimise the cost of effective service delivery;
- (e) Current infrastructure investments and maintenance programs which may influence revenue streams or the cost of service delivery;

4.4.2 Evaluate the medium and long term financial viability (1 year to 10 years):-

- (a) Develop a financial forecast model to identify future opportunities and risks;
- (b) Perform scenario planning to identify the optimum balance between revenue collection and municipal spending, taking into account the following:
 - i. The impact each scenario has on the financial viability ratios of the Municipality;
 - ii. Potential revenue enhancement strategies which may have a long term impact on the revenue base of the Municipality;
 - iii. Cost saving mechanisms to minimise the cost of effective service delivery; taking into account potential infrastructure developments and renewals;
 - iv. The impact of current infrastructure investments and maintenance programs on future revenue streams or cost of service delivery;
 - v. The impact of envisaged future infrastructure investments on the revenue stream and cost of service delivery; and
 - vi. The impact of national and municipal priorities over the medium and long term.

4.5 Phase Four: Develop a Long Term Financial Plan

4.5.1 Once the Municipality has finalised the prioritisation of initiatives and projects; a comprehensive long term financial plan is developed to indicate the envisaged impact it will have on the financial status of the Municipality. An overall financial forecast will have to be done in order to illustrate the projected result of the implementations throughout the five-year period.

4.5.2 Although a long term financial plan provides a forecast of potential outcomes, it has to be emphasised that the success of the financial plan remains in continuous revision. As is the case with any forecast model, the financial plan should be seen as a moving target and should be subject to honest and realistic assessments of

OVERSTRAND MUNICIPALITY
LONG TERM FINANCIAL PLANNING AND IMPLEMENTATION POLICY

successes and failures on a regular basis.

- 4.5.3 The fourth phase involves finalising a medium-term income and expenditure plan based on the various alternative service delivery options.
- 4.5.4 A key component in determining future options, potential problems and opportunities is the forecast of revenues and expenditures. The revenue and expenditure plan essentially involves combining the forecasting of revenues and the forecasting of expenditures into a single financial forecast.
- 4.5.5 Finalisation of the Financial Plan includes collating all short, medium and long term financial data and develop a long term financial plan that:
- (a) Identifies future revenue projections based on current and projected revenue streams, as well as those projects required to achieve these projections;
 - (b) Identifies future expenditure frameworks and cost of service delivery based on current and projected expenditure patterns;
 - (c) Identifies the level of infrastructure development required to achieve the municipal priorities, within the funding restrictions; and
 - (d) Identifies external funding requirements required for capital investment.

5. ANNUAL REVIEW

- 5.1 The financial plan must be reviewed on an annual basis as part of the annual review of the IDP and updated with at least the following information:
- 5.1.1 any direct change in financial status or internal factors, other than previously predicted, which may influence the financial status and viability of the Municipality;
 - 5.1.2 any changes in the economic and socio economic environment, other than previously predicted, which may influence the financial status of the Municipality;
 - 5.1.3 any changes in the revenue base or composition which may have an impact on the financial viability of the Municipality;
 - 5.1.4 any changes in the national or municipal priorities as previously identified; and
 - 5.1.5 any factors which may have an impact on the ability to implement previously identified projects.

6. IMPLEMENTATION AND REVIEW OF THIS POLICY

This policy shall be implemented on **1 July 2024** and shall be reviewed on an annual basis to ensure that it is in line with the municipality's strategic objectives and with legislation.

OVERSTRAND MUNICIPALITY
LONG TERM FINANCIAL PLANNING AND IMPLEMENTATION POLICY

POLICY SECTION:	SENIOR MANAGER: FINANCIAL SERVICES
CURRENT UPDATE:	31 MAY 2024
PREVIOUS UPDATE:	31 MAY 2023
PREVIOUS UPDATE:	31 MAY 2022
PREVIOUS UPDATE:	26 MAY 2021
PREVIOUS UPDATE:	27 MAY 2020
PREVIOUS UPDATE:	29 MAY 2019
PREVIOUS UPDATE:	30 MAY 2018
PREVIOUS UPDATE:	31 MAY 2017
PREVIOUS REVIEW:	25 MAY 2016
PREVIOUS REVIEW:	28 MAY 2015
PREVIOUS REVIEW:	28 MAY 2014
APPROVAL BY COUNCIL:	29 MAY 2013

OVERSTRAND MUNICIPALITY



UNAUTHORISED, IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE POLICY

TABLE OF CONTENTS

1	ABBREVIATIONS/ACRONYMS.....	3
2	DEFINITIONS	3
3	INTRODUCTION.....	4
4	OBJECTIVE.....	4
5	ENABLING LEGISLATION	5
6	APPLICATION OF THIS POLICY	5
7	UNAUTHORISED EXPENDITURE	5
8	IRREGULAR EXPENDITURE.....	7
9	FRUITLESS AND WASTEFUL EXPENDITURE	8
10	REPORTING ON UNAUTHORISED, IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE	9
11	MAINTAINING OF REGISTERS FOR UNAUTHORISED, IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE.....	9
12	INVESTIGATION OF UNAUTHORISED, IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE.....	9
13	DISCIPLINARY AND CRIMINAL CHARGES FOR UNAUTHORISED, IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE.....	10
14	RECOVERY OF UNAUTHORISED, IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE.....	11
15	PROTECTION OF OFFICIALS OR COUNCILLORS WHO HAVE REPORTED UNAUTHORIZED, IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE.....	11
16	SHORT TITLE AND COMMENCEMENT	11

UNAUTHORISED, IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE POLICY

1 ABBREVIATIONS/ACRONYMS

1.1 Except if otherwise stated in this policy, the following abbreviations or acronyms will represent the following words:

1.1.1.	CFO	-	Chief Financial Officer
1.1.2.	MBRR	-	Municipality Budget and Reporting Regulations
1.1.3.	MFMA	-	Local Government: Municipal Finance Management Act, No. 56 of 2003
1.1.4.	MIG	-	Municipal Infrastructure Grant
1.1.5.	MM or AO	-	Municipal Manager or Accounting Officer appointed in terms of section 54A of the MSA
1.1.6.	MSA	-	Local Government: Municipal Systems Act, No. 32 of 2000
1.1.7.	MSCMR	-	Municipal Supply Chain Management Regulations
1.1.8.	OM	-	Overstrand Local Municipality
1.1.9.	POLICY	-	Policy on unauthorised, irregular or fruitless and wasteful expenditure
1.1.10.	RPOBA	-	Remuneration of Public Office Bearers Act, No. 20 of 1998
1.1.11.	SAPS	-	South African Police Services
1.1.12.	SCM	-	Supply Chain Management
1.1.13.	SM	-	Directors appointed in terms of section 56 of the MSA
1.1.14.	Structures Act	-	Local Government: Municipal Structures Act, No. 117 of 1998

2 DEFINITIONS

Except if otherwise indicated:

“Councillor” means	member of the municipal council of OM.
“Financial Misconduct” means	any misappropriation, mismanagement, waste or theft of the finances of the OM, and also includes any form of financial misconduct specifically set out in sections 171 and 172 of the MFMA.
“Fruitless and wasteful expenditure” means	expenditure that was made in vain and would have been avoided had reasonable care been exercised.
“Irregular expenditure”, in relation to a municipality or municipal entity, means:	<ul style="list-style-type: none"> a) expenditure incurred by the OM in contravention of, or that is not in accordance with, a requirement of the MFMA, and which has not been condoned in terms of section 170; b) expenditure incurred by the OM in contravention of, or that is not in accordance with, a requirement of the MSA, and which has not been condoned in terms of this Act; c) expenditure incurred by the OM in contravention of, or that is not in accordance with, a requirement of the Public Office-Bearers Act; d) expenditure incurred by the OM in contravention of, or that is not in accordance with, a requirement of the SCM policy of OM or any of the municipality’s by-laws giving effect to such policy, and which has not been condoned in terms of such policy or by-law; or e) excludes expenditure by the OM which falls within the definition of “unauthorised expenditure”.
”Official”, in relation to OM, means:	<ul style="list-style-type: none"> a) an employee of OM; b) a person seconded to OM to work as a member of the staff of the OM; or c) a person contracted by OM to work as a member of the staff of the OM.
“Overspending” means:	a) in relation to the budget of the OM, means causing the operational or capital expenditure incurred by the municipality during a financial year to exceed the total amount appropriated in that year’s budget for its

UNAUTHORISED, IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE POLICY

	<p>operational or capital expenditure, as the case may be;</p> <p>b) In relation to a vote, means causing expenditure under the vote to exceed the amount appropriated for that vote; or</p> <p>c) In relation to expenditure under section 26 of the MFMA, means causing expenditure under that section to exceed the limits allowed in subsection (5) of that section.</p>
“Political Office Bearer” in relation to a municipality, means-	<p>a) the Speaker, Executive Mayor, Deputy Executive Mayor, a member of the mayoral committee of the OM elected, designated or appointed in terms of a specific provision of the Structures Act; or</p> <p>b) a councillor referred to in section 57(1) of the MFMA;</p>
“Prohibited expenditure” in relation to this policy means	unauthorised, irregular, or fruitless and wasteful expenditure;
“Senior Manager”	has the meaning assigned to it in section 1 of the MFMA and in relation to SM.
“Unauthorised expenditure”, means:	<p>any expenditure incurred by the OM otherwise than in accordance with section 15 or 11(3) of the MFMA, and includes-</p> <p>a) overspending of the total amount appropriated in the municipality's approved budget;</p> <p>b) overspending of the total amount appropriated for a vote in the approved budget;</p> <p>c) expenditure from a vote unrelated to the department or functional area covered by the vote;</p> <p>d) expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose;</p> <p>e) spending of an allocation referred to in paragraph (b), (c) or (d) of the definition of allocation in section 1 of the MFMA otherwise than in accordance with any conditions of the allocation; or</p> <p>f) a grant by OM otherwise than in accordance with the MFMA.</p>
“Vote” means:	<p>a) One of the main segments into which a budget of a municipality is divided for the appropriation of money for the different directorates or functional areas of the municipality; and</p> <p>b) which specifies the total amount that is appropriated for the purposes of the directorate or functional area concerned.</p>

3 INTRODUCTION

3.1 In terms of section 62 of the MFMA, the accounting officer is responsible for managing the financial affairs of the OM and he/she must, for this purpose, inter alia:

3.1.1 Take all reasonable steps to ensure that unauthorised, irregular or fruitless and wasteful expenditure and other losses are prevented; and

3.1.2 Ensure that disciplinary or, when appropriate, criminal proceedings are instituted against any official or councillor of OM who has allegedly committed an act of financial misconduct or an offence in terms of Chapter 15 of the MFMA.

3.2 This is to ensure the effective, efficient and transparent systems of financial, risk management and internal control.

4 OBJECTIVE

4.1 This document sets out OM's policy and procedures with regards to unauthorised, irregular or fruitless and wasteful expenditure.

4.2 This policy aims to ensure that, amongst other things:

UNAUTHORISED, IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE POLICY

- 4.2.1 Unauthorised, irregular or fruitless and wasteful expenditure is detected, processed, recorded, and reported in a timely manner;
- 4.2.2 Officials and councillors have a clear and comprehensive understanding of the procedures they must follow when addressing unauthorised, irregular or fruitless and wasteful expenditure;
- 4.2.3 OM's resources are managed in compliance with the MFMA, its regulations and other relevant legislation; and
- 4.2.4 All officials and councillors are aware of their responsibilities in respect of unauthorised, irregular or fruitless and wasteful expenditure.

5 ENABLING LEGISLATION

- 5.1 The following enabling legislation sets the precedent for the development of OM's Unauthorised, Irregular or Fruitless and Wasteful Expenditure Policy:
 - 5.1.1 The Constitution of the Republic of South Africa, 1996;
 - 5.1.2 The Local Government: Municipal Finance Management Act, No. 56 of 2003;
 - 5.1.3 The Remuneration of Public Office Bearers Act, No. 20 of 1998;
 - 5.1.4 The Local Government: Municipal Systems Act, No. 32 of 2000;
 - 5.1.5 Municipal Budget and Reporting Regulations;
 - 5.1.6 Municipal Supply Chain Management Regulations;
 - 5.1.7 Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings;
 - 5.1.8 The Local Government: Municipal Structures Act No. 117 of 1998;
 - 5.1.9 Any other legislation or regulation that may impact this policy.

6 APPLICATION OF THIS POLICY

- 6.1 This policy applies to all officials and councillors of OM.
- 6.2 This policy should be read in conjunction with the following:
 - 6.2.1 Delegations of Authority of the OM;
 - 6.2.2 Codes of Conduct for Municipal Staff Members and Councillors, as provided for in Schedules 1 and 2 of the MSA.
- 6.3 Officials and Councillors must ensure that all instances of unauthorised, irregular or fruitless and wasteful expenditure is prevented, detected and reported in a timely manner.

