Munisipaliteit • U-Masipala • Municipality
OVERSTRAND

# DRAFT

# BUDGET REPORT

# 2025/2026

2025/26 TO 2027/28
MEDIUM TERM REVENUE AND EXPENDITURE FORECASTS

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## Abbreviations and Acronyms

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

# 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 Integrated Development Plan (IDP) review for 2025/26 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 2025/26:

**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 2025/26 to 2027/28 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 2025/26;

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 2025/26;

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 R90 million, R70 million and R80 million respectively;

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 2025/26 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 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 IDP for 2025/26 will be tabled in Council on 31 March 2025. 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 Monetary Policy Committee (MPC) advised as follows during March 2025 in its quarterly statement -

The world economy is experiencing extreme levels of uncertainty. Trade tensions have escalated, and longstanding geopolitical relationships are shifting abruptly. In these circumstances, the global economic outlook is unpredictable. Germany has set out plans for large investments in security and infrastructure, which are likely to lift European growth. Meanwhile, China has announced new stimulus measures to bolster demand.
In the United States, economic sentiment is volatile. The year started with surging stock prices and a stronger dollar. More recently, however, the disruptive effects of tariffs and policy uncertainty have come into focus. Growth expectations have now slipped, the dollar has weakened, and US stock markets have given up recent gains. By contrast, asset prices in other economies have been resilient, with most major currencies strengthening against the dollar.
Inflation in advanced economies remains elevated, with both headline and core above 2% in the United States, the Euro area, the United Kingdom and even Japan. Some policy adjustments by major central banks are still expected this year, but rates are likely to remain high for longer, given new inflation risks.
Turning to South Africa, growth picked up in the fourth quarter of last year. As expected, the uptick was led by the household sector, boosted by lower inflation and withdrawals from the Two-Pot pension system. That said, the overall growth picture was disappointing, with other sectors showing weakness. Growth for 2024 as a whole was 0.6%, marginally below our expectations, and slightly worse than in 2023.
We have now revised down our 2025 growth forecast slightly, to 1.7%, while leaving the outer years unchanged. We attribute lower growth partly to subdued demand, and partly to lingering supply-side fragilities.
We assess that the risks to growth are to the downside.
Moving to prices, while inflation is still in the bottom half of our target range, it has edged higher over the past few months. We continue to see low inflation for goods, which is likely to be temporary. Services inflation is somewhat higher, but still below the 4.5% target midpoint. Inflation expectations are close to the midpoint. For now, inflation appears contained.

In terms of the outlook, the current forecast had more moving parts than usual, including a reweighting of the Consumer Price Index by Statistics South Africa, and the proposed Value Added Tax (VAT) increases announced in the Budget. We also adjusted assumptions such as the oil price, to reflect shifts in global markets.

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

The National Treasury has lowered its 2024 economic growth forecast to 1.1 per cent, from the 1.3 per cent projected in the 2024 Budget Review, weighed down by stop-start economic growth and stubborn inflation in the first half of the year. The economy has since strengthened in response to the suspension of power cuts since March 2024, improved confidence following the formation of the government of national unity in June, better than-expected inflation outcomes in recent months and reduced borrowing costs. All these factors are expected to continue to support the economy over the period ahead.

During March 2025, National Treasury also confirms a GDP growth, expected to average 1.8 per cent from 2025 to 2027. Medium-term growth will be underpinned by household consumption on the back of rising purchasing power, moderate employment recovery and wealth gains. Continued investments in renewable energy and easing structural constraints are expected to support higher investment. Key factors for achieving faster economic growth and creating much-needed jobs include greater collaboration with the private sector in energy and transport, rapid implementation of structural reforms, easing of regulatory constraints and increased infrastructure investment.

The proposed VAT increase (0.5%) from May 2025, with a further effect is seen mainly in core inflation, which, after averaging 4.3 per cent in 2024, is projected to rise to 4.6 per cent in 2026. Lower global crude oil prices are expected to support muted fuel price inflation.
Due to weaker economic growth and other economic factors such as the current VAT increase which puts added pressure on households, households will likely struggle to pay municipal accounts which will impact negatively on municipal own revenues.

The socio-economic profile (provincial government), indicate the following scenario for 2024 (abbreviated) – Overstrand's moderate economic growth of 0.6 per cent has led to notable employment gains, particularly in the tertiary sector, with significant contributions from transport, storage, and communication. Despite some sectors like wholesale and retail trade experiencing a decline in *Gross Domestic Product for the Region (*GDPR) growth, overall employment has increased, with a net gain of 168 jobs between 2022 and 2023. The primary sector, especially agriculture, remains a key employer, though it faces challenges from mechanization and environmental pressures. Rapid population growth and a slight decline in job seekers highlight the need for continued focus on matching skills with job opportunities to sustain economic stability and growth.
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.

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 subsequently 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 (e.g. 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.*

National Treasury also provided an updated status on 25 October 2024, regarding progress made - *The Financial Action Task Force (FATF) Plenary today announced nine upgrades for South Africa from its 22-item Action Plan, including eight to "largely addressed" and one to "partly addressed". South Africa is now deemed to largely or fully address 16 of the 22 action items in its Action Plan, leaving the country with six outstanding action items to be addressed for the last scheduled reporting cycle, concluding in February 2025.*

The Western Cape Provincial 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 2025/26 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, South Africa's economy has experienced slow growth, further entrenching the country's high rates of unemployment and poverty. NT also lowered its 2024 economic growth forecast to 1.1 per cent, from the 1.3 per cent projected in the 2024 Budget Review, weighed down by stop-start economic growth and stubborn inflation in the first half of the year. The economy has since strengthened in response to the suspension of power cuts since March 2024, improved confidence following the formation of the government of national unity in June, better than-expected inflation outcomes in recent months and reduced borrowing costs. All these factors are expected to continue to support the economy over the period ahead.*
*GDP growth is projected to average 1.8 per cent from 2025 to 2027, up from 1.2 per cent in the preceding three years. The pace of growth is still being limited by persistent – though gradually easing constraints, particularly in logistics infrastructure. Faster growth depends largely on maintaining macroeconomic stability, the continued implementation of structural economic reforms, improving state capabilities and supporting higher infrastructure investment.*

Furthermore, with regard to National and Provincial Budget Delays - *The postponement of South Africa's 2025/26 national budget to 12 March 2025 has generated significant attention, particularly regarding anticipated fiscal policies and allocations.*

*On 26 February 2025, the Western Cape Premier tabled the State of the Province address outlining its medium-term objectives for growing businesses and creating jobs, leading South Africa's economic resurgence as the Western Cape, enabling a healthy and cared for population, infrastructure investment for job creation, safety and security and securing reliable, affordable and renewable water and energy.*

Multiple global crises over the past four years have had a noticeable impact on the landscape, in terms of the compilation of annual municipal budgets, with the latest developments the growing tensions between the United States and the European Union due to different positions on the war in Ukraine, import duties on European goods, among others. The impact of these tensions as also referred to earlier in this report, impacts on the world economy, including South Africa.

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. Tariff increases were only 4.5% 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.

Before-mentioned was followed by tariff increases for the respective basic municipal services ranged from 6.5% to 7.5, for the 2023/24 financial year, with an Electricity increase of 15,1% implemented on 1 July 2023.

Tariff increases approved for the current year (2024/25) aimed to present a funded budget in all respects, in addressing the shortfall on Refuse Services, and also improve on the position with regard to Sewer Services, both the before-mentioned are also managed as ring-fenced services to ensure cost reflective tariffs as required by the national treasury. The challenges that existed must be viewed against the background of the minor increases intentionally approved for the previous 3 years, as the Covid pandemic period and the immediate post Covid periods.

The 2024/25 tariffs as approved by Council for the current year in May 2024, is as follows –

- Property Rates: 8% (applied as a percentage increase in the cent in the Rand based on the property valuation)
- Water: 6%
- Sewerage: 8,9%
- Refuse Removal: 11%
- Electricity tariffs, with the new Cost of Supply (Cos) tariffs, as follows, Electricity tariffs should be considered as a newly introduced, phased, cost reflective set of tariffs, as required by NERSA, in combination with the indicative NERSA increase of 10.04%.

Municipalities are responsible for basic service rendering related to supply water and sanitation, electricity, energy and solid waste management services. These services are reliant on optimal management of the related infrastructure (maintaining, upgrading and expanding of water and sewer distribution networks, inclusive of bulk water works and reservoirs, bulk wastewater (sewer) treatment works, vehicles, staff, and waste management. Specialised equipment and infrastructure are relevant in all these instances, strictly regulated to ensure compliance to international standards, also further impacted by the cost of imported components. The price of chemicals for these services also experienced drastic price increases over multiple years.

Developments in the energy sector over especially the last decade, are placing increasing pressure on electricity sales as a key revenue source, even for larger municipalities.

High bulk purchase tariff increases from Eskom for municipalities on an annual basis as mentioned (11.32% for 2025/26), as well as the phased approach in implementing the electricity tariffs in accordance with Eskom's approved Cost of Supply study for the municipality, remains a concern in managing an affordable basket of services. Before-mentioned is a critical step in ensuring that the cost structure for Bulk Purchases applicable on municipalities, will be aligned with the municipal tariffs charged to municipal consumers, to ensure sustainability of this service.

The impact of ever-increasing external challenges facing the municipality relates to amongst others, climate change (wildfires, storm damages, et cetera), and cost of all other services impacted by cost of materials exceeding CPI on an annual basis, is also note-worthy.

Before-mentioned context provides the basis for the compilation of the final MTREF budget for 2025/26, and recommended draft tariffs for the respective municipal services included in this report, range between 6% and 9.96%. Before-mentioned in relation to the Eskom electricity tariff increase of 11.32 % approved for **Bulk purchases** for municipalities, in conjunction with the continuation of the phased approach of implementation over 4 years.

The following background was included in the Budget Report for **2024/25** – " herewith provided again to explain the Cost of Supply tariff structure for this service: *Electricity tariff increase recommended for municipal consumers of the municipality, is in accordance with electricity consumer categories, 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, which started with phase one of the revised CoS electricity tariff structure for 2024/25.*

*The annual increase for municipalities on a national level to implement, as issued by the National Energy Regulator of South Africa (NERSA), represents the increase announced, together with the final increase per category consumer is to be considered in view of phase one (2024/25) 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. An 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 proposed tariff increases for 2025/26** to be tabled in Council on 31 March 2025 for the next financial year, are thus as follows – Property Rates (%increase on the cent in the Rand) at 9.7%, Refuse at 6.00%, Sewer at 6.00%, Water at 6.20%, Electricity at 9.96%, with the final increase per category of electricity consumer to be considered in relation with phase two of the Cos tariffs for implementation.

The Budget Steering Committee recommended revenue projections for the Draft MTREF Budget 2025/26, based on before-mentioned tariff increases for the respective municipal services.
(more information later on in this report).

The municipality approved during the previous year (2024/25) 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 total municipal valuation below R300 000 (Three hundred thousand Rand).
**To be noted that is now recommended that the level of relief be raised from R300 000, to R350 000, in effect meaning that no property rates will be payable on properties with a total valuation of R350 000 and below (Three hundred and fifty thousand Rand).**

Before-mentioned are building on the enhanced support already approved and implemented from 1

July 2023 for pensioner rates rebates, to be continued, details as follows:

- 100% to approved applicant who are older than 60, whose 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, whose 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, whose gross monthly household income more than four times (4X) but less than eight times (8X) of state funded pension 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 (28 May 2025) in accordance with legislative requirements, in finalising the budget for 2025/26.

To be noted that the **continuation of the standard residential rebates is recommended** for the new financial period (2025/26), 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

The final 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 to approved by NERSA for municipal customers for 2025/26. 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 6th year now, implying that emphasis be placed on responsible spending, and the possible impact of spells of load shedding on the municipality's operations and finances, 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 6.9 (Municipal annual budgets and MTREF & supporting tables) effective from 2025/26 and deployed this version to compile the 2025/26 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.

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 2025/26MTREF, 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 and considerations to ensure that the periods of low tariff increases post Covid, be integral to cost reflective tariffs especially for services managed as business units;
- 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, inclusive of the current global economic uncertainties;
- 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 2025/26 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 2024/25 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 2025/26 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 (to be noted that this will always remain a consideration due to international oil price fluctuations impacted by periods of international political instability), 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 2025/26 Medium-term Revenue and Expenditure Framework:

**Table 1 Consolidated Overview of the 2025/26 MTREF**

**Total Revenue (excluding capital grants)**

| R thousand | Budget Year 2024/25 | Budget Year 2025/26 | Budget Year +2 2026/27 | Budget Year +3 2027/28 | | | |
|---|---|---|---|---|---|---|---|
| Revenue | 1,867,460 | 1,972,732 | 2,075,973 | 2,194,265 | 5.64% | 5.23% | 5.70% |
| Housing-Operational | 79,443 | 42,790 | 18,146 | | -46.14% | -57.59% | -100.00% |
| **Total Revenue excl Capital Grants** | **1,946,903** | **2,015,522** | **2,094,119** | **2,194,265** | **3.52%** | **3.90%** | **4.78%** |
| | | | | | | | |
| Expenditure | 1,963,291 | 2,067,201 | 2,149,658 | 2,272,680 | 5.29% | 3.99% | 5.72% |
| Housing-Operational | 79,443 | 42,790 | 18,146 | | -46.14% | -57.59% | -100.00% |
| **Total Operational Expenditure** | **2,042,734** | **2,109,991** | **2,167,804** | **2,272,680** | **3.29%** | **2.74%** | **4.84%** |
| | | | | | | | |
| Surplus / (Deficit) | **(95,831)** | **(94,469)** | **(73,685)** | **(78,415)** | | | |
| | | | | | | | |
| **Total Capital Expenditure** | **224,994** | **245,831** | **147,543** | **132,875** | **9.26%** | **-39.98%** | **-9.94%** |

Total revenue (excluding capital grants) to expenditure (Table 1) indicates accounting deficits over the 2025/26 MTREF.

Operational revenue (Table 1) indicates an increase in revenue of 3.52 per cent for the 2025/26 financial year when compared to the 2024/25 Adjustments Budget. For the two outer years, revenue will increase by 3.9 and increase with 4.78 per cent respectively. Total Revenue 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 2025/26 financial year has been appropriated at R2.110bn and translates to an accounting deficit of R94.5m (excluding capital grants). Important to note that the format of Table 1 is updated for 2025/26 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 surplus of R7.08m (including capital grants) for 2025/26.

When compared to the 2024/25 Adjustments Budget, operating expenditure has increased by 3.29 per cent in the 2025/26 budget and increases by 2.74 and 4.84 per cent for each of the respective outer years of the MTREF.

The capital budget of R245.8m for 2025/26 is 9.26 per cent more when compared to the 2024/25 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 (R4.3m) also results in a decreased position when compared with capital budget for 2025/26.

The capital programme decreases to R147.5m and to R132.9m in the outer years. Own funding (new borrowings) is anticipated at R90m. Borrowings contribute to 46.4% of the funding over the 2025/26 MTREF. Internally generated funds contribute 9.7% and capital grants 43.9% over the 2025/26 MTREF. The various sources of funded rollover 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. We are also faced with an increasing population (*In the broader Overberg District population of 326 974, the Overstrand region stands out with a substantial population of 120 422 in 2024. Furthermore, this area experiences robust population growth, projecting an annual increase of 1.8 per cent from 2023 to 2029, in accordance with the 2024 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 (including special rating levies) and services revenues comprise 79.33% of the total operating revenue mix for 2025/26. For the 2025/26 financial year, revenue from rates (including special rating levies) and services charges totals R1.599bn and increases to R1.698bn, R1.800bn in the respective financial years of the MTREF.

The following table is a summary of the 2025/26 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 | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Revenue** | | | | | | | | | |
| **Exchange Revenue** | | | | | | | | | |
| Service charges - Electricity | 512,791 | 495,999 | 607,716 | 636,747 | 679,000 | 679,000 | 745,540 | 791,153 | 838,623 |
| Service charges - Water | 142,484 | 158,070 | 182,282 | 176,718 | 197,000 | 197,000 | 209,109 | 221,026 | 234,288 |
| Service charges - Waste Water Management | 93,237 | 100,655 | 114,193 | 118,479 | 126,600 | 126,600 | 129,533 | 140,980 | 149,439 |
| Service charges - Waste Management | 76,964 | 85,923 | 97,731 | 108,946 | 108,946 | 108,946 | 115,444 | 122,552 | 129,905 |
| Sale of Goods and Rendering of Services | 68,874 | 80,449 | 131,093 | 102,760 | 97,788 | 97,788 | 63,725 | 40,330 | 23,509 |
| Agency services | 6,880 | 7,140 | 6,599 | 7,103 | 7,103 | 7,103 | 7,500 | 7,950 | 8,427 |
| Interest | 24 | 33 | 215 | 0 | 0 | 0 | 0 | 0 | 0 |
| Interest earned from Receivables | 3,370 | 5,796 | 10,299 | 9,400 | 11,500 | 11,500 | 12,500 | 13,250 | 14,045 |
| Interest earned from Current and Non Current Assets | 31,884 | 51,751 | 68,418 | 51,250 | 59,250 | 59,250 | 55,000 | 58,300 | 61,798 |
| Dividends | – | – | – | – | – | – | – | – | – |
| Rent on Land | 1,650 | 1,401 | 2,704 | 1,889 | 1,889 | 1,889 | 452 | 479 | 508 |
| Rental from Fixed Assets | 5,042 | 5,346 | 5,583 | 5,676 | 7,176 | 7,176 | 7,544 | 7,996 | 8,475 |
| Licence and permits | 1,002 | 1,143 | 923 | 779 | 779 | 779 | 780 | 827 | 876 |
| Special rating levies | | – | – | – | – | – | 15,420 | 16,037 | 16,678 |
| Operational Revenue | 7,497 | 10,988 | 10,968 | 8,539 | 8,544 | 8,544 | 5,554 | 5,886 | 6,238 |
| **Non-Exchange Revenue** | | | | | | | | | |
| Property rates | 280,176 | 297,101 | 339,596 | 361,957 | 367,000 | 367,000 | 383,977 | 407,016 | 431,437 |
| Surcharges and Taxes | – | – | – | – | – | – | – | – | – |
| Fines, penalties and forfeits | 35,124 | 58,043 | (22,970) | 44,889 | 52,460 | 52,460 | 52,537 | 52,636 | 52,741 |
| Licences or permits | 1,778 | 1,834 | 2,008 | 2,000 | 2,000 | 2,000 | 2,000 | 2,120 | 2,247 |
| Transfer and subsidies - Operational | 151,903 | 172,162 | 191,359 | 190,368 | 199,300 | 199,300 | 203,607 | 199,962 | 209,075 |
| Interest | 851 | 1,294 | 2,186 | 2,110 | 2,110 | 2,110 | 2,300 | 2,438 | 2,584 |
| Fuel Levy | – | – | – | – | – | – | – | – | – |
| Operational Revenue | – | – | – | – | – | – | – | – | – |
| Gains on disposal of Assets | – | 904 | – | – | 10,807 | 10,807 | – | – | – |
| Other Gains | 7,570 | 14,279 | 16,679 | 7,650 | 7,650 | 7,650 | 3,000 | 3,180 | 3,371 |
| Discontinued Operations | – | – | – | – | – | – | – | – | – |
| **Total Revenue (excluding capital transfers and contributions)** | **1,429,101** | **1,550,312** | **1,767,584** | **1,837,261** | **1,946,903** | **1,946,903** | **2,015,522** | **2,094,119** | **2,194,265** |

**Table 3 Percentage growth in revenue by main revenue source**

| Description | Current Year 2024/25 | 2025/26 Medium Term Revenue & Expenditure Framework | | | | | |
|---|---|---|---|---|---|---|---|
| R thousand | | Budget Year 2025/26 | | Budget Year +1 2026/27 | | Budget Year +2 2027/28 | |
| **Revenue** | | | | | | | |
| **Exchange Revenue** | | | | | | | |
| Service charges - Electricity | 679,000 | 745,540 | **9.80%** | 791,153 | **6.12%** | 838,623 | **6.00%** |
| Service charges - Water | 197,000 | 209,109 | **6.15%** | 221,026 | **5.70%** | 234,288 | **6.00%** |
| Service charges - Waste Water Management | 126,600 | 129,533 | **2.32%** | 140,980 | **8.84%** | 149,439 | **6.00%** |
| Service charges - Waste Management | 108,946 | 115,444 | **5.96%** | 122,552 | **6.16%** | 129,905 | **6.00%** |
| Sale of Goods and Rendering of Services | 97,788 | 63,725 | **-34.83%** | 40,330 | **-36.71%** | 23,509 | **-41.71%** |
| Agency services | 7,103 | 7,500 | **5.59%** | 7,950 | **6.00%** | 8,427 | **6.00%** |
| Interest | 0 | 0 | **0.00%** | 0 | **0.00%** | 0 | **0.00%** |
| Interest earned from Receivables | 11,500 | 12,500 | **8.70%** | 13,250 | **6.00%** | 14,045 | **6.00%** |
| Interest earned from Current and Non Current A | 59,250 | 55,000 | **-7.17%** | 58,300 | **6.00%** | 61,798 | **6.00%** |
| Rent on Land | 1,889 | 452 | **-76.07%** | 479 | **6.00%** | 508 | **6.00%** |
| Rental from Fixed Assets | 7,176 | 7,544 | **5.12%** | 7,996 | **6.00%** | 8,475 | **6.00%** |
| Licence and permits | 779 | 780 | **0.10%** | 827 | **6.00%** | 876 | **6.00%** |
| Special rating levies | – | 15,420 | | 16,037 | | 16,678 | |
| Operational Revenue | 8,544 | 5,554 | **-35.00%** | 5,886 | **5.98%** | 6,238 | **5.98%** |
| **Non-Exchange Revenue** | | | | | | | |
| Property rates | 367,000 | 383,977 | **4.63%** | 407,016 | **6.00%** | 431,437 | **6.00%** |
| Fines, penalties and forfeits | 52,460 | 52,537 | **0.15%** | 52,636 | **0.19%** | 52,741 | **0.20%** |
| Licences or permits | 2,000 | 2,000 | **0.00%** | 2,120 | **6.00%** | 2,247 | **6.00%** |
| Transfer and subsidies - Operational | 199,300 | 203,607 | **2.16%** | 199,962 | **-1.79%** | 209,075 | **4.56%** |
| Interest | 2,110 | 2,300 | **9.00%** | 2,438 | **6.00%** | 2,584 | **6.00%** |
| Other Gains | 7,650 | 3,000 | **-60.78%** | 3,180 | **6.00%** | 3,371 | **6.00%** |

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 2025/26 and the subsequent adjustments budget and further reclassifications of revenue categories relating to mSCOA.
IMPORTANT – Amounts displayed on schedule A3a for previous years for example, are stated as a total amount only, per Vote (Directorate), because of multiple movements between services/departments, services thus transferred from any particular Vote (Directorate) to another Vote (Directorate).
Before mentioned reflects the outcome of an organisational review done for Overstrand Municipality, with a restructuring process concluded and implemented during 2024, and resulting in a reviewed and updated organisational structure, logically impacting on presenting of financials between Votes (Directorates), and presented in the A Schedule between the previous financial periods and the current and budgeted financial periods.

The determination of proposed revenue for 2026/27 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. The most recent media statements by National Treasury indicate that good progress has been made with remedial measures implemented.

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 R203.6m in the 2025/26 financial year. This decreases in the outer years to R199.9m in 2026/27 and R209.1m in 2027/28 respectively, of the MTREF. The housing allocation totals R42.8m in the 2025/26 financial year, R18.1m in 2026/27 and zero allocation in 2027/28, respectively for the building of top structures for housing development are included under exchange revenue in accordance with GRAP construction contracts and amounts to R60.9m over the MTREF. It should be noted that SA18 reflects all grant receipts from National & Provincial Governments, however on A4, Transfers and subsidies – Operational does not include the construction contracts revenue which is budgeted under exchange revenue on A4.
Equitable share increases over the 3-year MTREF period, from the current 2024/25 adjustments budget by 6.2% in terms of the equitable share formula. The NT municipal budget circular release in March 2025 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 | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **RECEIPTS:** | | | | | | | | | |
| **Operating Transfers and Grants** | | | | | | | | | |
| **National Government:** | **128,977** | **150,183** | **169,423** | **172,592** | **172,592** | **172,592** | **183,866** | **190,617** | **199,318** |
| Operational Revenue:General Revenue:Equitable Share | 123,897 | 141,896 | 157,935 | 168,794 | 168,794 | 168,794 | 179,268 | 188,717 | 197,218 |
| Energy Efficiency and Demand-side [Schedule 5B] | – | 3,000 | 4,200 | – | – | – | – | – | – |
| Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B] | 2,530 | 2,593 | 3,366 | 1,898 | 1,898 | 1,898 | 2,588 | – | – |
| Local Government Financial Management Grant [Schedule 5B] | 1,550 | 1,550 | 1,550 | 1,700 | 1,700 | 1,700 | 1,800 | 1,900 | 2,100 |
| Mitchell's Plain Urban Renewal | – | – | – | – | – | – | – | – | – |
| Municipal Demarcation and Transition Grant [Schedule 5B] | – | – | – | – | – | – | – | – | – |
| Municipal Disaster Grant [Schedule 5B] | – | – | 1,719 | | | | – | – | – |
| Municipal Human Settlement Capacity Grant [Schedule 5B] | – | – | – | – | – | – | – | – | – |
| Municipal Infrastructure Grant [Schedule 5B] | 1,000 | 1,144 | 652 | 200 | 200 | 200 | 210 | – | – |
| Water Services Infrastructure Grant | – | | – | – | – | – | – | – | – |
| **Provincial Government:** | **58,632** | **81,340** | **126,129** | **101,886** | **104,409** | **104,409** | **61,906** | **36,403** | **19,505** |
| Community Library Services Grant | 6,580 | 8,258 | 8,398 | 8,608 | 8,608 | 8,608 | 8,824 | 8,912 | 9,748 |
| Library Support Grant | 2,222 | | | | | | | | |
| Thusong Services Centres Grant | | 150 | | | | | 150 | 150 | 150 |
| Resource funding for the establish & support of K9 Unit | 2,420 | 2,420 | 3,345 | 3,772 | 4,172 | 4,172 | 4,350 | 4,473 | 4,666 |
| Municipal Electricity Masterplan Grant | 1,000 | | | | | | | | |
| Financial Management Capacity Building Grant | 400 | | | | | | | | |
| Community Development Workers | 76 | 75 | 76 | 76 | 76 | 76 | 76 | 76 | 76 |
| Municipal Energy Resilience Grant | 650 | – | – | | | | – | – | – |
| LG Public Employment Grant | 1,300 | – | – | | | | – | – | – |
| Maintenance & Construction of Transport Infrastructure | 145 | 140 | 400 | 450 | 7,440 | 7,440 | 130 | 130 | 146 |
| Financial Management Capability Grant | | 450 | 200 | 160 | 260 | 260 | 672 | – | – |
| Municipal Service Delivery & Capacity Building Grant | 244 | 1,550 | 500 | – | – | – | – | – | – |
| Municipal Intervention Grant | | 450 | – | – | – | – | – | – | – |
| Resource funding for the est of Law Enforcement Rural Safety Unit | 6,307 | 2,958 | 4,065 | 4,223 | 4,223 | 4,223 | 4,317 | 4,516 | 4,719 |
| Emergency Municipal Load-shedding relief grant | | 6,700 | – | – | – | – | – | – | – |
| Human Settlements Dev & Informal Settlement Upgrading Partnership Grant | 37,288 | 58,189 | 108,411 | 84,410 | 79,443 | 79,443 | 42,790 | 18,146 | – |
| Title Deeds Restoration Grant | – | – | 362 | 187 | 187 | 187 | 97 | – | – |
| Library Service Replacement Funding | – | – | 372 | – | – | – | – | – | – |
| Municipal Fire Service Capacity Support Grant | | | | | | | 500 | | |
| **District Municipality:** | **90** | **35** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| *All Grants* | 90 | 35 | – | – | – | – | – | – | – |
| **Other Grant Providers:** | **–** | **–** | **–** | **–** | **692** | **692** | **–** | **–** | **–** |
| *Departmental Agencies and Accounts* | – | – | – | – | – | – | – | – | – |
| *Foreign Government and International Organisations* | – | – | – | – | 692 | 692 | | – | – |
| **Total Operating Transfers and Grants** | **187,699** | **231,558** | **295,551** | **274,478** | **277,693** | **277,693** | **245,772** | **227,020** | **218,823** |

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 to 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 still be regarded as a holiday destination with many holiday homeowners. The municipal rates base also includes 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, that this charge should represent the fixed costs portion of a 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 2025/26 MTREF. Municipalities should justify increases in excess of the projected inflation target as indicated in Municipal Budget Circular 130. Excessive increases are by nature fundamentally likely to be counterproductive, which could result in possible higher levels of non-payment.

The increases recommended in this budget in excess of the projected inflation target, can be scribed to the following factors impacting of municipal service rendering costs *(National Treasury advises that CPI must be considered when preparing municipal budgets - the following should however be considered, also referred to in the previous year, in response on budget comments received) -*

*The municipality would prefer that costs for service-rendering do not increase with more than inflation, the following however need to be considered –*

- *Nationally negotiated annual Salary increase (Bargaining Council) for staff on an annual basis for decades above inflation - salary scales for municipal staff thus not within the municipality's authority to change.* The Salary cost of the municipality represents a major cost component in service rendering;
- *Substantially higher than inflation Eskom Price increases;*
- *Impact of the exchange rate on various operational and capital costs (ICT, telemetry, sensors and other items/components).*
- *Fluctuations in Fuel Prices during international political instability - representing increased costs as a substantial part of operational costs for operationalisation of municipal fleet, impacting on all services across the board – refer current international political turmoil, United States, Europe, Russia;*
- Impact of *Loadshedding* (although eased for more than 300 days during 2024/25, since March 2025 again referenced as a risk in various media and due to Eskom issuing an urgent alert for a 3rd time during March 2025 regarding a high risk of load-shedding at short notice due to several generation units breakdown;
- *Fuel as indirect costs incurred due to prolonged loadshedding instances, to run generators at multiple Bulk Water and Waste Water Works;*
- *Additional Overtime to unsure re-fueling of generators inclusive of remote Bulk works, regulation of peak traffic slots;*
- *Substantial increase in infrastructure maintenance/ refurbishment/ replacement of Equipment (Electrical & Mechanical components at Electrical / Telemetry installations due to increased switching instances, Bulk Water - & Sewer Works, etc);*
- *Additional Security Expenses due to increased risk related to Council assets;*
- *Increased Vandalism during loadshedding;*

*Taking into account the impact of most of the above cost drivers on the 4 basic services (Water, Elec, Refuse, Sewerage Services), as well as various Community orientated services such as Traffic,*

*Law Enforcement, Fire Services, Cleansing, Environmental Services, Stormwater, etc across the coastal stretch of 250 km, it is clear that limitation of expenditure to CPI is not possible.*

*The overtime budget has increased over the past few years with more in comparison with the salary budget increases due, to the following –*

- *Additional overtime due to prevention of illegal structures on informal settlements, prevention of erection of unauthorized structures on municipal open space, demolishing of illegal structures etc*
- *Additional overtime due to major impact of climate change incidents occurring, which had to, and will have to be actively managed over prolonged periods, to assist communities and/or prevent severe damage or properties lost of lives, for example June 2023 storms, Sept 2023 storms, January - February 2024 wild fires, as well as the recent spell of wildfires during 2024/25.*

*The municipality is aware of the cost implications of before-mentioned and has embarked on a process to contain costs as far as possible over the past number of years.*

The budget circular and inflation forecasts state the estimated inflation for the current financial period (2024/25) at 4.4%, thus within the upper limit of the Reserve Bank's target range of 3% to 6%.

The increases for the 2025/26 budget is 6.2% for water, refuse at 6% and sewerage service charges at 6%, with operational costs for both refuse and sewerage services also impacted negatively by regulatory compliance as well as fuel price fluctuations from time to time. 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 during loadshedding instances, are compounding factors in increased operational costs for these services. The municipality remains on alert with regard to before-mentioned since avoidance of loadshedding on a permanent basis has been proved as unsubstantiated thus far during March 2025, with increasing concerns again expressed in the media in this regard.

A marked improvement for the sewer services is factored into it's performance for 2025/26 due to procurement of new fleet currently underway. Before-mentioned will result in improved efficiency in management of operational costs for this service.

The percentage increase of Eskom bulk purchases tariffs charged to municipalities in the NERSA media statement released on 17 March 2025 are now indicated as 11.32% 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 2025 for the electricity basket are now 9.96%. As mentioned in this report, electricity tariffs should be considered in terms of the phased, cost reflective Cost of Supply (Cos) tariffs implementation required by the National Energy Regulator (NERSA) as already explained in this report, in combination with the indicative electricity increase of 9.96% recommended, based on the 11.32% increase for bulk electricity purchases by municipalities, payable to Eskom.

The final NERSA annual increase approval will be awaited in order to finalised the final MTREF Budget Report in May 2025, to serve before Council. Any changes to the recommended increases based on forthcoming NERSA decision, will thus be effected accordingly in the final tariffs for approval by Council at the end of May 2025.