7 UNAUTHORISED EXPENDITURE

- 7.1 Overstrand Municipality may incur expenditure only in terms of an approved budget and within the limits of the amounts appropriated for the different votes in an approved budget.
- 7.2 Expenditure incurred within the ambit of OM's virement policy is not regarded as unauthorised expenditure.
- 7.3 Any expenditure that has not been budgeted for, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, economic entity or organ of state and expenditure in the form of a grant that is not permitted in terms of the MFMA is regarded as unauthorised expenditure and furthermore includes the following:
 - 7.3.1 Overspending of the total amount appropriated in the municipality's approved budget;
 - 7.3.2 Overspending of the total amount appropriated for a vote in the approved budget;

- 7.3.3 Expenditure from a vote unrelated to the department or functional area covered by the vote;
 - 7.3.4 Expenditure of money that have been appropriated for a specific purpose, otherwise than for that specific purpose;
 - 7.3.5 Spending of an allocation referred to in paragraph (b), (c) or (d) of the definition of “allocation”, in the MFMA, otherwise than in accordance with the conditions of the allocation; or
 - 7.3.6 A grant by the Municipality otherwise in accordance with the MFMA, the indigent policy, bursary scheme, or the grants-in-aid policy;
 - 7.3.7 Unforeseen and unavoidable expenditure not authorised within an adjustments budget within 60 days after the expenditure was incurred; and
 - 7.3.8 Any overspending on non-cash items, for example depreciation, impairments, provisions.
- 7.4 Expenditure that is **NOT** classified as unauthorised expenditure
- 7.4.1 Given the definition of unauthorised expenditure, the following are examples of expenditure that are NOT unauthorised expenditure:
 - 7.4.1.1 Any over-collection on the revenue side of the budget as this is not an expenditure; and
 - 7.4.1.2 Any expenditure incurred in respect of:
 - 7.4.1.2.1 re-allocation of funds and the use of such funds in accordance with a council approved virement policy;
 - 7.4.1.2.2 overspending of an amount allocated by standard classification on the main budget Table A2 (Budgeted Financial Performance: revenue and expenditure by standard classification), as long as it does not result in overspending of a vote on the main budget Table A3 (Budgeted Financial Performance: revenue and expenditure by municipal vote) and Table A4 (Budgeted Financial Performance: revenue and expenditure, read in conjunction with supporting Table SA1) of the MBRR; and
 - 7.4.1.2.3 overspending of a municipal vote on the main budget Table A5 (Budgeted Capital Expenditure by vote, standard classification and funding) so long as it does not result in overspending of an amount allocated by standard classification on the main budget Table A5.
 - 7.4.2 Money withdrawn from a bank account under the following circumstances, without appropriation, in terms of an approved budget, is not regarded as unauthorised expenditure:
 - 7.4.2.1 To defray expenditure authorised in terms of section 26 (4) of the MFMA;
 - 7.4.2.2 To defray unforeseen / unavoidable expenditure circumstances strictly in accordance with Section 29 (1) of the MFMA failing which the unforeseen / unavoidable expenditure is unauthorised;
 - 7.4.2.3 Re-allocation of funds and the use of such funds in accordance with a council approved virement policy;
 - 7.4.2.4 Expenditure incurred from a special fund for relief, charitable or trust purposes provided of course that it is done strictly in accordance with Section 12 of the MFMA;
 - 7.4.2.5 To pay over to a person or organ of state money received by the OM on behalf of that person or organ of state, including—

- 7.4.2.6 money collected by the OM on behalf of that person or organ of state by agreement; or
- 7.4.2.7 any insurance or other payments received by the OM for that person or organ of state;
- 7.4.2.8 To refund money incorrectly paid into a bank account;
- 7.4.2.9 To refund guarantees, sureties and security deposits;
- 7.4.2.10 For cash management and investment purposes in accordance with section 13; and
- 7.4.2.11 To defray increased expenditure in terms of section 31.

8 IRREGULAR EXPENDITURE

8.1 Irregular expenditure, in relation to a municipality means-

- 8.1.1 Expenditure incurred by a municipality in contravention of, or that is not in accordance with a requirement of the MFMA and that has not been condoned in terms of section 170;
- 8.1.2 Expenditure incurred by a municipality in contravention of, or that is not in accordance with a requirement of the MSA and that has not been condoned in terms of that Act;
- 8.1.3 Expenditure incurred by a municipality in contravention of, or that is not in accordance with a requirement of the RPOBA; or
- 8.1.4 Expenditure incurred by a municipality in contravention of, or that is not in accordance with a requirement of the supply chain management policy of the municipality or any of the municipality's by-laws giving effect to such policy, and which has not been condoned in terms of such policy or by-law.

but excludes expenditure by a municipality which falls within the definition of "unauthorised expenditure"

8.2 Examples of irregular expenditure include, but are not limited to:

- 8.2.1 Procuring goods and/or services without obtaining an official order prior to the receipt of the goods and/or services;
- 8.2.2 Procuring goods and/or services without following the official procurement processes;
- 8.2.3 Procuring goods and/or services without advertising for the requisite number of numbers;
- 8.2.4 Procuring goods and/or services without obtaining a valid tax clearance certificate;
- 8.2.5 Procuring goods and/or services in an emergency without the timely application of a deviation in terms of clause 36 of the SCM policy.

8.3 In terms of section 32(2)(b) of the MFMA, irregular expenditure may only be written-off by Council if, after an investigation by a council committee, the irregular expenditure is certified as irrecoverable. In other words writing-off is not a primary response, it is subordinate to the recovery processes, and may only take place if the irregular expenditure is certified by Council as irrecoverable, based on the findings of an investigation.

8.4 With reference to Irregular Expenditure as defined in paragraph 2 above:

- 8.4.1 In terms of section 170 of the MFMA, only the National Treasury may condone non-compliance with a regulation issued in terms of the MFMA or a condition imposed by the Act itself. The Council therefore has no power in terms of the MFMA to condone

any act of non-compliance in terms of the MFMA or any of its regulations. The treatment of expenditure associated with the non-compliance is therefore the responsibility of the Council and is elaborated on in paragraph 15.

- 8.4.2 There is no provision in the MSA that allows for a contravention of the Act to be condoned. Nevertheless, should the OM wish to request that an act of non-compliance with any provision of the MSA be condoned, then the AO must address the request to the Minister of Co-operative Governance, who is responsible for administering the MSA. The resultant expenditure must however be dealt with in terms of section 32(2) of the MFMA.
- 8.4.3 There is no provision to allow irregular expenditure resulting from a contravention of the Public Office-Bearers Act to be condoned. This is consistent with section 167(2) of the MFMA, which provides that such irregular expenditure cannot be written-off and must be recovered from the political office-bearer concerned.
- 8.4.4 The OM may condone a contravention of the council approved SCM policy, provided that the contravention is not also a contravention of the MFMA or the SCM regulations, in which case paragraph 8.4.1 applies and then only National Treasury can condone a contravention of the SCM regulations.

9 FRUITLESS AND WASTEFUL EXPENDITURE

- 9.1 The concept of fruitless and wasteful expenditure is founded on public administration and accountability principles, to promote “efficient, economic and effective use of resources and the attainment of value for money”. The idea is also founded on the fact that the council, the mayor and the accounting officer have a fiduciary responsibility to ensure that municipal resources are used in the best interests of the municipality and the local community.
- 9.2 In this context ‘expenditure’ refers broadly to processes that must be followed, transactions with service providers or suppliers and the use of other resources belonging to the municipality. The phrase ‘made in vain’ indicates that the municipality derived no value for money from the expenditure or the use of other resources. Fruitless and wasteful expenditure must fulfil both the conditions in the definition, namely, that it was made in vain and it would have been avoided had reasonable care been exercised.
- 9.3 In determining whether expenditure is fruitless and wasteful, officials and councillors must apply the requirement of reasonable care as an objective measurement to determine whether or not a particular expenditure was fruitless and wasteful, that is-
 - 9.3.1 Would the average man (in this case the average experienced official or councillor) have incurred the particular expenditure under exactly the same conditions or circumstances? and
 - 9.3.2 Is the expenditure being incurred at the right price, right quality, right time and right quantity?
- 9.4 An expense is only fruitless and wasteful in terms of this policy if:
 - 9.4.1 If was made in vain (meaning that the municipality did not receive value for money) and;
 - 9.4.2 And would have been avoided had reasonable care been exercised (meaning that the official or councillor concerned deliberately or negligently caused the expenditure to be incurred by the municipality, furthermore, another official or councillor under the same circumstances would have been able to avoid incurring the expenditure.
- 9.5 Fruitless and wasteful expenditure includes but is not limited to; interest on late payment, fines and penalties.

10 REPORTING ON UNAUTHORISED, IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE

- 10.1 Reporting of unauthorised, irregular or fruitless and wasteful expenditure must be done at the appropriate level, as follows:
- 10.1.1 a Councillor of the OM, must be reported to the Speaker of the Council;
 - 10.1.2 the MM and Speaker, must be reported to the Executive Mayor;
 - 10.1.3 all other municipal officials, must be reported to the MM;
- 10.2 All reports made by officials and councillors must be treated with the utmost confidentiality.
- 10.3 The MM must promptly inform the Executive Mayor, the Provincial Minister for Local Government and the Auditor-General, in writing:
- 10.3.1 of any unauthorised, irregular or fruitless and wasteful expenditure incurred by the municipality;
 - 10.3.2 whether any person is responsible or under investigation for such unauthorised, irregular or fruitless and wasteful expenditure; and
 - 10.3.3 the steps that have been taken to:
 - 10.3.3.1 recover or rectify such expenditure; and
 - 10.3.3.2 prevent a recurrence of such expenditure.
- 10.4 All expenditure classified as unauthorised, irregular or fruitless and wasteful expenditure must be reported to:
- 10.4.1 The MM as AO on a quarterly basis;
 - 10.4.2 The Council on a quarterly basis; and
- 10.5 In accounting for unauthorised, irregular or fruitless and wasteful expenditure, the MM or delegated officials (as may be relevant) must ensure that all such expenditure is disclosed in the annual financial statements as required by the MFMA.

11 MAINTAINING OF REGISTERS FOR UNAUTHORISED, IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE

- 11.1 The OM must maintain registers of all incidents of unauthorised, irregular or fruitless and wasteful expenditure of which:
- 11.1.1 The unauthorised and irregular expenditure register will be maintained by the CFO; and
 - 11.1.2 The fruitless and wasteful expenditure register will be maintained by the Department: Council Support Services.

12 INVESTIGATION OF UNAUTHORISED, IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE

- 12.1 On receiving a report in terms of regulation 3(1) of the Municipal regulations on financial misconduct procedures and criminal proceedings, if the municipal council, or accounting officer of the municipality is satisfied that there is reasonable cause to believe that an act of financial misconduct has been committed, it must within seven days refer to the matter to the disciplinary board to conduct a preliminary investigation into the allegation as envisaged in section 171(4)(a) of the MFMA.
- 12.2 A disciplinary board must conduct a preliminary investigation to determine whether or not the allegation is founded and make a recommendation to the council as to whether sufficient grounds exists to warrant a full investigation into the allegation. If during the preliminary

investigation, the disciplinary board determines that the allegation is frivolous, vexatious, speculative or obviously unfounded, the investigation must be terminated.

12.3 If the disciplinary board determines that the allegation is founded, a full investigation must be conducted by-

12.3.1 the disciplinary board

12.3.2 the Provincial Treasury or the National Treasury, but only if the conditions in regulation 19 apply.

12.4 After completion of a full investigation, the investigator must-

12.4.1 compile a report on the investigation

12.4.2 submit its report to the mayor and the accounting officer together with its findings and recommendations, if applicable, regarding disciplinary steps that should be taken against alleged transgressor; and

12.4.3 immediately inform the speaker of the council of the submission of the report referred to in sub-clause (b), and also submit a copy of the report to the Provincial Treasury and the National Treasury.

13 DISCIPLINARY AND CRIMINAL CHARGES FOR UNAUTHORISED, IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE

13.1 After having followed a proper investigation, as per paragraph 12 above:

13.1.1 In relation to an official, the MM or delegated official must table the report referred to in 12.5.2 above;

13.1.2 In relation to a councillor, the Speaker or Mayor must table the report referred to in 12.5.2 above.

13.2 If a *prima facie* case has been established then the Executive Mayor, Speaker, MM or delegated official (as may be relevant) must institute disciplinary action as follows:

13.2.1 For financial misconduct in terms of section 171 of the MFMA: in the case of an official that deliberately or negligently:

13.2.1.1 contravened a provision of the MFMA which resulted in prohibited expenditure; or

13.2.1.2 made, permitted or instructed another official to make an unauthorised, irregular or fruitless and wasteful expenditure.

13.2.2 For a breach of the Code of Conduct for Municipal Staff Members in the case of an official whose actions in making, permitting or authorising a prohibited expenditure constitute a breach of the Code; and

13.2.3 For a breach of the Code of Conduct for Councillors in the case of a Councillor, whose actions in making, permitting or authorising a prohibited expenditure constitute a breach of the Code. This would also include instances where a councillor knowingly voted in favour of or agreed with a resolution passed by Council, that contravened legislation resulting in prohibited expenditure when implemented, or where the Councillor improperly interfered in the management or administration of the municipality.

13.3 The Executive Mayor, Speaker, MM or delegated official (as may be relevant) must promptly report, to the SAPS all cases of alleged:

13.3.1 Prohibited expenditure that constitutes a criminal offense; and

13.3.2 Theft and fraud that occurred in the OM.

14 RECOVERY OF UNAUTHORISED, IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE

- 14.1 The MM or delegated official must recover unauthorised, irregular or fruitless and wasteful expenditure from the person liable for that expenditure unless the expenditure:
- 14.1.1 in the case of unauthorised expenditure, is
 - 14.1.1.1 authorised in an adjustment budget; OR
 - 14.1.1.2 certified by the Council, after investigation by the Municipal Public Accounts Committee, as irrecoverable and is written off by Council; and
 - 14.1.2 in the case of irregular or fruitless and wasteful expenditure, after investigation by Municipal Public Accounts Committee, is certified by Council as irrecoverable and written off by Council.
- 14.2 Irregular expenditures resulting from breaches of the RPOBA must be recovered from the Councillor to whom it was paid.
- 14.3 Once it has been established who is liable for the unauthorised, irregular or fruitless and wasteful expenditure through a disciplinary process, the MM must in writing request that the liable Councillor or official pay the amount within 30 days or as per an agreed written arrangement.
- 14.4 If the official or councillor fails to make satisfactory payment arrangements or fails to honour payment arrangements made, the amount owed for prohibited expenditure must be recovered through the normal debt collection process of the municipality.

15 PROTECTION OF OFFICIALS OR COUNCILLORS WHO HAVE REPORTED UNAUTHORIZED, IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE

- 15.1 If any official or councillor who has complied with this policy and as a result thereof has been subjected to intimidation, victimisation or threats, such official or councillor should immediately report such threats, victimisation or intimidation immediately to the MM, Speaker or Executive Mayor as the case may be.
- 15.2 The MM, Executive Mayor or Speaker must immediately take appropriate action to ensure the protection of the official or councillor after receiving the above report.
- 15.3 Where the nature of the threats warrants such action, the threats should be reported to the SAPS by the official with the assistance of the MM, Executive Mayor or Speaker, as the case may be.

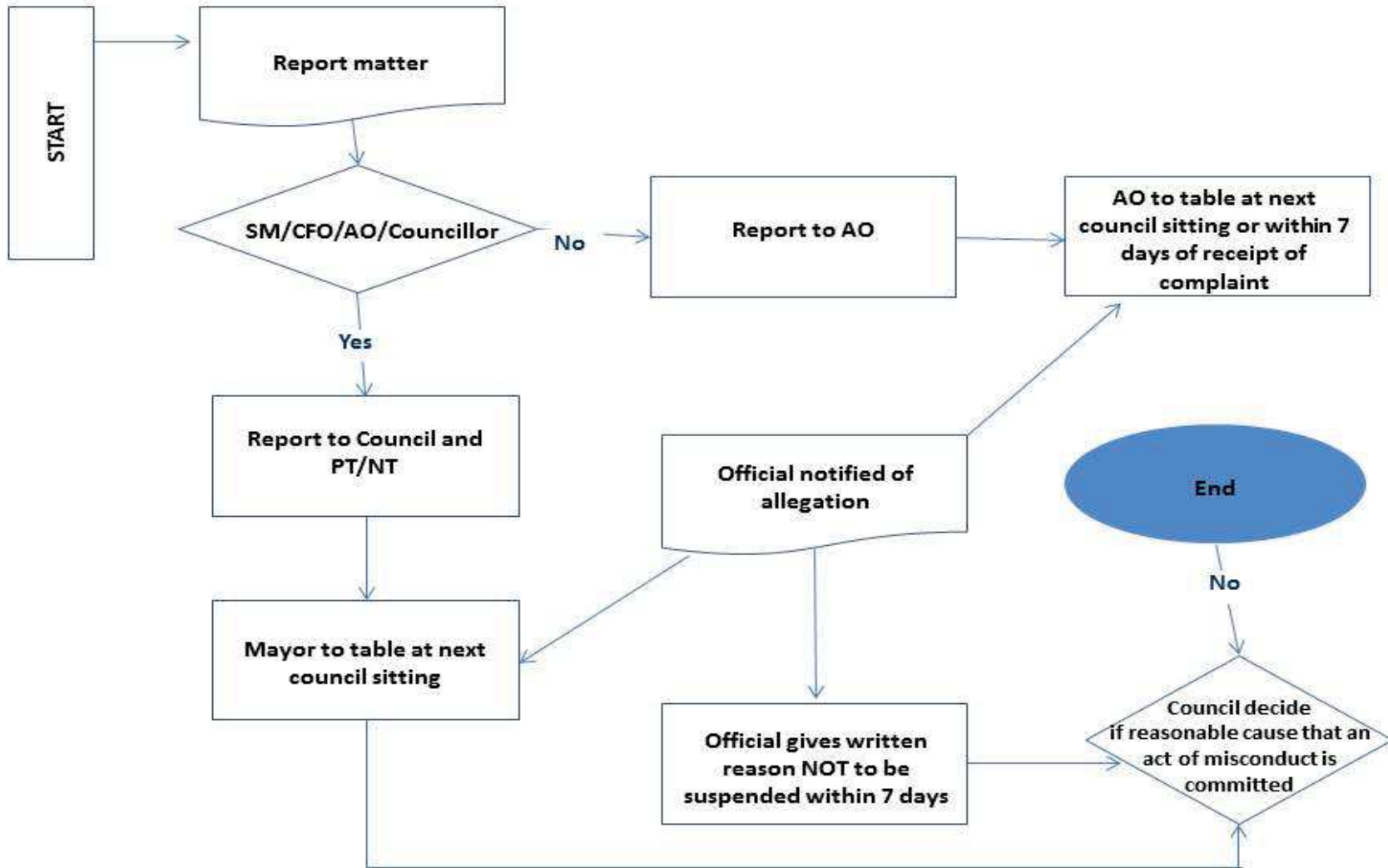
16 SHORT TITLE AND COMMENCEMENT

This policy is called the Overstrand Municipality's Unauthorised, Irregular or Fruitless and Wasteful Expenditure Policy.

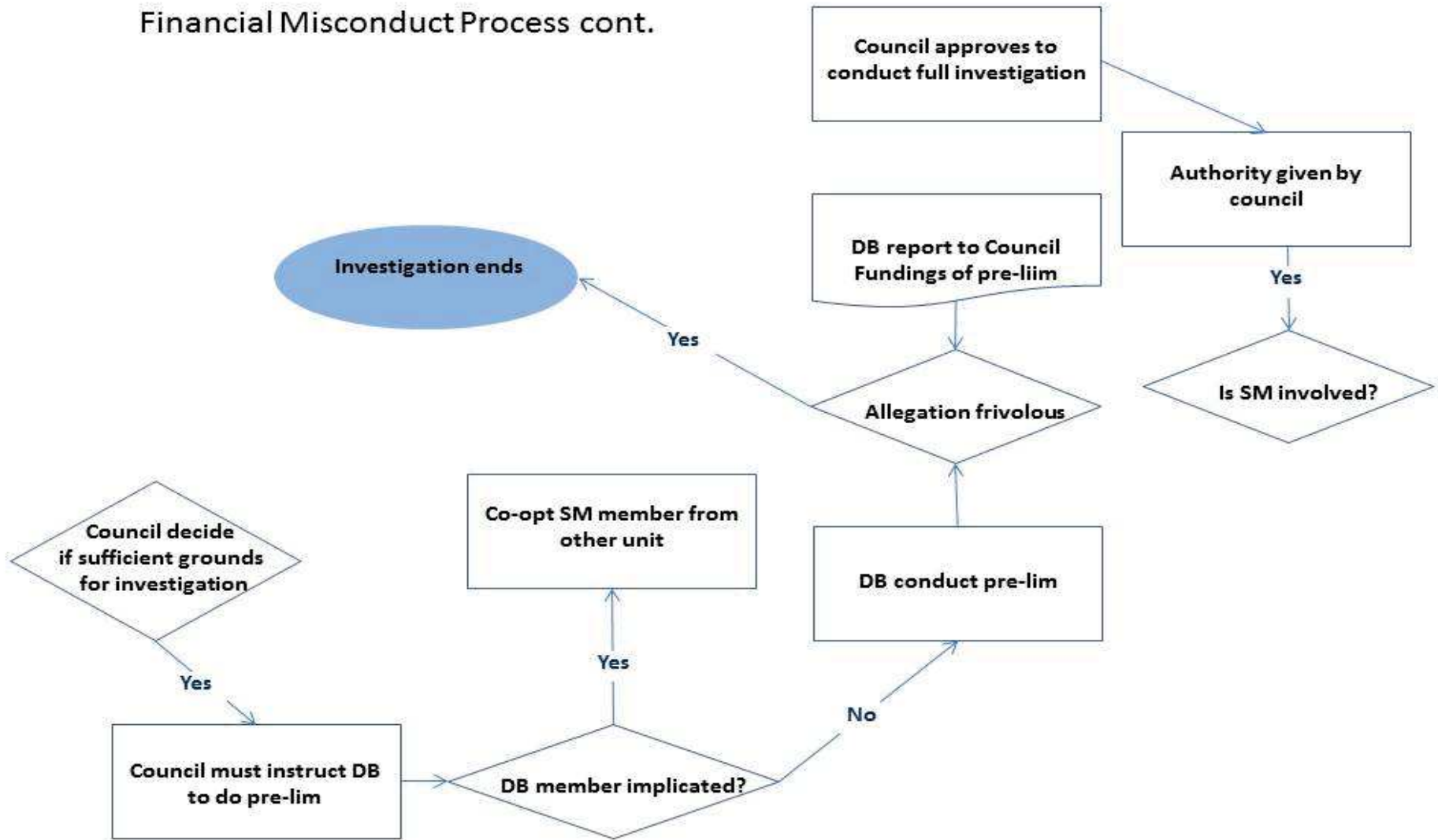
This policy will come into effect on **1 July 2024** and will be reviewed at least annually by way of a Council resolution.

POLICY SECTION:	HEAD: SUPPLY CHAIN MANAGEMENT
CURRENT UPDATE	31 MAY 2024
PREVIOUS REVIEW:	31 MAY 2023
PREVIOUS REVIEW:	31 MAY 2022
PREVIOUS REVIEW:	27 MAY 2020
PREVIOUS REVIEW:	29 MAY 2019
APPROVAL BY COUNCIL	30 MAY 2018

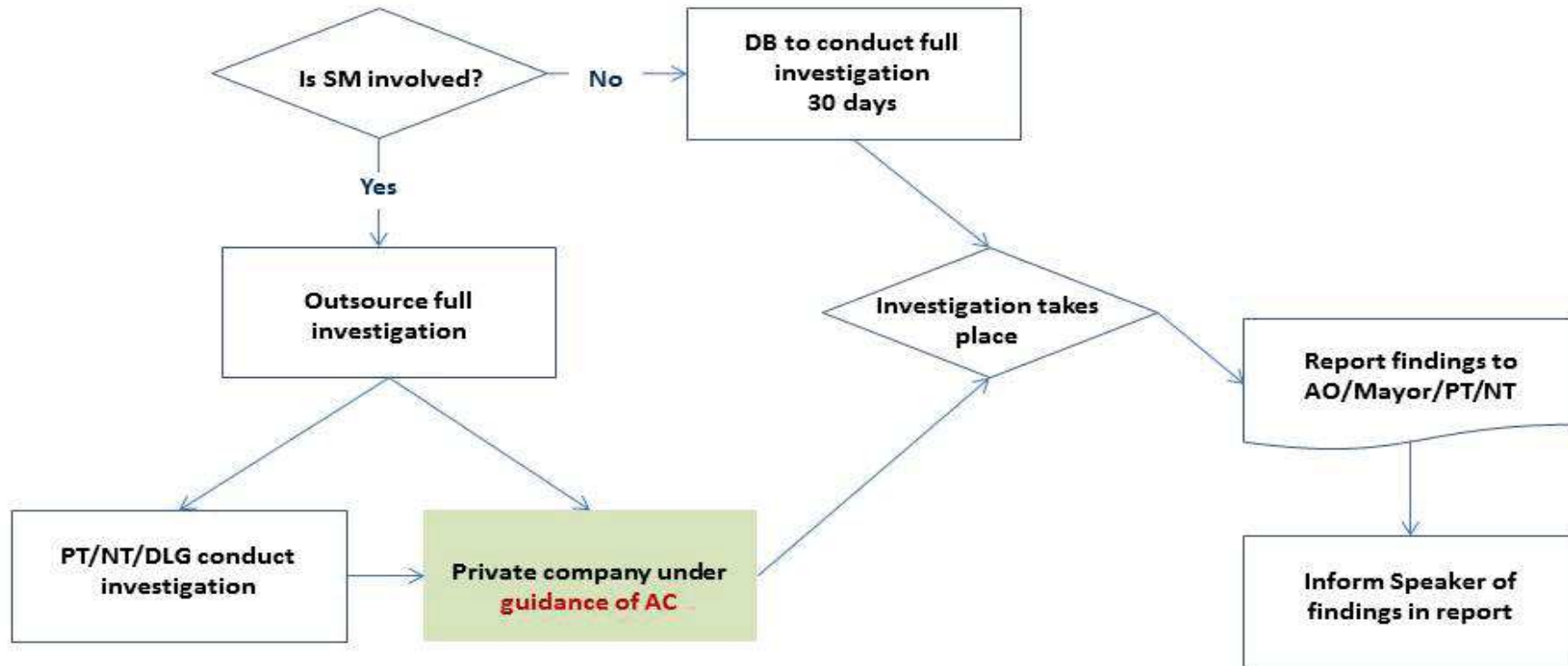
Financial Misconduct Process



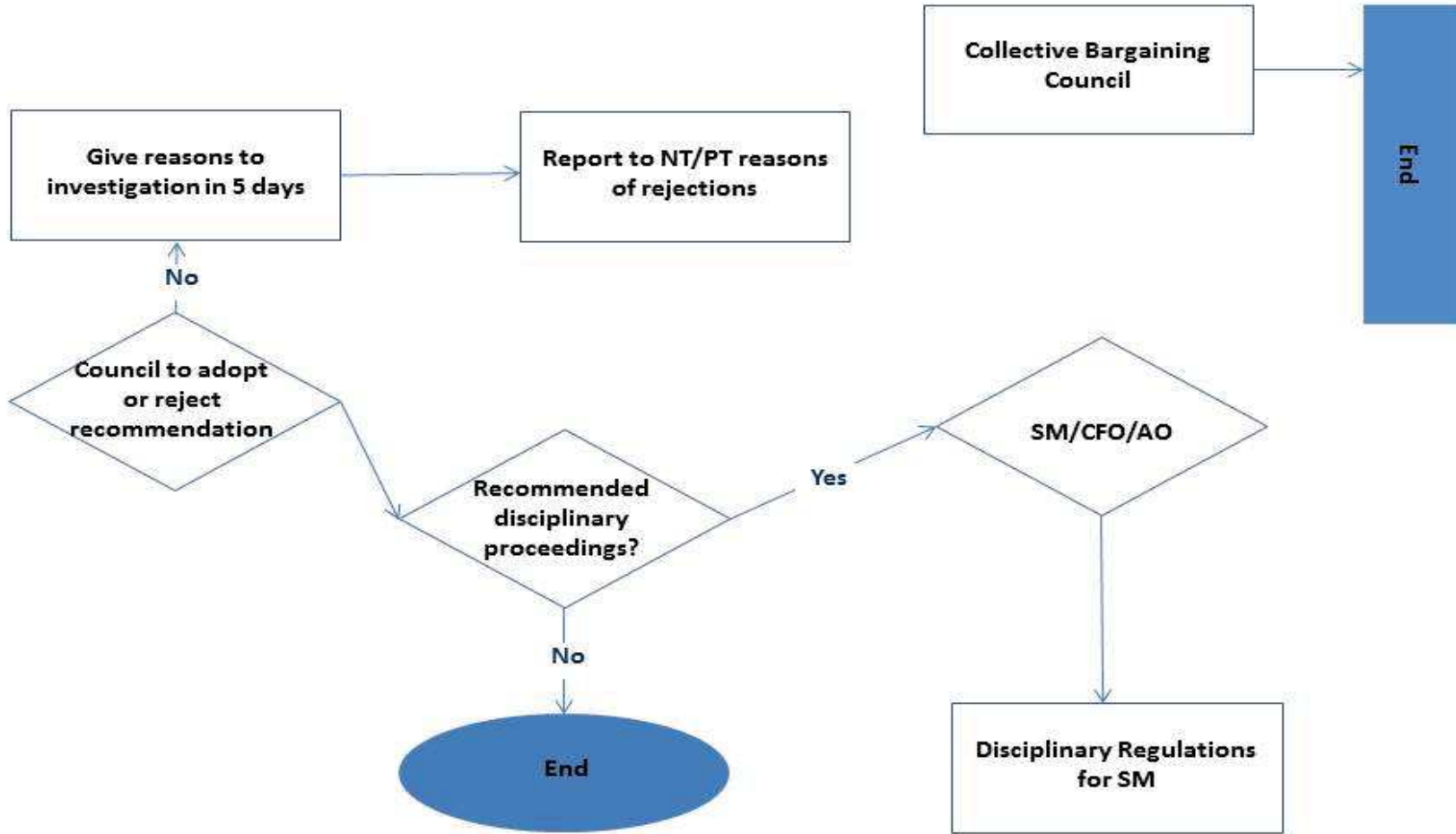
Financial Misconduct Process cont.