The presence of an Eskom energy supply crisis during previous financial periods has resurfaced again with the stage 3 loadshedding implemented suddenly for a few days until 10 March 2025. Eskom's worst-case scenario still contains a heightened risk indicated on the longer-term outlook, despite their good performance over the last nine months. The 52-week outlook for 2025 still indicates a likely risk scenario where there will be a shortfall. "Higher levels of planned maintenance outages, aimed at winter preparation and meeting regulatory and environmental licensing requirements are still underway" according to Eskom.

Loadshedding impacts negatively on the municipality in the following way, the severity depending on the duration in terms of number of days, as well as the particular stage of loadshedding announced at any particular time -

- 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
- Medium voltage switchgear failure
- Impact on WWTW and water purification plants.
- The huge financial implications of utilising back-up power for wastewater treatment works.
- Loss of sales revenue
- 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.

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 | Actuals 2022/23 | Actuals 2023/2024 | Amended Budget 2024/2025 | Draft Budget 2025/2026 |
|---|---|---|---|---|
| **Service : ELECTRICITY** | | | | |
| TOTAL EXPENDITURE | 503,355,337 | 609,993,319 | 689,217,034 | 753,095,138 |
| TOTAL INCOME | -527,007,482 | -631,970,318 | -720,111,355 | -789,871,200 |
| (SURPLUS)/DEFICIT | -23,652,145 | -21,976,999 | -30,894,321 | -36,776,062 |
| | 4.49% | 3.48% | 4.29% | 4.66% |
| **Service : WATER** | | | | |
| TOTAL EXPENDITURE | 152,626,573 | 178,759,611 | 192,912,117 | 203,331,734 |
| TOTAL INCOME | -171,430,163 | -196,172,750 | -213,113,853 | -225,763,200 |
| (SURPLUS)/DEFICIT | -18,803,590 | -17,413,139 | -20,201,736 | -22,431,465 |
| | 10.97% | 8.88% | 9.48% | 9.94% |

| COSTING OF SERVICES | Actuals 2022/23 | Actuals 2023/2024 | Amended Budget 2024/2025 | Draft Budget 2025/2026 |
|---|---|---|---|---|
| **Service : SEWERAGE** | | | | |
| TOTAL EXPENDITURE | 135,635,574 | 145,740,796 | 161,319,672 | 145,235,321 |
| TOTAL INCOME | -113,808,744 | -123,696,261 | -144,079,223 | -151,500,200 |
| (SURPLUS)/DEFICIT | 21,826,830 | 22,044,535 | 17,240,449 | -6,264,879 |
| | -19.18% | -17.82% | -11.97% | 4.14% |
| **Service : REFUSE** | | | | |
| TOTAL EXPENDITURE | 102,327,511 | 109,969,260 | 134,481,209 | 128,430,436 |
| TOTAL INCOME | -100,947,422 | -108,669,388 | -126,572,799 | -134,170,200 |
| | 1,380,088 | 1,299,872 | 7,908,410 | -5,739,765 |
| | -1.37% | -1.20% | -6.25% | 4.28% |

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 possible consequence of loadshedding, will have 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 in the recent past. These are compounding factors contributing to increased costs, any remains a risk as discussed.

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, with 1 July 2023 as actual implementation date of this roll. The Valuation Roll is the official record of the value of all ratable properties. The previous general valuation was effective from July 2016.

In summary, the moderation in property rates increases was directly related to the extension of the valuation date as well as the implementation of new values for all properties across the Overstrand with 2 years, together with marginal property rates increases for the post Covid years (4.5% for 2020/21 and 4% for 2021/22 in effect affording ratepayers a definite relief over a prolonged period.

The most recent two years addressed the implementation of new property values, and importantly, a lowering in the cent in the rand with the 1 July 2023 implementation to ease the impact of increased property values.

This was followed by an 8% increase approved by Council for the current financial period (2024/25). The proposed Property Rates increase for 2025/26 is set at 9.7% **on the cent in the rand,** with rationale the necessary adjustment, and a direct relationship with the turnaround of the deficit position in recent years, to a stable and stronger position in ensuring a healthy cashflow, in support of replacement of critical fleet and capital projects for services other than the basis services.

### Table 6 Comparison of proposed rates to be levied for the 2025/26 financial year

**RATES TARIFFS**

| Tariff Code | Detail | 2025/2026 | | 2024/2025 | | |
|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT | Exclude VAT | Include VAT | 1.040 |
| | | R | R | R | R | 1.097 |
| **RATES** | **YEAR OF GENERAL VALUATION: 02 JULY 2022** | | | | | |
| **RATE1*** | Commercial Land with Improvements | 0.008729 | 0.008729 | 0.007957 | 0.007957 | 9.70% |
| **RATE2*** | Residential Land with Improvements | 0.004988 | 0.004988 | 0.004547 | 0.004547 | 9.70% |
| | **** See attached schedule of Exemptions and Rebates applicable*** | | | | | |
| **RATE3** | Municipal Properties: Investment Properties | Applicable tariff for Commercial or Residential | Applicable tariff for Commercial or Residential | Applicable tariff for Commercial or Residential | Applicable tariff for Commercial or Residential | |
| **RATE4** | Municipal Properties: Property, Plant and Equipment | 0.000000 | 0.000000 | 0.000000 | 0.000000 | |
| **RATE6** | Building Clause | Equals to tariff for rates on property | Equals to tariff for rates on property | Equals to tariff for rates on property | Equals to tariff for rates on property | |
| **RATE7** | Farm/Agriculture (Bona-fide) | 0.001248 | 0.001248 | 0.001137 | 0.001137 | 9.70% |
| **RATE8** | Undeveloped erven | 0.007482 | 0.007482 | 0.006820 | 0.006820 | 9.70% |
| | **Special Rating Areas** | | | | | |
| **RAT11** | HSRA (Hermanus) | 0.000458 | 0.000458 | 0.000440 | 0.000440 | 4.00% |
| **RAT12** | KSRA (Kleinmond) | 0.000360 | 0.000360 | 0.000346 | 0.000346 | 4.00% |
| **RAT13** | OVSRA (Onrus-Vermont) | 0.000250 | 0.000250 | 0.000240 | 0.000240 | 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<br>Bed and Breakfast as well as Guesthouses can apply before 30 June for the following rebate on the difference between Bus and Res rate:<br>3 X lettable room : 75%<br>4 X lettable room : 50%<br>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 (excluding vacant properties) is exempted from property tax as per the Municipal Property Rates Act, Section 17 (1) h<br>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~~<br>An Additional rebate of 20% of the levy calculated on such properties is granted<br>Rebate to qualifying property owners as indicated under "Other Rebate"<br>No property rates are applicable on a property with a valuation of ~~R300 000~~ R350 000.00 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<br>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;<br>- The applicant must be the registered owner;<br>- 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 until 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 2025 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 | 2025/2026 | | 2024/2025 | | 1.062 |
|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.062 |
| **W1** | **BASIC CHARGE** | | | | | |
| W1A1 | Basic Monthly Charge per erf/unit per month | 186.58 | 214.56 | 175.69 | 202.04 | 6.20% |
| W1A2A | Basic Monthly Subsidy : Residential Indigent as per paragraph A of the Indigent Policyper erf/unit per month | 186.58 | 214.56 | 175.69 | 202.04 | 6.20% |
| 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% |
| | ***See attachment for the amount of RUE's allocated to different household consumers*** | | | | | |
| **W1B** | **CONSUMPTION - HOUSEHOLDS** | | | | | |
| | **Normal Tariff & Level 1 water restrictions** | | | | | |
| W1B1 | 0 - 6 kl per kl | 7.67 | 8.82 | 7.22 | 8.30 | 6.20% |
| W1B2 | 7 - 18 kl per kl | 15.73 | 18.09 | 14.81 | 17.03 | 6.20% |
| W1B4 | 19 - 45 kl per kl | 32.96 | 37.90 | 31.04 | 35.69 | 6.20% |
| W1B5 | 46 - 60 kl per kl | 65.91 | 75.79 | 62.06 | 71.37 | 6.20% |
| W1B6 | >60kl per kl | 87.90 | 101.08 | 82.77 | 95.18 | 6.20% |
| | **Restriction Tariff 1 (level 2 & 3 water restrictions)** | | | | | |
| W1B7 | 0 - 6 kl per kl | 7.67 | 8.82 | 7.22 | 8.30 | 6.20% |
| W1B8 | 7 - 18 kl per kl | 20.45 | 23.51 | 19.25 | 22.14 | 6.20% |
| W1B10 | 19 - 45 kl per kl | 42.85 | 49.27 | 40.35 | 46.40 | 6.20% |
| W1B11 | 46 - 60 kl per kl | 85.68 | 98.53 | 80.68 | 92.78 | 6.20% |
| W1B12 | >60kl per kl | 114.27 | 131.41 | 107.59 | 123.73 | 6.20% |
| | **Restriction Tariff 2 (level 4 & 5 water restrictions)** | | | | | |
| W1B13 | 0 - 6 kl per kl | 7.67 | 8.82 | 7.22 | 8.30 | 6.20% |
| W1B14 | 7 - 18 kl per kl | 25.17 | 28.94 | 23.70 | 27.25 | 6.20% |
| W1B16 | 19 - 45 kl per kl | 52.73 | 60.64 | 49.66 | 57.10 | 6.20% |
| W1B17 | 46 - 60 kl per kl | 105.45 | 121.27 | 99.30 | 114.19 | 6.20% |
| W1B18 | >60kl per kl | 140.63 | 161.73 | 132.42 | 152.29 | 6.20% |
| | **Restriction Tariff 3 (level 6 water restrictions)** | | | | | |
| W1B19 | 0 - 6 kl per kl | 7.67 | 8.82 | 7.22 | 8.30 | 6.20% |
| W1B20 | 7 - 18 kl per kl | 31.46 | 36.17 | 29.62 | 34.06 | 6.20% |
| W1B22 | 19 - 45 kl per kl | 65.92 | 75.81 | 62.07 | 71.38 | 6.20% |
| W1B23 | 46 - 60 kl per kl | 131.82 | 151.59 | 124.12 | 142.74 | 6.20% |
| W1B24 | >60kl per kl | 175.79 | 202.16 | 165.53 | 190.36 | 6.20% |

### 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 17 March 2025 are now indicated as 11,32% 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 recommended from 1 July 2025 for the electricity basket are now 9.96% on electricity, which will be implemented in conjunction with the cost reflective tariff structure (please refer to detailed information provided earlier in this report). Before mentioned has 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 2025.

The history to the above tariff structure, also explained in the 2024/25 budget report, is as follows - *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:*

- *Ring-fencing 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 was recommended that the proposed recommendations be phased in over 4 years, with a phased approach which started on 1 July 2024.

Electricity increase consumers in the Overstrand Municipal area, for 2025/26 recommended at 9.96%, 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 28 May 2025, 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 2025/26.

**Registered indigents were granted an increased electricity units allocation from 1 July 2024, with an increase 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 | | 2025/2026 | | 2024/2025 | | 1.9960 |
|---|---|---|---|---|---|---|---|
| | | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.0600 |
| **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 60 Amp (13.8 kVA BDMD) (Including Resorts)** | | | | | | |
| EB1A | Basic Monthly charge per meter per month | R | 413.97 | 476.07 | 466.10 | 536.02 | -11.18% |
| EC | Capacity Charge per Amp/Phase/Month | R | 5.48 | 6.30 | 2.49 | 2.86 | 120.08% |
| EC1D | Capacity Charge : 60Amp | R | 328.80 | 378.12 | 149.40 | 171.81 | 120.08% |
| | **kWH Unit cost** | | | | | | |
| E1A2 | IBT BLOCK 1 0 - 350 kWh | c | 232.91 | 267.85 | 212.53 | 244.41 | 9.59% |
| E1A3 | IBT BLOCK 2 351 - 600 kWh | c | 287.82 | 330.99 | 273.93 | 315.02 | 5.07% |
| E1A4 | IBT BLOCK 3 > 600 kWh | c | 327.17 | 376.25 | 384.67 | 442.37 | -14.95% |
| **E1B** | **Two-Part Tariff: Pre-paid up to 60 Amp (13.8 kVA BDMD) (Including Resorts)** | | | | | | |
| EB1B | Basic Monthly charge per meter per month | R | 413.97 | 476.07 | 466.10 | 536.02 | -11.18% |
| EC | Capacity Charge per Amp/Phase/Month | R | 5.48 | 6.30 | 2.49 | 230.38 | 120.08% |
| EC1A | Capacity Charge : 30Amp | R | 164.40 | 189.06 | 74.70 | 230.38 | 120.08% |
| EC1B | Capacity Charge : 40Amp | R | 219.20 | 252.08 | 99.60 | 230.38 | 120.08% |
| EC1C | Capacity Charge : 50Amp | R | 274.00 | 315.10 | 124.50 | 230.38 | 120.08% |
| EC1D | Capacity Charge : 60Amp | R | 328.80 | 378.12 | 149.40 | 230.38 | 120.08% |
| | **kWH Unit cost** | | | | | | |
| E1B2 | IBT BLOCK 1 0 - 350 kWh | c | 223.97 | 257.57 | 200.33 | 230.38 | 11.80% |
| E1B3 | IBT BLOCK 2 351 - 600 kWh | c | 277.90 | 319.59 | 273.93 | 315.02 | 1.45% |
| E1B4 | IBT BLOCK 3 > 600 kWh | c | 318.97 | 366.82 | 369.76 | 425.22 | -13.74% |

A major effort has been made to contain the increase in basic charges, and with that, this service will have a minor surplus of 4.66%.

The full set proposed tariffs are included in Annexure C.

### 1.4.4 Sanitation and Impact of Tariff Increases

A tariff increase of 6% for sanitation (basic & consumption) is proposed from 1 July 2025.

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 previously operated at a loss due to among others, increased maintenance costs. This position necessitated an increase of 8.9% for the current period (2024/25).

Before-mentioned, as well as replacement of aged fleet during the current financial period, now allows for a moderate recommended increase of 6% for this service, with a projected surplus for the 2025/26 financial period as a result of improvements as mentioned.

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 still identified as risks. The performance of this service, inclusive of tariffs for the next budget cycle will be closely monitored.

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 Directorate 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 | 2025/2026 | | 2024/2025 | | |
|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.060 |
| **SE7A** | **SEWERAGE - SINGLE AND INTERMEDIATE RESIDENTIAL (Dwelling house and Duplex flats, Conventional Sewers, small bore sewers and conservancy tanks)** | | | | | 1.06 |
| 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. | 19.27 | 22.16 | 18.18 | 20.90 | 6.00% |
| 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. | 170.15 | 195.67 | 161.41 | 185.62 | 5.41% |
| SE7A3 | Call out fee for Tank Service request but no service due to another defect/no acces to tank | 781.97 | 899.27 | 737.71 | 848.37 | 6.00% |
| SE7A5 | Double the basic charge levied where networks are available but client is not connected | 339.96 | 390.96 | 320.72 | 368.83 | 6.00% |
| | **SEWERAGE - REGISTERED INDIGENT HOUSEHOLDS** | | | | | |
| SE7A6 | 0 - 7 kl - **subsidised** | 19.27 | 22.16 | 18.18 | 20.90 | 6.00% |
| SE7A7 | 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 | 19.27 | 22.16 | 18.18 | 20.90 | 6.00% |
| **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 | 19.27 | 22.16 | 18.18 | 20.90 | 6.00% |
| SE7B2 | Call out fee for Tank Service request but no service due to another defect/no acces to tank | 781.97 | 899.27 | 737.71 | 848.37 | 6.00% |
| **SE7C** | **SEWERAGE - GUEST HOUSE; BED & BREAKFAST ESTABLISHMENTS** | | | | | |
| SE7C1 | per kl (based on 70% of water usage) per unit per month. | 19.27 | 22.16 | 18.18 | 20.90 | 6.00% |
| **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 | 19.27 | 22.16 | 18.18 | 20.90 | 6.00% |
| SE7D2 | Call out fee for Tank Service request but no service due to another defect/no acces to tank | 781.97 | 899.27 | 737.71 | 848.37 | 6.00% |
| **SE7E** | **CONSUMPTION - DEPARTMENTAL** | | | | | |
| SE7E1 | 0 - 35 kl per kl (based on 70% of max 50kl water usage) per unit per month | 19.27 | 22.16 | 18.18 | 20.90 | 6.00% |
| **SE8** | **BASIC CHARGE** | | | | | |
| SE8A | Basic Monthly Charge Developed sites per erf/unit per month | 170.15 | 195.67 | 160.52 | 184.60 | 6.00% |
| SE8A1 | Basic Monthly Subsidy Residential Indigent as per paragraph A of the Indigent Policy per month | 170.15 | 195.67 | 160.52 | 184.60 | 6.00% |
| SE8B | Basic Monthly Charge Undeveloped sites - can not connect to the network per erf/unit per month | 114.65 | 131.85 | 108.16 | 124.38 | 6.00% |
| SE8C | Basic Monthly Charge Undeveloped sites - can connect to the network per erf/unit per month | 170.14 | 195.66 | 160.51 | 184.58 | 6.00% |
| SE8D | Basic Monthly Charge Developed sites - with a septic Tank per erf/unit per month | 114.65 | 131.85 | 108.16 | 124.38 | 6.00% |
| SE8E | Basic Monthly Charge - Low Cost Housing & Single Quarters per erf/unit per month | 114.65 | 131.85 | 108.16 | 124.38 | 6.00% |
| 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 Households (No 2 end date 30 June 2029) | 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 tariff increase of 6% is proposed for 2025/26. One of the major cost drivers in rendering the municipal waste removal service is a heavily regulated environment. The proposed increase will allow this service to perform at a modest surplus for 2025/26, an improvement from the deficit position in previous years.

This position still needs to be improved on 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. Although this cell is still operational, a planning and implementation process is underway by the Overberg District Municipality, to provide for a new regional cell in time to ensure compliance to the licencing conditions.
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 2025:

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

**REFUSE (SOLID WASTE) TARIFFS** (ROUNDING APPLICABLE)

| Tariff Code | Detail | 2025/2026 | | 2024/2025 | | 1.0600 |
|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.06 |
| | | R | R | R | R | |
| | **DOMESTIC WASTE** | | | | | |
| SAN1A | Residential (All registered erven/unit with approved building plan) 1 x removal per week **(R/Month)** | 268.26 | 308.50 | 253.08 | 291.04 | 6.00% |
| 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)** | 268.26 | 308.50 | 253.08 | 291.04 | 6.00% |

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, as well as an indigent household receiving free basic services.

| MONTHLY BASKET OF TARIFFS 2025/2026 | | | | | |
|---|---|---|---|---|---|
| **SINGLE RESIDENTIAL** | Year | Year | **Increase/Decrease** | |
| **High Consumption** | 2024/2025 | 2025/2026 | Amount | % |
| Valuation R3,500,000 | | | | |
| Rates | 1,045.76 | 1,147.20 | 101.44 | 9.70 |
| Sewer **SE7A1+SE8A** | 414.97 | 439.87 | 24.90 | 6.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse **1X Per Week** | 253.08 | 268.26 | 15.18 | 6.00 |
| Water 20 kl | 458.80 | 487.24 | 28.45 | 6.20 |
| **SUB TOTAL** | **2,226.15** | **2,396.12** | **169.97** | **7.64** |
| **VAT** 15% | 177.06 | 187.34 | 10.28 | 5.81 |
| **TOTAL** | 2,403.21 | 2,583.45 | 180.25 | 7.50 |
| **SRA Rate as might be applicable to be added** | **590.19** | | | |

| **Medium Consumption** | 2024/2025 | 2025/2026 | Amount | % |
|---|---|---|---|---|
| Valuation R2,500,000 | | | | |
| Rates | 742.64 | 814.68 | 72.04 | 9.70 |
| Sewer **SE7A1+SE8A** | 351.36 | 372.44 | 21.08 | 6.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse **1X Per Week** | 253.08 | 268.26 | 15.18 | 6.00 |
| Water 15 kl | 352.30 | 374.14 | 21.84 | 6.20 |
| **SUB TOTAL** | **1,752.92** | **1,883.06** | **130.15** | **7.42** |
| **VAT** 15% | 151.54 | 160.26 | 8.72 | 5.75 |
| **TOTAL** | 1,904.46 | 2,043.32 | 138.86 | 7.29 |
| **SRA Rate as might be applicable to be added** | | | | |

| **Low Consumption** | 2024/2025 | 2025/2026 | Amount | % |
|---|---|---|---|---|
| Valuation R1,000,000 | | | | |
| Rates | 287.96 | 315.90 | 27.93 | 9.70 |
| Sewer **SE7A1+SE8A** | 351.36 | 372.44 | 21.08 | 6.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse **1X Per Week** | 253.08 | 268.26 | 15.18 | 6.00 |
| Water 15 kl | 352.30 | 374.14 | 21.84 | 6.20 |
| **SUB TOTAL** | **1,298.24** | **1,384.28** | **86.04** | **6.63** |
| **VAT** 15% | 151.54 | 160.26 | 8.72 | 5.75 |
| **TOTAL** | 1,449.78 | 1,544.53 | 94.76 | 6.54 |
| **SRA Rate as might be applicable to be added** | | | | |

| **Life-Line Consumption (ONE PART) (Indigent)** | 2024/2025 | 2025/2026 | 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 are listed in Annexure C.

## Table 11 MBRR Table SA14 – Household bills

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Rand/cent | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 % incr. | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Monthly Account for Household - 'Middle Income Range'** | | | | | | | | | | |
| **Rates and services charges:** | | | | | | | | | | |
| Property rates | 268.67 | 284.70 | 182.43 | 197.03 | 197.03 | 197.03 | 9.7% | 216.14 | 229.11 | 242.85 |
| Electricity: Basic levy | 408.17 | 438.66 | 504.46 | 466.10 | 466.10 | 466.10 | (11.2%) | 413.97 | 543.27 | 575.87 |
| Electricity: Capacity Charge (New) | – | – | – | 74.70 | 74.70 | 74.70 | 340.2% | 328.80 | 87.07 | 92.29 |
| Electricity: Consumption | 2,134.79 | 2,294.26 | 2,638.39 | 2,865.02 | 2,865.02 | 2,865.02 | (3.9%) | 2,754.52 | 2,919.79 | 3,094.98 |
| Water: Basic levy | 148.35 | 155.62 | 165.74 | 175.68 | 175.68 | 175.68 | 6.2% | 186.58 | 197.77 | 209.64 |
| Water: Consumption | 435.81 | 449.88 | 559.86 | 593.52 | 593.52 | 593.52 | 6.2% | 630.30 | 668.12 | 708.21 |
| Sanitation | 444.89 | 464.01 | 497.89 | 542.30 | 542.30 | 542.30 | 6.0% | 574.82 | 609.31 | 645.87 |
| Refuse removal | 201.59 | 213.48 | 228.00 | 253.08 | 253.08 | 253.08 | 6.0% | 268.26 | 284.36 | 301.42 |
| Other | 53.54 | 53.54 | 53.54 | 53.54 | 53.54 | 53.54 | – | 53.54 | 53.54 | 53.54 |
| **sub-total** | **4,095.81** | **4,354.15** | **4,830.31** | **5,220.97** | **5,220.97** | **5,220.97** | **3.59** | **5,426.93** | **5,592.34** | **5,924.66** |
| VAT on Services | 574.07 | 610.42 | 697.18 | | | | | | | |
| **Total large household bill:** | **4,669.88** | **4,964.57** | **5,527.49** | **5,220.97** | **5,220.97** | **5,220.97** | **3.9%** | **5,426.93** | **5,592.34** | **5,924.66** |
| **% increase/-decrease** | | **6.3%** | **11.3%** | **(5.5%)** | **–** | **–** | | **3.9%** | **3.0%** | **5.9%** |
| **Monthly Account for Household - 'Affordable Range'** | | | | | | | | | | |
| **Rates and services charges:** | | | | | | | | | | |
| Property rates | 186.00 | 197.10 | 126.30 | 136.40 | 136.40 | 136.40 | 9.7% | 149.64 | 149.64 | 149.64 |
| Electricity: Basic levy | 408.17 | 438.66 | 504.46 | 466.10 | 466.10 | 466.10 | (11.2%) | 413.97 | 543.27 | 575.87 |
| Electricity: Capacity Charge (New) | – | – | – | 74.70 | 74.70 | 74.70 | 120.1% | 164.40 | 87.07 | 92.29 |
| Electricity: Consumption | 831.44 | 893.56 | 1,104.80 | 1,249.01 | 1,249.01 | 1,249.01 | 7.3% | 1,339.70 | 1,420.08 | 1,505.29 |
| Water: Basic levy | 148.35 | 155.62 | 165.74 | 175.68 | 175.68 | 175.68 | 6.2% | 186.58 | 197.77 | 209.64 |
| Water: Consumption | 330.17 | 343.78 | 413.46 | 438.32 | 438.32 | 438.32 | 6.2% | 465.50 | 493.43 | 523.04 |
| Sanitation | 392.78 | 409.66 | 440.29 | 478.58 | 478.58 | 478.58 | 6.0% | 507.37 | 537.81 | 570.08 |
| Refuse removal | 201.59 | 213.48 | 228.00 | 253.08 | 253.08 | 253.04 | 6.0% | 268.26 | 284.36 | 301.42 |
| Other | 53.54 | 53.54 | 53.54 | 53.54 | 53.54 | 53.54 | – | 53.54 | 53.54 | 53.54 |
| **sub-total** | **2,552.04** | **2,705.40** | **3,036.59** | **3,325.41** | **3,325.41** | **3,325.37** | **6.7%** | **3,548.96** | **3,766.97** | **3,980.80** |
| VAT on Services | 354.91 | 376.25 | 436.54 | | | | | | | |
| **Total small household bill:** | **2,906.95** | **3,081.65** | **3,473.13** | **3,325.41** | **3,325.41** | **3,325.37** | **6.7%** | **3,548.96** | **3,766.97** | **3,980.80** |
| **% increase/-decrease** | | **6.0%** | **12.7%** | **(4.3%)** | **–** | **(0.0%)** | | **6.7%** | **6.1%** | **5.7%** |
| **Monthly Account for Household - 'Indigent' Household receiving free basic services** | | | | | | | | | | |
| **Rates and services charges:** | | | | | | | | | | |
| Property rates | 103.34 | 109.50 | 70.17 | – | – | – | – | – | – | – |
| Electricity: Basic levy | 408.17 | 438.66 | 504.46 | 466.10 | 466.10 | 466.10 | (11.2%) | 413.97 | 543.27 | 575.87 |
| Electricity: Capacity Charge (New) | – | – | – | 74.70 | 74.70 | 74.70 | 120.1% | 164.40 | 87.07 | 92.29 |
| Electricity: Consumption | 506.31 | 544.15 | 678.02 | 701.15 | 701.15 | 701.15 | 11.8% | 783.90 | 830.93 | 880.79 |
| Water: Basic levy | 148.35 | 155.62 | 165.74 | 175.68 | 175.68 | 175.68 | 6.2% | 186.58 | 197.77 | 209.64 |
| Water: Consumption | 229.02 | 210.88 | 267.06 | 283.12 | 283.12 | 283.12 | 6.2% | 300.70 | 318.74 | 337.87 |
| Sanitation | 340.66 | 355.99 | 381.06 | 415.02 | 415.02 | 415.02 | 6.0% | 439.93 | 466.33 | 494.31 |
| Refuse removal | 201.59 | 213.48 | 228.00 | 253.08 | 253.08 | 253.08 | 6.0% | 268.26 | 284.36 | 301.42 |
| Other | (1,016.56) | (1,154.19) | (1,356.85) | (1,467.05) | (1,467.05) | (1,467.05) | 7.4% | (1,575.46) | (1,669.99) | (1,770.19) |
| **sub-total** | **920.88** | **874.09** | **937.66** | **901.80** | **901.80** | **901.80** | **8.9%** | **982.28** | **1,058.48** | **1,121.99** |
| VAT on Services | | | | | | | | | | |
| **Total small household bill:** | **920.88** | **874.09** | **937.66** | **901.80** | **901.80** | **901.80** | **8.9%** | **982.28** | **1,058.48** | **1,121.99** |
| **% increase/-decrease** | | **(5.1%)** | **7.3%** | **(3.8%)** | **–** | **–** | | **8.9%** | **7.8%** | **6.0%** |

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

## 1.5 Operating Expenditure Framework

The Municipality's expenditure framework for the 2025/26 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 2025/26 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 | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Expenditure** | | | | | | | | | |
| Employee related costs | 454,787 | 480,939 | 522,688 | 586,260 | 592,474 | 592,474 | 619,194 | 642,369 | 673,354 |
| Remuneration of councillors | 11,582 | 12,315 | 12,730 | 13,912 | 13,506 | 13,506 | 14,012 | 15,062 | 16,151 |
| Bulk purchases - electricity | 351,600 | 346,418 | 444,223 | 484,477 | 499,605 | 499,605 | 556,160 | 585,970 | 622,242 |
| Inventory consumed | 52,661 | 58,220 | 59,851 | 61,091 | 64,234 | 64,234 | 76,168 | 75,536 | 82,188 |
| Debt impairment | 28,248 | 52,100 | (12,141) | 53,394 | 67,400 | 67,400 | 70,770 | 74,309 | 78,024 |
| Depreciation and amortisation | 148,319 | 148,321 | 153,790 | 158,441 | 158,441 | 158,441 | 167,211 | 176,609 | 186,617 |
| Interest | 47,584 | 48,152 | 48,571 | 49,814 | 49,814 | 49,814 | 51,227 | 44,657 | 45,526 |
| Contracted services | 237,215 | 257,088 | 293,270 | 316,348 | 343,096 | 343,096 | 354,297 | 373,949 | 400,663 |
| Transfers and subsidies | 12,813 | 16,086 | 16,512 | 17,417 | 16,717 | 16,717 | 16,770 | 17,487 | 18,128 |
| Irrecoverable debts written off | 5,258 | 10,206 | 30,884 | 10,709 | 47,709 | 47,709 | 20,000 | 20,000 | 20,000 |
| Operational costs | 116,245 | 142,111 | 181,848 | 192,346 | 189,738 | 189,738 | 164,183 | 141,857 | 129,786 |
| Losses on disposal of Assets | 30,979 | – | 514 | – | – | – | – | – | – |
| Other Losses | 192 | 72 | 60 | – | – | – | – | – | – |
| **Total Expenditure** | **1,497,483** | **1,572,027** | **1,752,801** | **1,944,209** | **2,042,734** | **2,042,734** | **2,109,991** | **2,167,804** | **2,272,680** |

The budgeted allocation for employee related costs and remuneration of councillors for the 2025/26 financial year totals R633.2m which equals 30 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 R29.1m of which the majority of the amount is a long-term liability (post-retirement benefits) and therefore not cash remuneration.
IMPORTANT – An organisational review was done for Overstrand Municipality, and considered and approved by Council, with a restructuring process concluded and the majority of changes implemented during 2024. This resulted in a reviewed and updated organisational structure as discussed earlier in this report. Employee related costs provided for in this budget are based on the salary budget for the current financial period, inclusive of provision for the nationally negotiated annual salary increase from 1 July 2025, and notch increases. The Staff vacancies currently still vacant, are frozen and may only be filled, following a motivation and confirmation that the necessary budget is available in each instance, submitted to Executive Management for approval.

The South African Local Government Bargaining Council (SALGBC) Salary and Wage Collective Agreement for municipalities for the period 01 July 2024 to 30 June 2029 was signed in 2024 and must be implemented by all municipalities on a national level. The increase thus provided for in draft budget for 2025/26 as follows: An increase in the salary budget of 5,07%, and notch increases, with an average of 2.5%, have also budgeted for in view of the SALGBC agreement to be negotiated and finalised between the employer organization (SALGA) and the respective unions. Section 57 Employees' (Directors) remuneration is determined in terms of a fixed agreement. The afore-mentioned 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 21 October 2024, the Minister of Cooperative Governance and Traditional Affairs published the upper limits notice for the salaries, allowances and benefits of councillors and a copy of Government Notice 5446, published in Government Gazette No 51419 dated 21 October 2024. The Overstrand Municipality is, in terms of the Criteria as summarized on the Grading Certificate, regarded as a Grade 4 Municipal Council, with an increase effective from 1 July 2024.

An increase in remuneration of councillors has been factored into the 2025/26 budget, providing for 5.07%, 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 R167,2m for the 2025/26 financial year and equates to 7,92 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 2.42 per cent of operating expenditure. The gearing ratio of borrowing to revenue is expected to be below 35% for 2025/26, 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 11.32% for bulk purchases. The increase indicated in this budget report now reflects the same price increase from 1 July 2025.