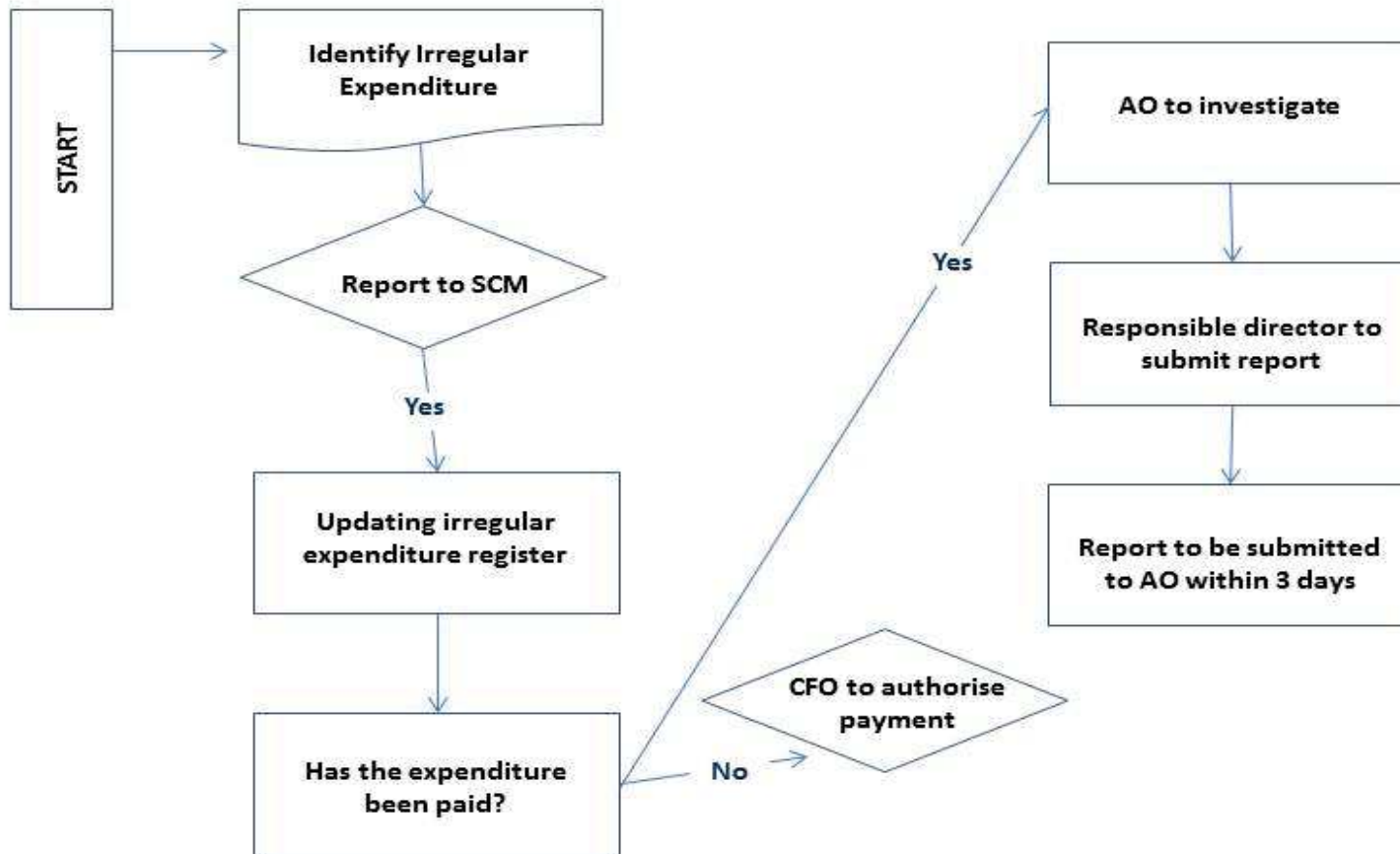
Financial Misconduct Process cont.



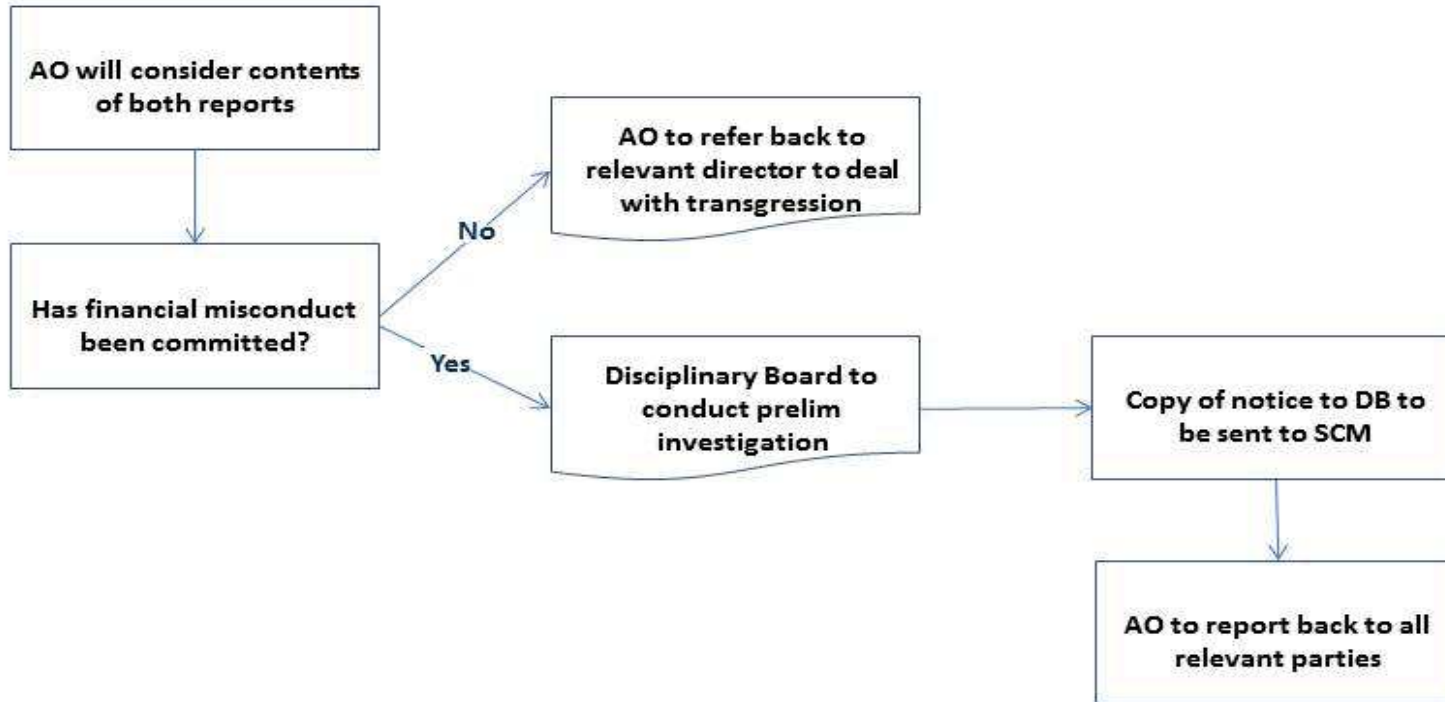
Financial Misconduct Process cont.



Irregular Expenditure Process



Irregular Expenditure Process cont.



**OVERSTRAND
MUNICIPALITY**



COST CONTAINMENT POLICY

OVERSTRAND MUNICIPALITY – COST CONTAINMENT POLICY

CONTENTS

- 1 Definitions**
- 2. Object of the Policy**
- 3. Application of Policy**
- 4. Use of consultants**
- 5. Vehicles used for political office –bearers**
- 6. Travel and subsistence**
- 7. Domestic accommodation**
- 8. Credit cards**
- 9. Sponsorships, events and catering**
- 10. Communication**
- 11. Conferences, meetings and study tours**
- 12. Other related expenditure items**
- 13. Enforcement procedures**
- 14. Disclosures of cost containment measures**
- 15. Short title and commencement**
- 16. Annexure A: Municipal Cost Containment Regulations, 2019**

OVERSTRAND MUNICIPALITY – COST CONTAINMENT POLICY

1 Definitions

In this Policy, a word or expression to which a meaning has been assigned in the Act has the same meaning as in the Act, unless the context indicates otherwise, and-

"Act" means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

"consultant" means a professional person, individual partnership, corporation, or a company appointed to provide technical and specialist advice or to assist with a design and implementation of projects or to assist the municipality to achieve its objectives of local government in terms of section 152 of the Constitution.

"cost containment" means the measures implemented to curtail spending in terms of this policy.

"credit card" means a card issued by a financial services provider, which creates a revolving account and grants a line of credit to the cardholder.

"municipality" means Overstrand Municipality ("OSM")

"regulations" means the Municipal Cost Containment Regulations, 2019

2. Object of the Policy

The object of the Policy is in line with sections 62(1)(a), 78(1)(b), 95(a) and 105(1)(b) of the Act, and the regulations, to ensure that resources of a municipality and municipal entity are used effectively, efficiently and economically by implementing cost containment measures.

3. Application of Policy

This Policy applies all officials and political office bearers in Overstrand Municipality.

4. Use of consultants

This Policy is in line with **[section] paragraph** 35 of the Overstrand Supply Chain Management Policy to ensure that resources of the municipality with regard to the use of consultants, are used effectively, efficiently and economically by implementing cost containment measures.

5. Vehicles used for political office –bearers

This Policy is in line with the stipulations of the Overstrand Travel and Subsistence Policy and the Overstrand Fleet Management Policy, to ensure that resources of the municipality with regard to vehicles used for political office-bearers, are used effectively, efficiently and economically by implementing cost containment measures.

6. Travel and subsistence

This Policy is in line with the stipulations of the Overstrand Travel and Subsistence Policy, to ensure that resources of the municipality with regard to Travel and subsistence, are used effectively, efficiently and economically by implementing cost containment measures.

7. Domestic accommodation

This Policy is in line with the stipulations of the Overstrand Travel and Subsistence Policy, to ensure that resources of the municipality with regard to Domestic accommodation, are used effectively, efficiently and economically by implementing cost containment measures.

OVERSTRAND MUNICIPALITY – COST CONTAINMENT POLICY

8. Credit cards

The accounting officer must ensure that no credit card or debit card linked to a bank account of the municipality is issued to any official or public office bearer.

9. Sponsorships, events and catering

This Policy is in line with the stipulations of the Overstrand Budget Policy, to ensure that resources of the municipality with regard to Sponsorships, events and catering, are used effectively, efficiently and economically by implementing cost containment measures.

10. Communication

This Policy is in line with the stipulations of the Overstrand Budget Policy, to ensure that resources of the municipality with regard to Communication, are used effectively, efficiently and economically by implementing cost containment measures.

11. Conferences, meetings and study tours

This Policy is in line with the stipulations of the Overstrand Budget Policy and the Travel and Subsistence Policy, to ensure that resources of the municipality with regard to Conferences, meetings and study tours, are used effectively, efficiently and economically by implementing cost containment measures.

12. Other related expenditure items

This Policy is in line with the stipulations of the Overstrand Budget Policy, Overstrand Supply Chain Management Policy, Basic Conditions of Employment Act, 1997 and the Conditions of Service Collective Agreement of the Western Cape Division, to ensure that resources of the municipality with regard to the following, are used effectively, efficiently and economically by implementing cost containment measures:

- 1) All commodities, services and products covered by a transversal contract concluded by the National Treasury must be considered before approaching the market, to benefit from savings where lower prices or rates have been negotiated.
- 2) Municipal resources may not be used to fund elections, campaign activities, including the provision of food, clothing, printing of agendas and brochures and other inducements as part of, or during election periods or to fund any activities of any political party at any time.
- 3) Expenditure on tools of trade for political office bearers must be limited to the upper limits as approved and published by the Cabinet member responsible for local government in terms of the Remuneration of Public Office Bearers Act, 1998.
- 4) The municipality must avoid expenditure on elaborate and expensive office furniture.
- 5) The municipality may only use the services of the South African Police Service to conduct periodical or quarterly security threat assessments of political office bearers and key officials and a report must be submitted to the speaker's office.
- 6) The municipality may consider providing additional time -off in lieu of payment for overtime worked. Planned overtime must be submitted to the relevant manager for consideration on a monthly basis. A motivation for all unplanned overtime must be submitted to the relevant manager.

OVERSTRAND MUNICIPALITY – COST CONTAINMENT POLICY

13. Enforcement procedures

Failure to implement or comply with this policy may result in any official of the municipality or political office bearer, who has authorized or incurred any expenditure contrary to determinations in this policy, being charged and held liable for:

- 1) financial misconduct or a financial offence in the case of political office bearers as defined in section 32 of the Act, or in the case of officials, also in terms of Chapter 15 of the MFMA read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014;
- 2) a financial offence in terms of Council's Unauthorised, Irregular or Fruitless and Wasteful Expenditure Policy.

14. Disclosures of cost containment measures

- 1) The disclosure of cost containment measures applied by the municipality and municipal entity must be included in the municipal in -year budget reports and annual costs savings disclosed in the annual report.
- 2) The measures implemented and aggregate amounts saved per quarter, together with the regular reports on reprioritisation of cost savings and on the implementation of the cost containment measures must be submitted to the Municipal Council for review and resolution.
- 3) The municipal council can refer such reports to an appropriate Council Committee for further recommendations and actions.
- 4) The reports referred to in sub -regulation (2) must be copied to the National Treasury and the relevant provincial treasury within seven calendar days after the report is submitted to municipal council.

15. Short title and commencement

This policy shall be called the Cost Containment Policy of the Overstrand Municipality and will come into effect on **1 July 2024**.

This policy shall be reviewed on an annual basis to ensure that it is in line with the municipality's strategic objectives and with legislation.

POLICY SECTION:	SENIOR MANAGER: EXPENDITURE & ASSET MANAGEMENT
CURRENT UPDATE	31 MAY 2024
PREVIOUS UPDATE:	31 MAY 2023
PREVIOUS UPDATE:	31 MAY 2022
PREVIOUS UPDATE:	26 MAY 2021
APPROVAL BY COUNCIL:	27 MAY 2020



Government Gazette Staatskoerant

REPUBLIC OF SOUTH AFRICA
REPUBLIEK VAN SUID AFRIKA

Vol. 648

7 June 2019
7 Junie 2019

No. 42514

N.B. The Government Printing Works will not be held responsible for the quality of "Hard Copies" or "Electronic Files" submitted for publication purposes

ISSN 1682-5843



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NATIONAL TREASURY

NOTICE 317 OF 2019

LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003

MUNICIPAL COST CONTAINMENT REGULATIONS, 2019

The Minister of Finance has, acting with the concurrence of the Minister of Cooperative Governance and Traditional Affairs, in terms of section 168(1) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), made the Regulations as set out in the Schedule.

SCHEDULE
TABLE OF CONTENTS

1. Definitions
2. Object of Regulations
3. Application of Regulations
4. Cost containment policies
5. Use of consultants
6. Vehicles used for political office-bearers
7. Travel and subsistence
8. Domestic accommodation
9. Credit cards
10. Sponsorships, events and catering
11. Communication
12. Conferences, meetings and study tours
13. Other related expenditure items
14. Enforcement procedures
15. Disclosures of cost containment measures
16. Short title and commencement

Definitions

1. In these Regulations, a word or expression to which a meaning has been assigned in the Act has the same meaning as in the Act, unless the context indicates otherwise, and—

“**Act**” means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);
“**consultant**” means a professional person, individual, partnership, corporation, or a company appointed to provide technical and specialist advice or to assist with a design and implementation of projects or to assist a municipality or municipal entity to perform its functions to achieve the objects of local government in terms of section 152 of the Constitution;
“**cost containment**” means measures implemented to curtail spending in terms of these regulations; and
“**credit card**” means a card issued by a financial services provider, which creates a revolving account and grants a line of credit to the cardholder.

Object of Regulations

2. The object of these Regulations, in line with sections 62(1)(a), 78(1)(b), 95(a) and 105(1)(b) of the Act, is to ensure that resources of a municipality and municipal entity are used effectively, efficiently and economically by implementing cost containment measures.

Application of Regulations

3. These Regulations apply to all officials and political office bearers in municipalities and municipal entities.

Cost containment policies

4. (1) Each municipality or municipal entity must develop or revise and implement a cost containment policy which must—
 - (a) in the case of a municipality, be adopted by the municipal council, and in the case of a municipal entity, by the board of directors as part of its budget related policies;
 - (b) define a municipality or municipal entity's objectives for the use of consultants; and
 - (c) be consistent with the Act and these Regulations.
- (2) The cost containment policy of a municipality or a municipal entity contemplated in sub-regulation (1) must—
 - (a) be in writing;
 - (b) give effect to these Regulations;
 - (c) be reviewed annually, as may be appropriate;
 - (d) be communicated on the municipality's or municipal entity's website; and
 - (e) set out—
 - (i) monitoring measures for ensuring implementation of the policy;
 - (ii) procedures for the annual review of the policy; and
 - (iii) consequences for non-adherence to the measures contained therein.

Use of consultants

5. (1) A municipality or municipal entity may only appoint consultants if an assessment of the needs and requirements confirms that the affected municipality or municipal entity does not have the requisite skills or resources in its full-time employ to perform the function.
- (2) An accounting officer must adopt a fair and reasonable remuneration framework for consultants taking into account the rates—
 - (a) determined in the "Guideline on fees for audits undertaken on behalf of the Auditor-General of South Africa", issued by the South African Institute of Chartered Accountants;
 - (b) set out in the "Guide on Hourly Fee Rates for Consultants", issued by the Department of Public Service and Administration; or
 - (c) as prescribed by the body regulating the profession of the consultant.
- (3) The tender documentation for the appointment of consultants must include a clause that the remuneration rates will be subject to negotiation, not exceeding the applicable rates mentioned in sub-regulation (2).
- (4) When negotiating cost-effective consultancy rates for international consultants, the accounting officer may take into account the relevant international and market-determined rates.
- (5) When consultants are appointed, an accounting officer must—
 - (a) appoint consultants on a time and cost basis with specific start and end dates;
 - (b) where practical, appoint consultants on an output-specified basis, subject to specific measurable objectives and associated remuneration;
 - (c) ensure that contracts with consultants include overall cost ceilings by specifying whether the contract price is inclusive or exclusive of travel and subsistence disbursements;
 - (d) ensure the transfer of skills by consultants to the relevant officials of a municipality or municipal entity;
 - (e) undertake all engagements of consultants in accordance with the Municipal Supply Chain Management Regulations, 2005 and the municipality or municipal entity's supply chain management policy; and
 - (f) develop consultancy reduction plans to reduce the reliance on consultants.
- (6) All contracts with consultants must include a fee retention or penalty clause for poor performance.
- (7) A municipality or municipal entity must ensure that the specifications and performance are used as a monitoring tool for the work to be undertaken and are appropriately recorded and monitored.
- (8) The travel and subsistence costs of consultants must be in accordance with the national travel policy issued by the National Department of Transport, as updated from time to time.

- (9) The contract price must specify all travel and subsistence costs and if the travel and subsistence costs for appointed consultants are excluded from the contract price, such costs must be reimbursed in accordance with the national travel policy of the National Department of Transport.

Vehicles used for political office-bearers

6. (1) The threshold limit for vehicle purchases relating to official use by political office-bearers must not exceed R700 000 or 70% (VAT inclusive) of the total annual remuneration package for the different grades of municipalities, as defined in the Public Office Bearers Act and the notices issued in terms thereof by the Minister of Cooperative Governance and Traditional Affairs, whichever is lower.
- (2) The procurement of vehicles in sub-regulation (1) must be undertaken using the national government transversal contract mechanism, unless it may be procured at a lower cost through other procurement mechanisms.
- (3) Before deciding to procure a vehicle as contemplated in sub-regulation (2), the accounting officer or delegated official must provide the council with information relating to the following criteria which must be considered:
- (a) status of current vehicles;
 - (b) affordability of options including whether to procure a vehicle as compared to rental or hire thereof, provided that the most cost effective option is followed and the cost is equivalent to or lower than that contemplated in sub-regulation (1);
 - (c) extent of service delivery backlogs;
 - (d) terrain for effective usage of the vehicle; and
 - (e) any other policy of council.
- (4) If the rental referred to in sub-regulation (3) is preferred, the accounting officer must review the costs incurred regularly to ensure that value for money is obtained.
- (5) Regardless of their usage, vehicles for official use by political office bearers may only be replaced after completion of 120 000 kilometres.
- (6) Notwithstanding sub-regulation (5), a municipality or municipal entity may replace a vehicle for official use by political office bearers before the completion of 120 000km only in instances where the vehicle has a serious mechanical problem and is in a poor condition and subject to obtaining a detailed mechanical report by the vehicle manufacturer or approved dealer.
- (7) An accounting officer must ensure that there is a policy that addresses the use of municipal vehicles for official purposes.

Travel and subsistence

7. (1) An accounting officer—
- (a) may approve the purchase of economy class tickets for all officials or political office bearers where the flying time for the flights is five hours or less; and
 - (b) may only approve the purchase of business class tickets for officials, political office bearers and persons reporting directly to the accounting officer for flights exceeding five hours.
- (2) In the case of the accounting officer, the mayor may approve the purchase of economy class tickets where the flying time is five hours or less and business class tickets for flights exceeding five hours.
- (3) Notwithstanding sub-regulation (1) or (2), an accounting officer, or the mayor in the case of an accounting officer, may approve the purchase of business class tickets for an official or a political office bearer with a disability or a medically certified condition.
- (4) The cost containment policy must limit international travel to meetings or events that are considered critical. The number of officials or political office bearers attending such meetings or events must be limited to those officials or political office bearers directly involved in the subject matter related to such meetings or events.
- (5) An accounting officer, or the mayor in the case of the accounting officer, may approve accommodation costs that exceed an amount as determined from time to time by the National Treasury through a notice only—
- (a) during peak holiday periods; or

- (b) when major local or international events are hosted in a particular geographical area that results in an abnormal increase in the number of local and/or international guests in that particular geographical area.
- (6) An official or a political office bearer of a municipality or municipal entity must—
 - (a) utilise the municipal fleet, where viable, before incurring costs to hire vehicles;
 - (b) make use of available public transport or a shuttle service if the cost of such a service is lower than—
 - (i) the cost of hiring a vehicle;
 - (ii) the cost of kilometres claimable by the official or political office bearer; and
 - (iii) the cost of parking.
 - (c) not hire vehicles from a category higher than Group B or an equivalent class; and
 - (d) where a different class of vehicle is required for a particular terrain or to cater for the special needs of an official, seek the written approval of the accounting officer before hiring the vehicle.
- (7) A municipality or a municipal entity must utilise the negotiated rates for flights and accommodation as communicated from time to time by the National Treasury through a notice or any other available cheaper flight and accommodation.

Domestic accommodation

- 8. (1) An accounting officer must ensure that costs incurred for domestic accommodation and meals are in accordance with the maximum allowable rates for domestic accommodation and meals as communicated from time to time by the National Treasury through a notice.
- (2) Overnight accommodation may only be booked where the return trip exceeds 500 kilometres.

Credit cards

- 9. (1) An accounting officer must ensure that no credit card or debit card linked to a bank account of a municipality or a municipal entity is issued to any official or political office bearer, including members of the board of directors of municipal entities.
- (2) Where officials or political office bearers incur expenditure in relation to official municipal activities, such officials or political office bearers must use their personal credit cards or cash or arrangements made by the municipality or municipal entity, and request reimbursement in accordance with the written approved policy and processes.

Sponsorships, events and catering

- 10. (1) A municipality or municipal entity may not incur catering expenses for meetings which are only attended by persons in the employ of the municipality or municipal entity, unless the prior written approval of the accounting officer is obtained.
- (2) An accounting officer may incur catering expenses for the hosting of meetings, conferences, workshops, courses, forums, recruitment interviews, and proceedings of council that exceed five hours.
- (3) Entertainment allowances of qualifying officials may not exceed two thousand rand per person per financial year, unless approved otherwise by the accounting officer.
- (4) A municipality or municipal entity may not incur expenses on alcoholic beverages unless the municipality or the municipal entity recovers the cost from the sale of such beverages.
- (5) An accounting officer must ensure that social events, team building exercises, year-end functions, sporting events and budget vote dinners are not financed from the municipality or the municipal entity's budgets or by any suppliers or sponsors.
- (6) A municipality or municipal entity may not incur expenditure on corporate branded items like clothing or goods for personal use of officials, other than uniforms, office supplies and tools of trade unless costs related thereto are recovered from affected officials or is an integral part of the business model.

- (7) An accounting officer may incur expenditure not exceeding the limits for petty cash usage to host farewell functions in recognition of officials who retire after serving the municipality or municipal entity for ten or more years or retire on grounds of ill health.

Communication

11. (1) A municipality or municipal entity may, as far as possible, advertise municipal related events on its website instead of advertising in magazines or newspapers.
- (2) An accounting officer must ensure that allowances to officials for private calls and data costs are limited to an amount as determined by the accounting officer in the cost containment policy of the municipality or municipal entity.
- (3) Newspapers and other related publications for the use of officials must be discontinued on expiry of existing contracts or supply orders, unless required for professional purposes and where unavailable in electronic format.
- (4) A municipality or municipal entity may participate in the transversal term contract arranged by the National Treasury for the acquisition of mobile communication services.