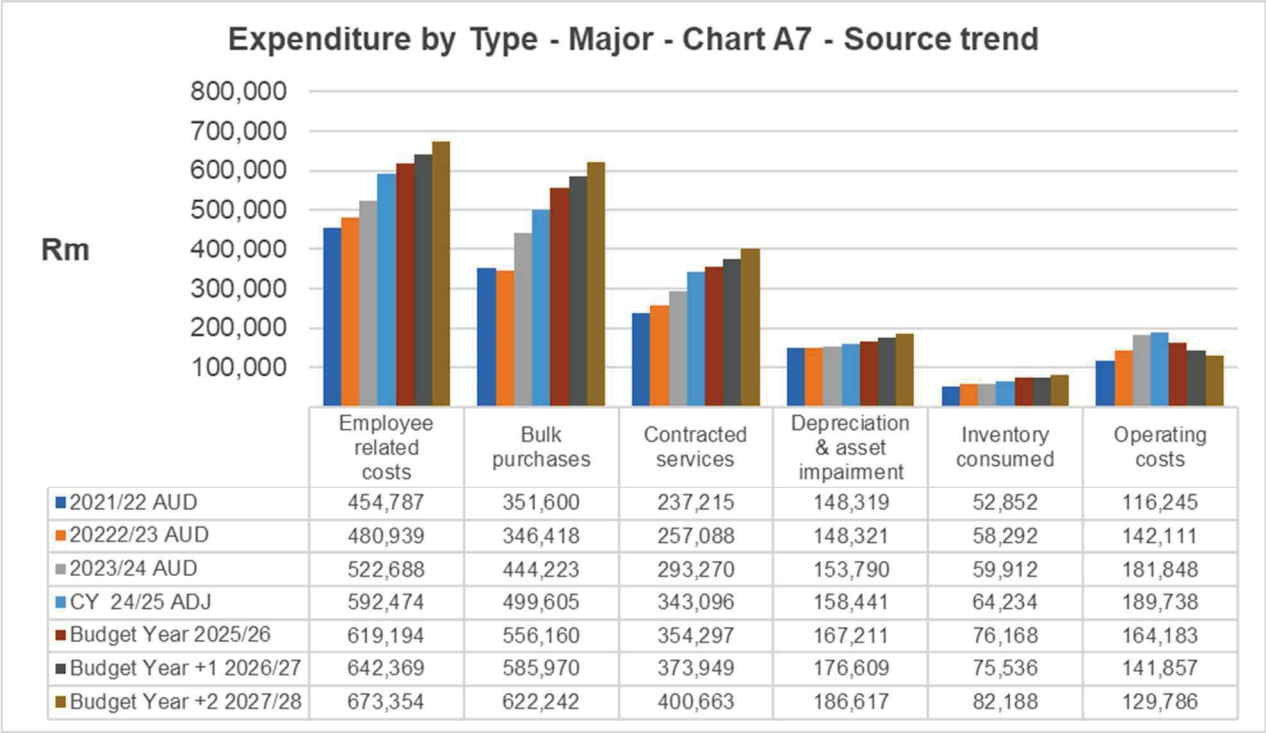
Other materials, now classified as Inventory in mSCOA, comprise amongst others the purchase of materials for maintenance, cleaning materials, fuel, printing and stationery etc. In previous financial years the expenditure on top structures relating to Housing Projects funded through the Human Settlement 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 forthwith. In the 2025/26 financial year, this group of expenditure totals R354m. 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 2025/26 financial year.




| | Employee related costs | Bulk purchases | Contracted services | Depreciation & asset impairment | Inventory consumed | Operating costs |
|---|---|---|---|---|---|---|
| 2021/22 AUD | 454,787 | 351,600 | 237,215 | 148,319 | 52,852 | 116,245 |
| 20222/23 AUD | 480,939 | 346,418 | 257,088 | 148,321 | 58,292 | 142,111 |
| 2023/24 AUD | 522,688 | 444,223 | 293,270 | 153,790 | 59,912 | 181,848 |
| CY 24/25 ADJ | 592,474 | 499,605 | 343,096 | 158,441 | 64,234 | 189,738 |
| Budget Year 2025/26 | 619,194 | 556,160 | 354,297 | 167,211 | 76,168 | 164,183 |
| Budget Year +1 2026/27 | 642,369 | 585,970 | 373,949 | 176,609 | 75,536 | 141,857 |
| Budget Year +2 2027/28 | 673,354 | 622,242 | 400,663 | 186,617 | 82,188 | 129,786 |

**Figure 1 Main operational expenditure categories for the 2025/26 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 2025/26 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<br>R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|---|---|
| **Repairs and Maintenance by Expenditure Item** | | | | | | | | | |
| Employee related costs | 113,771 | 116,569 | 122,183 | 132,398 | 140,089 | 140,089 | 150,241 | 158,326 | 166,165 |
| Inventory Consumed (Project Maintenance) | 22,089 | 23,186 | 28,196 | 25,845 | 22,170 | 22,170 | 27,016 | 31,092 | 35,254 |
| Contracted Services | 99,098 | 97,410 | 114,352 | 123,054 | 139,714 | 139,714 | 125,509 | 133,261 | 140,675 |
| Other Expenditure | 10,428 | 12,340 | 15,734 | 14,477 | 15,152 | 15,152 | 24,134 | 24,303 | 25,460 |
| **Total Repairs and Maintenance Expenditure** | 245,386 | 249,505 | 280,465 | 295,774 | 317,124 | 317,124 | 326,900 | 346,983 | 367,554 |

For 2025/26 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 15.89 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

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

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Repairs and maintenance expenditure by Asset Class/Sub-class** | | | | | | | | | |
| **Infrastructure** | **141,079** | **137,671** | **159,666** | **173,170** | **182,405** | **182,405** | **193,055** | **209,848** | **223,876** |
| Roads Infrastructure | 64,340 | 54,418 | 74,585 | 78,769 | 79,784 | 79,784 | 85,143 | 92,661 | 100,377 |
| *Roads* | 64,340 | 54,418 | 74,585 | 78,769 | 79,784 | 79,784 | 85,143 | 92,661 | 100,377 |
| Storm water Infrastructure | 6,870 | 6,157 | 5,588 | 6,361 | 11,679 | 11,679 | 13,747 | 14,479 | 15,222 |
| *Storm water Conveyance* | 6,870 | 6,157 | 5,588 | 6,361 | 11,679 | 11,679 | 13,747 | 14,479 | 15,222 |
| Electrical Infrastructure | 30,721 | 35,380 | 38,864 | 40,144 | 45,567 | 45,567 | 49,278 | 51,502 | 54,259 |
| *LV Networks* | 30,721 | 35,380 | 38,864 | 40,144 | 45,567 | 45,567 | 49,278 | 51,502 | 54,259 |
| Water Supply Infrastructure | 21,088 | 20,432 | 19,038 | 24,954 | 19,116 | 19,116 | 20,985 | 22,129 | 23,336 |
| *Water Treatment Works* | 272 | 33 | – | 331 | – | – | – | – | – |
| *Distribution* | 18,916 | 18,708 | 17,457 | 21,542 | 18,075 | 18,075 | 19,901 | 20,981 | 22,119 |
| *Distribution Points* | 1,900 | 1,691 | 1,581 | 3,081 | 1,042 | 1,042 | 1,083 | 1,148 | 1,217 |
| Sanitation Infrastructure | 11,710 | 12,634 | 12,280 | 14,322 | 15,602 | 15,602 | 12,419 | 16,948 | 17,872 |
| *Pump Station* | – | – | – | – | – | – | – | – | – |
| *Reticulation* | 6,507 | 6,759 | 6,576 | 8,338 | 8,522 | 8,522 | 8,521 | 9,361 | 9,829 |
| *Waste Water Treatment Works* | 5,203 | 5,875 | 5,703 | 5,984 | 7,080 | 7,080 | 3,898 | 7,587 | 8,043 |
| Solid Waste Infrastructure | 6,351 | 8,650 | 9,310 | 8,620 | 10,658 | 10,658 | 11,483 | 12,129 | 12,810 |
| *Waste Processing Facilities* | 1,574 | 2,662 | 3,003 | 3,100 | 3,100 | 3,100 | 3,100 | 3,317 | 3,549 |
| *Waste Drop-off Points* | 4,777 | 5,988 | 6,307 | 5,520 | 7,558 | 7,558 | 8,383 | 8,812 | 9,261 |
| **Community Assets** | **50,376** | **53,486** | **55,786** | **66,438** | **62,398** | **62,398** | **63,754** | **66,930** | **70,336** |
| Community Facilities | 37,455 | 40,568 | 43,765 | 49,396 | 47,317 | 47,317 | 48,317 | 50,789 | 53,442 |
| *Halls* | 4,464 | 5,950 | 5,954 | 7,405 | 5,027 | 5,027 | 5,464 | 5,737 | 6,172 |
| *Libraries* | – | 14 | 72 | 1,800 | – | – | – | – | – |
| *Cemeteries/Crematoria* | 1,037 | 943 | 978 | 994 | 2,869 | 2,869 | 3,111 | 3,257 | 3,402 |
| *Parks* | 27,586 | 28,619 | 31,644 | 33,755 | 31,445 | 31,445 | 31,742 | 33,423 | 35,121 |
| *Public Open Space* | 3,886 | 4,553 | 4,667 | 4,401 | 4,667 | 4,667 | 4,186 | 4,361 | 4,538 |
| *Public Ablution Facilities* | 482 | 488 | 450 | 1,041 | 3,308 | 3,308 | 3,812 | 4,011 | 4,210 |
| Sport and Recreation Facilities | 12,921 | 12,919 | 12,021 | 17,042 | 15,081 | 15,081 | 15,438 | 16,141 | 16,894 |
| *Outdoor Facilities* | 12,921 | 12,919 | 12,021 | 17,042 | 15,081 | 15,081 | 15,438 | 16,141 | 16,894 |
| **Heritage assets** | – | – | – | – | – | – | – | – | – |
| **Investment properties** | – | – | – | – | – | – | – | – | – |
| **Other assets** | **15,056** | **16,833** | **12,818** | **13,758** | **20,223** | **20,223** | **18,955** | **13,511** | **13,784** |
| Operational Buildings | 15,056 | 16,833 | 12,818 | 13,758 | 20,223 | 20,223 | 18,955 | 13,511 | 13,784 |
| *Municipal Offices* | 15,048 | 16,773 | 12,726 | 13,720 | 20,223 | 20,223 | 18,955 | 13,511 | 13,784 |
| *Building Plan Offices* | – | 25 | 59 | – | – | – | – | – | – |
| *Depots* | 8 | 34 | 33 | 38 | – | – | – | – | – |
| Housing | – | – | – | – | – | – | – | – | – |
| **Biological or Cultivated Assets** | – | – | – | – | – | – | – | – | – |
| **Intangible Assets** | 5,915 | 6,829 | 7,777 | 8,967 | 9,317 | 9,317 | 10,661 | 10,591 | 10,884 |
| Servitudes | – | – | – | – | – | – | – | – | – |
| Licences and Rights | 5,915 | 6,829 | 7,777 | 8,967 | 9,317 | 9,317 | 10,661 | 10,591 | 10,884 |
| *Computer Software and Applications* | 5,915 | 6,829 | 7,777 | 8,967 | 9,317 | 9,317 | 10,661 | 10,591 | 10,884 |
| **Computer Equipment** | 2,490 | 2,157 | 1,898 | 2,566 | 3,026 | 3,026 | 2,546 | 2,546 | 2,546 |
| Computer Equipment | 2,490 | 2,157 | 1,898 | 2,566 | 3,026 | 3,026 | 2,546 | 2,546 | 2,546 |
| **Furniture and Office Equipment** | 5,004 | 8,206 | 12,316 | 7,747 | 1,606 | 1,606 | 1,704 | 1,721 | 1,783 |
| Furniture and Office Equipment | 5,004 | 8,206 | 12,316 | 7,747 | 1,606 | 1,606 | 1,704 | 1,721 | 1,783 |
| **Machinery and Equipment** | 4,059 | 4,163 | 6,749 | 5,983 | 7,111 | 7,111 | 5,807 | 9,633 | 10,253 |
| Machinery and Equipment | 4,059 | 4,163 | 6,749 | 5,983 | 7,111 | 7,111 | 5,807 | 9,633 | 10,253 |
| **Transport Assets** | 21,406 | 20,160 | 23,455 | 17,145 | 31,037 | 31,037 | 30,419 | 32,202 | 34,093 |
| Transport Assets | 21,406 | 20,160 | 23,455 | 17,145 | 31,037 | 31,037 | 30,419 | 32,202 | 34,093 |
| **Land** | – | – | – | – | – | – | – | – | – |
| **Zoo's, Marine and Non-biological Animals** | – | – | – | – | – | – | – | – | – |
| **Living resources** | - | - | - | - | - | - | - | - | - |
| **Total Repairs and Maintenance Expenditure** | **245,386** | **249,505** | **280,465** | **295,774** | **317,124** | **317,124** | **326,900** | **346,983** | **367,554** |
| ***R&M as a % of PPE*** | *6.7%* | *6.7%* | *7.5%* | *7.6%* | *8.1%* | *8.1%* | *396.2%* | *-1379.7%* | *-738.0%* |
| ***R&M as % Operating Expenditure*** | *16.4%* | *15.9%* | *16.0%* | *15.2%* | *15.5%* | *15.5%* | *25.8%* | *16.4%* | *17.0%* |

For the 2025/26 financial year, 15.49 per cent or R326.9m of the total budget will be spent on repairs and maintenance, of which R193.1m is for infrastructure. Roads infrastructure has received a significant proportion of the infrastructure allocation totalling 44.1 per cent (R85.1m), followed by community assets at 19.5 per cent (R63.8m) and electricity at 15.07 per cent (R49.3m) 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 2025/26 is estimated at 5 800.

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

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

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| Cash Transfers to Organisations | | | | | | | | | |
| *Operational* | – | 500 | 530 | 800 | – | – | – | – | – |
| *Capital* | – | – | – | – | – | – | – | – | – |
| Total Cash Transfers To Organisations | – | 500 | 530 | 800 | – | – | – | – | – |
| Cash Transfers to Groups of Individuals | | | | | | | | | |
| *Operational* | 12,813 | 14,286 | 15,982 | 16,617 | 16,717 | 16,717 | 16,770 | 17,487 | 18,128 |
| *Capital* | – | – | – | – | – | – | – | – | – |
| Total Cash Transfers To Groups Of Individuals: | 12,813 | 14,286 | 15,982 | 16,617 | 16,717 | 16,717 | 16,770 | 17,487 | 18,128 |
| TOTAL CASH TRANSFERS AND GRANTS | 12,813 | 14,786 | 16,512 | 17,417 | 16,717 | 16,717 | 16,770 | 17,487 | 18,128 |
| *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 | 12,813 | 16,086 | 16,512 | 17,417 | 16,717 | 16,717 | 16,770 | 17,487 | 18,128 |

## 1.6 Capital expenditure

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

## Table 16 2025/26 Medium-term capital budget per function

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

| Vote Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| Capital Expenditure - Functional | | | | | | | | | |
| *Governance and administration* | 3,761 | 2,228 | 6,967 | 3,490 | 3,155 | 3,155 | 8,800 | 500 | 500 |
| Executive and council | 3 | 5 | 7 | 520 | 70 | 70 | 5,441 | – | – |
| Finance and administration | 3,759 | 2,223 | 6,960 | 2,970 | 3,085 | 3,085 | 3,359 | 500 | 500 |
| Internal audit | – | – | – | – | – | – | – | – | – |
| *Community and public safety* | 63,534 | 40,838 | 43,100 | 32,711 | 56,954 | 56,954 | 70,560 | 15,000 | 22,392 |
| Community and social services | 1,458 | 3,890 | 1,371 | 2,235 | 1,351 | 1,351 | 6,325 | – | – |
| Sport and recreation | 5,047 | 3,318 | 5,741 | 13,397 | 17,509 | 17,509 | 32,601 | 2,000 | 9,392 |
| Public safety | 7,998 | 5,007 | 2,310 | 3,950 | 6,650 | 6,650 | 7,092 | – | – |
| Housing | 49,031 | 28,623 | 33,678 | 13,129 | 31,444 | 31,444 | 24,542 | 13,000 | 13,000 |
| Health | – | – | – | – | – | – | – | – | – |
| *Economic and environmental services* | 11,405 | 20,518 | 17,926 | 3,277 | 7,475 | 7,475 | 16,954 | 9,400 | 5,000 |
| Planning and development | 2,656 | 3,719 | 6,170 | 975 | 2,875 | 2,875 | 1,554 | – | – |
| Road transport | 8,748 | 16,799 | 11,755 | 2,302 | 4,600 | 4,600 | 15,400 | 9,400 | 5,000 |
| Environmental protection | – | – | – | – | – | – | – | – | – |
| *Trading services* | 113,677 | 125,737 | 125,525 | 145,151 | 157,410 | 157,410 | 149,517 | 122,643 | 104,983 |
| Energy sources | 28,253 | 55,692 | 49,583 | 53,461 | 51,031 | 51,031 | 53,290 | 30,551 | 38,983 |
| Water management | 36,721 | 31,608 | 29,092 | 43,575 | 42,775 | 42,775 | 57,927 | 51,142 | 23,800 |
| Waste water management | 45,732 | 32,801 | 46,735 | 45,534 | 58,723 | 58,723 | 33,360 | 38,850 | 38,300 |
| Waste management | 2,972 | 5,637 | 115 | 2,580 | 4,880 | 4,880 | 4,940 | 2,100 | 3,900 |
| *Other* | – | – | – | – | – | – | – | – | – |
| Total Capital Expenditure - Functional | 192,377 | 189,321 | 193,518 | 184,628 | 224,994 | 224,994 | 245,831 | 147,543 | 132,875 |

For 2025/26, an amount of R149.5m has been appropriated for the development of basic services infrastructure, which represents 60.8 per cent of the total capital budget of R245.8m. In the outer years, this amount totals R122.6m, 83.1 per cent and R104.9m, 79 per cent respectively for each of these financial years. Water infrastructure has the highest allocation at R57.9m in 2025/26, which equates to 38.7 per cent of the basic services infrastructure allocation, followed by electricity at 35.7 per cent, R53.3m, waste water management 22.3 per cent, R33.4m and waste management allocation at 3.3 per cent, R4.9m. Over the MTREF, the capital housing grant expenditure relating to housing infrastructure provision amounts to R51.3m.

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 2025/26 includes, amongst others:

## Top 10 Capital Projects

| Project Description | Ward | AMOUNT |
|---|---|---|
| REFURBISHMENT OF BUFFELS RIVER WTW | Multi-ward KM Area | 31,427,000 |
| LCH SERVICES | Overstrand | 24,542,000 |
| ELECTRIFICATION OF LOW COST HOUSING AREAS | Overstrand | 13,908,000 |
| UPGRADING OF PUMPSTATIONS AND RISING MAINS | Overstrand | 13,000,000 |
| UPGRADE MOUNT PLEASANT SPORT GROUNDS | Ward 04 | 12,200,000 |
| UPGRADE HAWSTON SPORT COMPLEX (NEW STADIUM) | Ward 08 | 10,629,000 |
| REPLACEMENT OF OVERSTRAND WATER PIPES | Overstrand | 9,500,000 |
| HERMANUS MV/LV UPGRADE REPLACEMENT | Ward 03 | 9,000,000 |
| NEW STILL STREET 66KV 11KV SUBSTATION | Ward 03 | 8,981,798 |
| UPGRADE OF KLEINMOND SPORT FACILITIES | Ward 09 | 8,772,000 |

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.

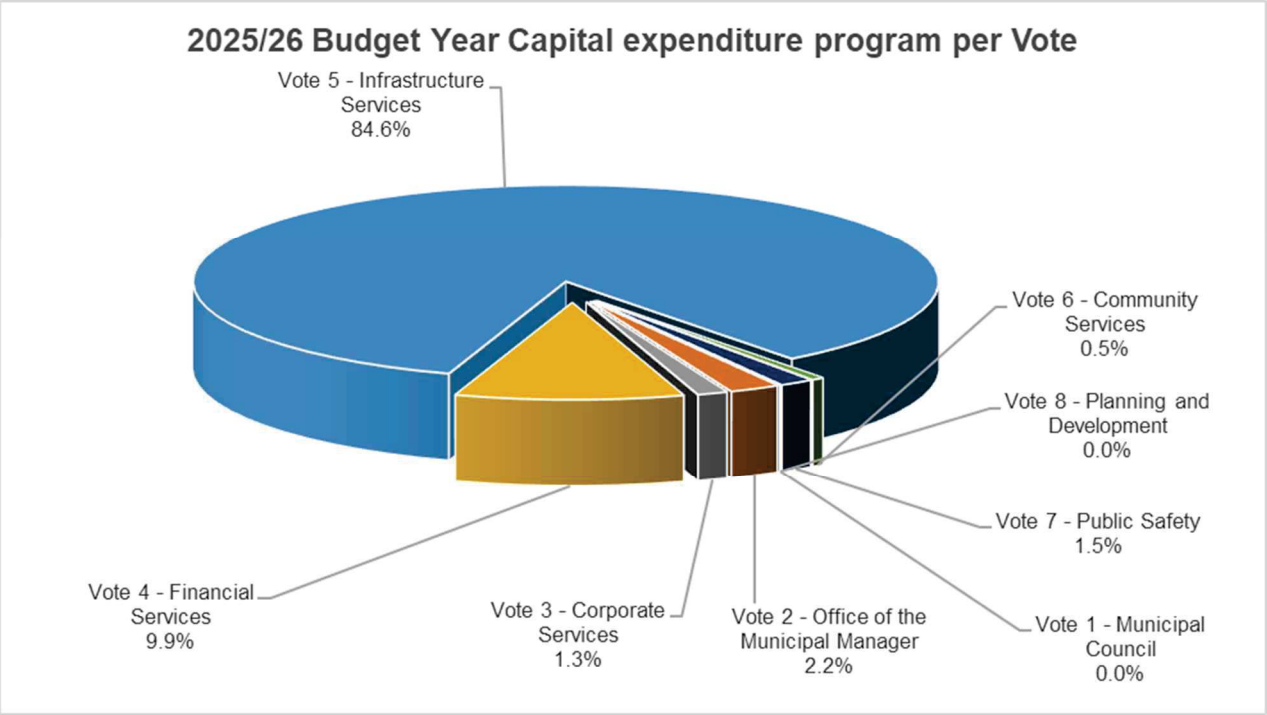



**Figure 2 Capital Infrastructure Programme**

### 1.6.1 Future operational cost of new infrastructure

An estimate has been included in Table 59 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 2025/26 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 2025/26 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 | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousands | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Financial Performance** | | | | | | | | | |
| Property rates | 280,176 | 297,101 | 339,596 | 361,957 | 367,000 | 367,000 | 383,977 | 407,016 | 431,437 |
| Service charges | 825,476 | 840,648 | 1,001,922 | 1,040,890 | 1,111,546 | 1,111,546 | 1,199,626 | 1,275,712 | 1,352,255 |
| Investment revenue | 31,884 | 51,751 | 68,418 | 51,250 | 59,250 | 59,250 | 55,000 | 58,300 | 61,798 |
| Transfer and subsidies - Operational | 151,903 | 172,162 | 191,359 | 190,368 | 199,300 | 199,300 | 203,607 | 199,962 | 209,075 |
| Other own revenue | 139,661 | 188,650 | 166,288 | 192,796 | 209,807 | 209,807 | 173,311 | 153,129 | 139,700 |
| **Total Revenue (excluding capital transfers and** | 1,429,101 | 1,550,312 | 1,767,584 | 1,837,261 | 1,946,903 | 1,946,903 | 2,015,522 | 2,094,119 | 2,194,265 |
| Employee costs | 454,787 | 480,939 | 522,688 | 586,260 | 592,474 | 592,474 | 619,194 | 642,369 | 673,354 |
| Remuneration of councillors | 11,582 | 12,315 | 12,730 | 13,912 | 13,506 | 13,506 | 14,012 | 15,062 | 16,151 |
| Depreciation and amortisation | 148,319 | 148,321 | 153,790 | 158,441 | 158,441 | 158,441 | 167,211 | 176,609 | 186,617 |
| Interest | 47,584 | 48,152 | 48,571 | 49,814 | 49,814 | 49,814 | 51,227 | 44,657 | 45,526 |
| Inventory consumed and bulk purchases | 404,261 | 404,638 | 504,074 | 545,567 | 563,839 | 563,839 | 632,328 | 661,506 | 704,430 |
| Transfers and subsidies | 12,813 | 16,086 | 16,512 | 17,417 | 16,717 | 16,717 | 16,770 | 17,487 | 18,128 |
| Other expenditure | 418,137 | 461,576 | 494,436 | 572,798 | 647,944 | 647,944 | 609,250 | 610,115 | 628,473 |
| **Total Expenditure** | 1,497,483 | 1,572,027 | 1,752,801 | 1,944,209 | 2,042,734 | 2,042,734 | 2,109,991 | 2,167,804 | 2,272,680 |
| **Surplus/(Deficit)** | (68,383) | (21,715) | 14,783 | (106,948) | (95,831) | (95,831) | (94,469) | (73,685) | (78,415) |
| Transfers and subsidies - capital (monetary allocations) | 87,270 | 125,273 | 92,977 | 65,533 | 88,616 | 88,616 | 101,549 | 77,043 | 52,375 |
| Transfers and subsidies - capital (in-kind) | 2,060 | 6,130 | 21,280 | – | 3,658 | 3,658 | – | – | – |
| **Surplus/(Deficit) after capital transfers &** | 20,948 | 109,688 | 129,040 | (41,415) | (3,557) | (3,557) | 7,080 | 3,358 | (26,040) |
| Share of surplus/ (deficit) of associate | – | – | – | – | – | – | – | – | – |
| Intercompany/Parent subsidiary transactions | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) for the year** | 20,948 | 109,688 | 129,040 | (41,415) | (3,557) | (3,557) | 7,080 | 3,358 | (26,040) |
| **Capital expenditure & funds sources** | | | | | | | | | |
| **Capital expenditure** | 192,377 | 189,321 | 193,518 | 184,628 | 224,994 | 224,994 | 245,831 | 147,543 | 132,875 |
| Transfers recognised - capital | 91,365 | 112,876 | 114,260 | 65,533 | 92,274 | 92,274 | 101,549 | 77,043 | 52,375 |
| Borrowing | 65,237 | 34,249 | 66,513 | 93,010 | 89,511 | 89,511 | 93,982 | 70,000 | 80,000 |
| Internally generated funds | 35,775 | 23,730 | 12,745 | 26,085 | 43,209 | 43,209 | 50,300 | 500 | 500 |
| **Total sources of capital funds** | 192,377 | 170,854 | 193,518 | 184,628 | 224,994 | 224,994 | 245,831 | 147,543 | 132,875 |
| **Financial position** | | | | | | | | | |
| Total current assets | 789,523 | 833,727 | 913,690 | 829,027 | 899,548 | 899,548 | 944,243 | 1,010,615 | 1,059,583 |
| Total non current assets | 3,946,923 | 4,012,995 | 4,073,258 | 4,237,717 | 4,275,864 | 4,275,864 | 4,153,575 | 4,118,469 | 4,068,097 |
| Total current liabilities | 309,129 | 306,872 | 311,250 | 434,783 | 434,783 | 434,783 | 324,754 | 344,254 | 358,650 |
| Total non current liabilities | 703,137 | 707,060 | 713,869 | 661,193 | 661,193 | 661,193 | 693,169 | 696,336 | 701,693 |
| Community wealth/Equity | 3,724,180 | 3,832,790 | 3,961,830 | 3,970,769 | 4,079,436 | 4,079,436 | 4,079,894 | 4,088,493 | 4,067,337 |
| **Cash flows** | | | | | | | | | |
| Net cash from (used) operating | 197,999 | 214,123 | 211,450 | 141,341 | 206,650 | 206,650 | 218,059 | 226,111 | 193,523 |
| Net cash from (used) investing | (191,549) | (184,495) | (176,913) | (189,608) | (214,712) | (214,712) | (215,664) | (147,903) | (132,875) |
| Net cash from (used) financing | (2,893) | 628 | (4,414) | 7,795 | 7,795 | 7,795 | (59,454) | 10,667 | 9,934 |
| **Cash/cash equivalents at the year end** | 616,280 | 646,535 | 676,658 | 660,378 | 676,391 | 676,391 | 729,941 | 818,816 | 889,398 |
| **Cash backing/surplus reconciliation** | | | | | | | | | |
| Cash and investments available | 676,792 | 714,746 | 753,703 | 744,849 | 760,862 | 760,862 | 738,342 | 818,816 | 889,398 |
| Application of cash and investments | 105,883 | 133,875 | 109,242 | 107,257 | 105,059 | 105,059 | 102,525 | 102,940 | 106,854 |
| **Balance - surplus (shortfall)** | 570,909 | 580,871 | 644,461 | 637,592 | 655,803 | 655,803 | 635,816 | 715,876 | 782,544 |
| **Asset management** | | | | | | | | | |
| Asset register summary (WDV) | 3,886,411 | 3,944,784 | 3,996,213 | 4,153,247 | 4,191,393 | 4,191,393 | 4,145,174 | 4,118,469 | 4,068,097 |
| Depreciation | 147,004 | 148,321 | 153,664 | 158,373 | 158,373 | 158,373 | 167,143 | 176,541 | 186,550 |
| Renewal and Upgrading of Existing Assets | 72,662 | 56,518 | 51,250 | 70,885 | 73,175 | 73,175 | 109,366 | 93,342 | 77,192 |
| Repairs and Maintenance | 245,386 | 249,505 | 280,465 | 295,774 | 317,124 | 317,124 | 326,900 | 346,983 | 367,554 |
| **Free services** | | | | | | | | | |
| Cost of Free Basic Services provided | 30,760 | – | – | 33,417 | 33,417 | 33,417 | 35,422 | 37,547 | 39,800 |
| Revenue cost of free services provided | – | – | – | – | – | – | – | – | – |
| **Households below minimum service level** | | | | | | | | | |
| Water: | – | – | – | – | – | – | – | – | – |
| Sanitation/sewerage: | – | – | – | – | – | – | – | – | – |
| 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, however on a positive trajectory, thus ultimately aimed at an accounting surplus position.
    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)

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

| Functional Classification Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| Revenue - Functional | | | | | | | | | |
| *Governance and administration* | **393,138** | **462,263** | **564,280** | **534,699** | **546,469** | **546,469** | **682,229** | **719,608** | **760,780** |
| Executive and council | 53,624 | 73,092 | 106,420 | 91,905 | 77,625 | 77,625 | 97,812 | 102,810 | 107,662 |
| Finance and administration | 339,514 | 389,170 | 457,860 | 442,794 | 468,844 | 468,844 | 584,416 | 616,798 | 653,118 |
| Internal audit | – | – | – | – | – | – | – | – | – |
| *Community and public safety* | **164,894** | **182,416** | **159,424** | **193,553** | **218,751** | **218,751** | **193,840** | **125,256** | **116,810** |
| Community and social services | 9,726 | 9,270 | 9,474 | 9,154 | 9,293 | 9,293 | 9,667 | 885 | 929 |
| Sport and recreation | 15,568 | 14,939 | 18,510 | 24,504 | 27,744 | 27,744 | 42,443 | 18,294 | 26,663 |
| Public safety | 48,216 | 76,056 | (7,188) | 61,852 | 70,323 | 70,323 | 73,980 | 74,592 | 75,859 |
| Housing | 91,383 | 82,150 | 138,628 | 98,043 | 111,391 | 111,391 | 67,750 | 31,486 | 13,360 |
| Health | – | – | – | – | – | – | – | – | – |
| *Economic and environmental services* | **24,301** | **34,098** | **36,468** | **14,207** | **26,117** | **26,117** | **27,958** | **28,107** | **24,815** |
| Planning and development | 17,461 | 19,181 | 21,179 | 12,358 | 15,389 | 15,389 | 20,901 | 18,258 | 19,332 |
| Road transport | 6,342 | 14,877 | 15,248 | 1,802 | 9,990 | 9,990 | 6,430 | 9,848 | 5,483 |
| Environmental protection | 498 | 40 | 40 | 46 | 738 | 738 | 626 | 0 | 0 |
| *Trading services* | **936,098** | **1,002,939** | **1,121,669** | **1,160,336** | **1,247,841** | **1,247,841** | **1,344,840** | **1,435,825** | **1,489,571** |
| Energy sources | 557,894 | 576,269 | 661,409 | 689,348 | 739,445 | 739,445 | 803,779 | 847,370 | 897,368 |
| Water management | 156,426 | 182,255 | 206,017 | 204,493 | 227,242 | 227,242 | 254,990 | 264,806 | 252,630 |
| Waste water management | 123,924 | 141,829 | 145,524 | 142,748 | 154,476 | 154,476 | 151,900 | 181,383 | 189,066 |
| Waste management | 97,854 | 102,585 | 108,719 | 123,746 | 126,678 | 126,678 | 134,170 | 142,266 | 150,507 |
| *Other* | **–** | **0** | **0** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Total Revenue - Functional** | **1,518,431** | **1,681,715** | **1,881,841** | **1,902,794** | **2,039,177** | **2,039,177** | **2,248,867** | **2,308,796** | **2,391,977** |
| Expenditure - Functional | | | | | | | | | |
| *Governance and administration* | **296,840** | **280,075** | **290,826** | **247,182** | **238,332** | **238,332** | **363,287** | **366,740** | **391,739** |
| Executive and council | 65,261 | 60,364 | 68,349 | 71,584 | 60,292 | 60,292 | 73,767 | 66,698 | 69,726 |
| Finance and administration | 228,680 | 216,561 | 219,138 | 170,452 | 173,524 | 173,524 | 284,657 | 295,023 | 316,782 |
| Internal audit | 2,898 | 3,150 | 3,339 | 5,145 | 4,517 | 4,517 | 4,863 | 5,019 | 5,230 |
| *Community and public safety* | **247,198** | **297,737** | **296,230** | **353,370** | **379,433** | **379,433** | **370,794** | **366,759** | **364,101** |
| Community and social services | 20,500 | 22,970 | 36,149 | 25,282 | 26,898 | 26,898 | 28,762 | 29,798 | 31,171 |
| Sport and recreation | 53,049 | 57,811 | 57,556 | 69,335 | 68,154 | 68,154 | 79,622 | 83,511 | 87,667 |
| Public safety | 126,920 | 156,969 | 92,802 | 167,271 | 197,558 | 197,558 | 212,178 | 227,645 | 237,286 |
| Housing | 46,729 | 59,987 | 109,723 | 91,482 | 86,824 | 86,824 | 50,232 | 25,804 | 7,977 |
| Health | – | – | – | – | – | – | – | – | – |
| *Economic and environmental services* | **183,133** | **179,614** | **204,094** | **219,096** | **222,874** | **222,874** | **241,023** | **249,107** | **265,753** |
| Planning and development | 47,152 | 47,425 | 48,212 | 53,667 | 52,320 | 52,320 | 63,589 | 62,307 | 65,205 |
| Road transport | 114,891 | 107,694 | 131,258 | 140,211 | 138,671 | 138,671 | 150,904 | 161,508 | 174,428 |
| Environmental protection | 21,090 | 24,496 | 24,623 | 25,218 | 31,882 | 31,882 | 26,530 | 25,292 | 26,120 |
| *Trading services* | **767,390** | **810,879** | **958,821** | **1,120,638** | **1,196,161** | **1,196,161** | **1,259,762** | **1,315,596** | **1,388,858** |
| Energy sources | 438,281 | 439,681 | 553,664 | 655,407 | 687,564 | 687,564 | 755,473 | 789,896 | 836,301 |
| Water management | 131,792 | 139,629 | 160,902 | 179,516 | 191,477 | 191,477 | 203,332 | 207,498 | 216,740 |
| Waste water management | 110,529 | 134,709 | 147,196 | 159,566 | 183,531 | 183,531 | 172,526 | 186,104 | 195,274 |
| Waste management | 86,788 | 96,861 | 97,059 | 126,149 | 133,588 | 133,588 | 128,430 | 132,099 | 140,543 |
| *Other* | **2,923** | **3,722** | **2,830** | **3,923** | **5,935** | **5,935** | **6,921** | **7,237** | **7,567** |
| **Total Expenditure - Functional** | **1,497,483** | **1,572,027** | **1,752,801** | **1,944,209** | **2,042,734** | **2,042,734** | **2,241,787** | **2,305,439** | **2,418,018** |
| **Surplus/(Deficit) for the year** | **20,948** | **109,688** | **129,040** | **(41,415)** | **(3,557)** | **(3,557)** | **7,080** | **3,358** | **(26,040)** |