Conferences, meetings and study tours

12. (1) An accounting officer must establish policies and procedures to manage applications to attend conferences or events hosted by professional bodies or non-governmental institutions held within and outside the borders of South Africa taking into account their merits and benefits, costs and available alternatives.
- (2) When considering applications from officials or political office bearers to attend conferences or events within and outside the borders of South Africa, an accounting officer or mayor as the case may be, must take the following into account—
- (a) the official's or political office bearer's role and responsibilities and the anticipated benefits of the conference or event;
- (b) whether the conference or event addresses relevant concerns of the institution;
- (c) the appropriate number of officials or political office bearers, not exceeding three, attending the conference or event; and
- (d) the availability of funds to meet expenses related to the conference or event.
- (3) An accounting officer may consider appropriate benchmark costs with other professional bodies or regulatory bodies prior to granting approval for an official to attend a conference or event within and outside the borders of South Africa.
- (4) The benchmark costs referred to in sub-regulation (3) may not exceed an amount as determined from time to time by the National Treasury through a notice.
- (5) The amount referred to in sub-regulation (4) excludes costs related to travel, accommodation and related expenses, but includes—
- (a) conference or event registration expenses; and
- (b) any other expense incurred in relation to the conference or event.
- (6) When considering costs for conferences or events these may not include items such as laptops, tablets and other similar tokens that are built into the price of such conferences or events.
- (7) The accounting officer of a municipality or municipal entity must ensure that meetings and planning sessions that entail the use of municipal funds are, as far as may be practically possible, held in-house.
- (8) Municipal or provincial office facilities must be utilised for conference, meetings, strategic planning sessions, *inter alia*, where an appropriate venue exists within the municipal jurisdiction.
- (9) An accounting officer must grant the approval for officials and in the case of political office bearers and the accounting officer, the mayor, as contemplated in sub-regulation (2).
- (10) A municipality or municipal entity must, where applicable, take advantage of early registration discounts by granting the required approvals to attend the conference, event or study tour, in advance.

Other related expenditure items

13. (1) All commodities, services and products covered by a transversal contract concluded by the National Treasury must be considered before approaching the market, to benefit from savings where lower prices or rates have been negotiated.
- (2) Municipal resources may not be used to fund elections, campaign activities, including the provision of food, clothing, printing of agendas and brochures and other inducements as part of, or during election periods or to fund any activities of any political party at any time.
- (3) Expenditure on tools of trade for political office bearers must be limited to the upper limits as approved and published by the Cabinet member responsible for local government in terms of the Remuneration of Public Office Bearers Act, 1998.
- (4) A municipality or municipal entity must avoid expenditure on elaborate and expensive office furniture.
- (5) A municipality or municipal entity may only use the services of the South African Police Service to conduct periodical or quarterly security threat assessments of political office bearers and key officials and a report must be submitted to the speaker's office.
- (6) A municipality or municipal entity may consider providing additional time-off in lieu of payment for overtime worked. Planned overtime must be submitted to the relevant manager for consideration on a monthly basis. A motivation for all unplanned overtime must be submitted to the relevant manager.
- (7) A municipality or municipal entity must ensure that due process is followed when suspending or dismissing officials to avoid unnecessary litigation costs.

Enforcement Procedures

14. Failure to implement or comply with these Regulations may result in any official of the municipality or municipal entity, political office bearer or director of the board that authorised or incurred any expenditure contrary to these regulations being held liable for financial misconduct or a financial offence in the case of political office bearers as defined in Chapter 15 of the Act read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014.

Disclosures of cost containment measures

15. (1) The disclosure of cost containment measures applied by the municipality and municipal entity must be included in the municipal in-year budget reports and annual costs savings disclosed in the annual report.
- (2) The measures implemented and aggregate amounts saved per quarter, together with the regular reports on reprioritisation of cost savings and on the implementation of the cost containment measures must be submitted to the Municipal Council for review and resolution. The municipal council can refer such reports to an appropriate Council Committee for further recommendations and actions.
- (3) The reports referred to in sub-regulation (2) must be copied to the National Treasury and the relevant provincial treasury within seven calendar days after the report is submitted to municipal council.

Short title and commencement

16. These Regulations are called the Municipal Cost Containment Regulations, 2019 and take effect on 1 July 2019.

**OVERSTRAND
MUNICIPALITY**



PREFERENTIAL PROCUREMENT POLICY

**OVERSTRAND MUNICIPALITY
PREFERENTIAL PROCUREMENT POLICY**

PREFERENTIAL PROCUREMENT POLICY adopted in terms of section 2 of the Preferential Procurement Policy Framework Act, No. 5 of 2000 and the Preferential Procurement Regulations, 2022

PREAMBLE

WHEREAS the Overstrand Municipality aims to improve the quality of life of the local community and to free the potential of each person within a framework of facilitating service delivery, through effective governance and the Council takes into account the need for transparent procedures that give the effect to the principle of preferential procurement.

AND WHEREAS local economic development plays a crucial role in creating a prosperous, equitable, stable and democratic society and the overall national vision of economic development is one of decent work and living standards for all in the context of qualitative improved equality in ownership, skills and access to opportunities.

NOW THEREFORE the Council of the Overstrand Municipality resolves in terms of section 2 of the Preferential Procurement Policy Framework Act, No. 5 of 2000 that the principles embodied in the Preferential Procurement Regulations, 2022 are herewith integrated into the Overstrand Municipality's Preferential Procurement Policy to form the basis of the evaluation criteria for quotations and competitive tenders.

TABLE OF CONTENTS

1. Definitions
2. Introduction
3. Application of the policy
4. Purpose, and Objectives
5. Identification of preference point system
6. 80/20 preference point system for acquisition of goods or services with Rand value equal to or below R50 million
7. 90/10 preference point system for acquisition of goods or services with Rand value above R50 million
8. 80/20 preference points system for tenders to for income-generating contracts with Rand value equal to or below R50 million
9. 90/10 preference point system for tenders for income-generating contracts with Rand value above R50 million
10. Points for specific goals to promote economic development
11. Award of contracts to tenderers not scoring highest points
12. Remedies
13. Reporting
14. Performance management
15. Short title and commencement

**OVERSTRAND MUNICIPALITY
PREFERENTIAL PROCUREMENT POLICY**

1 Definitions

In this policy, unless the context indicates otherwise, a word or expression to which a meaning has been assigned in the Act bears the same meaning, and:

"Acceptable Tender"	<i>mean any tender which, in all respects, complies with the specification and conditions of tender as set out in tender document</i>
"all applicable taxes"	includes Value-Added Tax, Pay-as-you-Earn, Income Tax, Unemployment Insurance Fund Contributions and Skills Development Levies;
"B-BBEE"	means Broad-Based Black Economic Empowerment as defined in Section 1 of the Broad-Based Black Economic Empowerment Act;
"B-BBEE status level of contributor"	means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
"black designated groups"	has the meaning assigned to it in the codes of good practice issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
"black people"	has the meaning assigned to it in section 1 of the Broad-Based Black Economic Empowerment Act;
"Broad-Based Black Economic Empowerment Act" (B-BBEEA)	means the Broad-Based Black Economic Empowerment Act, 2003 (Act No.53 of 2003);
"Comparative price"	means the price after the factors of a non-firm price and all unconditional discounts that can be utilised have been taken into consideration;
"Contract"	means the agreement that results from the acceptance of a tender by the Overstrand Municipality;
"EME"	means an exempted micro enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
"Firm price"	is the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of a law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
"Highest acceptable tender"	<i>means a tender that complies with all specifications and conditions of tender and that has the highest price compared to other tenders;</i>
"Large Enterprises"	<i>is a company with an annual turnover in excess of R50 million.</i>
"Local area"	<i>means the local suppliers and/or service providers that operate within the Municipal area, the district boundaries, and the Western Cape.</i>
"Lowest acceptable tender"	<i>means a tender that complies with all specifications and conditions of tender and that has lowest price compared to other tenders;</i>
"Market Analysis"	means a technique used to identify market characteristics for specific goods or services
"Municipality"	The Overstrand Municipality;
"National Treasury"	has the meaning assigned to it in section 1 of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
"Non-firm prices"	means all prices other than "firm" prices;
"Objective Criteria"	for the purpose of section 2(1)f of the procurement Act must be criteria other than the additional to criteria relating to equity ownership by HDI's or whether or not a bidder was located in a particular province or municipal area
"organ of state"	The definition of organ of state in section 1 of the Act in paragraph (a) to (e) includes- <ul style="list-style-type: none"> • a national or provincial department as defined in the Public Finance Management Act, 1999; • a municipality as contemplated in the Constitution; • a constitutional institution as defined in the Public Finance Management Act; • Parliament; • a provincial legislature. Paragraph (f) of the definition of organ of state in section 1 of the Act includes any other institution or category of institutions included in the definition of "organ of state" in section 239 of the Constitution and recognised by the Minister by notice in the Government Gazette as an institution or category of institutions to which the Act applies. Government Notice R. 501 of 8 June 2011 recognises, with effect

**OVERSTRAND MUNICIPALITY
PREFERENTIAL PROCUREMENT POLICY**

	from 7 December 2011, all public entities listed in Schedules 2 and 3 to the Public Finance Management Act, 1999, as institutions to which the Act applies. Note should be taken of notices issued from time to time in terms of paragraph (f) of this definition. The application of these Regulations is also subject to applicable exemptions approved in terms of section 3 of the Act.
"Person"	includes reference to a juristic person;
"Policy"	Means the Preferential Procurement Policy of the Overstrand Municipality
"price"	includes all applicable taxes less all unconditional discounts;
"proof of B-BBEE status level of contributor"	means- (a) the B-BBEE status level certificate issued by an authorised body or person; (b) a sworn affidavit as prescribed by the B-BBEE Codes of Good Practice; or (c) any other requirement prescribed in terms of the Broad-Based Black Economic Empowerment Act;
"QSE"	means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
"Rand value"	means the total estimated value of a contract in Rand, calculated at the time of the tender invitation;
"Region"	means the district and/or Overberg District.
"rural area"	means- (a) a sparsely populated area in which people farm or depend on natural resources, including villages and small towns that are dispersed through the area; or (b) an area including a large settlement which depends on migratory labour and remittances and government social grants for survival, and may have a traditional land tenure system;
"Specific goals"	<i>means specific goals as contemplated in section 2(1)(d) of the Act which may include contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender and disability including the implementation of programmes of the Reconstruction and Development Programme as published in Government Gazette No. 16085 dated 23 November 1994;</i>
"Tender"	means a written offer in the form determined by Overstrand Municipality in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
"Tender for income-generating contracts"	<i>means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions</i>
"the Act"	means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000);
"treasury"	has the meaning assigned to it in section 1 of the Public Finance Management Act, 1999 (Act No. 1 of 1999); and
"Youth"	has the meaning assigned to it in section 1 of the National Youth Development Agency Act, 2008 (Act No. 54 of 2008).

2 Introduction

The Constitution of the Republic of South Africa, 1996, provides in sections 152(1)(c) and 152(2) that local government must promote social and economic development and that the municipality must strive within its financial and administrative capacity, to achieve the objects set out in subsection 152(1).

The Constitution provides in section 217 that an organ of state must contract for goods or services in accordance with a procurement system which is fair, equitable, transparent, competitive, and cost effective and to implement a policy to grant preferences within a framework prescribed by National Legislation.

**OVERSTRAND MUNICIPALITY
PREFERENTIAL PROCUREMENT POLICY**

The Broad-Based Black Economic Empowerment Act, 2003 provides in section 10 that every organ of state and public entity must apply any relevant code of good practice issued in terms of the Act in (b) developing and implementing a preferential procurement policy.

The Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000) was promulgated by the Minister in response to the Constitutional provision and allow for a Municipality to develop a preferential procurement policy and to implement such policy within the PPPFA framework.

Section 2 (1) (d) (i) and (ii) of the Preferential Procurement Policy Framework Act, 2000 refers to specific goals which may include:

- (i) contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender or disability.
- (ii) implementing the programmes of the Reconstruction and Development Programme (RDP) as published in Government Gazette 16085 dated 23 November 1994.

The RDP (1994), as basis for development in South Africa, was meant to provide a holistic, integrated, coherent socio-economic policy that is aimed at mobilising people and resources to work towards the upliftment of the material and social conditions of local communities to build sustainable livelihoods for these communities.

In terms of Section 2 (1)(d)(ii), the following activities may be regarded as a contribution towards achieving the goals of the RDP, in addition to the awarding of preference points in favour of HDIs (published in Government Gazette No. 16085 dated 23 November 1994):

- (i) The promotion of South African owned enterprises.
- (ii) The promotion of export orientated production to create jobs.
- (iii) The promotion of SMMEs.
- (iv) The creation of new jobs or the intensification of labour absorption.
- (v) The promotion of enterprises located in a specific province for work to be done or services to be rendered in that province.
- (vi) The promotion of enterprises located in a specific region for work to be done or services to be rendered in that region.
- (vii) The promotion of enterprises located in a specific municipal area for work to be done or services to be rendered in that municipal area.
- (viii) The promotion of enterprises located in rural areas.
- (ix) The empowerment of the work force by standardising the level of skill and knowledge of workers.
- (x) The development of human resources, including by assisting in tertiary and other advanced training programmes, in line with key indicators such as percentage of wage bill spent on education and training and improvement of management skills; and
- (xi) The upliftment of communities through, but not limited to, housing, transport, schools, infrastructure donations, and charity organisations.

3 Application of the policy

- 1) This policy applies to all procurement of goods and services by means of a tender as defined in paragraph 1 above.
- 2) This policy does not apply to public auctions or any other sale or lease of assets where it is not practical to apply a system of preference.
- 3) This policy does not apply to procurement under R2 000.
- 4) This policy must be applied concurrently with other legislative prescripts and other policies that regulates the procurement of goods and services by the municipality.

4 Purpose, and Objectives

- 1) The purpose of this policy is to:
 - a) Provide for categories of preference in awarding of tenders.
 - b) Provide for the advancement of persons or categories of persons disadvantaged by unfair discrimination; and
 - c) Clarify the mechanisms how the above items in paragraph 2 (i) and (ii) will be implemented.
- 2) Objectives
 - a) Promote Broad-Based Black Economic Empowerment (B-BBEE) - enterprises providing services and goods.
 - b) Promote Small Medium and Micro Enterprises (SMME's), Joint Ventures, Consortiums, and partnerships.
 - c) Implement recognised best procurement practises through effective planning, strategic purchasing, and contract management.

5 Identification of preference point system

- 1) The Municipality shall, in the tender documents, stipulate —
 - a) the preference point system applicable; and
 - b) any specific goal as envisaged in section 2(1)(d) and (e) of the Preferential Procurement Act.
- 2) If it is unclear whether the 80/20 or 90/10 preference point system applies—
 - a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
 - b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system.

6 80/20 preference point system for acquisition of goods or services with Rand value equal to or below R50 million

- 1) The following formula must be used to calculate the points out of 80 for price in respect of an invitation for a tender with a Rand value equal to or below R50 million inclusive of all applicable taxes:

$$P_s = 80 \left(1 - \frac{(P_t - P_{min})}{P_{min}} \right)$$

Where;

P_s = Points scored for price of tender under consideration.

P_t = Price of tender under consideration; and

P_{min} = Price of lowest acceptable tender.

- 2) A maximum of 20 points may be awarded to a tenderer for the specified goals for the tender.
- 3) The points scored for the specific goal must be added to the points scored for price and the total must be rounded off to the nearest two decimal places.
- 4) Subject to section 2(1)(f) of the Act, the contract must be awarded to the tenderer scoring the highest points.

7 90/10 preference point system for acquisition of goods or services with Rand value above R50 million

- 1) The following formula must be used to calculate the points out of 90 for price in respect of an invitation for tender with a Rand value above R50 million, inclusive of all applicable taxes:

$$P_s = 90 \left(1 - \frac{(P_t - P_{min})}{P_{min}} \right)$$

Where;

P_s = Points scored for price of tender under consideration;

P_t = Price of tender under consideration; and

P_{min} = Price of lowest acceptable tender.

- 2) A maximum of 10 points may be awarded to a tenderer for the specified goals for the tender.
- 3) The points scored for the specific goal must be added to the points scored for price and the total must be rounded off to the nearest two decimal places.
- 4) Subject to section 2(1)(f) of the Act, the contract must be awarded to the tenderer scoring the highest points.

8 80/20 preference points system for tenders for income-generating contracts with Rand value equal to or below R50 million

- 1) The following formula must be used to calculate the points for price in respect of an invitation for tender for income-generating contracts, with a Rand value equal to or below R50 million, inclusive of all applicable taxes:

a)
$$P_s = 80 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right)$$

Where

P_s = Points scored for price of tender under consideration.

P_t = Price of tender under consideration; and

P_{max} = Price of highest acceptable tender

- 2) A maximum of 20 points may be awarded to a tenderer for the specific goal specified for the tender.
- 3) The points scored for the specific goal must be added to the points scored for price and the total must be rounded off to the nearest two decimal places.
- 4) Subject to section 2(1)(f) of the Act, the contract must be awarded to the tenderer scoring the highest points.

9 90/10 preference point system for tenders for income-generating contracts with Rand value above R50 million

- 1) The following formula must be used to calculate the points for price in respect of a tender for income-generating contracts, with a Rand value above R50 million, inclusive of all applicable taxes:

a)
$$P_s = 90 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right)$$

Where

Where

P_s = Points scored for price of tender under consideration;

P_t = Price of tender under consideration; and

P_{max} = Price of highest acceptable tender

- 2) A maximum of 10 points may be awarded to a tenderer for the specific goal specified for the tender.
- 3) The points scored for the specific goal must be added to the points scored for price and the total must be rounded off to the nearest two decimal places.
- 4) Subject to section 2(1)(f) of the Act, the contract must be awarded to the tenderer scoring the highest points.

**OVERSTRAND MUNICIPALITY
PREFERENTIAL PROCUREMENT POLICY**

10 Points for specific goals to promote economic development

1. The tendering conditions will stipulate the specific goals, as contemplated in section 2(1)(d)(ii) of the Preferential Procurement Policy Framework Act, be attained.
2. A maximum of 20 points (80/20 preference points system) or 10 (90/10) preference points system), will be allocated for specific goals. These goals are:
 - a) contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender or disability.
 - b) the promotion of enterprises located in the local area (phased in approach to be applied for other RDP goals)
3. Regarding paragraph 10.2 (a) 50% of the 20/10 points will be allocated to promote this goal and points will be allocated in terms of the B-BBEE scorecard as follows.

B-BBEE Status Level of Contributor	Number of Points for Preference (80/20)	Number of Points for Preference (90/10)
1	10	5
2	8	4
3	6	3
4	4	2
5	2	1
6	2	1
7	2	1
8	2	1
Non-compliant contributor	0	0

4. A tenderer must submit proof of its BBEE status level contributor.
5. A tenderer failing to submit proof of B-BBEE status level of contributor or is a non-compliant contributor to B-BBEE may not be disqualified, but-
 - a) may only score points out of 80 or 90 for price; and
 - b) scores 0 points out of 20 or 10 for B-BBEE status level of contributor, which is in line with section 2 (1) (d) (i) of the Act, where the supplier or service provider did not provide proof thereof.
6. Regarding paragraph 10.2 (b) 50% of the 20/10 points will be allocated to promote this goal. Points will be allocated as follows:

Local area of supplier	Number of Points for Preference	
	80/20	90/10
Within the boundaries of the Overstrand municipality	10	5
Within the boundaries of Overberg District	6	3
Within the boundaries of the Western Cape	4	2
Outside of the boundaries of the Western Cape	0	0

7. Any specific goal for which a point may be awarded, must be clearly specified in the invitation to submit a tender.
8. Procurement up to R30 000 will be limited to the application of goals as per paragraph 10.2 (a) and 10.3 above.
9. A tenderer failing to submit proof of required evidence to claim preferences for other specified goals, which is in line with section 2 (1) (d) (ii) of the Act.
 - a) may only score in terms of the 80/90-point formula for price; and
 - b) scores 0 points out of 10/5 of the relevant specific goals where the supplier or service provider did not stipulate.
10. The preference points scored by a tenderer must be added to the points scored for price.
11. The points scored must be rounded off to the nearest two decimal places.
12. The contract must be awarded to the tenderer scoring the highest points.

**OVERSTRAND MUNICIPALITY
PREFERENTIAL PROCUREMENT POLICY**

11 Criteria for breaking deadlock in scoring

1. If two or more tenderers score an equal total number of points, the contract must be awarded to the tenderer that scored the highest points for specific goals.
2. If two or more tenderers score an equal total number of points, the objective criteria in addition to those contemplated in paragraphs (d) and (e) justify the award to the tenderer that scored the highest points in terms in accordance with section 2(1)(f) of the Act.
3. If two or more tenderers score equal total points in all respects, the award must be decided by the drawing of lots.

12 Award of contracts to tenderers not scoring highest points

A contract may be awarded to a tenderer that did not score the highest points only in accordance with section 2(1)(f) of the Act.

13 Remedies

1. If a Municipality is of the view that a tenderer submitted false information regarding a specific goal, it must—
 - a) inform the tenderer; accordingly, and
 - b) give the tenderer an opportunity to make representations within 14 days as to why the tender may not be disqualified or, if the tender has already been awarded to the tenderer, the contract should not be terminated in whole or in part—
2. After considering the representations referred to in paragraph 12 (1)(b), the Municipality may—
 - a) if it concludes that such false information was submitted by the tenderer—
 - i) disqualify the tenderer or terminate the contract in whole or in part; and
 - ii) if applicable, claim damages from the tenderer.

14 Performance management

The specific goals achieved through the application of the Preferential Procurement Framework Act, 2000 will be monitored in terms of the elements embedded in the Supply Chain Management Policy.

15 Short title and commencement

This part of the policy is called the Preferential Procurement Policy of the Overstrand Municipality. This policy will come into effect on **01 July 2024** and will be reviewed at least annually by way of a Council resolution.

POLICY SECTION:	HEAD: SUPPLY CHAIN MANAGEMENT				
CURRENT REVIEW	2024/05/31	PREVIOUS REVIEW	2019/05/29	PREVIOUS REVIEW	2013/05/29
PREVIOUS REVIEW	2024/05/28	PREVIOUS REVIEW	2018/05/30	PREVIOUS REVIEW	2012/11/28
PREVIOUS REVIEW	2024/02/29	PREVIOUS REVIEW	2017/11/29	PREVIOUS REVIEW	2012/06/26
PREVIOUS REVIEW	2023/05/31	PREVIOUS REVIEW	2017/05/31	PREVIOUS REVIEW	2012/05/30
PREVIOUS REVIEW	2022/12/14	PREVIOUS REVIEW	2017/03/29	PREVIOUS REVIEW	2011/11/30
PREVIOUS REVIEW	2022/05/31	PREVIOUS REVIEW	2016/05/25	PREVIOUS REVIEW	2011/05/04
PREVIOUS REVIEW	2021/05/26	PREVIOUS REVIEW	2016/02/24	PREVIOUS REVIEW	2010/05/26
PREVIOUS REVIEW	2020/05/27	PREVIOUS REVIEW	2015/05/28	PREVIOUS REVIEW	2009/05/27
PREVIOUS REVIEW	2019/06/26	PREVIOUS REVIEW	2014/05/28	APPROVAL	2008/06/25



Investment Incentive Policy

TABLE OF CONTENTS

1. DEFINITIONS	3
2. PREAMBLE	4
3. REGULATORY CONTEXT	5
4. STRATEGIC FOCUS AREAS	5
5. DESIRED OUTCOMES	7
6. GENERAL PRINCIPLES	7
7. INVESTMENT ENABLING FACTORS	8
8. THE INVESTMENT INCENTIVE PACKAGE	9
9. ELIGIBILITY AND COUNTER-PERFORMANCE CRITERIA	11
10. APPLICATION AND ASSESSMENT PROCESS	12
11. APPROVAL PROCEDURE	13
12. ROLE-PLAYERS	13
13. MONITORING AND EVALUATION	13
14. SPATIAL AND STRATEGIC CONTEXT	14
14.1 STRATEGIC DIRECTION ACTIVITIES	14
14.2 BUSINESS CORRIDORS & NODES FOR EXISTING SETTLEMENTS IN THE OVERSTRAND MUNICIPAL AREA	14
14.3 ECONOMIC OPPORTUNITY NODES AS IDENTIFIED IN THE OVERSTRAND MUNICIPAL SPATIAL GROWTH MANAGEMENT STRATEGY	14
15. IMPLEMENTATION AND REVIEW PROCESS	14

1. DEFINITIONS

For the purposes of this policy, unless otherwise stated, the following definitions shall apply:

Incentive	Any measurable advantage affected by specific enterprises and/or categories of enterprises at the strategic direction of government.
Council	Means the Municipal Council of Overstrand established in terms of the Municipal Systems Act, Act no. 32 of 2000.
Mayoral Committee	The committee appointed by the Executive Mayor to assist the Executive Mayor in terms of Section 60 of the Municipal Structures Act, Act no. 32 of 2000.
Development Charge	A Development Charge, as outlined in the approved Council Development Contribution Policy, means a once-off charge imposed on a developer as a condition of approval or where additional capacity is required by a property owner. This charge is also known as the Bulk Infrastructure Contribution Levy (BICL).
Development and Investment Committee	An internal committee is established by the Municipal Manager responsible for identifying and assessing major development and investment initiatives/projects within the municipal area.
Incentive package	The list of approved incentives that may be negotiated with investors.
Policy	The policy for investment incentives, or any other policy adopted by Council in relation to investment incentives.

2. PREAMBLE

The vision of the Municipality is:

To be a centre of excellence for the community

The mission of the Municipality is:

Creation of sustainable communities by developing optimal services to support economic, social and environmental goals in a politically stable environment as an Overstrand for All

The strategic goals of the Municipality is:

1. The provision of democratic, accountable and ethical governance.
2. The provision and maintenance of municipal infrastructure.
3. The encouragement of structured community participation in the matters of the municipality.
4. The creation and maintenance of a safe and healthy environment.
5. Promotion of tourism, economic and social development.

Taking the above-mentioned vision, mission and goals into consideration, as well as Council's drive to make it easier to do business in the Overstrand, the aim of this policy is to create leverages to encourage investments to be made towards Overstrand's strategic direction.

Incentives are aimed at promoting the ease of doing business, especially where it relates to large capital and/or catalytic developments.

Investment incentives focus on:

- Spatial targeting
Encouraging and promoting development in identified nodes according to Overstrand Spatial Development Framework and Overstrand Growth Management Strategy and investments towards strategic direction.
- Targeting certain Sectors
The Blue economy, aquaculture, agriculture, nature conservation, tourism, green and renewable energy, warehousing, call centre, financial, medical and health care, and social/affordable housing.

3. REGULATORY CONTEXT

This policy is developed in the context of the following legislation, policies and strategic frameworks:

- 3.1 The Constitution of the Republic of South Africa Act 108 of 1996.
- 3.2 Municipal Finance Management Act (MFMA) Act No 56 of 2003 and related regulation,
- 3.3 Municipal Property Rates Act (MPRA) Act No 6 of 2004,
- 3.4 Municipal Systems Act, Act No 32 of 2000,
- 3.5 Land Use Planning Act (LUPA) Act 3 of 2014,
- 3.6 Overstrand Municipality Property Rates Policy.
- 3.7 Overstrand Municipality Integrated Development Plan (IDP).
- 3.8 Overstrand Municipality Spatial Development Framework.
- 3.9 Overstrand Municipality Amendment by Law on Municipal Land Use Planning 2020.
- 3.10 Overstrand Municipality Developer Contributions Policy.
- 3.11 Overstrand Municipality Tariff Policy.
- 3.12 Overstrand Municipality Long-Term Financial Sustainability Policy.

4. STRATEGIC FOCUS AREAS

This policy aims to inform and guide the provision of incentives for investment within the Overstrand Municipal area.