## 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 | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Revenue by Vote** | | | | | | | | | |
| Vote 1 - Municipal Council | 53,270 | 74,415 | 106,209 | 91,820 | 77,622 | 77,622 | 78,908 | 83,068 | 86,815 |
| Vote 2 - Office of the Municipal Manager | – | – | – | – | 1,931 | 1,931 | 515 | 546 | 579 |
| Vote 3 - Corporate Services | 3,603 | 1,496 | 1,492 | 1,364 | 1,464 | 1,464 | 1,274 | 1,345 | 1,419 |
| Vote 4 - Financial Services | 325,949 | 370,122 | 436,859 | 437,064 | 452,207 | 452,207 | 477,666 | 503,242 | 532,331 |
| Vote 5 - Infrastructure Services | 1,034,384 | 1,102,798 | 1,275,677 | 1,260,015 | 1,370,156 | 1,370,156 | 1,419,613 | 1,476,820 | 1,508,055 |
| Vote 6 - Community Services | 27,139 | 24,795 | 29,545 | 34,972 | 38,268 | 38,268 | 52,939 | 19,957 | 28,422 |
| Vote 7 - Municipal Public Safety | 48,857 | 76,056 | (7,188) | 61,852 | 70,323 | 70,323 | 71,012 | 71,492 | 72,585 |
| Vote 8 - Planning and Development | 25,229 | 32,033 | 39,248 | 15,707 | 27,206 | 27,206 | 15,145 | 14,692 | 16,433 |
| Vote 9 - Costing Services | – | – | – | – | – | – | 131,796 | 137,635 | 145,338 |
| Vote 10 - Main Ledger Services | – | – | – | – | – | – | – | – | – |
| **Total Revenue by Vote** | **1,518,431** | **1,681,715** | **1,881,841** | **1,902,794** | **2,039,177** | **2,039,177** | **2,248,867** | **2,308,796** | **2,391,977** |
| **Expenditure by Vote** ***to be appropriated*** | | | | | | | | | |
| Vote 1 - Municipal Council | 36,404 | 46,177 | 41,353 | 54,329 | 53,910 | 53,910 | 55,516 | 51,174 | 53,459 |
| Vote 2 - Office of the Municipal Manager | 10,117 | 9,709 | 14,201 | 25,593 | 30,559 | 30,559 | 33,702 | 35,365 | 36,868 |
| Vote 3 - Corporate Services | 54,553 | 58,075 | 56,963 | 72,318 | 76,578 | 76,578 | 82,589 | 85,570 | 88,975 |
| Vote 4 - Financial Services | 136,612 | 140,078 | 106,638 | 138,929 | 168,137 | 168,137 | 171,468 | 180,629 | 197,884 |
| Vote 5 - Infrastructure Services | 893,615 | 943,253 | 1,189,410 | 1,210,945 | 1,261,213 | 1,261,213 | 1,293,520 | 1,327,940 | 1,386,612 |
| Vote 6 - Community Services | 152,166 | 157,827 | 186,656 | 192,551 | 190,034 | 190,034 | 203,116 | 203,744 | 213,945 |
| Vote 7 - Municipal Public Safety | 123,167 | 153,723 | 94,947 | 175,704 | 191,120 | 191,120 | 201,555 | 216,833 | 225,625 |
| Vote 8 - Planning and Development | 90,848 | 63,185 | 62,634 | 73,840 | 71,184 | 71,184 | 68,526 | 66,549 | 69,312 |
| Vote 9 - Costing Services | – | – | – | – | – | – | 131,796 | 137,635 | 145,338 |
| Vote 10 - Main Ledger Services | – | – | – | – | – | – | – | – | – |
| **Total Expenditure by Vote** | **1,497,483** | **1,572,027** | **1,752,801** | **1,944,209** | **2,042,734** | **2,042,734** | **2,241,787** | **2,305,439** | **2,418,018** |
| **Surplus/(Deficit) for the year** | **20,948** | **109,688** | **129,040** | **(41,415)** | **(3,557)** | **(3,557)** | **7,080** | **3,358** | **(26,040)** |

## 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.

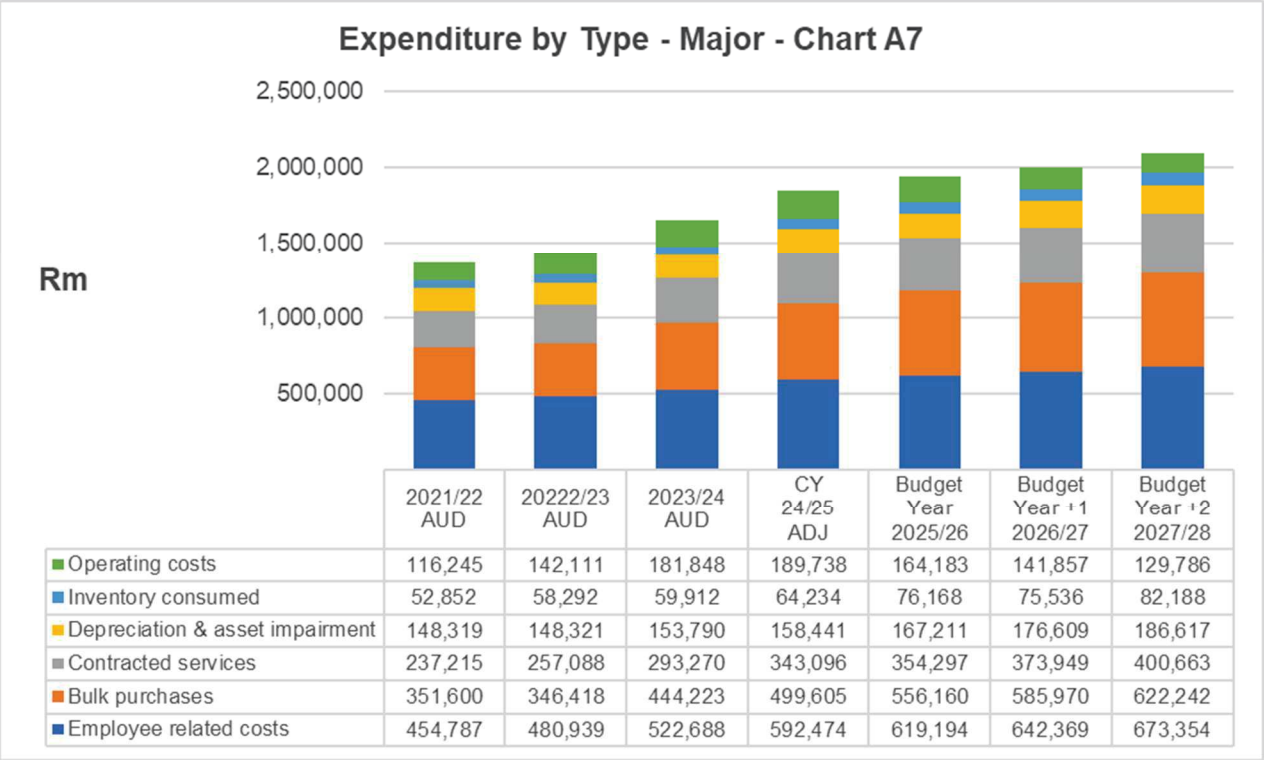
# Table 20 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

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

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Revenue** | | | | | | | | | |
| **Exchange Revenue** | | | | | | | | | |
| Service charges - Electricity | 512,791 | 495,999 | 607,716 | 636,747 | 679,000 | 679,000 | 745,540 | 791,153 | 838,623 |
| Service charges - Water | 142,484 | 158,070 | 182,282 | 176,718 | 197,000 | 197,000 | 209,109 | 221,026 | 234,288 |
| Service charges - Waste Water Management | 93,237 | 100,655 | 114,193 | 118,479 | 126,600 | 126,600 | 129,533 | 140,980 | 149,439 |
| Service charges - Waste Management | 76,964 | 85,923 | 97,731 | 108,946 | 108,946 | 108,946 | 115,444 | 122,552 | 129,905 |
| Sale of Goods and Rendering of Services | 68,874 | 80,449 | 131,093 | 102,760 | 97,788 | 97,788 | 63,725 | 40,330 | 23,509 |
| Agency services | 6,880 | 7,140 | 6,599 | 7,103 | 7,103 | 7,103 | 7,500 | 7,950 | 8,427 |
| Interest | 24 | 33 | 215 | 0 | 0 | 0 | 0 | 0 | 0 |
| Interest earned from Receivables | 3,370 | 5,796 | 10,299 | 9,400 | 11,500 | 11,500 | 12,500 | 13,250 | 14,045 |
| Interest earned from Current and Non Current Assets | 31,884 | 51,751 | 68,418 | 51,250 | 59,250 | 59,250 | 55,000 | 58,300 | 61,798 |
| Dividends | – | – | – | – | – | – | – | – | – |
| Rent on Land | 1,650 | 1,401 | 2,704 | 1,889 | 1,889 | 1,889 | 452 | 479 | 508 |
| Rental from Fixed Assets | 5,042 | 5,346 | 5,583 | 5,676 | 7,176 | 7,176 | 7,544 | 7,996 | 8,475 |
| Licence and permits | 1,002 | 1,143 | 923 | 779 | 779 | 779 | 780 | 827 | 876 |
| Special rating levies | | – | – | – | – | – | 15,420 | 16,037 | 16,678 |
| Operational Revenue | 7,497 | 10,988 | 10,968 | 8,539 | 8,544 | 8,544 | 5,554 | 5,886 | 6,238 |
| **Non-Exchange Revenue** | | | | | | | | | |
| Property rates | 280,176 | 297,101 | 339,596 | 361,957 | 367,000 | 367,000 | 383,977 | 407,016 | 431,437 |
| Surcharges and Taxes | – | – | – | – | – | – | – | – | – |
| Fines, penalties and forfeits | 35,124 | 58,043 | (22,970) | 44,889 | 52,460 | 52,460 | 52,537 | 52,636 | 52,741 |
| Licences or permits | 1,778 | 1,834 | 2,008 | 2,000 | 2,000 | 2,000 | 2,000 | 2,120 | 2,247 |
| Transfer and subsidies - Operational | 151,903 | 172,162 | 191,359 | 190,368 | 199,300 | 199,300 | 203,607 | 199,962 | 209,075 |
| Interest | 851 | 1,294 | 2,186 | 2,110 | 2,110 | 2,110 | 2,300 | 2,438 | 2,584 |
| Fuel Levy | – | – | – | – | – | – | – | – | – |
| Operational Revenue | – | – | – | – | – | – | – | – | – |
| Gains on disposal of Assets | – | 904 | – | – | 10,807 | 10,807 | – | – | – |
| Other Gains | 7,570 | 14,279 | 16,679 | 7,650 | 7,650 | 7,650 | 3,000 | 3,180 | 3,371 |
| Discontinued Operations | – | – | – | – | – | – | – | – | – |
| **Total Revenue (excluding capital transfers and contributions)** | **1,429,101** | **1,550,312** | **1,767,584** | **1,837,261** | **1,946,903** | **1,946,903** | **2,015,522** | **2,094,119** | **2,194,265** |
| **Expenditure** | | | | | | | | | |
| Employee related costs | 454,787 | 480,939 | 522,688 | 586,260 | 592,474 | 592,474 | 619,194 | 642,369 | 673,354 |
| Remuneration of councillors | 11,582 | 12,315 | 12,730 | 13,912 | 13,506 | 13,506 | 14,012 | 15,062 | 16,151 |
| Bulk purchases - electricity | 351,600 | 346,418 | 444,223 | 484,477 | 499,605 | 499,605 | 556,160 | 585,970 | 622,242 |
| Inventory consumed | 52,661 | 58,220 | 59,851 | 61,091 | 64,234 | 64,234 | 76,168 | 75,536 | 82,188 |
| Debt impairment | 28,248 | 52,100 | (12,141) | 53,394 | 67,400 | 67,400 | 70,770 | 74,309 | 78,024 |
| Depreciation and amortisation | 148,319 | 148,321 | 153,790 | 158,441 | 158,441 | 158,441 | 167,211 | 176,609 | 186,617 |
| Interest | 47,584 | 48,152 | 48,571 | 49,814 | 49,814 | 49,814 | 51,227 | 44,657 | 45,526 |
| Contracted services | 237,215 | 257,088 | 293,270 | 316,348 | 343,096 | 343,096 | 354,297 | 373,949 | 400,663 |
| Transfers and subsidies | 12,813 | 16,086 | 16,512 | 17,417 | 16,717 | 16,717 | 16,770 | 17,487 | 18,128 |
| Irrecoverable debts written off | 5,258 | 10,206 | 30,884 | 10,709 | 47,709 | 47,709 | 20,000 | 20,000 | 20,000 |
| Operational costs | 116,245 | 142,111 | 181,848 | 192,346 | 189,738 | 189,738 | 164,183 | 141,857 | 129,786 |
| Losses on disposal of Assets | 30,979 | – | 514 | – | – | – | – | – | – |
| Other Losses | 192 | 72 | 60 | – | – | – | – | – | – |
| **Total Expenditure** | **1,497,483** | **1,572,027** | **1,752,801** | **1,944,209** | **2,042,734** | **2,042,734** | **2,109,991** | **2,167,804** | **2,272,680** |
| **Surplus/(Deficit)** | **(68,383)** | **(21,715)** | **14,783** | **(106,948)** | **(95,831)** | **(95,831)** | **(94,469)** | **(73,685)** | **(78,415)** |
| Transfers and subsidies - capital (monetary allocations) | 87,270 | 125,273 | 92,977 | 65,533 | 88,616 | 88,616 | 101,549 | 77,043 | 52,375 |
| Transfers and subsidies - capital (in-kind) | 2,060 | 6,130 | 21,280 | – | 3,658 | 3,658 | – | – | – |
| **Surplus/(Deficit) after capital transfers & contributions** | **20,948** | 109,688 | 129,040 | **(41,415)** | **(3,557)** | **(3,557)** | **7,080** | **3,358** | **(26,040)** |
| Income Tax | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) after income tax** | **20,948** | 109,688 | 129,040 | (41,415) | (3,557) | (3,557) | 7,080 | 3,358 | (26,040) |
| Share of Surplus/Deficit attributable to Joint Venture | – | – | – | – | – | – | – | – | – |
| Share of Surplus/Deficit attributable to Minorities | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) attributable to municipality** | **20,948** | 109,688 | 129,040 | (41,415) | (3,557) | (3,557) | 7,080 | 3,358 | (26,040) |
| Share of Surplus/Deficit attributable to Associate | – | – | – | – | – | – | – | – | – |
| Intercompany/Parent subsidiary transactions | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) for the year** | **20,948** | **109,688** | **129,040** | **(41,415)** | **(3,557)** | **(3,557)** | **7,080** | **3,358** | **(26,040)** |

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

1. Total operating revenue is R1.946 billion in 2024/25 and indicates an increase to R2.015 billion in 2025/26.
2. Revenue to be generated from property rates is R367 million in the 2024/25 financial year and increases to R383.9 million by 2025/26 which represents 19.1 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 R1.112 billion for the 2025/26 financial year and indicates an increase to R1.200 billion by 2025/26. For the 2025/26 financial year services charges amount to 59.5 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.




| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| Operating costs | 116,245 | 142,111 | 181,848 | 189,738 | 164,183 | 141,857 | 129,786 |
| Inventory consumed | 52,852 | 58,292 | 59,912 | 64,234 | 76,168 | 75,536 | 82,188 |
| Depreciation & asset impairment | 148,319 | 148,321 | 153,790 | 158,441 | 167,211 | 176,609 | 186,617 |
| Contracted services | 237,215 | 257,088 | 293,270 | 343,096 | 354,297 | 373,949 | 400,663 |
| Bulk purchases | 351,600 | 346,418 | 444,223 | 499,605 | 556,160 | 585,970 | 622,242 |
| Employee related costs | 454,787 | 480,939 | 522,688 | 592,474 | 619,194 | 642,369 | 673,354 |

**Figure 3 Expenditure by major type**

6. Bulk purchases have significantly increased over the 2021/22 to 2027/28 period escalating from R351.6 million to R622.2 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

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

| Vote Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Capital expenditure - Vote** | | | | | | | | | |
| **Multi-year expenditure *to be appropriated*** | | | | | | | | | |
| Vote 1 - Municipal Council | – | – | – | – | – | – | – | – | – |
| Vote 2 - Office of the Municipal Manager | – | – | – | – | – | – | – | – | – |
| Vote 3 - Corporate Services | 3,250 | – | 588 | 765 | 1,081 | 1,081 | 3,244 | 500 | 500 |
| Vote 4 - Financial Services | 42 | – | 10 | 1,560 | 2,175 | 2,175 | 8,420 | – | – |
| Vote 5 - Infrastructure Services | 146,819 | 4,059 | 170,843 | 154,385 | 174,773 | 174,773 | 199,985 | 147,043 | 132,375 |
| Vote 6 - Community Services | 2,117 | – | – | 735 | 335 | 335 | 1,325 | – | – |
| Vote 7 - Municipal Public Safety | 100 | – | 161 | 1,300 | 1,300 | 1,300 | 3,292 | – | – |
| Vote 8 - Planning and Development | 6,417 | – | 6,170 | 30 | 30 | 30 | 29 | – | – |
| Vote 9 - Costing Services | – | – | – | – | – | – | – | – | – |
| Vote 10 - Main Ledger Services | – | – | – | – | – | – | – | – | – |
| **Capital multi-year expenditure sub-total** | **158,744** | **4,059** | **177,772** | **158,775** | **179,694** | **179,694** | **216,295** | **147,543** | **132,875** |
| **Single-year expenditure *to be appropriated*** | | | | | | | | | |
| Vote 1 - Municipal Council | – | – | – | – | – | – | – | – | – |
| Vote 2 - Office of the Municipal Manager | – | – | 7 | 465 | 15 | 15 | 5,386 | – | – |
| Vote 3 - Corporate Services | – | 1,812 | 6,362 | 2,200 | 1,884 | 1,884 | – | – | – |
| Vote 4 - Financial Services | – | 57 | – | 5,650 | 19,816 | 19,816 | 15,900 | – | – |
| Vote 5 - Infrastructure Services | 26,219 | 163,637 | 115 | 14,689 | 17,361 | 17,361 | 7,950 | – | – |
| Vote 6 - Community Services | 4,989 | 5,007 | 7,112 | 1,000 | 4,674 | 4,674 | – | – | – |
| Vote 7 - Municipal Public Safety | 965 | 2,365 | 2,150 | 1,850 | 1,550 | 1,550 | 300 | – | – |
| Vote 8 - Planning and Development | 1,458 | 12,384 | – | – | – | – | – | – | – |
| Vote 9 - Costing Services | – | – | – | – | – | – | – | – | – |
| Vote 10 - Main Ledger Services | – | – | – | – | – | – | – | – | – |
| **Capital single-year expenditure sub-total** | **33,633** | **185,262** | **15,746** | **25,854** | **45,299** | **45,299** | **29,536** | **–** | **–** |
| **Total Capital Expenditure - Vote** | **192,377** | **189,321** | **193,518** | **184,628** | **224,994** | **224,994** | **245,831** | **147,543** | **132,875** |
| **Capital Expenditure - Functional** | | | | | | | | | |
| ***Governance and administration*** | **3,761** | **2,228** | **6,967** | **3,490** | **3,155** | **3,155** | **8,800** | **500** | **500** |
| Executive and council | 3 | 5 | 7 | 520 | 70 | 70 | 5,441 | – | – |
| Finance and administration | 3,759 | 2,223 | 6,960 | 2,970 | 3,085 | 3,085 | 3,359 | 500 | 500 |
| Internal audit | – | – | – | – | – | – | – | – | – |
| ***Community and public safety*** | **63,534** | **40,838** | **43,100** | **32,711** | **56,954** | **56,954** | **70,560** | **15,000** | **22,392** |
| Community and social services | 1,458 | 3,890 | 1,371 | 2,235 | 1,351 | 1,351 | 6,325 | – | – |
| Sport and recreation | 5,047 | 3,318 | 5,741 | 13,397 | 17,509 | 17,509 | 32,601 | 2,000 | 9,392 |
| Public safety | 7,998 | 5,007 | 2,310 | 3,950 | 6,650 | 6,650 | 7,092 | – | – |
| Housing | 49,031 | 28,623 | 33,678 | 13,129 | 31,444 | 31,444 | 24,542 | 13,000 | 13,000 |
| Health | – | – | – | – | – | – | – | – | – |
| ***Economic and environmental services*** | **11,405** | **20,518** | **17,926** | **3,277** | **7,475** | **7,475** | **16,954** | **9,400** | **5,000** |
| Planning and development | 2,656 | 3,719 | 6,170 | 975 | 2,875 | 2,875 | 1,554 | – | – |
| Road transport | 8,748 | 16,799 | 11,755 | 2,302 | 4,600 | 4,600 | 15,400 | 9,400 | 5,000 |
| Environmental protection | – | – | – | – | – | – | – | – | – |
| ***Trading services*** | **113,677** | **125,737** | **125,525** | **145,151** | **157,410** | **157,410** | **149,517** | **122,643** | **104,983** |
| Energy sources | 28,253 | 55,692 | 49,583 | 53,461 | 51,031 | 51,031 | 53,290 | 30,551 | 38,983 |
| Water management | 36,721 | 31,608 | 29,092 | 43,575 | 42,775 | 42,775 | 57,927 | 51,142 | 23,800 |
| Waste water management | 45,732 | 32,801 | 46,735 | 45,534 | 58,723 | 58,723 | 33,360 | 38,850 | 38,300 |
| Waste management | 2,972 | 5,637 | 115 | 2,580 | 4,880 | 4,880 | 4,940 | 2,100 | 3,900 |
| ***Other*** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Total Capital Expenditure - Functional** | **192,377** | **189,321** | **193,518** | **184,628** | **224,994** | **224,994** | **245,831** | **147,543** | **132,875** |
| **Funded by:** | | | | | | | | | |
| National Government | 36,688 | 81,741 | 59,150 | 52,299 | 55,951 | 55,951 | 76,207 | 64,043 | 39,375 |
| Provincial Government | 1,290 | 5,036 | 33,827 | 13,129 | 32,560 | 32,560 | 25,342 | 13,000 | 13,000 |
| District Municipality | – | – | | – | – | – | – | – | – |
| Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm | 53,387 | 26,098 | 21,282 | 105 | 3,763 | 3,763 | – | – | – |
| **Transfers recognised - capital** | **91,365** | **112,876** | **114,260** | **65,533** | **92,274** | **92,274** | **101,549** | **77,043** | **52,375** |
| **Public contributions & donations** | – | 18,467 | | | | | | | |
| **Borrowing** | 65,237 | 34,249 | 66,513 | 93,010 | 89,511 | 89,511 | 93,982 | 70,000 | 80,000 |
| **Internally generated funds** | 35,775 | 23,730 | 12,745 | 26,085 | 43,209 | 43,209 | 50,300 | 500 | 500 |
| **Total Capital Funding** | **192,377** | **189,321** | **193,518** | **184,628** | **224,994** | **224,994** | **245,831** | **147,543** | **132,875** |

**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 R245.8 million in 2025/26.
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 2025/26, capital transfers total R101.5 million. Borrowing has been provided at R94 million (inclusive of roll-over borrowing), finance leases (nil) and internally generated funding totaling R50.3 million. These funding sources are further discussed in detail in paragraph 2.6 (Overview of Budget Funding).
5. Rolled over borrowing amounts to R3.9m.

## Table 22 MBRR Table A6 - Budgeted Financial Position

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **ASSETS** | | | | | | | | | |
| **Current assets** | | | | | | | | | |
| Cash and cash equivalents | 616,280 | 646,535 | 676,658 | 660,378 | 676,391 | 676,391 | 729,941 | 818,816 | 889,398 |
| Trade and other receivables from exchange transactior | 96,422 | 110,076 | 153,598 | 76,747 | 123,982 | 123,982 | 105,760 | 86,497 | 67,440 |
| Receivables from non-exchange transactions | 52,678 | 50,479 | 52,959 | 33,832 | 41,105 | 41,105 | 35,543 | 31,190 | 27,520 |
| Current portion of non-current receivables | – | – | – | – | – | – | – | – | – |
| Inventory | 10,938 | 11,594 | 15,711 | 11,199 | 11,199 | 11,199 | 15,588 | 15,624 | 15,649 |
| VAT | 12,472 | 13,587 | 14,019 | 1,783 | 1,783 | 1,783 | 1,800 | 1,817 | 1,836 |
| Other current assets | 733 | 1,455 | 745 | 45,087 | 45,087 | 45,087 | 55,610 | 56,670 | 57,740 |
| **Total current assets** | **789,523** | **833,727** | **913,690** | **829,027** | **899,548** | **899,548** | **944,243** | **1,010,615** | **1,059,583** |
| **Non current assets** | | | | | | | | | |
| Investments | 60,512 | 68,211 | 77,045 | 84,471 | 84,471 | 84,471 | 8,400 | – | – |
| Investment property | 131,248 | 151,589 | 164,436 | 150,336 | 150,336 | 150,336 | 168,225 | 170,585 | 173,956 |
| Property, plant and equipment | 3,633,488 | 3,674,341 | 3,713,687 | 3,880,112 | 3,918,559 | 3,918,559 | 3,858,857 | 3,830,170 | 3,776,828 |
| Biological assets | – | – | – | – | – | – | – | – | – |
| Living and non-living resources | 610 | 542 | 415 | 1,106 | 806 | 806 | 980 | 912 | 844 |
| Heritage assets | 112,126 | 109,625 | 109,625 | 114,055 | 114,055 | 114,055 | 109,625 | 109,625 | 109,625 |
| Intangible assets | 8,940 | 8,687 | 8,050 | 7,637 | 7,637 | 7,637 | 7,488 | 7,177 | 6,845 |
| Trade and other receivables from exchange transactior | – | – | – | – | – | – | – | – | – |
| Non-current receivables from non-exchange transactio | – | – | – | – | – | – | – | – | – |
| Other non-current assets | – | – | – | – | – | – | – | – | – |
| **Total non current assets** | **3,946,923** | **4,012,995** | **4,073,258** | **4,237,717** | **4,275,864** | **4,275,864** | **4,153,575** | **4,118,469** | **4,068,097** |
| **TOTAL ASSETS** | **4,736,446** | **4,846,722** | **4,986,948** | **5,066,744** | **5,175,412** | **5,175,412** | **5,097,817** | **5,129,084** | **5,127,680** |
| **LIABILITIES** | | | | | | | | | |
| **Current liabilities** | | | | | | | | | |
| Bank overdraft | – | – | – | – | – | – | – | – | – |
| Financial liabilities | 50,494 | 57,949 | 50,444 | 154,566 | 154,566 | 154,566 | 61,383 | 72,116 | 80,828 |
| Consumer deposits | 64,682 | 65,804 | 69,338 | 58,712 | 58,712 | 58,712 | 69,665 | 71,715 | 73,765 |
| Trade and other payables from exchange transactions | 120,787 | 127,465 | 133,784 | 158,403 | 158,403 | 158,403 | 133,297 | 133,581 | 133,874 |
| Trade and other payables from non-exchange transact | 26,309 | 6,206 | 5,342 | – | – | – | – | – | – |
| Provision | 41,443 | 43,365 | 45,659 | 53,093 | 53,093 | 53,093 | 48,242 | 53,463 | 55,523 |
| VAT | – | – | – | 3,365 | 3,365 | 3,365 | 4,201 | 5,095 | 6,044 |
| Other current liabilities | 5,414 | 6,083 | 6,683 | 6,643 | 6,643 | 6,643 | 7,966 | 8,285 | 8,616 |
| **Total current liabilities** | **309,129** | **306,872** | **311,250** | **434,783** | **434,783** | **434,783** | **324,754** | **344,254** | **358,650** |
| **Non current liabilities** | | | | | | | | | |
| Financial liabilities | 429,906 | 421,957 | 421,513 | 331,786 | 331,786 | 331,786 | 360,476 | 358,360 | 357,532 |
| Provision | 157,026 | 170,841 | 172,518 | 188,240 | 188,240 | 188,240 | 186,928 | 186,381 | 186,502 |
| Long term portion of trade payables | – | – | – | – | – | – | – | – | – |
| Other non-current liabilities | 116,205 | 114,262 | 119,837 | 141,167 | 141,167 | 141,167 | 145,765 | 151,596 | 157,659 |
| **Total non current liabilities** | **703,137** | **707,060** | **713,869** | **661,193** | **661,193** | **661,193** | **693,169** | **696,336** | **701,693** |
| **TOTAL LIABILITIES** | **1,012,266** | **1,013,932** | **1,025,118** | **1,095,976** | **1,095,976** | **1,095,976** | **1,017,923** | **1,040,590** | **1,060,343** |
| **NET ASSETS** | **3,724,180** | **3,832,790** | **3,961,830** | **3,970,769** | **4,079,436** | **4,079,436** | **4,079,894** | **4,088,493** | **4,067,337** |
| **COMMUNITY WEALTH/EQUITY** | | | | | | | | | |
| Accumulated surplus/(deficit) | 3,720,953 | 3,829,562 | 3,958,602 | 3,967,539 | 4,076,207 | 4,076,207 | 4,076,664 | 4,085,262 | 4,064,105 |
| Reserves and funds | 3,228 | 3,228 | 3,228 | 3,230 | 3,230 | 3,230 | 3,231 | 3,232 | 3,233 |
| Other | – | – | – | – | – | – | – | – | – |
| **TOTAL COMMUNITY WEALTH/EQUITY** | **3,724,180** | **3,832,790** | **3,961,830** | **3,970,769** | **4,079,436** | **4,079,436** | **4,079,894** | **4,088,493** | **4,067,337** |

**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 | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **CASH FLOW FROM OPERATING ACTIVITIES** | | | | | | | | | |
| **Receipts** | | | | | | | | | |
| Property rates | 277,452 | 292,203 | 331,408 | 358,095 | 362,295 | 362,295 | 395,706 | 419,145 | 443,977 |
| Service charges | 813,102 | 812,299 | 933,715 | 1,032,355 | 1,102,689 | 1,102,689 | 1,193,359 | 1,268,998 | 1,345,137 |
| Other revenue | 88,928 | 114,226 | 148,838 | 120,379 | 120,379 | 120,379 | 95,808 | 72,775 | 54,532 |
| Transfers and Subsidies - Operational | 145,075 | 172,032 | 186,843 | 190,368 | 201,918 | 201,918 | 203,607 | 199,962 | 209,075 |
| Transfers and Subsidies - Capital | 96,836 | 105,269 | 96,616 | 65,533 | 92,274 | 92,274 | 101,549 | 77,043 | 52,375 |
| Interest | 36,128 | 58,874 | 81,119 | 51,250 | 51,250 | 51,250 | 55,000 | 58,300 | 61,798 |
| Dividends | – | – | – | – | – | – | – | – | – |
| **Payments** | | | | | | | | | |
| Suppliers and employees | (1,199,126) | (1,277,763) | (1,501,927) | (1,609,408) | (1,656,924) | (1,656,924) | (1,758,974) | (1,807,968) | (1,909,718) |
| Interest | (47,584) | (48,152) | (48,571) | (49,814) | (49,814) | (49,814) | (51,227) | (44,657) | (45,526) |
| Transfers and Subsidies | (12,813) | (14,865) | (16,590) | (17,417) | (17,417) | (17,417) | (16,770) | (17,487) | (18,128) |
| **NET CASH FROM/(USED) OPERATING ACTIV** | **197,999** | **214,123** | **211,450** | **141,341** | **206,650** | **206,650** | **218,059** | **226,111** | **193,523** |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | | | | | | | |
| **Receipts** | | | | | | | | | |
| Proceeds on disposal of PPE | 3,813 | 3,676 | 302 | – | 13,043 | 13,043 | – | – | – |
| Decrease (increase) in non-current receivable | – | | – | – | – | – | – | – | – |
| Decrease (increase) in non-current investmen | (4,980) | (4,980) | (4,980) | (4,980) | (4,980) | (4,980) | 30,167 | (360) | – |
| **Payments** | | | | | | | | | |
| Capital assets | (190,382) | (183,191) | (172,235) | (184,628) | (222,775) | (222,775) | (245,831) | (147,543) | (132,875) |
| **NET CASH FROM/(USED) OPERATING ACTIV** | **(191,549)** | **(184,495)** | **(176,913)** | **(189,608)** | **(214,712)** | **(214,712)** | **(215,664)** | **(147,903)** | **(132,875)** |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | | | | | | | |
| **Receipts** | | | | | | | | | |
| Short term loans | – | – | – | – | – | – | – | – | – |
| Borrowing long term/refinancing | 50,000 | 50,000 | 50,000 | 65,000 | 65,000 | 65,000 | 90,000 | 70,000 | 80,000 |
| Increase (decrease) in consumer deposits | 1,064 | 1,122 | 3,535 | (6,600) | (6,600) | (6,600) | 5,200 | 2,050 | 2,050 |
| **Payments** | | | | | | | | | |
| Repayment of borrowing | (53,957) | (50,494) | (57,949) | (50,605) | (50,605) | (50,605) | (154,654) | (61,383) | (72,116) |
| **NET CASH FROM/(USED) FINANCING ACTIV** | **(2,893)** | **628** | **(4,414)** | **7,795** | **7,795** | **7,795** | **(59,454)** | **10,667** | **9,934** |
| **NET INCREASE/ (DECREASE) IN CASH HELI** | **3,557** | **30,255** | **30,123** | **(40,473)** | **(267)** | **(267)** | **(57,059)** | **88,875** | **70,582** |
| **Cash/cash equivalents at the year begin:** | **612,723** | **616,280** | **646,535** | 700,851 | 676,658 | 676,658 | **787,000** | **729,941** | **818,816** |
| **Cash/cash equivalents at the year** | **616,280** | **646,535** | **676,658** | **660,378** | **676,391** | **676,391** | **729,941** | **818,816** | **889,398** |

## 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 2025/26 MTREF.
4. The 2025/26 MTREF has been informed by the planning principle of ensuring adequate cash over the medium-term.
5. Cash and cash equivalents totals R729.9 million as at the end of the 2025/26 financial year and is estimated to increase to R889.4 million by 2027/28.