For any Municipality, the question of how to design a comprehensive incentives strategy must be located within both a global and local context. For the Overstrand Municipality, the local context demands that the municipality carefully balance the incentives packages that encourage investment that is critical for driving economic growth and job creation, with the revenue requirements to address its other strategic policy priorities and service delivery.

While research tends to indicate that incentives are rarely the most important factor in locality decisions by business, they do influence decision making and can play a “tipping point” role. Non-financial incentives, particularly with respect to transparent and consistent administrative procedures are often considered by investors to be more important than incentives with a direct financial benefit. It is the role of the Overstrand Municipality to identify the best mix of both non-financial and financial incentives.

There are a wide range of incentives offered by other spheres of government, most notably the Department of Trade and Industry (DTI); the Overstrand Municipality desires to see these national incentives complemented by a set of incentives that relate to the mandate of local government. The context-specific investment incentive package detailed in this policy document is designed to encourage investment towards the strategic direction of the Overstrand Municipality. Utilising investment incentives for private sector investment will position the Overstrand Municipality as a preferred investment destination both in the Western Cape, South Africa and globally whilst achieving the strategic objectives.

4.1 STRATEGIC DIRECTION ACTIVITIES

The proposed strategic focus areas of the Overstrand Municipality should be enshrined in the Overstrand Municipality's Integrated Development Plan (IDP) and is categorised into five pillars:

- The Opportunity Overstrand Municipality.
- The Well-run Overstrand Municipality.
- The Safe Overstrand Municipality.
- The Caring Overstrand Municipality.
- The Inclusive Overstrand Municipality.

Although incentives can have an impact on all five pillars, this discussion document proposes a focus on the Opportunity Overstrand Municipality and the Inclusive Overstrand Municipality.

The underlying principle of the Opportunity Overstrand Municipality in relation to investment incentives is the attraction of business investment that creates sustainable employment, contributes to the development of key sectors and catalytic development in important spatial nodes. In the long term the right kind of investment in the right place will create the platform for sustainable growth of the Overstrand Municipal area, but also contribute to a Safe and Caring Overstrand Municipality.

The underlying principle of the Inclusive Overstrand Municipality is to ensure accessibility for any qualifying investor/entrepreneur to employment and business opportunities. This includes direct employment created by businesses investing in the Overstrand Municipal area, but also in terms of indirect employment within local business supplying goods and services to new investments.

In terms of strategic context, this is aimed at development not necessarily located in the spatial nodes but in the overall context of Urban and Rural Development. These projects could include development of tourism, agriculture, environmental conservation and establishment of green energy and blue economy projects.

4.2 SPATIAL CONTEXT

The Spatial targets can be categorized in the following categories:

- Economic corridors in previously disadvantaged areas. The main aim is to promote formal socio-economic facilities within previously disadvantaged communities in order to enrich the community and allow the respective community to live, play and work without having to travel long distances. Refer to Annexure A.
- Economic Opportunity nodes as identified in terms of the Overstrand Municipal Spatial Growth Management Strategy where the main aim will be to increase the footprint of existing economic activities. Refer to Annexure B.

5. DESIRED OUTCOMES

This Investment Incentive Policy aims to:

- 5.1 Enhance the creation of a favourable economic climate to attract and retain investment in the Overstrand Municipality area,
- 5.2 Create favourable conditions for investors to participate in the implementation of key catalytic projects and initiatives,
- 5.3 Define the investment incentive package available to investors; and
- 5.4 Provide the necessary principles, processes and approval procedures that will enable a transparent incentive program.

6. GENERAL PRINCIPLES

The following principles have guided the development of the incentive packages described in Table 1 and Table 2.

6.1 Principle 1: Employment Creation

The investment incentives must be tied to the attainment of the Municipality's developmental goals of which job creation is foremost. The goal, of incentive provision is not to simply enhance business profit margins with little or no broader socio-economic impact. Rather, investment incentives must be used to support and enhance sustainable job-creating private sector investment. In this respect a business 'eligibility for incentives' should be conditional upon the creation of a prescribed number of jobs.

6.2 Principle 2: Affordability

The incentives package must not place undue pressure on the Municipality's finances. A Municipality should not sell services below cost to business. Where possible, high impact but low cost 'soft incentives' such as expedited approval times; and increased administrative efficiency in the dealing with applications, should be targeted. Financial incentives should be limited to application cost in order to make the opportunity to enter into the economy more accessible.

6.3 Principle 3: Transparency and Uniformity

The incentives should be non-discriminatory and should be applied with uniformity and transparency. The granting of investment incentives should be done according to a set of predetermined criteria. This set of criteria will be consistently applied to all businesses applying for incentives. Information on the nature of the granted incentives should be public knowledge.

6.4 Principle 4: Sectoral Targeting

The investment incentive will only be applicable in specific areas as set out in Annexure A. Incentives will be mainly geared towards priority sectors as outlined in the eligibility criteria. The aim is to attract and/or push specific investment into specific areas in line with the municipal Spatial Development Framework.

6.5 Principle 5: Spatial Targeting

Investment incentives are most effective when they are spatially targeted. This is for the following reasons:

- Spatial targeting maximizes the socio-economic return of incentives by focusing on areas with strong potential, but which are currently underperforming
- Spatial targeting enables the Municipality to achieve its development objectives in specific areas thereby addressing issues of spatial inequality

The spatial targeted area should align with Overstrand SDF and Overstrand Growth Management strategy.

6.6 Principle 6: Simplicity

Ascertaining whether a business is eligible for an incentive and subsequently obtaining an incentive should not be an onerous task for investors. The criteria for incentive provision should be easy to understand. The structure and administration of the investment incentives should not require excessive administration, thereby minimizing staff and financial impacts. This to ensure quick turnaround times for applications.

6.7 Principle 7: Legality

The incentives that are provided must be subject to the relevant legislation and planning parameters. Incentives cannot conflict with legislation, nor should they be provided to companies or persons not in good standing with the law.

6.8 Principle 8: Complementarity and alignment

A Municipality's Investment Incentives Policy should directly reflect its mandate as a separate and independent sphere of government i.e., it should relate to incentives that the Municipality can uniquely provide, and which will help to achieve the key strategic objectives of the Municipality as identified in the IDP and other strategic documents.

6.9 Principle 9: Continuous Review

The policy needs to be reviewed continuously in order to ensure it stays relevant and that the Municipality achieves the relevant outcomes anticipated by the policy.

7. INVESTMENT ENABLING FACTORS

The municipality utilizes a number of tools aimed at fast tracking, unblocking and reducing red tape in doing business in Overstrand; these include:

- a. The Development and Investment Committee.
- b. Infrastructure Master Planning; and
- c. Investment in the Business and Economic Corridor, nodes and strategic direction.

8. THE INVESTMENT INCENTIVE PACKAGE

The following incentives are offered to qualifying Investors in terms of the eligibility criteria:

Table 1: Non-Financial Incentives

Serial no	Category	Description
1.	Dedicated Investment Facilitation Committee	A dedicated Development and Investment Committee to assess applications.
2.	Fast Tracked Development Application Process	a) Guaranteed development application time frames, including provision of pre-lodgement meetings, dedicated assistance, and guidance. b) Timeframe commitments for compliant applications are as follows: <ul style="list-style-type: none">• Land-use application: six (6) months.• Building plan approval: 14 days
3.	Property Locality and availability assistance	Assistance to prospective Investors searching for ideal development sites or building premises within Overstrand Municipal area.

Table 2: Financial Incentives

Serial no	Category	Description
1.	Development Application Fees	<p>Applies to all land use and building plan fees.</p> <p>Reduced building plan application fees and land use management application fees apply to non-residential development as follows:</p> <ul style="list-style-type: none"> i. Building plan application fee. <ul style="list-style-type: none"> • If the building is less than 1000m² - 30% rebate on scrutiny fees. • If the building plan is more than 1000m² - 50% rebate on scrutiny fees. ii. Land use management application fee: <ul style="list-style-type: none"> • In economic corridors (Disadvantaged areas) - 100% rebate on land use applications • 50% in economic nodes <p>Applicable to applications relating to:</p> <p>Strategic sectors such as agri/aqua culture, nature conservation, tourism, green energy, <u>the blue economy</u>, warehousing, call centre, financial and medical.</p>
2.	Rebate on Municipal Property Rates portion (Value of improvements)	<ul style="list-style-type: none"> • Development value (value of improvements) of R20m to R40m – 100% rebate for 1 year, which period will be affected from date of final approval of the development. • Development value (value of improvements) of > R40m – 100% for 2 years, which period will be affected from date of final approval of the development.

9. ELIGIBILITY AND COUNTER-PERFORMANCE CRITERIA

The following criteria will be applied to determine investor eligibility for incentives:

1. General Criteria	<p>The investment must constitute a new development or expansion of an existing investment within the economic corridor or nodes (value of investment to be > R5 000 000)</p> <p>In previously disadvantaged areas value of investment to be > R2 000 000.</p>
2. Sectoral Criteria	<p>a) The Investment incentive package is specifically targeted to businesses operating in the following manufacturing sectors: -</p> <ul style="list-style-type: none"> i. Agri/Aqua culture and Blue Economy ii. Nature conservation iii. Tourism iv. Green Energy v. Warehousing, vi. Call centre, vii. Financial viii. Medical and Health Care <p>b) In line with Council priority projects, incentives will be available for the following Initiatives: -</p> <ul style="list-style-type: none"> • CBD regeneration projects (mixed use residential and retail facilities)
3. Employment Creation	<p>Applies to both sectoral and spatial criteria. The proposed investment must create new and sustainable full-time employment to be eligible for the Investment Incentives package (must create 10 or more permanent jobs).</p> <p>In previously disadvantaged areas (must create 5 or more permanent jobs)</p>
4. General conditions	<p>a) The applicant must be in good legal standing,</p> <p>b) The municipality accounts linked to the property owner or investor must be fully paid before entering into an investment contract.</p>

<p>5. Counter- performance criteria and proviso's</p>	<ul style="list-style-type: none"> a) Failure to start development within 12 months, or not completing the development within three (3) years, will result in the approved investment incentive package lapsing and deferred payments becoming payable. b) Job targets should be reached within 24 months of the commencement date of operation. Failure to do so will result in all approved incentives contracts lapsing and deferred payments becoming payable. c) The investment must be consistent with the provisions of the Integrated Development Plan and Spatial Development Framework as approved by Council, and subject to relevant land-use and building control approval. d) The applicant and all businesses associated with it must be in good standing, with Council and SARS. e) The premises from which the business will be operating must comply with the National Building Regulations and Standards Act, f) The investment must comply with all applicable legislation or policy, and g) All financial incentives are subject to the Council's budgeting processes as prescribed by National Treasury.
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10. APPLICATION AND ASSESSMENT PROCESS

- 10.1 Applications for the Investment Incentive Package are to be made formally through an approved application process. The Development and Investment Committee in the Office of the Municipal Manager serves as the single point of contact.
- 10.2 Applications will be evaluated as per the eligibility criteria. Other factors to be considered include but are not **[linked]** limited to:
- Expected economic impact of the project/business,
 - Income generation for residents,
 - Level to which the project contributes to economic diversity,
 - Growth potential of the business and access to market,
 - Ability to leverage additional economic growth in the future,
 - Corporate Social Investment spend, and
 - Anticipated environmental Impacts of the project.
- 10.3 A person as appointed or nominated by the Municipal Manager shall complete an evaluation report of the incentive application together with a draft incentive contract, which shall be approved by the Municipal Manager, and

- 10.4 If the criteria are not met, applicants will be informed and discussions may be entered into around adjustments to scope, which could allow for further consideration.

11. APPROVAL PROCEDURE

- 11.1 The Municipal Manager is mandated to approve the Investment Incentive package; and
- 11.2 The signed incentive contract shall become the legal binding agreement between Overstrand Municipality and the investor.
- 11.3 The following require incentive approval from Mayoral Committee:
- Projects outside the policy framework and criteria, which will require special assistance or is of special importance to the development of the economy.

12. ROLE PLAYERS

To ensure effective implementation of this Investment Incentive Policy, the following Department/Divisions are responsible for the management of certain incentives.

Role-players	Key Responsibilities
Office of the Municipal Manager	<ul style="list-style-type: none"> ➤ Function as a one-stop shop for investments in the Overstrand area. ➤ Responsible for the development administering and monitoring of the Investment Incentive Policy.
Town and Spatial Planning Department	Responsible for conceptualizing spatial targeting of incentives in identified catalytic zones.

13. MONITORING AND EVALUATION

- a. The office of the Municipal Manager is responsible to monitor the implementation of this policy.
- b. A comprehensive assessment of the Investment Incentive Policy will be conducted after three years from the date of Council approval.
- c. The Investment Incentive Policy must be reviewed annually to ensure that it complies with the Municipal strategic objectives and current legislation, and
- d. Council reserves the right to review, replace or abolish any incentive contract

14. SPATIAL AND STRATEGIC CONTEXT

14.1 STRATEGIC DIRECTION SECTORS

- ❖ Agriculture
- ❖ Aquaculture
- ❖ Blue Economy
- ❖ Call centre
- ❖ Financial
- ❖ Green Energy
- ❖ Medical and Health Care
- ❖ Nature conservation
- ❖ Social and Affordable housing
- ❖ Tourism
- ❖ Warehousing

14.2 BUSINESS CORRIDORS & NODES FOR EXISTING SETTLEMENTS IN THE OVERSTRAND MUNICIPAL AREA

Refer to Annexure A.

14.3 ECONOMIC OPPORTUNITY NODES AS IDENTIFIED IN THE OVERSTRAND MUNICIPAL SPATIAL GROWTH MANAGEMENT STRATEGY

Refer to Annexure B.

15. IMPLEMENTATION AND REVIEW PROCESS

This policy will come into effect on **1 July 2024**.

This policy will be reviewed at least annually or when required by way of a Council resolution.

POLICY SECTION:	Planning & Development
CURRENT UPDATE:	31 MAY 2024
PREVIOUS REVIEW:	N/A
APPROVAL BY	29 AUG 2022