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

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Cash and investments available** | | | | | | | | | |
| Cash/cash equivalents at the year end | 616,280 | 646,535 | 676,658 | 660,378 | 676,391 | 676,391 | 729,941 | 818,816 | 889,398 |
| Other current investments > 90 days | 0 | (0) | (0) | 0 | 0 | 0 | – | – | – |
| Non current Investments | 60,512 | 68,211 | 77,045 | 84,471 | 84,471 | 84,471 | 8,400 | – | – |
| **Cash and investments available:** | **676,792** | **714,746** | **753,703** | **744,849** | **760,862** | **760,862** | **738,342** | **818,816** | **889,398** |
| **Application of cash and investments** | | | | | | | | | |
| Trade payables from Non-exchange transactions: Unsper | 26,309 | 6,206 | 5,342 | – | – | – | – | – | – |
| Unspent borrowing | – | 30,175 | 56,641 | 27,610 | 27,610 | 27,610 | 3,982 | – | – |
| Statutory requirements | – | – | 14,020 | 6,919 | 11,659 | 11,659 | – | – | – |
| Other working capital requirements | 5,747 | 15,967 | 8,748 | 44,481 | 37,543 | 37,543 | 90,143 | 102,940 | 106,854 |
| Other provisions | 13,315 | 13,315 | (52,554) | (56,225) | (56,225) | (56,225) | – | – | – |
| Long term investments committed | 60,512 | 68,211 | 77,045 | 84,471 | 84,471 | 84,471 | 8,400 | – | – |
| Reserves to be backed by cash/investments | – | – | – | – | – | – | – | – | – |
| **Total Application of cash and investments:** | **105,883** | **133,875** | **109,242** | **107,257** | **105,059** | **105,059** | **102,525** | **102,940** | **106,854** |
| **Surplus(shortfall)** | **570,909** | **580,871** | **644,461** | **637,592** | **655,803** | **655,803** | **635,816** | **715,876** | **782,544** |

**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 2025/26 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

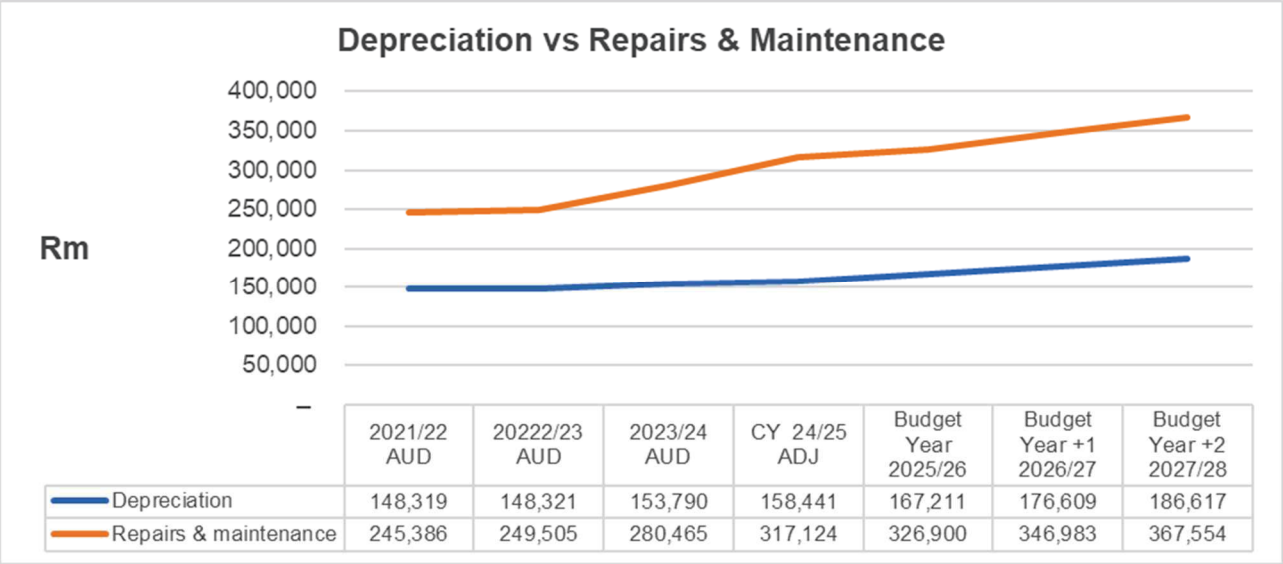
| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited | Audited | Audited | Original | Adjusted | Full Year | Budget Year | Budget Year | Budget Year |
| CAPITAL EXPENDITURE | | | | | | | | | |
| Total New Assets | 119,714 | 132,803 | 142,268 | 113,744 | 151,819 | 151,819 | 136,465 | 54,201 | 55,683 |
| *Roads Infrastructure* | 7,714 | 16,799 | 11,795 | 952 | 3,250 | 3,250 | 6,500 | 9,400 | 2,000 |
| *Storm water Infrastructure* | 4,724 | 1,113 | 5,968 | 10,213 | 13,536 | 13,536 | 5,000 | – | – |
| *Electrical Infrastructure* | 18,244 | 53,049 | 45,316 | 32,748 | 30,317 | 30,317 | 27,590 | 20,451 | 17,483 |
| *Water Supply Infrastructure* | 3,171 | 9,484 | 16,099 | 24,900 | 24,100 | 24,100 | 13,050 | 7,000 | 9,800 |
| *Sanitation Infrastructure* | 8,923 | 3,956 | 8,141 | 8,500 | 6,500 | 6,500 | 7,750 | 500 | 1,000 |
| *Solid Waste Infrastructure* | 2,972 | 1,226 | 50 | 565 | 1,055 | 1,055 | 4,940 | 2,100 | 3,900 |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | ***45,748*** | ***85,627*** | ***87,369*** | ***77,878*** | ***78,759*** | ***78,759*** | ***64,830*** | ***39,451*** | ***34,183*** |
| Community Facilities | 4,140 | 2,674 | 797 | 3,350 | 2,900 | 2,900 | 6,821 | – | 3,000 |
| Sport and Recreation Facilities | 5,047 | 5,068 | 3,451 | 2,947 | 6,769 | 6,769 | 8,772 | – | 5,000 |
| **Community Assets** | ***9,187*** | ***7,742*** | ***4,248*** | ***6,297*** | ***9,669*** | ***9,669*** | ***15,593*** | **–** | ***8,000*** |
| **Heritage Assets** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Revenue Generating | – | – | – | – | – | – | – | – | – |
| Non-revenue Generating | – | – | – | – | – | – | – | – | – |
| **Investment properties** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Operational Buildings | 1,410 | 2,211 | 6,567 | 2,250 | 3,750 | 3,750 | 2,250 | 1,250 | – |
| Housing | 49,031 | 26,523 | 33,678 | 13,129 | 31,444 | 31,444 | 24,542 | 13,000 | 13,000 |
| **Other Assets** | ***50,440*** | ***28,734*** | ***40,245*** | ***15,379*** | ***35,194*** | ***35,194*** | ***26,792*** | ***14,250*** | ***13,000*** |
| **Biological or Cultivated Assets** | **21** | **–** | **–** | **700** | **400** | **400** | **300** | **–** | **–** |
| Servitudes | – | – | – | – | – | – | – | – | – |
| Licences and Rights | – | – | 71 | – | – | – | – | – | – |
| **Intangible Assets** | **–** | **–** | ***71*** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Computer Equipment** | **3,240** | **2,212** | **4,550** | **3,250** | **3,250** | **3,250** | **3,130** | **500** | **500** |
| **Furniture and Office Equipment** | **2,910** | **715** | **408** | **865** | **1,396** | **1,396** | **1,345** | **–** | **–** |
| **Machinery and Equipment** | **1,363** | **729** | **3,588** | **1,225** | **335** | **335** | **325** | **–** | **–** |
| **Transport Assets** | **6,806** | **7,043** | **1,787** | **8,150** | **22,816** | **22,816** | **24,150** | **–** | **–** |
| **Land** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Zoo's, Marine and Non-biological Animals** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Mature | – | - | - | - | - | - | - | - | - |
| Immature | – | - | - | - | - | - | - | - | - |
| **Living Resources** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited | Audited | Audited | Original | Adjusted | Full Year | Budget Year | Budget Year | Budget Year |
| **Total Renewal of Existing Assets** | **30,964** | **17,393** | **15,235** | **19,375** | **19,375** | **19,375** | **45,827** | **45,092** | **16,700** |
| *Roads Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Storm water Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Electrical Infrastructure* | 1,000 | 1,042 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 2,000 | 2,500 |
| *Water Supply Infrastructure* | 29,964 | 15,725 | 12,448 | 17,175 | 17,175 | 17,175 | 43,627 | 42,392 | 13,500 |
| *Sanitation Infrastructure* | – | 626 | 1,287 | 700 | 700 | 700 | 700 | 700 | 700 |
| *Solid Waste Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | ***30,964*** | ***17,393*** | ***15,235*** | ***19,375*** | ***19,375*** | ***19,375*** | ***45,827*** | ***45,092*** | ***16,700*** |
| 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** | **41,698** | **39,125** | **36,015** | **51,509** | **53,800** | **53,800** | **63,539** | **48,250** | **60,492** |
| *Roads Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Storm water Infrastructure* | – | – | – | – | – | – | 1,000 | – | – |
| *Electrical Infrastructure* | 7,173 | 1,600 | 2,767 | 15,464 | 15,464 | 15,464 | 16,300 | 8,100 | 19,000 |
| *Water Supply Infrastructure* | 3,586 | 6,928 | 541 | 500 | 500 | 500 | 500 | 500 | 500 |
| *Sanitation Infrastructure* | 30,939 | 28,219 | 30,351 | 25,621 | 27,621 | 27,621 | 18,910 | 37,650 | 36,600 |
| *Solid Waste Infrastructure* | – | 1,859 | 65 | 25 | 25 | 25 | – | – | – |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | ***41,698*** | ***38,606*** | ***33,725*** | ***41,609*** | ***43,609*** | ***43,609*** | ***36,710*** | ***46,250*** | ***56,100*** |
| Community Facilities | – | 319 | – | – | – | – | 4,000 | – | – |
| Sport and Recreation Facilities | – | 200 | 2,290 | 9,900 | 10,190 | 10,190 | 22,829 | 2,000 | 4,392 |
| **Community Assets** | **–** | ***519*** | ***2,290*** | ***9,900*** | ***10,190*** | ***10,190*** | ***26,829*** | ***2,000*** | ***4,392*** |
| **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** | **192,377** | **189,321** | **193,518** | **184,628** | **224,994** | **224,994** | **245,831** | **147,543** | **132,875** |
| *Roads Infrastructure* | 7,714 | 16,799 | 11,795 | 952 | 3,250 | 3,250 | 6,500 | 9,400 | 2,000 |
| *Storm water Infrastructure* | 4,724 | 1,113 | 5,968 | 10,213 | 13,536 | 13,536 | 6,000 | – | – |
| *Electrical Infrastructure* | 26,417 | 55,692 | 49,583 | 49,711 | 47,281 | 47,281 | 45,390 | 30,551 | 38,983 |
| *Water Supply Infrastructure* | 36,721 | 32,137 | 29,088 | 42,575 | 41,775 | 41,775 | 57,177 | 49,892 | 23,800 |
| *Sanitation Infrastructure* | 39,862 | 32,801 | 39,780 | 34,821 | 34,821 | 34,821 | 27,360 | 38,850 | 38,300 |
| *Solid Waste Infrastructure* | 2,972 | 3,085 | 115 | 590 | 1,080 | 1,080 | 4,940 | 2,100 | 3,900 |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | ***118,410*** | ***141,626*** | ***136,329*** | ***138,863*** | ***141,744*** | ***141,744*** | ***147,367*** | ***130,793*** | ***106,983*** |
| Community Facilities | 4,140 | 2,994 | 797 | 3,350 | 2,900 | 2,900 | 10,821 | – | 3,000 |
| Sport and Recreation Facilities | 5,047 | 5,268 | 5,741 | 12,847 | 16,959 | 16,959 | 31,601 | 2,000 | 9,392 |
| **Community Assets** | ***9,187*** | ***8,261*** | ***6,538*** | ***16,197*** | ***19,859*** | ***19,859*** | ***42,422*** | ***2,000*** | ***12,392*** |
| **Heritage Assets** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Revenue Generating | – | – | – | – | – | – | – | – | – |
| Non-revenue Generating | – | – | – | – | – | – | – | – | – |
| **Investment properties** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Operational Buildings | 1,410 | 2,211 | 6,567 | 2,250 | 3,750 | 3,750 | 2,250 | 1,250 | – |
| Housing | 49,031 | 26,523 | 33,678 | 13,129 | 31,444 | 31,444 | 24,542 | 13,000 | 13,000 |
| **Other Assets** | ***50,440*** | ***28,734*** | ***40,245*** | ***15,379*** | ***35,194*** | ***35,194*** | ***26,792*** | ***14,250*** | ***13,000*** |
| **Biological or Cultivated Assets** | **21** | **–** | **–** | **700** | **400** | **400** | **300** | **–** | **–** |
| Servitudes | – | – | – | – | – | – | – | – | – |
| Licences and Rights | – | – | 71 | – | – | – | – | – | – |
| **Intangible Assets** | **–** | **–** | ***71*** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Computer Equipment** | **3,240** | **2,212** | **4,550** | **3,250** | **3,250** | **3,250** | **3,130** | **500** | **500** |
| **Furniture and Office Equipment** | **2,910** | **715** | **408** | **865** | **1,396** | **1,396** | **1,345** | **–** | **–** |
| **Machinery and Equipment** | **1,363** | **729** | **3,588** | **1,225** | **335** | **335** | **325** | **–** | **–** |
| **Transport Assets** | **6,806** | **7,043** | **1,787** | **8,150** | **22,816** | **22,816** | **24,150** | **–** | **–** |
| **Land** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Zoo's, Marine and Non-biological Animals** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Mature | – | - | - | - | - | - | - | - | - |
| Immature | – | - | - | - | - | - | - | - | - |
| **Living Resources** | - | - | - | - | - | - | - | - | - |
| **TOTAL CAPITAL EXPENDITURE - Asset class** | **192,377** | **189,321** | **193,518** | **184,628** | **224,994** | **224,994** | **245,831** | **147,543** | **132,875** |

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited | Audited | Audited | Original | Adjusted | Full Year | Budget Year | Budget Year | Budget Year |
| **ASSET REGISTER SUMMARY - PPE (WDV)** | 3,886,411 | 3,944,784 | 3,996,213 | 4,153,247 | 4,191,393 | 4,191,393 | 4,145,174 | 4,118,469 | 4,068,097 |
| *Roads Infrastructure* | 1,029,544 | 1,030,337 | 1,025,787 | 875,222 | 877,520 | 877,520 | 914,446 | 870,175 | 814,211 |
| *Storm water Infrastructure* | 247,600 | 247,788 | 246,502 | 246,734 | 250,419 | 250,419 | 255,828 | 246,750 | 237,491 |
| *Electrical Infrastructure* | 485,064 | 533,170 | 555,186 | 603,240 | 600,810 | 600,810 | 535,259 | 537,050 | 546,698 |
| *Water Supply Infrastructure* | 500,923 | 512,678 | 520,541 | 554,132 | 553,332 | 553,332 | 606,144 | 628,942 | 624,564 |
| *Sanitation Infrastructure* | 427,473 | 468,023 | 487,367 | 503,640 | 503,640 | 503,640 | 507,626 | 531,249 | 553,560 |
| *Solid Waste Infrastructure* | 40,054 | 39,649 | 37,096 | 44,240 | 44,240 | 44,240 | 37,547 | 36,274 | 36,833 |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | ***2,730,657*** | ***2,831,644*** | ***2,872,478*** | ***2,827,209*** | ***2,829,962*** | ***2,829,962*** | ***2,856,851*** | ***2,850,441*** | ***2,813,358*** |
| **Community Assets** | 226,208 | 233,953 | 229,978 | – | – | – | 278,763 | 264,045 | 258,046 |
| **Heritage Assets** | 112,126 | 109,625 | 109,625 | 114,055 | 114,055 | 114,055 | 109,625 | 109,625 | 109,625 |
| Revenue Generating | – | – | – | – | – | – | – | – | – |
| Non-revenue Generating | – | – | – | – | – | – | – | – | – |
| **Investment properties** | 127,088 | 151,589 | 164,436 | 150,336 | 150,336 | 150,336 | 168,225 | 170,585 | 173,956 |
| Operational Buildings | – | – | – | – | – | – | | – | – |
| Housing | – | – | – | – | – | – | | – | – |
| **Other Assets** | 157,525 | 81,149 | 80,885 | 923,673 | 939,337 | 939,337 | 137,872 | 148,584 | 158,046 |
| **Biological or Cultivated Assets** | – | – | – | – | 5,231 | 5,231 | – | – | – |
| Servitudes | – | – | – | – | – | – | | – | – |
| Licences and Rights | – | – | – | – | – | – | | – | – |
| **Intangible Assets** | 8,940 | 8,687 | 8,050 | 7,709 | 7,709 | 7,709 | 7,488 | 7,177 | 6,845 |
| **Computer Equipment** | 10,483 | 10,578 | 11,355 | – | – | – | 17,735 | 18,235 | 18,735 |
| **Furniture and Office Equipment** | 1,818 | 1,682 | 3,353 | 20,289 | 20,420 | 20,420 | 2,627 | (175) | (3,257) |
| **Machinery and Equipment** | 9,473 | 10,500 | 10,142 | 7,577 | 7,577 | 7,577 | 7,699 | 5,907 | 3,935 |
| **Transport Assets** | 97,940 | 99,145 | 95,012 | 101,294 | 115,960 | 115,960 | 146,824 | 132,649 | 117,481 |
| **Land** | 403,543 | 405,689 | 410,484 | – | – | – | 410,484 | 410,484 | 410,484 |
| **Zoo's, Marine and Non-biological Animals** | – | – | – | – | – | – | – | – | – |
| **Living Resources** | 610 | 542 | 415 | 1,106 | 806 | 806 | 980 | 912 | 844 |
| **TOTAL ASSET REGISTER SUMMARY - PPE (WDV)** | **3,886,411** | **3,944,784** | **3,996,213** | **4,153,247** | **4,191,393** | **4,191,393** | **4,145,174** | **4,118,469** | **4,068,097** |
| **EXPENDITURE OTHER ITEMS** | | | | | | | | | |
| **Depreciation** | 147,004 | 148,321 | 153,664 | 158,373 | 158,373 | 158,373 | 167,143 | 176,541 | 186,550 |
| **Repairs and Maintenance by Asset Class** | **245,386** | **249,505** | **280,465** | **295,774** | **317,124** | **317,124** | **326,900** | **346,983** | **367,554** |
| *Roads Infrastructure* | 64,340 | 54,418 | 74,585 | 78,769 | 79,784 | 79,784 | 85,143 | 92,661 | 100,377 |
| *Storm water Infrastructure* | 6,870 | 6,157 | 5,588 | 6,361 | 11,679 | 11,679 | 13,747 | 14,479 | 15,222 |
| *Electrical Infrastructure* | 30,721 | 35,380 | 38,864 | 40,144 | 45,567 | 45,567 | 49,278 | 51,502 | 54,259 |
| *Water Supply Infrastructure* | 21,088 | 20,432 | 19,038 | 24,954 | 19,116 | 19,116 | 20,985 | 22,129 | 23,336 |
| *Sanitation Infrastructure* | 11,710 | 12,634 | 12,280 | 14,322 | 15,602 | 15,602 | 12,419 | 16,948 | 17,872 |
| *Solid Waste Infrastructure* | 6,351 | 8,650 | 9,310 | 8,620 | 10,658 | 10,658 | 11,483 | 12,129 | 12,810 |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | ***141,079*** | ***137,671*** | ***159,666*** | ***173,170*** | ***182,405*** | ***182,405*** | ***193,055*** | ***209,848*** | ***223,876*** |
| Community Facilities | 37,455 | 40,568 | 43,765 | 49,396 | 47,317 | 47,317 | 48,317 | 50,789 | 53,442 |
| Sport and Recreation Facilities | 12,921 | 12,919 | 12,021 | 17,042 | 15,081 | 15,081 | 15,438 | 16,141 | 16,894 |
| **Community Assets** | ***50,376*** | ***53,486*** | ***55,786*** | ***66,438*** | ***62,398*** | ***62,398*** | ***63,754*** | ***66,930*** | ***70,336*** |
| **Heritage Assets** | – | – | – | – | – | – | – | – | – |
| Revenue Generating | – | – | – | – | – | – | – | – | – |
| Non-revenue Generating | – | – | – | – | – | – | – | – | – |
| **Investment properties** | – | – | – | – | – | – | – | – | – |
| Operational Buildings | 15,056 | 16,833 | 12,818 | 13,758 | 20,223 | 20,223 | 18,955 | 13,511 | 13,784 |
| Housing | – | – | – | – | – | – | – | – | – |
| **Other Assets** | ***15,056*** | ***16,833*** | ***12,818*** | ***13,758*** | ***20,223*** | ***20,223*** | ***18,955*** | ***13,511*** | ***13,784*** |
| **Biological or Cultivated Assets** | – | – | – | – | – | – | – | – | – |
| Servitudes | – | – | – | – | – | – | – | – | – |
| Licences and Rights | 5,915 | 6,829 | 7,777 | 8,967 | 9,317 | 9,317 | 10,661 | 10,591 | 10,884 |
| **Intangible Assets** | ***5,915*** | ***6,829*** | ***7,777*** | ***8,967*** | ***9,317*** | ***9,317*** | ***10,661*** | ***10,591*** | ***10,884*** |
| **Computer Equipment** | **2,490** | **2,157** | **1,898** | **2,566** | **3,026** | **3,026** | **2,546** | **2,546** | **2,546** |
| **Furniture and Office Equipment** | **5,004** | **8,206** | **12,316** | **7,747** | **1,606** | **1,606** | **1,704** | **1,721** | **1,783** |
| **Machinery and Equipment** | **4,059** | **4,163** | **6,749** | **5,983** | **7,111** | **7,111** | **5,807** | **9,633** | **10,253** |
| **Transport Assets** | **21,406** | **20,160** | **23,455** | **17,145** | **31,037** | **31,037** | **30,419** | **32,202** | **34,093** |
| **Libraries** | – | – | – | – | – | – | – | – | – |
| **Zoo's, Marine and Non-biological Animals** | – | – | – | – | – | – | – | – | – |
| Mature | – | - | - | - | - | - | - | - | - |
| Immature | – | - | - | - | - | - | - | - | - |
| **Living Resources** | - | - | - | - | - | - | - | - | - |
| **TOTAL EXPENDITURE OTHER ITEMS** | **392,390** | **397,826** | **434,129** | **454,148** | **475,497** | **475,497** | **494,044** | **523,524** | **554,104** |
| ***Renewal and upgrading of Existing Assets as % of total capex*** | *37.8%* | *29.9%* | *26.5%* | *38.4%* | *32.5%* | *32.5%* | *44.5%* | *63.3%* | *58.1%* |
| ***Renewal and upgrading of Existing Assets as % of deprecn*** | *49.4%* | *38.1%* | *33.4%* | *44.8%* | *46.2%* | *46.2%* | *65.4%* | *52.9%* | *41.4%* |
| ***R&M as a % of PPE & Investment Property*** | *6.4%* | *6.3%* | *7.0%* | *7.1%* | *7.6%* | *7.6%* | *7.9%* | *8.4%* | *9.0%* |
| ***Renewal and upgrading and R&M as a % of PPE and Investment Prop*** | *8.3%* | *7.8%* | *8.4%* | *8.9%* | *9.4%* | *9.4%* | *10.6%* | *10.7%* | *11.0%* |

**Explanatory notes to Table A9 - Asset Management**

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




| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| Depreciation | 148,319 | 148,321 | 153,790 | 158,441 | 167,211 | 176,609 | 186,617 |
| Repairs & maintenance | 245,386 | 249,505 | 280,465 | 317,124 | 326,900 | 346,983 | 367,554 |

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

## Table 26 MBRR Table A10 - Basic Service Delivery Measurement

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| | Outcome | Outcome | Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Household service targets** | | | | | | | | | |
| ***Water:*** | | | | | | | | | |
| Piped water inside dwelling | 30,990 | 31,829 | 31,324 | 32,466 | 32,466 | 32,466 | 32,888 | 33,217 | 33,549 |
| Piped water inside yard (but not in dwelling) | – | – | – | – | – | – | – | – | – |
| Using public tap (at least min.service level) | 3,536 | 3,242 | 3,242 | 3,536 | 3,137 | 3,536 | 3,220 | 4,229 | 4,374 |
| Other water supply (at least min.service level) | – | – | – | – | – | – | – | – | – |
| *Minimum Service Level and Above sub-total* | 34,526 | 35,071 | 34,566 | 36,002 | 35,603 | 36,002 | 36,108 | 37,446 | 37,923 |
| Using public tap (< min.service level) | – | – | – | – | – | – | – | – | – |
| Other water supply (< min.service level) | – | – | – | – | – | – | – | – | – |
| No water supply | – | – | – | – | – | – | – | – | – |
| *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| **Total number of households** | **34,526** | **35,071** | **34,566** | **36,002** | **35,603** | **36,002** | **36,108** | **37,446** | **37,923** |
| ***Sanitation/sewerage:*** | | | | | | | | | |
| Flush toilet (connected to sewerage) | 31,394 | 32,323 | 31,646 | 32,969 | 32,969 | 32,969 | 33,562 | 33,898 | 34,237 |
| Flush toilet (with septic tank) | – | – | – | – | – | – | – | – | – |
| Chemical toilet | – | – | – | – | – | – | – | – | – |
| Pit toilet (ventilated) | – | – | – | – | – | – | – | – | – |
| Other toilet provisions (> min.service level) | 3,536 | 3,242 | 3,242 | 3,536 | 3,137 | 3,536 | 3,220 | 4,229 | 4,374 |
| *Minimum Service Level and Above sub-total* | 34,930 | 35,565 | 34,888 | 36,505 | 36,106 | 36,505 | 36,782 | 38,127 | 38,611 |
| Bucket toilet | – | – | – | – | – | – | – | – | – |
| Other toilet provisions (< min.service level) | – | – | – | – | – | – | – | – | – |
| No toilet provisions | – | – | – | – | – | – | – | – | – |
| *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| **Total number of households** | **34,930** | **35,565** | **34,888** | **36,505** | **36,106** | **36,505** | **36,782** | **38,127** | **38,611** |
| ***Energy:*** | | | | | | | | | |
| Electricity (at least min.service level) | 5,618 | 5,502 | 5,174 | 5,060 | 5,060 | 5,060 | 4,946 | 4,832 | 4,718 |
| Electricity - prepaid (min.service level) | 20,821 | 21,854 | 22,381 | 23,149 | 23,149 | 23,149 | 23,363 | 23,597 | 23,811 |
| *Minimum Service Level and Above sub-total* | 26,439 | 27,356 | 27,555 | 28,209 | 28,209 | 28,209 | 28,309 | 28,429 | 28,529 |
| Electricity (< min.service level) | – | – | – | – | – | – | – | – | – |
| Electricity - prepaid (< min. service level) | – | – | – | – | – | – | – | – | – |
| Other energy sources | – | – | – | – | – | – | – | – | – |
| *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| **Total number of households** | **26,439** | **27,356** | **27,555** | **28,209** | **28,209** | **28,209** | **28,309** | **28,429** | **28,529** |
| ***Refuse:*** | | | | | | | | | |
| Removed at least once a week | 34,819 | 35,601 | 35,261 | 36,313 | 36,313 | 36,313 | 36,676 | 37,043 | 37,413 |
| *Minimum Service Level and Above sub-total* | 34,819 | 35,601 | 35,261 | 36,313 | 36,313 | 36,313 | 36,676 | 37,043 | 37,413 |
| Removed less frequently than once a week | – | – | – | – | – | – | – | – | – |
| Using communal refuse dump | – | – | – | – | – | – | – | – | – |
| Using own refuse dump | – | – | – | – | – | – | – | – | – |
| Other rubbish disposal | – | – | – | – | – | – | – | – | – |
| No rubbish disposal | – | – | – | – | – | – | – | – | – |
| *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| **Total number of households** | **34,819** | **35,601** | **35,261** | **36,313** | **36,313** | **36,313** | **36,676** | **37,043** | **37,413** |
| **Households receiving Free Basic Service** | | | | | | | | | |
| Water (6 kilolitres per household per month) | 7,595 | 7,278 | 7,400 | 4,800 | 4,800 | 4,800 | 5,800 | 5,800 | 5,800 |
| Sanitation (free minimum level service) | 7,400 | 7,400 | 7,400 | 4,800 | 4,800 | 4,800 | 5,800 | 5,800 | 5,800 |
| Electricity/other energy (50kwh per household per month) | 7,400 | 7,400 | 7,400 | 4,800 | 4,800 | 4,800 | 5,800 | 5,800 | 5,800 |
| Refuse (removed at least once a week) | 7,400 | 7,400 | 7,400 | 4,800 | 4,800 | 4,800 | 5,800 | 5,800 | 5,800 |
| Informal Settlements | – | – | – | – | – | – | – | – | – |
| **Cost of Free Basic Services provided - Formal Settlements (R'000)** | | | | | | | | | |
| Water (6 kilolitres per **indigent** household per month) | 3,065 | 3,214 | 5,224 | 3,432 | 3,432 | 3,432 | 3,638 | 3,856 | 4,088 |
| Sanitation (free sanitation service to **indigent households**) | 5,253 | 6,729 | 9,814 | 7,330 | 7,330 | 7,330 | 7,770 | 8,236 | 8,730 |
| Electricity/other energy (50kwh per **indigent** household per month) | 5,513 | 7,509 | 7,509 | 8,077 | 8,077 | 8,077 | 8,562 | 9,076 | 9,620 |
| Refuse (removed once a week **for indigent households**) | 16,929 | 14,861 | 19,152 | 14,577 | 14,577 | 14,577 | 15,452 | 16,379 | 17,362 |
| **Cost of Free Basic Services provided - Informal Formal Settlements (R'000)** | – | – | – | – | – | – | – | – | – |
| **Total cost of FBS provided** | **30,760** | **32,314** | **41,699** | **33,417** | **33,417** | **33,417** | **35,422** | **37,547** | **39,800** |
| **Highest level of free service provided per household** | | | | | | | | | |
| Property rates (R value threshold) | 220,000 | | | 300,000 | 300,000 | 300,000 | 350,000 | 350,000 | 350,000 |
| Water (kilolitres per household per month) | 6 | 6 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| Sanitation (kilolitres per household per month) | 4 | 4 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| Sanitation (Rand per household per month) | 132 | 138 | 148 | 155 | 155 | 155 | 164 | 174 | 185 |
| Electricity (kwh per household per month) | 50 | 50 | 50 | 70 | 70 | 70 | 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)** ( **impermissable values per section 17 of MPRA**) | – | – | – | – | – | – | – | – | – |
| Property rates exemptions, reductions and rebates **and impermissable values in excess of** | – | – | – | – | – | – | – | – | – |
| Water **(in excess of 6 kilolitres per indigent household per month)** | – | – | – | – | – | – | – | – | – |
| Sanitation **(in excess of free sanitation service to indigent households)** | – | – | – | – | – | – | – | – | – |
| Electricity/other energy **(in excess of 50 kwh per indigent household per month)** | – | – | – | – | – | – | – | – | – |
| Refuse **(in excess of one removal a week for indigent households)** | – | – | – | – | – | – | – | – | – |
| Municipal Housing - rental rebates | – | – | – | – | – | – | – | – | – |
| Housing - top structure subsidies | – | – | – | – | – | – | – | – | – |
| Other | – | – | – | – | – | – | – | – | – |
| **Total revenue cost of subsidised services provided** | – | – | – | – | – | – | – | – | – |

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 5 800 households to be registered as indigent in 2025/26 and therefore entitled to receiving Free Basic Services.
4. It is anticipated that the cost of these Free Basic Services will amount to R100.4m in 2025/26. 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 2024) a time schedule that sets out the process to prepare the IDP and prepare the budget.

The Mayor tabled in Council the required IDP and budget time schedule on 28 August 2024. Key dates applicable to the process are as follows:

- **July 2024** – Budget Office submits current 3-year Capital Budget to the Strategic Office.
- **September 2024** - Ward committees met to review and reprioritise their ward priorities for 2025/26
- **November 2024** - Top management meeting to discuss budget proposals and affordability
- **25 Nov- 02 Dec 2024** - Public ward feedback meetings- ward committees obtained public input on their reviewed ward priorities for 2025/26.
- **November/December 2024** – Various Budget Steering Committee and Management meetings relating to draft Capex and Opex budgets;
- **December 2024**–Tariff workshop;
- **November 2024/February 2025**– Review of all budget related policies;
- **December 2024 –** Mid-year review by the BSC of the 2024/25 progress and review of 2025/2026 draft operational expenditure including financial forecasting and scenario considerations;
- **January/February 2025** – Tariffs, consider budget related policies changes and overview of draft 2025/26 Capex & Opex;
- **January 2025**- Council considered the 2024/25 Mid-year Review;
- **January 2025** – Finalisation of adjustments budget;
- **February/March 2025** – Final tariffs review;
- **February/March 2025** – BSC review/finalises draft Capex/Opex;
- **30 March 2025** – Budget office finalises budget report;

- **31 March 2025** - Tabling in Council of the draft 2025/26 IDP, SDBIP and 2025/26 MTREF for public consultation;
- **03 April 2025 – 06 May 2025** – Draft Budget available to the public and any other stakeholders for perusal and the submission of comments and representations;
- **06 May 2025** - Closing date for written comments;
- **07 May 2025** – BSC considered all comments received and amendments to the Draft Budget;
- **8-22 May 2024** – Finalisation of the 2025/26 IDP and 2025/26 MTREF, taking into consideration comments received from the public, comments from NT & PT and updated information from the most recent DoRA and financial framework;
- **10-21 May 2025** – Budget Office compiles final report and schedules and final review of budget report and schedules ;
- **28 May 2025** – Final budget distribution; and
- **28 May 2025** - Tabling of the 2025/26 MTREF in Council for consideration and approval.

#### 2.1.2 IDP and Service Delivery and Budget Implementation Plan

For the 2025/26 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 2025/26 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 (2025/26) will be tabled on 31 March 2025 and the Final Budget to be considered by Council on 28 May 2025 for adoption. The IDP process followed after approval of the IDP/Budget Time Schedule for the 2026/27 MTREF in August 2024.

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 2025/26 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 2025/26 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 129 and 130 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 6.9. 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 largely in existing policies, prior to the existence of the Overstrand Cost Containment Policy.**

### 2.1.4 Community Consultation on the Draft Budget

The draft 2025/26 MTREF will be tabled in Council on 31 March 2025 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 will be advertised in all local newspapers and a copy of the advertisement will be placed on the notice boards at municipal offices and libraries. All documents in the appropriate format (electronic) will be 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, CFO, Directors and officials from the Strategic Planning Office, engaged the community at the Draft IDP Review and Draft Budget 2025/26 Public Consultation process during April 2025, 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 2025/26 and the Draft Budget for 2025/26 until 06 May 2025.

## 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 thee 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 2026/27 MTREF and further planning refinements that have directly informed the compilation of the budget:

**Table 27 IDP Strategic Objectives**

| 2025/26 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.an 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 of 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 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 2025/26 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

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

| R thousand | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| The provision of democratic, | Good Governance | 1 | 393,138 | 462,263 | 564,280 | 534,699 | 546,469 | 546,469 | 558,698 | 590,604 | 624,556 |
| The provision and maintenance of | Basic Service Delivery | 2 | 936,098 | 1,002,939 | 1,121,669 | 1,160,336 | 1,247,841 | 1,247,841 | 1,344,840 | 1,435,825 | 1,489,571 |
| The encouragement of structured | Good Governance | 3 | | | | | | | | | |
| The creation and maintenance of a | Safe and Healthy Environment | 4 | 73,510 | 100,266 | 20,796 | 95,510 | 107,360 | 107,360 | 123,123 | 90,670 | 100,177 |
| The promotion of tourism, | Economic Development and Social | 5 | 115,685 | 116,248 | 175,096 | 112,250 | 137,508 | 137,508 | 90,411 | 54,062 | 32,335 |
| **Total Revenue (excluding capital transfers and contributions)** | | | **1,518,431** | **1,681,715** | **1,881,841** | **1,902,794** | **2,039,177** | **2,039,177** | **2,117,071** | **2,171,162** | **2,246,640** |

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

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

| R thousand | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| The provision of democratic, | Good Governance | 1 | 296,466 | 279,682 | 290,570 | 246,423 | 237,618 | 237,618 | 362,529 | 365,981 | 390,981 |
| The provision and maintenance of | Basic Service Delivery | 2 | 767,390 | 810,879 | 958,821 | 1,120,638 | 1,196,161 | 1,196,161 | 1,127,966 | 1,177,962 | 1,243,520 |
| The encouragement of structured | Good Governance | 3 | 374 | 393 | 256 | 758 | 758 | 758 | 758 | 758 | 758 |
| The creation and maintenance of a | Safe and Healthy Environment | 4 | 200,470 | 237,750 | 186,507 | 261,888 | 292,603 | 292,603 | 320,562 | 340,955 | 356,124 |
| The promotion of tourism, | Economic Development and Social | 5 | 232,784 | 243,322 | 316,647 | 314,501 | 315,594 | 315,594 | 298,176 | 282,148 | 281,297 |
| **Total Expenditure** | | | **1,497,483** | **1,572,027** | **1,752,801** | **1,944,209** | **2,042,734** | **2,042,734** | **2,109,991** | **2,167,804** | **2,272,680** |

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

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

| R thousand | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| The provision of democratic, | Good Governance | 1 | 3,761 | 2,228 | 6,967 | 3,490 | 3,155 | 3,155 | 3,429 | 500 | 500 |
| The provision and maintenance of | Basic Service Delivery | 2 | 113,677 | 125,737 | 125,525 | 145,151 | 157,410 | 157,410 | 149,517 | 122,643 | 104,983 |
| The encouragement of structured | Good Governance | 3 | | | | | | | 5,371 | | |
| The creation and maintenance of a | Safe and Healthy Environment | 4 | 14,504 | 12,215 | 9,422 | 19,582 | 25,510 | 25,510 | 46,018 | 2,000 | 9,392 |
| The promotion of tourism, | Economic Development and Social | 5 | 60,435 | 49,141 | 51,604 | 16,406 | 38,919 | 38,919 | 41,496 | 22,400 | 18,000 |
| **Total Capital Expenditure** | | | **192,377** | **189,321** | **193,518** | **184,628** | **224,994** | **224,994** | **245,831** | **147,543** | **132,875** |

## 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 target, 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:

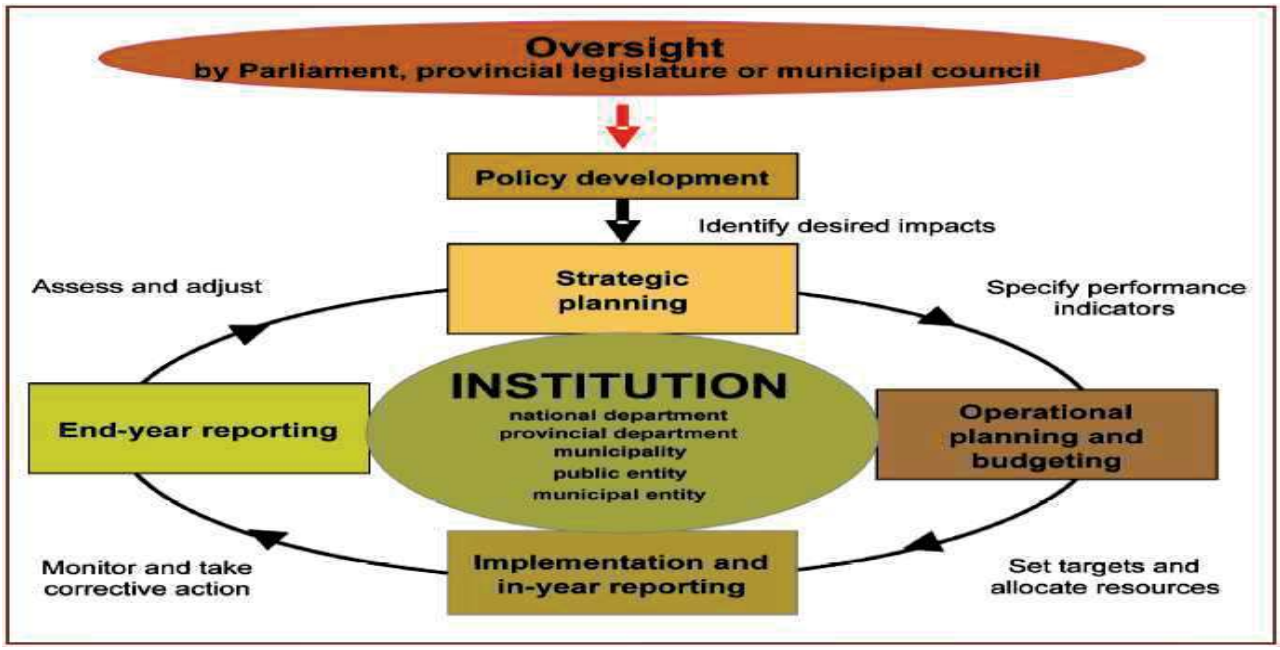



**Figure 5 Planning, budgeting and reporting cycle**

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:

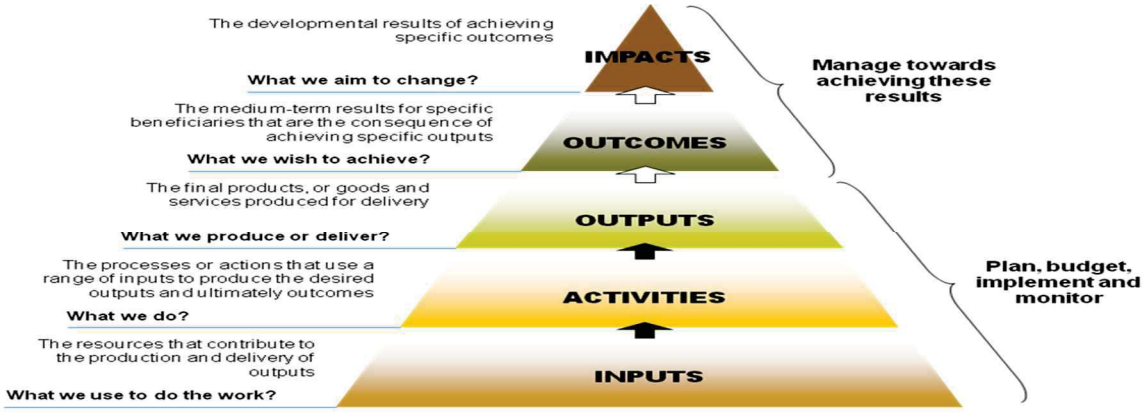



**Figure 6 Definition of performance information concepts**

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 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|---|---|---|
| **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 | 3 | 4 | 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 | 5 | 5 | 5 | 5 | 5 | 3 | 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 | 4 | 3 | 4 | 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 | 11 | 9 | 10 | 10 | 10 | 6 | 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 | 80.9% | 89.2% | 89.91% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% |
| *Ward committee meetings held to facilitate consistent and regular communication with residents* | No of ward committee meetings per ward per annum | 83 | 112 | 70 | 56 | 56 | 56 | 56 | 56 | 56 |
| *Prepare the final IDP for submission to Council by the end of May* | Final IDP submitted | no target | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| *Submit the Final MTREF Budget by the end of May* | Final Budget submitted | no target | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| *Develop a Tourism strategy to be approved by the Executive Mayor by 30 June 2023* | Approved tourism strategy | no target | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| *Implementation of the Business Service request portal on Collaborator by 30 March 2023* | Functional Business service request portal | no target | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| *Communication strategy approved by the Executive Mayor by 30 June 2023* | Approved Communication strategy | no target | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| *Approved Communication strategy* | | | | | | | | | | |
| Corporate Services | | | | | | | | | | |
| **Director: Corporate Services Human Resources** | | | | | | | | | | |
| *92% of the approved and funded organogram filled {(actual number of posts filled dived by the funded posts budgeted) x100}* | % filled | 91.4% | 91.0% | 90.50% | 92.0% | 92.0% | 92.0% | 92.0% | 92.0% | 92.0% |
| 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 | 98.7% | 99.99% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| **The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan (MPPMR Reg 10 (e))** | The number of people from EE target groups employed | 70 | 69 | 67 | 75 | 75 | 75 | 75 | 75 | 75 |

| Description | Unit of measurement | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|---|---|---|
| ***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) | 100.0% | 92.29% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| 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 | 34,819 | 35,601 | 36,662 | 36,313 | 36,313 | 36,313 | 36,676 | 37,043 | 37,413 |
| **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 | 94,665 | 77,662 | 128,419 | 110,000 | 110,000 | 110,000 | 120,000 | 130,000 | 130,000 |
| *Water treatment* | | | | | | | | | | |
| Quality of effluent comply 75% with license and/or general limit in terms of the Water Act (Act 36 of 1998) | % compliance | 80.1% | 75.5% | 77.81% | 75.0% | 75.0% | 75.0% | 75.0% | 75.0% | 75.0% |
| **Quality of potable water comply 95% with SANS 241** | % compliance with SANS 241 | 97.83% | 96.99% | 97.03% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% |
| *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 | 24.04% | 24.48% | 30.59% | 25.0% | 25.0% | 25.0% | 25.0% | 25.0% | 25.0% |
| Report on the implementation of the Water Service Development plan annually by the end of October | Report submitted | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| **Electricity** | | | | | | | | | | |
| **Limit electricity losses to 7.5% or less {(Number of Electricity Units Purchased - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated) × 100}** | % of electricity unaccounted for | 7.2% | 6.4% | 7.61% | 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 | 22,475 | 23,163 | 22,500 | 22,500 | 22,500 | 22,500 | 22,500 | 22,500 | 22,500 |
| **MIG** | | | | | | | | | | |
| **100% of the Municipal Infrastructure Grant (MIG) spent by 30 June 2025 (Actual MIG expenditure/Allocation received)** | % Expenditure of allocated funds | 100.0% | 100.0% | 86.57% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| **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 | 30,990 | 31,829 | 32,887 | 32,466 | 32,466 | 32,466 | 32,888 | 33,217 | 33,549 |
| **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) | 464 | 658 | 718 | 262 | 262 | 262 | 262 | 262 | 262 |
| **Provision of water to informal households on invaded land with available funding**<br><br>**("Land Invasion" refers to the illegal occupation of land, with the intention of establishing dwellings / a settlement upon it. An invasion may be by one individual or by hundreds of households).** | The number of taps installed for informal households on invaded land with available funding | 82 | 99 | 81 | 80 | 80 | 80 | 80 | 80 | 80 |
| **Sanitation provision** | | | | | | | | | | |
| **Provision of sanitation services to formal residential households (A household is a residenntial 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 | 31,394 | 32,323 | 33,539 | 32,969 | 32,969 | 32,969 | 33,562 | 33,898 | 34,237 |
| **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) | 983 | 1,107 | 1,112 | 785 | 785 | 785 | 785 | 785 | 785 |
| **The provision of sanitation services to informal households on invaded land with available funding**<br><br>**("Land Invasion" refers to the illegal occupation of land, with the intention of establishing dwellings / a settlement upon it. An invasion may be by one individual or by hundreds of households).** | The number of toilets provided for informal households on invaded land with available funding | 143 | 171 | 133 | 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** | Number of sessions held | 123 | 132 | 164 | 130 | 130 | 130 | 130 | 130 | 130 |

| Description | Unit of measurement | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|---|---|---|
| Collect R20 000 000 Public Safety Income by 30 June (Actual revenue, excluding the fine impairment amount) | R-value of public safety collected income (excluding fines impairment amount) | 15,882,634 | 17,614,623 | 20,313,411 | 20,000,000 | 20,000,000 | 20,000,000 | 20,000,000 | 20,000,000 | 20,000,000 |
| Review Community Safety Plan in three year cycle by end of June 2025 in conjuction with the Department of Community Safety | Plan reviewed | 0 | 0 | 0 | 1 | 1 | 1 | 0 | 0 | 0 |
| Disaster and Fire Management | | | | | | | | | | |
| Annually review and submit draft Disaster | 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 | 5.73 | 5.70 | 5.75 | 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) (MPPR Reg 10 (g)) | Ratio achieved | 27.78 | 28.63 | 32.45 | 16.00 | 16.00 | 16.00 | 16.00 | 16.00 | 16.00 |
| Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services) (MPPR Reg 10 (g)) | % achieved | 11.4% | 13.61% | 15.17% | 11.0% | 11.0% | 11.0% | 14.0% | 14.0% | 14.0% |
| 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 indgent households | 7,367 | 1,491 | 4,715 | 4,800 | 4,800 | 4,800 | 5,800 | 5,800 | 5,800 |
| Achieve a debt recovery rate not less than 98% (Receipts/total billed for 12 months period x 100) | % Recovered | 98.98% | 98.96% | 96.13% | 98.0% | 98.0% | 98.0% | 98.0% | 98.0% | 98.0% |
| 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 | 134 | 185 | 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 | 837 | 1,059 | 902 | 1,079 | 1,079 | 1,079 | 1,079 | 1,079 | 1,079 |
| And so on for the rest of the Votes | | | | | | | | | | |

The following table sets out the municipality's main performance objectives and benchmarks for the 2025/26 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 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Borrowing Management** | | | | | | | | | | |
| Credit Rating | | | | | | | | | | |
| Capital Charges to Operating Expenditure | Interest & Principal Paid /Operating Expenditure | 6.8% | 6.3% | 6.1% | 5.2% | 4.9% | 4.9% | 9.8% | 4.9% | 5.2% |
| Capital Charges to Own Revenue | Finance charges & Repayment of borrowing /Own Revenue | 7.1% | 6.4% | 6.0% | 5.5% | 5.2% | 5.2% | 10.2% | 5.1% | 5.4% |
| Borrowed funding of 'own' capital expenditure | Borrowing/Capital expenditure excl. transfers and grants and contributions | 139.8% | 118.5% | 392.3% | 249.2% | 150.4% | 150.4% | 178.9% | 14000.0% | 16000.0% |
| **Safety of Capital** | | | | | | | | | | |
| Gearing | Long Term Borrowing/ Funds & Reserves | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| **Liquidity** | | | | | | | | | | |
| Current Ratio | Current assets/current liabilities | 2.6 | 2.7 | 2.9 | 1.9 | 2.1 | 2.1 | 2.9 | 2.9 | 3.0 |
| Current Ratio adjusted for aged debtors | Current assets less debtors > 90 days/current liabilities | 2.6 | 2.7 | 2.9 | 1.9 | 2.1 | 2.1 | 2.9 | 2.9 | 3.0 |
| Liquidity Ratio | Monetary Assets/Current Liabilities | 2.3 | 2.5 | 2.7 | 1.7 | 1.8 | 1.8 | 2.6 | 2.6 | 2.7 |
| **Revenue Management** | | | | | | | | | | |
| Annual Debtors Collection Rate (Payment Level %) | Last 12 Mths Receipts/Last 12 Mths Billing | 99.0% | 99.0% | 96.1% | 98.0% | 98.0% | 98.0% | 98.5% | 98.5% | 98.5% |
| Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue) | | 121.9% | 119.9% | 111.7% | 121.6% | 121.1% | 121.1% | 125.8% | 128.3% | 130.0% |
| Outstanding Debtors to Revenue | Total Outstanding Debtors to Annual Revenue | 14.5% | 14.7% | 14.0% | 10.7% | 10.5% | 10.5% | 11.0% | 10.5% | 10.0% |
| 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)) | 98.2% | 99.0% | 99.8% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| Creditors to Cash and Investments | | 19.6% | 19.7% | 19.8% | 24.0% | 23.4% | 23.4% | 18.3% | 16.3% | 15.1% |
| **Other Indicators** | | | | | | | | | | |
| Electricity Distribution Losses (2) | Total Volume Losses (kW) technical | 18,502,897 | 14,272,642 | 13,227,018 | 14,834,382 | 14,834,382 | 14,834,382 | 14,734,382 | 14,634,382 | 14,634,382 |
| | Total Volume Losses (kW) non technical | | | | | | | | | |
| | Total Cost of Losses (Rand '000) | 19,835,602 | 16,846,054 | 13,623,571 | 20,484,237 | 20,484,237 | 20,484,237 | 20,346,151 | 20,208,065 | 20,208,065 |
| | % Volume (units purchased and generated less units sold)/units purchased and generated | 7.20% | 6.43% | 7.60% | 6.49% | 6.49% | 6.49% | 6.30% | 6.20% | 6.20% |
| Water Volumes :System input | Bulk Purchase<br>Water treatment works<br>Natural sources | | | | | | | | | |
| Water Distribution Losses (2) | Total Volume Losses (kℓ) | 1,768,177 | 1,840,996 | 1,662,086 | 1,761,812 | 1,761,812 | 1,761,812 | 1,691,812 | 1,641,812 | 1,641,812 |
| | Total Cost of Losses (Rand '000) | 3,062,156 | 4,637,635 | 3,245,885 | 4,404,529 | 4,404,529 | 4,404,529 | 4,229,529 | 4,104,529 | 4104528.91 |
| | % Volume (units purchased and generated less units sold)/units purchased and generated | 24.04% | 24.47% | 24.00% | 25.04% | 25.04% | 25.04% | 24.75% | 24.30% | 24.30% |
| Employee costs | Employee costs/(Total Revenue - capital revenue) | 31.8% | 31.0% | 29.6% | 31.9% | 30.4% | 30.4% | 30.7% | 30.7% | 30.7% |
| Remuneration | Total remuneration/(Total Revenue - capital revenue) | 32.5% | 31.8% | 30.3% | 32.7% | 31.1% | 31.1% | 31.4% | 31.4% | 31.4% |
| Repairs & Maintenance | R&M/(Total Revenue excluding capital revenue) | 17.2% | 16.1% | 15.9% | 16.1% | 16.3% | 16.3% | 16.2% | 16.6% | 16.8% |
| Finance charges & Depreciation | FC&D/(Total Revenue - capital revenue) | 13.7% | 12.7% | 11.4% | 11.3% | 10.7% | 10.7% | 10.8% | 10.6% | 10.6% |
| **IDP regulation financial viability indicators** | | | | | | | | | | |
| i. Debt coverage | (Total Operating Revenue - Operating Grants)/Debt service payments due within financial year) | – | – | – | – | – | – | – | – | – |
| ii.O/S Service Debtors to Revenue | Total outstanding service debtors/annual revenue received for services | 8.4% | 8.2% | 7.3% | 4.1% | 4.4% | 4.4% | 4.2% | 3.7% | 3.3% |
| iii. Cost coverage | (Available cash + Investments)/monthly fixed operational expenditure | 5.9 | 5.7 | 5.4 | 4.6 | 4.5 | 4.5 | 5.0 | 5.1 | 5.4 |

### 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.

### 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 2025/26 financial year, 5 800 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 2025/26 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 and 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 as 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
- Investment Incentive Policy
- Fleet Management Policy

## 2.5 Overview of budget assumptions

### 2.5.1 External factors

South Africa's economy is forecast to grow at an average of 1.8 per cent over the next three years as momentum starts to pick up after more than a decade of stagnant growth. The medium-term outlook is supported by higher investment and household consumption, aided by a stable inflation outlook, moderate employment gains and improving household balance sheets. Continued easing of structural constraints will support the economy by fostering additional investment – including in infrastructure.

To bolster growth and employment, government's economic strategy prioritises:

• Maintaining macroeconomic stability and reducing volatility to reduce the cost of living and encourage investment.

• Implementing structural reforms to increase efficiency and promote a competitive economy, while addressing constraints to job creation and employment.

• Building state capability by identifying and solving problems in the delivery of core functions, supported by digital transformation.

• Supporting growth-enhancing public infrastructure investment to increase productivity and long-term economic prospects.

### 2.5.2 General inflation outlook and its impact on the municipal activities

There are six key factors that have been taken into consideration in the compilation of the 2026/27 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 – to be noted that before-mentioned is still regarded as a risk, as previously referred to in this report;
- The increase in the cost of remuneration. Employee related costs comprise 30 per cent of total operating expenditure in the 2025/26 MTREF and therefore increases above inflation places a disproportionate upward pressure on the expenditure budget.

### ~~2.5.2~~ 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.

### 2.5.3 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 (98.65%) of annual billings up to February 2025. 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.

### 2.5.4 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.

### 2.5.5 Salary increases

The South African Local Government Bargaining Council (SALGBC) Salary and Wage Collective Agreement for municipalities for the period 01 July 2024 to 30 June 2029 was signed in 2024 and must be implemented by all municipalities on a national level.

The proposed increase in the salary budget is 5.07%, and notch increases, which average 2.5%, have also been budgeted, in view of the signing of the multi-year agreement.

### 2.5.6 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.

### 2.5.7 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 2025/26 MTREF.

## 2.6 Overview of budget funding

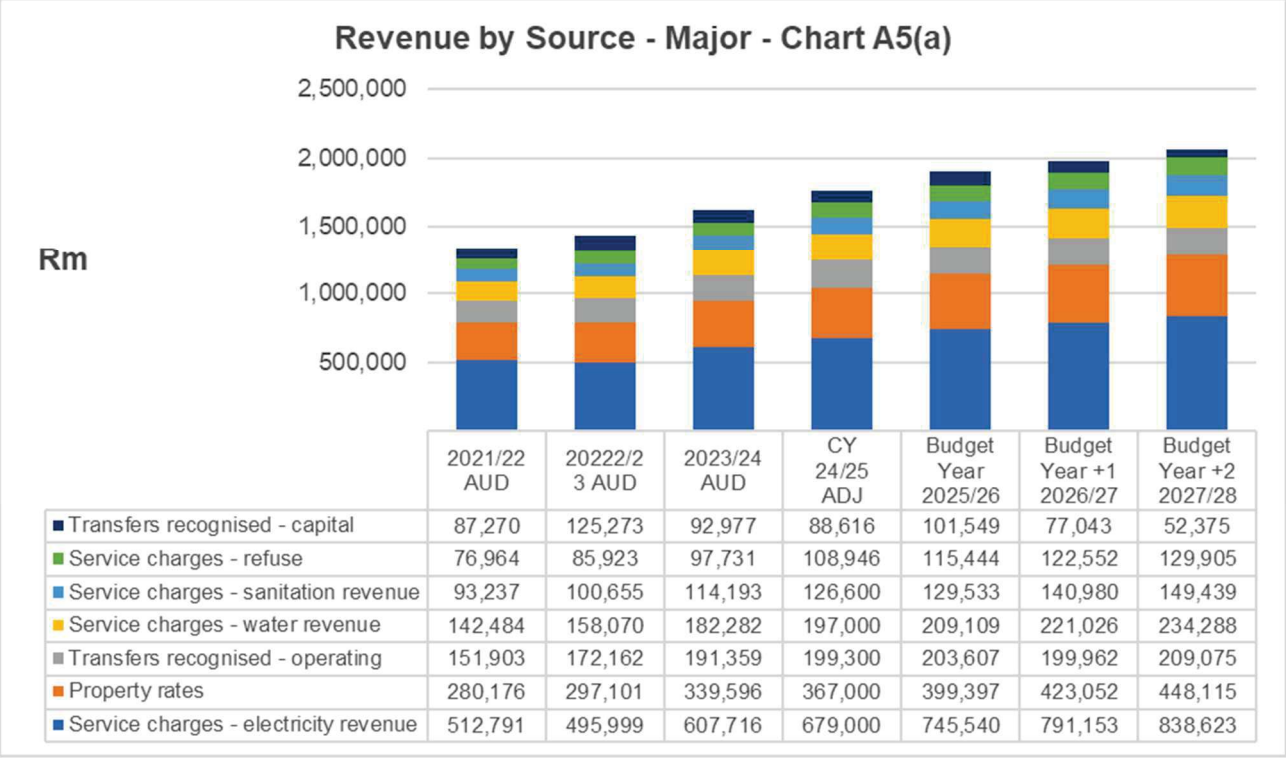
#### 2.6.1 Medium-term outlook: operating revenue

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<br>R thousand | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|
| | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Revenue** | | | |
| **Exchange Revenue** | | | |
| Service charges - Electricity | 745,540 | 791,153 | 838,623 |
| Service charges - Water | 209,109 | 221,026 | 234,288 |
| Service charges - Waste Water Management | 129,533 | 140,980 | 149,439 |
| Service charges - Waste Management | 115,444 | 122,552 | 129,905 |
| Sale of Goods and Rendering of Services | 63,725 | 40,330 | 23,509 |
| Agency services | 7,500 | 7,950 | 8,427 |
| Interest | 0 | 0 | 0 |
| Interest earned from Receivables | 12,500 | 13,250 | 14,045 |
| Interest earned from Current and Non Current Assets | 55,000 | 58,300 | 61,798 |
| Dividends | – | – | – |
| Rent on Land | 452 | 479 | 508 |
| Rental from Fixed Assets | 7,544 | 7,996 | 8,475 |
| Licence and permits | 780 | 827 | 876 |
| Special rating levies | 15,420 | 16,037 | 16,678 |
| Operational Revenue | 5,554 | 5,886 | 6,238 |
| **Non-Exchange Revenue** | | | |
| Property rates | 383,977 | 407,016 | 431,437 |
| Surcharges and Taxes | – | – | – |
| Fines, penalties and forfeits | 52,537 | 52,636 | 52,741 |
| Licences or permits | 2,000 | 2,120 | 2,247 |
| Transfer and subsidies - Operational | 203,607 | 199,962 | 209,075 |
| Interest | 2,300 | 2,438 | 2,584 |
| Fuel Levy | – | – | – |
| Operational Revenue | – | – | – |
| Gains on disposal of Assets | – | – | – |
| Other Gains | 3,000 | 3,180 | 3,371 |
| Discontinued Operations | – | – | – |
| **Total Revenue (excluding capital transfers and contributions)** | **2,015,522** | **2,094,119** | **2,194,265** |

The following graph is a breakdown of the operational revenue per main category for the 2025/26 financial year.




| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| Transfers recognised - capital | 87,270 | 125,273 | 92,977 | 88,616 | 101,549 | 77,043 | 52,375 |
| Service charges - refuse | 76,964 | 85,923 | 97,731 | 108,946 | 115,444 | 122,552 | 129,905 |
| Service charges - sanitation revenue | 93,237 | 100,655 | 114,193 | 126,600 | 129,533 | 140,980 | 149,439 |
| Service charges - water revenue | 142,484 | 158,070 | 182,282 | 197,000 | 209,109 | 221,026 | 234,288 |
| Transfers recognised - operating | 151,903 | 172,162 | 191,359 | 199,300 | 203,607 | 199,962 | 209,075 |
| Property rates | 280,176 | 297,101 | 339,596 | 367,000 | 399,397 | 423,052 | 448,115 |
| Service charges - electricity revenue | 512,791 | 495,999 | 607,716 | 679,000 | 745,540 | 791,153 | 838,623 |

## Figure 7 Breakdown of operating revenue over the 2025/26 MTREF

**The following grants have been published in the DORA:**

## DORA & PROVINCIAL ALLOCATIONS

| | 2025/2026 MTREF | | |
|---|---|---|---|
| **NATIONAL** | **2025/2026** | **2026/2027** | **2027/2028** |
| EQUITABLE SHARE | 179,268,000 | 188,717,000 | 197,218,000 |
| FMG | 1,800,000 | 1,900,000 | 2,100,000 |
| EPWP | 2,588,000 | | |
| MIG | 34,082,000 | 28,250,000 | 29,392,000 |
| INEP | 13,908,000 | 9,551,000 | 9,983,000 |
| WATER INFRASTRUCTURE GRANT | 28,427,000 | 26,242,000 | 0 |
| | **260,073,000** | **254,660,000** | **238,693,000** |
| **PROVINCIAL** | | | |
| RESOURCE FUNDING FOR ESTASBLISH & SUPPORT OF K9 UNIT | 4,350,000 | 4,473,000 | 4,666,000 |
| LE REACTION UNIT | 4,317,000 | 4,516,000 | 4,719,000 |
| HUMAN SETTLEMENTS DEVELOPMENT GRANT | 44,090,000 | 21,146,000 | 3,000,000 |
| INFORMAL SETTLEMENTS UPGRADING PARTNERSHIP GRANT | 23,242,000 | 10,000,000 | 10,000,000 |
| CONSTRUCTION OF TRANSPORT INFRASTRUCTURE | 130,000 | 130,000 | 146,000 |
| COMMUNITY LIBRARY SERVICES GRANT | 8,824,000 | 8,912,000 | 9,748,000 |
| COMMUNITY DEVELOPMENT WORKERS | 76,000 | 76,000 | 76,000 |
| WESTERN CAPE FINANCIAL MANAGEMENT CAPABILITY GRANT | 672,000 | | |
| TITLE DEEDS RESTORATION GRANT | 97,000 | | |
| WC NON MOTORISED INFRASTRUCTURE GRANT | | | |
| MUN FIRE SERVICES CAPACITY SUPPORT GRANT | 500,000 | | |
| THUSONG SERVICE CENTRES GRANT | 150,000 | 150,000 | 150,000 |
| REGIONAL SOCIO ECONOMIC PROJECTS (RSEP) | 800,000 | | |
| | **87,248,000** | **49,403,000** | **32,505,000** |
| | **347,321,000** | **304,063,000** | **271,198,000** |

**Note 4: INFORMAL SETTLEMENTS UPDRADING PARTNERSHIP GRANT: PROVINCES (BENEFICIARIES) In addition to the above, the Department plans to spend the following amounts per Municipality**

| Demarcation Code | Municipality | 2025/26 Allocation (R'000) | 2025/26 Spend by Department Allocations (R'000) | 2025/26 Municipality Allocations (R'000) |
|---|---|---|---|---|
| METRO | City of Cape Town | 102,123 | 102,123 | |
| WC031 | Theewaterskloof | 69,400 | 24,700 | 44,700 |
| WC032 | Overstand | 23 302 | 60 | 23 242 |
| WC033 | Cape Agulhas | 7 771 | 7 771 | |
| **Total Allocated** | | **202,596** | **134654** | **67942** |

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 2025/26

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Rand/cent | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 % incr. | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| Monthly Account for Household - 'Middle Income Range' | | | | | | | | | | |
| Rates and services charges: | | | | | | | | | | |
| Property rates | 268.67 | 284.70 | 182.43 | 197.03 | 197.03 | 197.03 | 9.7% | 216.14 | 229.11 | 242.85 |
| Electricity: Basic levy | 408.17 | 438.66 | 504.46 | 466.10 | 466.10 | 466.10 | (11.2%) | 413.97 | 543.27 | 575.87 |
| Electricity: Capacity Charge (New) | – | – | – | 74.70 | 74.70 | 74.70 | 340.2% | 328.80 | 87.07 | 92.29 |
| Electricity: Consumption | 2,134.79 | 2,294.26 | 2,638.39 | 2,865.02 | 2,865.02 | 2,865.02 | (3.9%) | 2,754.52 | 2,919.79 | 3,094.98 |
| Water: Basic levy | 148.35 | 155.62 | 165.74 | 175.68 | 175.68 | 175.68 | 6.2% | 186.58 | 197.77 | 209.64 |
| Water: Consumption | 435.81 | 449.88 | 559.86 | 593.52 | 593.52 | 593.52 | 6.2% | 630.30 | 668.12 | 708.21 |
| Sanitation | 444.89 | 464.01 | 497.89 | 542.30 | 542.30 | 542.30 | 6.0% | 574.82 | 609.31 | 645.87 |
| Refuse removal | 201.59 | 213.48 | 228.00 | 253.08 | 253.08 | 253.08 | 6.0% | 268.26 | 284.36 | 301.42 |
| Other | 53.54 | 53.54 | 53.54 | 53.54 | 53.54 | 53.54 | – | 53.54 | 53.54 | 53.54 |
| sub-total | 4,095.81 | 4,354.15 | 4,830.31 | 5,220.97 | 5,220.97 | 5,220.97 | 3.59 | 5,426.93 | 5,592.34 | 5,924.66 |
| VAT on Services | 574.07 | 610.42 | 697.18 | | | | | | | |
| Total large household bill: | 4,669.88 | 4,964.57 | 5,527.49 | 5,220.97 | 5,220.97 | 5,220.97 | 3.9% | 5,426.93 | 5,592.34 | 5,924.66 |
| % increase/-decrease | | 6.3% | 11.3% | (5.5%) | – | – | | 3.9% | 3.0% | 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

**WC032 Overstrand - Supporting Table SA15 Investment particulars by type**

| Investment type | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| Parent municipality | | | | | | | | | |
| Securities - National Government | – | – | – | – | – | – | – | – | – |
| Listed Corporate Bonds | – | – | – | – | – | – | – | – | – |
| Deposits - Bank | 410,251 | 410,280 | 410,281 | 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) | 60,512 | 68,211 | 77,045 | 84,471 | 84,471 | 84,471 | 40,427 | 9,580 | – |
| Repurchase Agreements - Banks | – | – | – | – | – | – | – | – | – |
| Municipal Bonds | – | – | – | – | – | – | – | – | – |
| Municipality sub-total | 470,763 | 478,491 | 487,326 | 484,471 | 484,471 | 484,471 | 440,427 | 409,580 | 400,000 |
| Consolidated total: | 470,763 | 478,491 | 487,326 | 484,471 | 484,471 | 484,471 | 440,427 | 409,580 | 400,000 |

## Table 36 MBRR SA16 – Investment particulars by maturity

WC032 Overstrand - Supporting Table 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 [3] | Commission Paid (Rands) | Commission Recipient | Expiry date of investment | Opening balance | Interest to be realised | Partial / Premature Withdrawal (4) | Investment Top Up | Closing Balance |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| me of institution & investmen | Yrs/Months | | | | | | | | | | | | |
| Parent municipality | | | | | | | | | | | | | |
| LIBERTY 15934476 | 15 Years | Policy | Yes | Variable | Fair Value Adjustment | | | 01/09/2025 | 25,699,475 | 1,433,537 | | 1,500,000 | **28,633,011.28** |
| LIBERTY 21196964 | 14 Years | Policy | Yes | Variable | Fair Value Adjustment | | | 30/06/2025 | 45,271,208 | 1,672,239 | | 3,120,000 | **50,063,446.28** |
| MOMENTUM 3853776 | 15 Years | Policy | Yes | Variable | Fair Value Adjustment | | | 01/07/2026 | 5,366,041 | 48,229 | | 360,000 | **5,774,270.70** |
| Deposits - Bank | | Bank investments | Yes | Fixed | | | | 30/06/2024 | 410,280,517 | 48,635,253 | -958,915,770 | 900,000,000 | **400,000,000.00** |
| **Municipality sub-total** | | | | | | | | | **486,617,241** | | **-958,915,770** | **904,980,000** | **484,470,728** |
| TOTAL INVESTMENTS AND INTEREST | | | | | | | | | **486,617,241** | | **-958,915,770** | **904,980,000** | **484,470,728** |

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 2025/26 medium-term capital programme:

## Table 37 Sources of capital revenue over the MTREF

| Vote Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| Funded by: | | | | | | | | | |
| National Government | 36,688 | 81,741 | 59,150 | 52,299 | 55,951 | 55,951 | 76,207 | 64,043 | 39,375 |
| Provincial Government | 1,290 | 5,036 | 33,827 | 13,129 | 32,560 | 32,560 | 25,342 | 13,000 | 13,000 |
| District Municipality | – | – | | – | – | – | – | – | – |
| Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm | 53,387 | 26,098 | 21,282 | 105 | 3,763 | 3,763 | – | – | – |
| **Transfers recognised - capital** | **91,365** | **112,876** | **114,260** | **65,533** | **92,274** | **92,274** | **101,549** | **77,043** | **52,375** |
| **Public contributions & donations** | – | 18,467 | | | | | | | |
| **Borrowing** | 65,237 | 34,249 | 66,513 | 93,010 | 89,511 | 89,511 | 93,982 | 70,000 | 80,000 |
| **Internally generated funds** | 35,775 | 23,730 | 12,745 | 26,085 | 43,209 | 43,209 | 50,300 | 500 | 500 |
| **Total Capital Funding** | **192,377** | **189,321** | **193,518** | **184,628** | **224,994** | **224,994** | **245,831** | **147,543** | **132,875** |

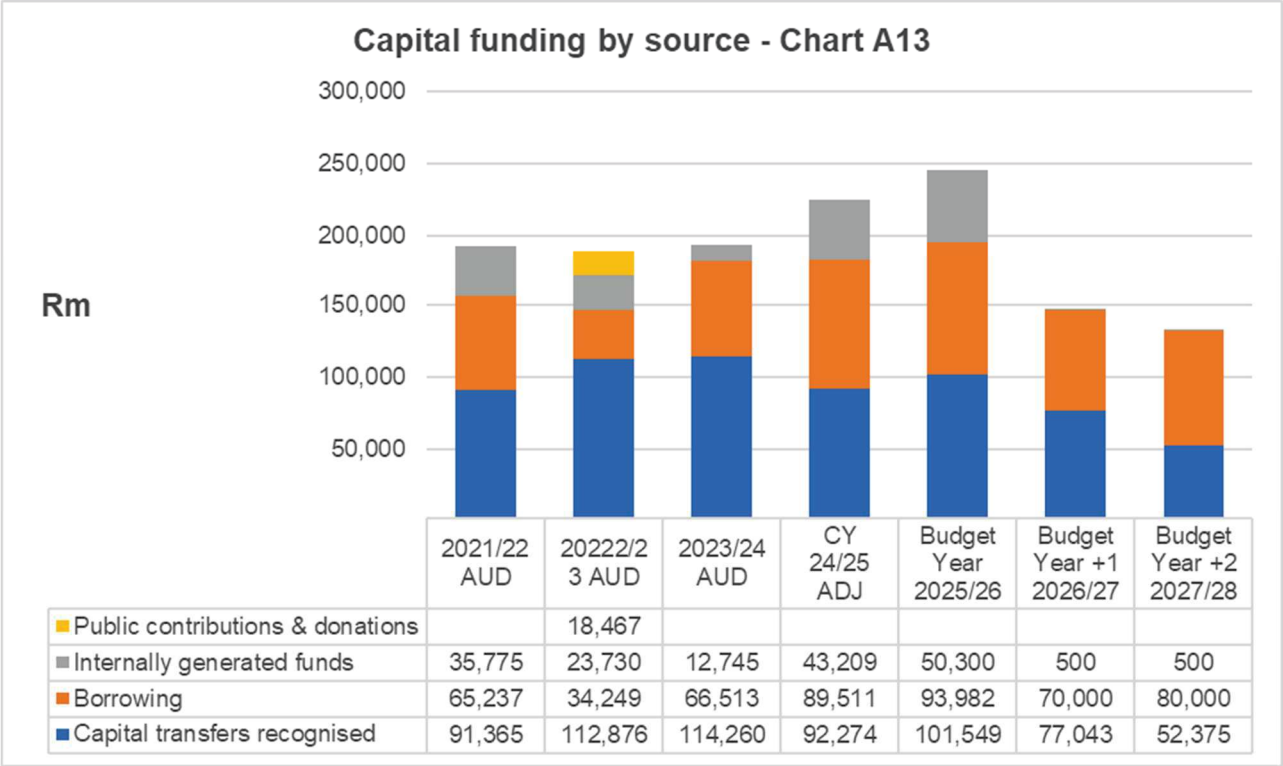



**Figure 8 Sources of capital revenue for the 2025/26 financial year**

Capital grants and receipts equates to 41.3 per cent of the total funding source which represents R101.5 million for the 2025/26 financial year.

## Table 38 MBRR Table SA18 - Capital transfers and grant receipts

**WC032 Overstrand - Supporting Table SA18 Transfers and grant receipts**

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| Capital Transfers and Grants | | | | | | | | | |
| National Government: | 43,754 | 78,254 | 62,835 | 52,299 | 52,266 | 52,266 | 76,207 | 64,043 | 39,375 |
| Integrated National Electrification Programme (Municipal Grant) [Schedule 5B] | 18,519 | 27,331 | 24,380 | 19,334 | 19,334 | 19,334 | 13,908 | 9,551 | 9,983 |
| Municipal Infrastructure Grant [Schedule 5B] | 20,053 | 23,484 | 23,203 | 24,965 | 24,932 | 24,932 | 33,872 | 28,250 | 29,392 |
| Water Services Infrastructure Grant [Schedule 5B] | 5,182 | 27,439 | 4,500 | 8,000 | 8,000 | 8,000 | 28,427 | 26,242 | – |
| Municipal Disaster Relief Grant | – | – | 10,753 | – | – | – | – | – | – |
| Municipal Emergency Housing Grant | – | – | – | – | – | – | – | – | – |
| Metro Informal Settlements Partnership Grant | – | – | – | – | – | – | – | – | – |
| Integrated Urban Development Grant | – | – | – | – | – | – | – | – | – |
| Provincial Government: | 47,754 | 27,266 | 33,650 | 13,129 | 32,544 | 32,544 | 25,342 | 13,000 | 13,000 |
| Capacity Building | – | – | – | – | – | – | – | – | – |
| Capacity Building and Other | – | | – | – | | | – | – | – |
| Disaster and Emergency Services | – | – | – | – | – | – | – | – | – |
| Health | 47,154 | 26,666 | 33,650 | 13,129 | 31,444 | 31,444 | 24,542 | 13,000 | 13,000 |
| Housing | – | | – | | | | – | – | – |
| Infrastructure | – | – | – | | | | – | – | – |
| Libraries, Archives and Museums | – | – | – | – | – | – | – | – | – |
| Other | | – | – | – | – | – | – | – | – |
| Public Transport | | – | – | – | – | – | – | – | – |
| Road Infrastructure | – | – | – | – | – | – | – | – | – |
| Sports and Recreation | – | – | – | – | 1,100 | 1,100 | – | – | – |
| Waste Water Infrastructure | 600 | 600 | – | – | – | – | – | – | – |
| Water Supply Infrastructure | | | | | | | 800 | | |
| District Municipality: | – | – | – | – | – | – | – | – | – |
| *All Grants* | – | – | – | – | – | – | – | – | – |
| Other Grant Providers: | – | – | – | – | – | – | – | – | – |
| Total Capital Transfers and Grants | 91,508 | 105,520 | 96,485 | 65,428 | 84,810 | 84,810 | 101,549 | 77,043 | 52,375 |
| TOTAL RECEIPTS OF TRANSFERS & GRANTS | 279,207 | 337,078 | 392,037 | 339,906 | 362,503 | 362,503 | 347,321 | 295,151 | 261,450 |

Borrowing still remains a significant funding source (one-third) for the own capital programme over the medium-term with an estimated R240 million new borrowing.

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

## Table 39 MBRR Table SA17 - Detail of borrowings

WC032 Overstrand - Supporting Table SA17 Borrowing

| Borrowing - Categorised by type | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| Parent municipality | | | | | | | | | |
| Annuity and Bullet Loans | 329,906 | 321,957 | 321,513 | 231,786 | 231,786 | 231,786 | 260,476 | 358,360 | 357,532 |
| Long-Term Loans (non-annuity) | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | – | – |
| **Municipality sub-total** | **429,906** | **421,957** | **421,513** | **331,786** | **331,786** | **331,786** | **360,476** | **358,360** | **357,532** |
| **Total Borrowing** | **429,906** | **421,957** | **421,513** | **331,786** | **331,786** | **331,786** | **360,476** | **358,360** | **357,532** |
| **Unspent Borrowing - Categorised by type** | | | | | | | | | |
| Parent municipality | | | | | | | | | |
| Long-Term Loans (annuity/reducing balance) | – | 30,175 | 56,641 | 27,610 | 27,610 | 27,610 | – | – | – |
| **Municipality sub-total** | **–** | **30,175** | **56,641** | **27,610** | **27,610** | **27,610** | **–** | **–** | **–** |
| **Total Unspent Borrowing** | **–** | **30,175** | **56,641** | **27,610** | **27,610** | **27,610** | **–** | **–** | **–** |

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 R90m in 2025/26 to R70m in 2026/27 and R80m in 2027/28.

The following graph illustrates the growth in outstanding borrowing for the 2020/21 to 2027/28 period.

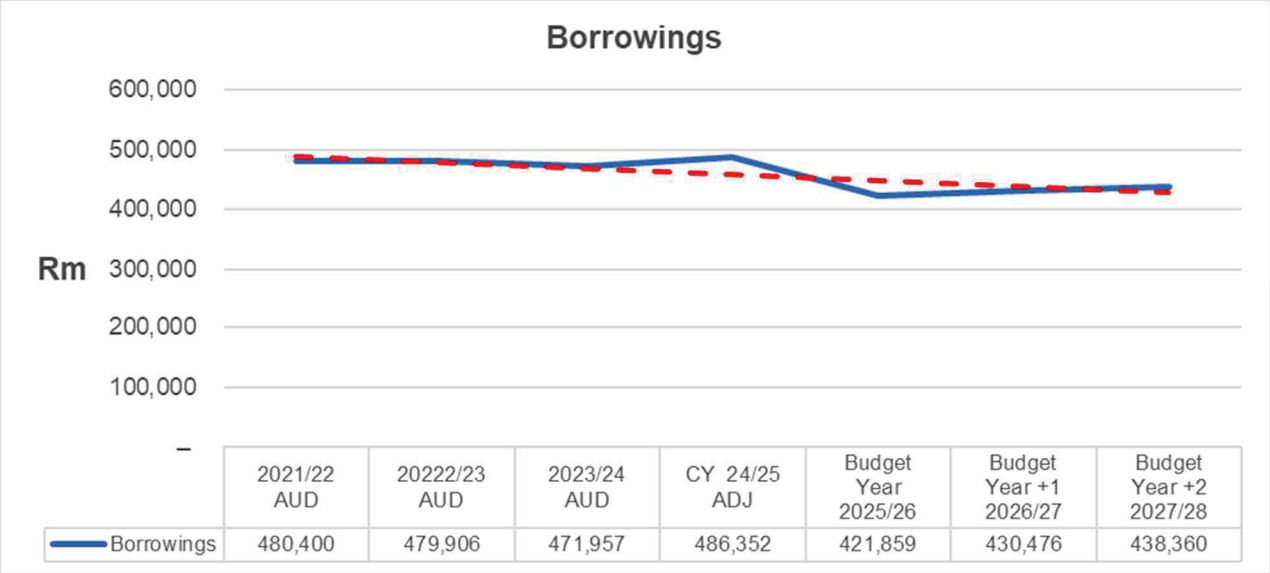



**Figure 9 Growth in outstanding borrowing (long-term liabilities)**

### 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 | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **CASH FLOW FROM OPERATING ACTIVITIES** | | | | | | | | | |
| **Receipts** | | | | | | | | | |
| Property rates | 277,452 | 292,203 | 331,408 | 358,095 | 362,295 | 362,295 | 395,706 | 419,145 | 443,977 |
| Service charges | 813,102 | 812,299 | 933,715 | 1,032,355 | 1,102,689 | 1,102,689 | 1,193,359 | 1,268,998 | 1,345,137 |
| Other revenue | 88,928 | 114,226 | 148,838 | 120,379 | 120,379 | 120,379 | 95,808 | 72,775 | 54,532 |
| Transfers and Subsidies - Operational | 145,075 | 172,032 | 186,843 | 190,368 | 201,918 | 201,918 | 203,607 | 199,962 | 209,075 |
| Transfers and Subsidies - Capital | 96,836 | 105,269 | 96,616 | 65,533 | 92,274 | 92,274 | 101,549 | 77,043 | 52,375 |
| Interest | 36,128 | 58,874 | 81,119 | 51,250 | 51,250 | 51,250 | 55,000 | 58,300 | 61,798 |
| Dividends | – | – | – | – | – | – | – | – | – |
| **Payments** | | | | | | | | | |
| Suppliers and employees | (1,199,126) | (1,277,763) | (1,501,927) | (1,609,408) | (1,656,924) | (1,656,924) | (1,758,974) | (1,807,968) | (1,909,718) |
| Interest | (47,584) | (48,152) | (48,571) | (49,814) | (49,814) | (49,814) | (51,227) | (44,657) | (45,526) |
| Transfers and Subsidies | (12,813) | (14,865) | (16,590) | (17,417) | (17,417) | (17,417) | (16,770) | (17,487) | (18,128) |
| **NET CASH FROM/(USED) OPERATING ACTIV** | **197,999** | **214,123** | **211,450** | **141,341** | **206,650** | **206,650** | **218,059** | **226,111** | **193,523** |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | | | | | | | |
| **Receipts** | | | | | | | | | |
| Proceeds on disposal of PPE | 3,813 | 3,676 | 302 | – | 13,043 | 13,043 | – | – | – |
| Decrease (increase) in non-current receivable | – | | – | – | – | – | – | – | – |
| Decrease (increase) in non-current investmen | (4,980) | (4,980) | (4,980) | (4,980) | (4,980) | (4,980) | 30,167 | (360) | – |
| **Payments** | | | | | | | | | |
| Capital assets | (190,382) | (183,191) | (172,235) | (184,628) | (222,775) | (222,775) | (245,831) | (147,543) | (132,875) |
| **NET CASH FROM/(USED) OPERATING ACTIV** | **(191,549)** | **(184,495)** | **(176,913)** | **(189,608)** | **(214,712)** | **(214,712)** | **(215,664)** | **(147,903)** | **(132,875)** |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | | | | | | | |
| **Receipts** | | | | | | | | | |
| Short term loans | – | – | – | – | – | – | – | – | – |
| Borrowing long term/refinancing | 50,000 | 50,000 | 50,000 | 65,000 | 65,000 | 65,000 | 90,000 | 70,000 | 80,000 |
| Increase (decrease) in consumer deposits | 1,064 | 1,122 | 3,535 | (6,600) | (6,600) | (6,600) | 5,200 | 2,050 | 2,050 |
| **Payments** | | | | | | | | | |
| **Repayment of borrowing** | (53,957) | (50,494) | (57,949) | (50,605) | (50,605) | (50,605) | (154,654) | (61,383) | (72,116) |
| **NET CASH FROM/(USED) FINANCING ACTIV** | **(2,893)** | **628** | **(4,414)** | **7,795** | **7,795** | **7,795** | **(59,454)** | **10,667** | **9,934** |
| **NET INCREASE/ (DECREASE) IN CASH HELI** | **3,557** | **30,255** | **30,123** | **(40,473)** | **(267)** | **(267)** | **(57,059)** | **88,875** | **70,582** |
| **Cash/cash equivalents at the year begin:** | **612,723** | **616,280** | **646,535** | 700,851 | 676,658 | 676,658 | **787,000** | **729,941** | **818,816** |
| **Cash/cash equivalents at the year** | **616,280** | **646,535** | **676,658** | **660,378** | **676,391** | **676,391** | **729,941** | **818,816** | **889,398** |

The above table shows the cash and cash equivalents of the Municipality from the 2020/21 to 2027/28 financial years. For the 2025/26 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

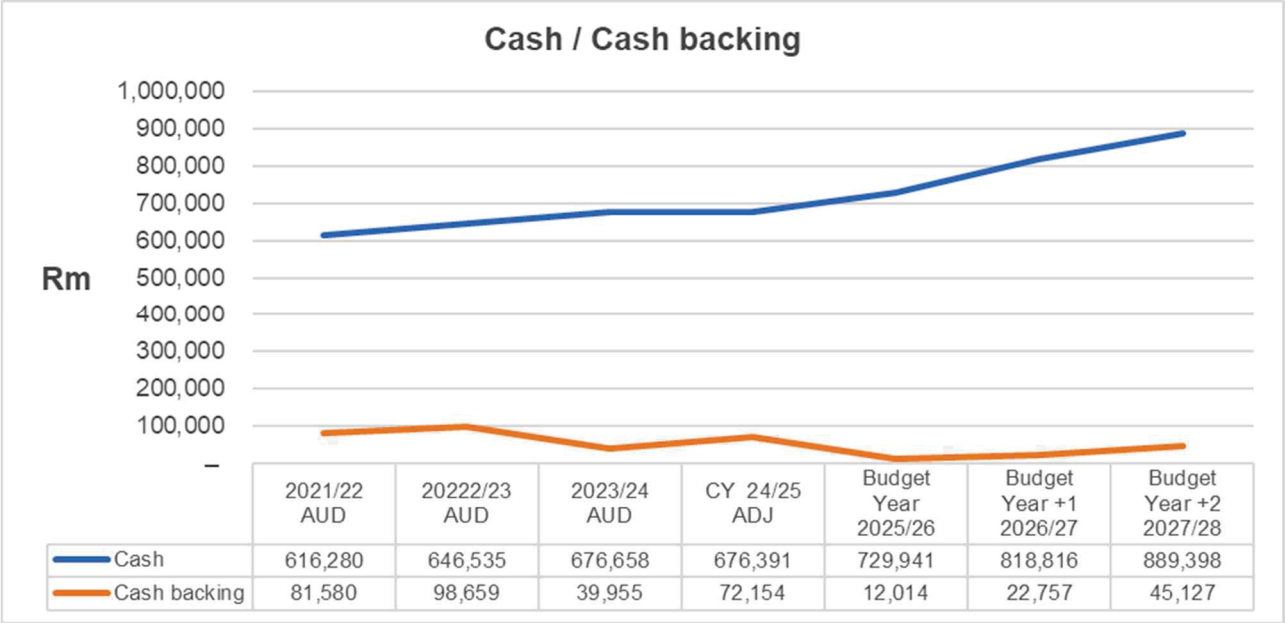
| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Cash and investments available** | | | | | | | | | |
| Cash/cash equivalents at the year end | 616,280 | 646,535 | 676,658 | 660,378 | 676,391 | 676,391 | 729,941 | 818,816 | 889,398 |
| Other current investments > 90 days | 0 | (0) | (0) | 0 | 0 | 0 | – | – | – |
| Non current Investments | 60,512 | 68,211 | 77,045 | 84,471 | 84,471 | 84,471 | 8,400 | – | – |
| **Cash and investments available:** | **676,792** | **714,746** | **753,703** | **744,849** | **760,862** | **760,862** | **738,342** | **818,816** | **889,398** |
| **Application of cash and investments** | | | | | | | | | |
| Trade payables from Non-exchange transactions: Unsper | 26,309 | 6,206 | 5,342 | – | – | – | – | – | – |
| Unspent borrowing | – | 30,175 | 56,641 | 27,610 | 27,610 | 27,610 | 3,982 | – | – |
| Statutory requirements | – | – | 14,020 | 6,919 | 11,659 | 11,659 | – | – | – |
| Other working capital requirements | 5,747 | 15,967 | 8,748 | 44,481 | 37,543 | 37,543 | 90,143 | 102,940 | 106,854 |
| Other provisions | 13,315 | 13,315 | (52,554) | (56,225) | (56,225) | (56,225) | – | – | – |
| Long term investments committed | 60,512 | 68,211 | 77,045 | 84,471 | 84,471 | 84,471 | 8,400 | – | – |
| Reserves to be backed by cash/investments | – | – | – | – | – | – | – | – | – |
| **Total Application of cash and investments:** | **105,883** | **133,875** | **109,242** | **107,257** | **105,059** | **105,059** | **102,525** | **102,940** | **106,854** |
| **Surplus(shortfall)** | **570,909** | **580,871** | **644,461** | **637,592** | **655,803** | **655,803** | **635,816** | **715,876** | **782,544** |

From the above table it can be seen that the cash and investments total R760.9 million in the 2024/25 financial year and R738.3 million in 2025/26, 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 2025/26 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.




| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| Cash | 616,280 | 646,535 | 676,658 | 676,391 | 729,941 | 818,816 | 889,398 |
| Cash backing | 81,580 | 98,659 | 39,955 | 72,154 | 12,014 | 22,757 | 45,127 |

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

### 2.6.4 Funding compliance measurement

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

# Table 42 MBRR SA10 – Funding compliance measurement

| Description | MFMA section | Ref | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Funding measures** | | | | | | | | | | | |
| Cash/cash equivalents at the year end - R'000 | 18(1)b | 1 | 616,280 | 646,535 | 676,658 | 660,378 | 676,391 | 676,391 | 729,941 | 818,816 | 889,398 |
| Cash + investments at the yr end less applications - R'000 | 18(1)b | 2 | 564,693 | 580,871 | 644,461 | 637,592 | 655,803 | 655,803 | 635,816 | 715,876 | 782,544 |
| Cash year end/monthly employee/supplier payments | 18(1)b | 3 | 5.9 | 5.7 | 5.4 | 4.6 | 4.5 | 4.5 | 5.0 | 5.1 | 5.4 |
| Surplus/(Deficit) excluding depreciation offsets: R'000 | 18(1) | 4 | 20,948 | 109,688 | 129,040 | (41,415) | (3,557) | (3,557) | 7,080 | 3,358 | (26,040) |
| Service charge rev % change - macro CPIX target exclusive | 18(1)a,(2) | 5 | N.A. | (3.1%) | 11.9% | (1.4%) | (0.6%) | (6.0%) | 1.1% | 0.3% | (0.0%) |
| Cash receipts % of Ratepayer & Other revenue | 18(1)a,(2) | 6 | 96.1% | 93.9% | 96.2% | 96.3% | 96.2% | 96.2% | 98.2% | 98.2% | 98.2% |
| Debt impairment expense as a % of total billable revenue | 18(1)a,(2) | 7 | 2.6% | 4.6% | (0.9%) | 3.8% | 4.6% | 4.6% | 4.5% | 4.4% | 4.4% |
| Capital payments % of capital expenditure | 18(1)c;19 | 8 | 99.0% | 96.8% | 89.0% | 100.0% | 99.0% | 99.0% | 100.0% | 100.0% | 100.0% |
| Borrowing receipts % of capital expenditure (excl. transfers) | 18(1)c | 9 | 49.5% | 65.4% | 63.1% | 54.6% | 49.0% | 49.0% | 62.4% | 99.3% | 99.4% |
| Grants % of Govt. legislated/gazetted allocations | 18(1)a | 10 | | | | | | | 87.9% | 91.1% | 96.4% |
| Current consumer debtors % change - incr(decr) | 18(1)a | 11 | N.A. | 7.7% | 28.7% | (46.5%) | 49.3% | 0.0% | (14.4%) | (16.7%) | (19.3%) |
| Long term receivables % change - incr(decr) | 18(1)a | 12 | N.A. | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| R&M % of Property Plant & Equipment | 20(1)(vi) | 13 | 6.4% | 6.3% | 7.0% | 7.1% | 7.6% | 7.6% | 8.4% | 9.0% | 0.0% |
| Asset renewal % of capital budget | 20(1)(vi) | 14 | 16.1% | 9.2% | 7.9% | 10.5% | 8.6% | 8.6% | 18.6% | 30.6% | 12.6% |
| **Supporting indicators** | | | | | | | | | | | |
| % incr *total service charges (incl prop rates)* | 18(1)a | | 0.0% | 2.9% | 17.9% | 4.6% | 5.4% | 0.0% | 7.1% | 6.3% | 6.0% |
| % incr Property Tax | 18(1)a | | 0.0% | 6.0% | 14.3% | 6.6% | 1.4% | 0.0% | 4.6% | 6.0% | 6.0% |
| % incr Service charges - Electricity | 18(1)a | | 0.0% | (3.3%) | 22.5% | 4.8% | 6.6% | 0.0% | 9.8% | 6.1% | 6.0% |
| % incr Service charges - Water | 18(1)a | | 0.0% | 10.9% | 15.3% | (3.1%) | 11.5% | 0.0% | 6.1% | 5.7% | 6.0% |
| % incr Service charges - Waste Water Management | 18(1)a | | 0.0% | 8.0% | 13.5% | 3.8% | 6.9% | 0.0% | 2.3% | 8.8% | 6.0% |
| % incr Service charges - Waste Management | 18(1)a | | 0.0% | 11.6% | 13.7% | 11.5% | 0.0% | 0.0% | 6.0% | 6.2% | 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 | | 1,105,652 | 1,137,749 | 1,341,518 | 1,402,847 | 1,478,546 | 1,478,546 | 1,583,603 | 1,682,728 | 1,783,691 |
| Service charges | | | 1,105,652 | 1,137,749 | 1,341,518 | 1,402,847 | 1,478,546 | 1,478,546 | 1,583,603 | 1,682,728 | 1,783,691 |
| Property rates | | | 280,176 | 297,101 | 339,596 | 361,957 | 367,000 | 367,000 | 383,977 | 407,016 | 431,437 |
| Service charges - electricity revenue | | | 512,791 | 495,999 | 607,716 | 636,747 | 679,000 | 679,000 | 745,540 | 791,153 | 838,623 |
| Service charges - water revenue | | | 142,484 | 158,070 | 182,282 | 176,718 | 197,000 | 197,000 | 209,109 | 221,026 | 234,288 |
| Service charges - sanitation revenue | | | 93,237 | 100,655 | 114,193 | 118,479 | 126,600 | 126,600 | 129,533 | 140,980 | 149,439 |
| Service charges - refuse removal | | | 76,964 | 85,923 | 97,731 | 108,946 | 108,946 | 108,946 | 115,444 | 122,552 | 129,905 |
| Service charges - other | | | | | | | | | | | |
| Interest | | | 6,880 | 7,140 | 6,599 | 7,103 | 7,103 | 7,103 | 7,500 | 7,950 | 8,427 |
| Capital expenditure excluding capital grant funding | | | 101,011 | 76,446 | 79,258 | 119,095 | 132,720 | 132,720 | 144,282 | 70,500 | 80,500 |
| Cash receipts from ratepayers | 18(1)a | | 1,179,482 | 1,218,728 | 1,413,961 | 1,510,828 | 1,585,364 | 1,585,364 | 1,684,873 | 1,760,918 | 1,843,647 |
| Ratepayer & Other revenue | 18(1)a | | 1,226,807 | 1,297,347 | 1,470,140 | 1,568,917 | 1,647,220 | 1,647,220 | 1,715,699 | 1,792,477 | 1,877,730 |
| Change in consumer debtors (current and non-current) | | | N/A | 11,456 | 46,001 | (95,978) | 54,508 | – | (17,595) | (23,616) | (22,727) |
| Operating and Capital Grant Revenue | 18(1)a | | 239,173 | 297,436 | 284,337 | 255,901 | 287,916 | 287,916 | 305,156 | 277,005 | 261,450 |
| Capital expenditure - total | 20(1)(vi) | | 192,377 | 189,321 | 193,518 | 184,628 | 224,994 | 224,994 | 245,831 | 147,543 | 132,875 |
| Capital expenditure - renewal | 20(1)(vi) | | 30,964 | 17,393 | 15,235 | 19,375 | 19,375 | 19,375 | 45,827 | 45,092 | 16,700 |
| **Supporting benchmarks** | | | | | | | | | | | |
| Growth guideline maximum | | | 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% | 5.4% | 5.6% | 5.4% |
| DoRA operating grants total MFY | | | | | | | | | 183,866 | 190,617 | 199,318 |
| Provincial operating grants | | | | | | | | | 61,906 | 36,403 | 19,505 |
| Provincial capital grants | | | | | | | | | 25,342 | 13,000 | 13,000 |
| District Municipality grants | | | | | | | | | – | – | – |
| Total gazetted/advised national, provincial and district grants | | | | | | | | | 347,321 | 304,063 | 271,198 |
| Average annual collection rate (arrears inclusive) | | | | | | | | | | | |
| **DoRA operating** | | | | | | | | | | | |
| Operational Revenue:General Revenue:Equitable Share | | | | | | | | | 179,268 | 188,717 | 197,218 |
| Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B] | | | | | | | | | 2,588 | – | – |
| Local Government Financial Management Grant [Schedule 5B] | | | | | | | | | 1,800 | 1,900 | 2,100 |
| Municipal Infrastructure Grant [Schedule 5B] | | | | | | | | | 210 | – | – |
| | | | | | | | | | **183,866** | **190,617** | **199,318** |
| **DoRA Capital** | | | | | | | | | | | |
| Integrated National Electrification Programme (Municipal Grant) [Schedule 5B] | | | | | | | | | 13,908 | 9,551 | 9,983 |
| Municipal Infrastructure Grant [Schedule 5B] | | | | | | | | | 33,872 | 28,250 | 29,392 |
| Water Services Infrastructure Grant [Schedule 5B] | | | | | | | | | 28,427 | 26,242 | – |
| **Trend** | | | | | | | | | | | |
| Change in consumer debtors (current and non-current) | | | N/A | 11,456 | 46,001 | (95,978) | 54,508 | – | (17,595) | (23,616) | (22,727) |
| **Total Operating Revenue** | | | 1,429,101 | 1,550,312 | 1,767,584 | 1,837,261 | 1,946,903 | 1,946,903 | 2,015,522 | 2,094,119 | 2,194,265 |
| **Total Operating Expenditure** | | | 1,497,483 | 1,572,027 | 1,752,801 | 1,944,209 | 2,042,734 | 2,042,734 | 2,109,991 | 2,167,804 | 2,272,680 |
| **Operating Performance Surplus/(Deficit)** | | | (68,383) | (21,715) | 14,783 | (106,948) | (95,831) | (95,831) | (94,469) | (73,685) | (78,415) |
| **Cash and Cash Equivalents (30 June 2012)** | | | | | | | | | – | | |
| **Revenue** | | | | | | | | | | | |
| % Increase in Total Operating Revenue | | | | 8.5% | 14.0% | 3.9% | 6.0% | 0.0% | 3.5% | 3.9% | 4.8% |
| % Increase in Property Rates Revenue | | | | 6.0% | 14.3% | 6.6% | 1.4% | 0.0% | 39.2% | 6.0% | 6.0% |
| % Increase in Electricity Revenue | | | | (3.3%) | 22.5% | 4.8% | 6.6% | 0.0% | 9.8% | 6.1% | 6.0% |
| % Increase in Property Rates & Services Charges | | | | 2.9% | 17.9% | 4.6% | 5.4% | 0.0% | 7.1% | 6.3% | 6.0% |
| **Expenditure** | | | | | | | | | | | |
| % Increase in Total Operating Expenditure | | | | 5.0% | 11.5% | 10.9% | 5.1% | 0.0% | 3.3% | 2.7% | 4.8% |
| % Increase in Employee Costs | | | | 5.8% | 8.7% | 12.2% | 1.1% | 0.0% | 4.5% | 3.7% | 4.8% |
| % Increase in Electricity Bulk Purchases | | | | (1.5%) | 28.2% | 9.1% | 3.1% | 0.0% | 11.3% | 5.4% | 6.2% |
| Average Cost Per Budgeted Employee Position (Remuneration) | | | | | 473878.4888 | 1382689.149 | | | 1450102.021 | | |
| Average Cost Per Councillor (Remuneration) | | | | | 0 | 0 | | | 0 | | |
| R&M % of PPE | | | 6.4% | 6.3% | 7.0% | 7.1% | 7.6% | 7.6% | 7.9% | 8.4% | 9.0% |
| Asset Renewal and R&M as a % of PPE | | | 8.3% | 7.8% | 8.4% | 8.9% | 9.4% | 9.4% | 10.6% | 10.7% | 11.0% |
| Debt Impairment % of Total Billable Revenue | | | 2.6% | 4.6% | (0.9%) | 3.8% | 4.6% | 4.6% | 4.5% | 4.4% | 4.4% |
| **Capital Revenue** | | | | | | | | | | | |
| Internally Funded & Other (R'000) | | | 65,237 | 34,249 | 66,513 | 93,010 | 89,511 | 89,511 | 93,982 | 70,000 | 80,000 |
| Borrowing (R'000) | | | 91,365 | 112,876 | 114,260 | 65,533 | 92,274 | 92,274 | 101,549 | 77,043 | 52,375 |
| Grant Funding and Other (R'000) | | | – | – | – | – | – | – | – | – | – |
| Internally Generated funds % of Non Grant Funding | | | 720.1% | 942.2% | 2040.3% | 1064.4% | 727.9% | 727.9% | 675.6% | 43508.6% | 42575.0% |
| Borrowing % of Non Grant Funding | | | 255.4% | 475.7% | 896.5% | 251.2% | 213.6% | 213.6% | 201.9% | 15408.6% | 10475.0% |
| Grant Funding % of Total Funding | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| **Capital Expenditure** | | | | | | | | | | | |
| Total Capital Programme (R'000) | | | – | – | – | – | – | – | – | – | – |
| Asset Renewal | | | – | – | – | – | – | – | – | – | – |
| Asset Renewal % of Total Capital Expenditure | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| **Cash** | | | | | | | | | | | |
| Cash Receipts % of Rate Payer & Other | | | 96.1% | 93.9% | 96.2% | 96.3% | 96.2% | 96.2% | 98.2% | 98.2% | 98.2% |
| Cash Coverage Ratio | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Borrowing** | | | | | | | | | | | |
| Credit Rating (2009/10) | | | | | | | | | 0 | | |
| Capital Charges to Operating | | | 6.8% | 6.3% | 6.1% | 5.2% | 4.9% | 4.9% | 9.8% | 4.9% | 5.2% |
| Borrowing Receipts % of Capital Expenditure | | | 49.5% | 65.4% | 63.1% | 54.6% | 49.0% | 49.0% | 62.4% | 99.3% | 99.4% |
| **Reserves** | | | | | | | | | | | |
| Surplus/(Deficit) | | | 564,693 | 580,871 | 644,461 | 637,592 | 655,803 | 655,803 | 635,816 | 715,876 | 782,544 |
| **Free Services** | | | | | | | | | | | |
| Free Basic Services as a % of Equitable Share | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Free Services as a % of Operating Revenue (excl operational transfers) | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Total Operating Revenue | | | 1,429,101 | 1,550,312 | 1,767,584 | 1,837,261 | 1,946,903 | 1,946,903 | 2,015,522 | 2,094,119 | 2,194,265 |
| Total Operating Expenditure | | | 1,497,483 | 1,572,027 | 1,752,801 | 1,944,209 | 2,042,734 | 2,042,734 | 2,109,991 | 2,167,804 | 2,272,680 |
| Surplus/(Deficit) Budgeted Operating Statement | | | (68,383) | (21,715) | 14,783 | (106,948) | (95,831) | (95,831) | (94,469) | (73,685) | (78,415) |
| Surplus/(Deficit) Considering Reserves and Cash Backing | | | 564,693 | 580,871 | 644,461 | 637,592 | 655,803 | 655,803 | 635,816 | 715,876 | 782,544 |
| **MTREF Funded (1) / Unfunded (0)** | | 15 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| **MTREF Funded ✓ / Unfunded ✗** | | 15 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

## 2.7 Expenditure on grants and reconciliations of unspent funds

### Table 43 MBRR SA19 - Expenditure on transfers and grant programmes

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **EXPENDITURE:** | | | | | | | | | |
| **Operating expenditure of Transfers and Grants** | | | | | | | | | |
| **National Government:** | **11,627** | **11,665** | **11,261** | **4,098** | **4,226** | **4,226** | **4,598** | **1,900** | **2,100** |
| Operational Revenue:General Revenue:Equitable Share | 6,547 | – | – | – | – | – | | | |
| Energy Efficiency and Demand-side [Schedule 5B] | – | 2,799 | 4,401 | – | – | – | – | – | – |
| Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B] | 2,530 | 2,593 | 3,366 | 1,898 | 1,898 | 1,898 | 2,588 | – | – |
| Local Government Financial Management Grant [Schedule 5B] | 1,550 | 1,550 | 1,550 | 1,700 | 1,700 | 1,700 | 1,800 | 1,900 | 2,100 |
| Municipal Disaster Grant [Schedule 5B] | – | – | 1,292 | 300 | 428 | 428 | – | – | – |
| Municipal Infrastructure Grant [Schedule 5B] | 1,000 | 1,144 | 652 | 200 | 200 | 200 | 210 | – | – |
| Water Services Infrastructure Grant | – | 3,579 | – | – | – | – | – | – | – |
| **Provincial Government:** | **57,002** | **73,992** | **126,439** | **101,886** | **105,032** | **105,032** | **61,906** | **36,403** | **19,235** |
| Community Library Services Grant | 6,580 | 8,258 | 8,398 | 8,608 | 8,608 | 8,608 | 8,824 | 8,912 | 9,478 |
| Library Support Grant | 2,222 | – | – | – | – | – | – | – | – |
| Thusong Services Centres Grant | | 60 | 90 | – | – | – | 150 | 150 | 150 |
| Resource funding for the establish & support of K9 Unit | 3,059 | 2,420 | 3,345 | 3,772 | 4,172 | 4,172 | 4,350 | 4,473 | 4,666 |
| Municipal Electricity Masterplan Grant | 1,000 | – | – | | | | | | |
| Financial Management Capacity Building Grant | – | 24 | – | – | – | – | – | – | – |
| Community Development Workers | 76 | 75 | 76 | 76 | 76 | 76 | 76 | 76 | 76 |
| Municipal Energy Resilience Grant | 650 | – | – | – | – | – | – | – | – |
| LG Public Employment Grant | 1,300 | – | – | – | – | – | – | – | – |
| Maintenance & Construction of Transport Infrastructure | 145 | 140 | 400 | 450 | 7,440 | 7,440 | 130 | 130 | 146 |
| Financial Management Capability Grant | 676 | 450 | 139 | 160 | 260 | 260 | 672 | | |
| Municipal Service Delivery & Capacity Building Grant | 181 | 121 | 179 | | 500 | 500 | | | |
| Municipal Intervention Grant | | 200 | | | | | | | |
| Resource funding for the est of Law Enforcement Rural Safety Unit | 400 | 4,745 | 4,282 | 4,223 | 4,223 | 4,223 | 4,317 | 4,516 | 4,719 |
| Emergency Municipal Load-shedding relief grant | | 2,042 | 4,658 | | | | | | |
| Human Settlements Dev & Informal Settlement Upgrading Partnership Grant | 40,713 | 55,457 | 104,289 | 84,410 | 79,443 | 79,443 | 42,790 | 18,146 | |
| Title Deeds Restoration Grant | – | – | 362 | 187 | 187 | 187 | 97 | – | – |
| Library Service Replacement Funding | – | – | 219 | – | 123 | 123 | – | – | – |
| Municipal Fire Service Capacity Support Grant | – | – | – | – | – | – | 500 | – | – |
| **District Municipality:** | **90** | **35** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| *All Grants* | 90 | 35 | – | – | – | – | – | – | – |
| **Other Grant Providers:** | **–** | **–** | **–** | **–** | **692** | **692** | **625** | **–** | **–** |
| *Departmental Agencies and Accounts* | – | – | – | – | – | – | – | – | – |
| *Foreign Government and International Organisations* | – | – | – | – | 692 | 692 | 625 | – | – |
| **Total operating expenditure of Transfers and Grants:** | **68,719** | **85,692** | **137,699** | **105,984** | **109,949** | **109,949** | **67,129** | **38,303** | **21,335** |
| **Capital expenditure of Transfers and Grants** | | | | | | | | | |
| **National Government:** | **36,688** | **81,741** | **59,150** | **52,299** | **55,951** | **55,951** | **76,207** | **64,043** | **39,375** |
| Integrated National Electrifcation Programme (Municipal Grant) [Schedule 5B] | 11,453 | 34,397 | 24,380 | 19,334 | 19,334 | 19,334 | 13,908 | 9,551 | 9,983 |
| Municipal Infrastructure Grant [Schedule 5B] | 20,053 | 23,484 | 19,518 | 24,965 | 28,617 | 28,617 | 33,872 | 28,250 | 29,392 |
| Municipal Water Infrastructure Grant [Schedule 5B] | – | – | – | – | – | – | – | – | – |
| Water Services Infrastructure Grant [Schedule 5B] | 5,182 | 23,860 | 4,500 | 8,000 | 8,000 | 8,000 | 28,427 | 26,242 | – |
| WIFI Connectivity | – | – | – | – | – | – | – | – | – |
| Municipal Disaster Relief Grant | – | – | 10,753 | – | – | – | – | – | – |
| **Provincial Government:** | **50,581** | **31,195** | **33,827** | **13,129** | **32,576** | **32,576** | **25,342** | **13,000** | **13,000** |
| Capacity Building | – | – | – | – | – | – | – | – | – |
| Capacity Building and Other | 63 | 1,194 | 56 | – | – | – | – | – | – |
| Disaster and Emergency Services | – | – | – | – | – | – | – | – | – |
| Health | 49,292 | 26,098 | 33,678 | 13,129 | 32,560 | 32,560 | 24,542 | 13,000 | 13,000 |
| Housing | – | – | – | | | | | | |
| Infrastructure | – | – | 14 | | 16 | 16 | | | |
| Libraries, Archives and Museums | – | 171 | 79 | – | – | – | – | – | – |
| Other | 624 | – | – | – | – | – | – | – | – |
| Public Transport | 603 | 3,132 | – | – | – | – | – | – | – |
| Road Infrastructure | – | – | – | – | – | – | – | – | – |
| Sports and Recreation | – | – | – | – | – | – | – | – | – |
| Waste Water Infrastructure | – | 600 | – | – | – | – | – | – | – |
| Water Supply Infrastructure | | | | | | | 800 | | |
| **District Municipality:** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| *All Grants* | – | – | – | – | – | – | – | – | – |
| **Other Grant Providers:** | **–** | **–** | **–** | **–** | **105** | **105** | **–** | **–** | **–** |
| *Public Corporations* | – | – | – | – | 105 | 105 | – | – | – |
| **Total capital expenditure of Transfers and Grants** | **87,270** | **112,936** | **92,977** | **65,428** | **88,632** | **88,632** | **101,549** | **77,043** | **52,375** |
| **TOTAL EXPENDITURE OF TRANSFERS AND GRANTS** | **155,989** | **198,628** | **230,677** | **171,412** | **198,582** | **198,582** | **168,678** | **115,346** | **73,710** |

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

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Operating transfers and grants:** | | | | | | | | | |
| **National Government:** | | | | | | | | | |
| Balance unspent at beginning of the year | (6,870) | (4,017) | (201) | – | – | – | – | – | – |
| Current year receipts | 128,977 | 150,183 | 169,423 | 172,592 | 172,592 | 172,592 | 183,866 | 190,617 | 199,318 |
| Conditions met - transferred to revenue | 10,627 | (15,774) | 9,969 | – | – | – | | | |
| Conditions still to be met - transferred to liabilities | – | 323 | – | – | – | – | – | – | – |
| **Closing Balance** | 132,734 | 130,715 | 179,191 | 172,592 | 172,592 | 172,592 | 183,866 | 190,617 | 199,318 |
| **Provincial Government:** | | | | | | | | | |
| Balance unspent at beginning of the year | (2,235) | (5,552) | (4,745) | – | – | – | – | – | – |
| Current year receipts | 58,632 | 81,340 | 126,129 | 101,886 | 104,409 | 104,409 | 61,906 | 36,403 | 19,505 |
| Conditions met - transferred to revenue | – | – | 21,750 | – | – | – | | | |
| Conditions still to be met - transferred to liabilities | 309 | 3,663 | – | – | – | – | – | – | – |
| **Closing Balance** | 56,706 | 79,452 | 143,133 | 101,886 | 104,409 | 104,409 | 61,906 | 36,403 | 19,505 |
| **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** | **10,627** | **(15,739)** | **31,719** | **274,478** | **277,001** | **277,001** | **245,772** | **227,020** | **218,823** |
| **Total operating transfers and grants - CTBM** | **–** | **–** | **–** | **274,478** | **277,001** | **277,001** | **245,772** | **227,020** | **218,823** |
| **Capital transfers and grants:** | | | | | | | | | |
| **National Government:** | | | | | | | | | |
| Balance unspent at beginning of the year | – | (7,066) | – | – | – | – | – | – | – |
| Current year receipts | 43,754 | 78,254 | 62,835 | 52,299 | 52,266 | 52,266 | 76,207 | 64,043 | 39,375 |
| Conditions met - transferred to revenue | 37,688 | 109,180 | 48,398 | – | – | – | – | – | – |
| Conditions still to be met - transferred to liabilities | – | – | – | – | – | – | – | – | – |
| **Closing Balance** | 81,442 | 180,369 | 111,233 | 52,299 | 52,266 | 52,266 | 76,207 | 64,043 | 39,375 |
| **Provincial Government:** | | | | | | | | | |
| Balance unspent at beginning of the year | – | (600) | (569) | – | – | – | – | – | – |
| Current year receipts | 47,754 | 27,266 | 33,650 | 13,129 | 32,544 | 32,544 | 25,342 | 13,000 | 13,000 |
| Conditions met - transferred to revenue | – | – | 33,827 | – | – | – | – | – | – |
| Conditions still to be met - transferred to liabilities | – | (3,300) | 168 | – | – | – | – | – | – |
| **Closing Balance** | 47,754 | 23,366 | 67,076 | 13,129 | 32,544 | 32,544 | 25,342 | 13,000 | 13,000 |
| **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 | (14,738) | (12,442) | (105) | (105) | (105) | (105) | – | – | – |
| Current year receipts | – | – | – | – | – | – | – | – | – |
| Conditions met - transferred to revenue | 2,296 | 12,337 | – | – | – | – | – | – | – |
| Conditions still to be met - transferred to liabilities | – | – | – | – | – | – | – | – | – |
| **Closing Balance** | (12,442) | (105) | (105) | (105) | (105) | (105) | – | – | – |
| **Total capital transfers and grants revenue** | **39,984** | **121,517** | **82,225** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Total capital transfers and grants - CTBM** | **116,754** | **203,630** | **178,204** | **65,323** | **84,705** | **84,705** | **101,549** | **77,043** | **52,375** |
| **TOTAL TRANSFERS AND GRANTS REVENUE** | **50,611** | **105,778** | **113,943** | **274,478** | **277,001** | **277,001** | **245,772** | **227,020** | **218,823** |
| **TOTAL TRANSFERS AND GRANTS - CTBM** | **116,754** | **203,630** | **178,204** | **339,801** | **361,706** | **361,706** | **347,321** | **304,063** | **271,198** |

## 2.8 Councillor and employee benefits

### Table 45 MBRR SA22 - Summary of councillor and staff benefits

**WC032 Overstrand - Supporting Table SA22 Summary councillor and staff benefits**

| Summary of Employee and Councillor remuneration | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| | A | B | C | D | E | F | G | H | I |
| **Councillors (Political Office Bearers plus Other)** | | | | | | | | | |
| Basic Salaries and Wages | 10,454 | 10,979 | 11,461 | 12,643 | 12,237 | 12,237 | 12,742 | 13,793 | 14,882 |
| Pension and UIF Contributions | – | – | – | – | – | – | – | – | – |
| Medical Aid Contributions | – | – | – | – | – | – | – | – | – |
| Motor Vehicle Allowance | – | – | – | – | – | – | – | – | – |
| Cellphone Allowance | 1,085 | 1,336 | 1,269 | 1,269 | 1,269 | 1,269 | 1,269 | 1,269 | 1,269 |
| Housing Allowances | – | – | – | – | – | – | – | – | – |
| Other benefits and allowances | – | – | – | – | – | – | – | – | – |
| **Sub Total - Councillors** | **11,538** | **12,315** | **12,730** | **13,912** | **13,506** | **13,506** | **14,012** | **15,062** | **16,151** |
| **Senior Managers of the Municipality** | | | | | | | | | |
| Basic Salaries and Wages | 12,317 | 12,034 | 12,340 | 13,713 | 11,808 | 11,808 | 12,377 | 12,977 | 13,608 |
| Pension and UIF Contributions | – | – | – | – | – | – | – | – | – |
| Medical Aid Contributions | – | – | – | – | – | – | – | – | – |
| Overtime | – | – | – | – | – | – | – | – | – |
| Performance Bonus | 96 | 162 | 205 | 167 | – | – | 229 | 240 | 252 |
| Motor Vehicle Allowance | – | – | – | – | – | – | – | – | – |
| Cellphone Allowance | 182 | 179 | 201 | 212 | 187 | 187 | 221 | 221 | 221 |
| 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** | **12,595** | **12,376** | **12,746** | **14,092** | **11,996** | **11,996** | **12,827** | **13,438** | **14,080** |
| **Other Municipal Staff** | | | | | | | | | |
| Basic Salaries and Wages | 266,765 | 283,550 | 309,632 | 351,978 | 368,472 | 368,472 | 382,729 | 401,507 | 420,761 |
| Pension and UIF Contributions | 45,123 | 47,755 | 50,672 | 60,983 | 52,923 | 52,923 | 57,015 | 58,726 | 61,610 |
| Medical Aid Contributions | 14,510 | 15,638 | 16,959 | 19,652 | 17,925 | 17,925 | 19,278 | 19,691 | 20,659 |
| Overtime | 35,197 | 42,829 | 43,751 | 35,012 | 41,624 | 41,624 | 42,318 | 47,268 | 49,631 |
| Performance Bonus | 20,532 | 21,761 | 23,263 | 27,554 | 23,955 | 23,955 | 25,746 | 26,324 | 27,609 |
| Motor Vehicle Allowance | 8,136 | 7,976 | 7,726 | 8,869 | 7,736 | 7,736 | 8,438 | 8,849 | 9,283 |
| Cellphone Allowance | 2,003 | 1,976 | 2,291 | 2,374 | 2,280 | 2,280 | 2,424 | 2,549 | 2,674 |
| Housing Allowances | 1,707 | 1,774 | 1,825 | 1,996 | 1,967 | 1,967 | 2,116 | 2,214 | 2,323 |
| Other benefits and allowances | 24,133 | 29,364 | 30,593 | 29,815 | 31,317 | 31,317 | 32,237 | 33,747 | 35,421 |
| Payments in lieu of leave | – | – | – | – | – | – | – | – | – |
| Long service awards | – | – | – | – | – | – | – | – | – |
| Post-retirement benefit obligations | 16,302 | 10,362 | 17,791 | 27,240 | 27,240 | 27,240 | 28,672 | 22,385 | 23,352 |
| Entertainment | – | – | – | – | – | – | – | – | – |
| Scarcity | 3,575 | 3,796 | 4,103 | 4,367 | 3,990 | 3,990 | 4,295 | 4,513 | 4,737 |
| Acting and post related allowance | 2,074 | 1,781 | 1,334 | 2,329 | 1,050 | 1,050 | 1,101 | 1,158 | 1,215 |
| In kind benefits | – | – | – | – | – | – | – | – | – |
| **Sub Total - Other Municipal Staff** | **440,056** | **468,563** | **509,942** | **572,169** | **580,478** | **580,478** | **606,367** | **628,931** | **659,274** |
| **Total Parent Municipality** | **464,190** | **493,254** | **535,418** | **600,172** | **605,980** | **605,980** | **633,205** | **657,431** | **689,506** |
| **TOTAL SALARY, ALLOWANCES & BENEFITS** | **464,190** | **493,254** | **535,418** | **600,172** | **605,980** | **605,980** | **633,205** | **657,431** | **689,506** |
| **TOTAL MANAGERS AND STAFF** | **452,651** | **480,939** | **522,688** | **586,260** | **592,474** | **592,474** | **619,194** | **642,369** | **673,354** |

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

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

| Disclosure of Salaries, Allowances & Benefits 1.<br>Rand per annum | No. | Salary | Contributions<br>1. | Allowances | Performance Bonuses | In-kind benefits | Total Package<br>2. |
|---|---|---|---|---|---|---|---|
| **Councillors** | | | | | | | |
| Speaker | 1 | 848,062 | – | 47,004 | – | – | 895,066 |
| Chief Whip | – | – | – | – | – | – | – |
| Executive Mayor | 1 | 1,060,070 | – | 47,004 | – | – | 1,107,074 |
| Deputy Executive Mayor | 1 | 848,062 | – | 47,004 | – | – | 895,066 |
| Executive Committee | 4 | 3,181,668 | – | 188,016 | – | – | 3,369,684 |
| Total for all other councillors | 20 | 6,804,571 | – | 940,080 | – | – | 7,744,651 |
| **Total Councillors** | **27** | **12,742,433** | **–** | **1,269,108** | | | **14,011,541** |
| **Senior Managers of the Municipality** | | | | | | | |
| Municipal Manager (MM) | 1 | 2,285,177 | – | 47,004 | 228,518 | – | 2,560,699 |
| Chief Finance Officer | 1 | 1,147,814 | – | 28,980 | – | – | 1,176,794 |
| Corporate Services | 1 | 2,138,565 | – | 28,980 | – | – | 2,167,545 |
| Infrastructure Services | 1 | 2,255,614 | – | 28,980 | – | – | 2,284,594 |
| Public Safety | 1 | 2,061,594 | – | 28,980 | – | – | 2,090,574 |
| Planning & development | 1 | 1,147,812 | – | 28,980 | – | – | 1,176,792 |
| Community Services | 1 | 1,340,562 | – | 28,980 | – | – | 1,369,542 |
| **Total Senior Managers of the Municipality** | **7** | **12,377,138** | **–** | **220,884** | **228,518** | | **12,826,540** |
| **TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION** | **34** | **25,119,571** | **–** | **1,489,992** | **228,518** | | **26,838,081** |

## Table 47 MBRR SA24 – Summary of personnel numbers

**WC032 Overstrand - Supporting Table SA24 Summary of personnel numbers**

| Summary of Personnel Numbers | 2023/24 | | | Current Year 2024/25 | | | Budget Year 2025/26 | | |
|---|---|---|---|---|---|---|---|---|---|
| Number | Positions | Permanent employees | Contract employees | Positions | Permanent employees | Contract employees | Positions | Permanent employees | Contract employees |
| **Municipal Council and Boards of Municipal Entities** | | | | | | | | | |
| Councillors (Political Office Bearers plus Other Councillors) | 27 | 8 | | 27 | 8 | | 27 | 8 | |
| Board Members of municipal entities | | | | | | | | | |
| **Municipal employees** | | | | | | | | | |
| Municipal Manager and Senior Managers | 7 | 6 | | 7 | 6 | | 7 | 5 | |
| Other Managers | 53 | 47 | | 53 | 47 | | 52 | 44 | |
| Professionals | *30* | *25* | – | *30* | *25* | – | *27* | *19* | – |
| *Finance* | 24 | 21 | | 24 | 21 | | 20 | 15 | |
| *Spatial/town planning* | 2 | 2 | | 2 | 2 | | 2 | 2 | |
| *Information Technology* | 1 | 1 | | 1 | 1 | | 2 | 1 | |
| *Roads* | | | | | | | | | |
| *Electricity* | | | | | | | | | |
| *Water* | | | | | | | | | |
| *Sanitation* | | | | | | | | | |
| *Refuse* | | | | | | | | | |
| *Other* | 3 | 1 | | 3 | 1 | | 3 | 1 | |
| Technicians | *197* | *181* | – | *197* | *181* | – | *218* | *170* | – |
| *Finance* | | | | | | | | | |
| *Spatial/town planning* | 11 | 11 | | 11 | 11 | | 13 | 11 | |
| *Information Technology* | 6 | 4 | | 6 | 4 | | 7 | 6 | |
| *Roads* | 10 | 10 | | 10 | 10 | | 11 | 10 | |
| *Electricity* | 30 | 28 | | 30 | 28 | | 34 | 29 | |
| *Water* | 20 | 18 | | 20 | 18 | | 20 | 15 | |
| *Sanitation* | 1 | 1 | | 1 | 1 | | 1 | 1 | |
| *Refuse* | 5 | 5 | | 5 | 5 | | 6 | 5 | |
| *Other* | 114 | 104 | | 114 | 104 | | 126 | 93 | |
| Clerks (Clerical and administrative) | 279 | 250 | | 279 | 250 | | 295 | 235 | |
| Service and sales workers | 148 | 128 | | 148 | 128 | | 153 | 122 | |
| Skilled agricultural and fishery workers | | | | | | | | | |
| Craft and related trades | | | | | | | | | |
| Plant and Machine Operators | 62 | 56 | | 62 | 56 | | 78 | 73 | |
| Elementary Occupations | 424 | 402 | | 424 | 402 | | 427 | 385 | |
| **TOTAL PERSONNEL NUMBERS** | **1,227** | **1,103** | **–** | **1,227** | **1,103** | **–** | **1,284** | **1,061** | **–** |
| **% increase** | | | | – | – | – | 4.6% | (3.8%) | – |
| **Total municipal employees headcount** | **1,200** | **1,095** | | **1,200** | **1,095** | | **1,257** | **1,053** | |
| Finance personnel headcount | 114 | **103** | | **114** | **103** | | **137** | **105** | |
| Human Resources personnel headcount | **20** | **19** | | **20** | **19** | | **19** | **23** | |

## 2.9 Monthly targets for revenue, expenditure and cash flow …./

# Table 48 MBRR SA25 - Budgeted monthly revenue and expenditure

| Description | Budget Year 2025/26 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Revenue** | | | | | | | | | | | | | | | |
| **Exchange Revenue** | | | | | | | | | | | | | | | |
| Service charges - Electricity | 62,128 | 62,128 | 62,128 | 62,128 | 62,128 | 62,128 | 62,128 | 62,128 | 62,128 | 62,128 | 62,128 | 62,128 | 745,540 | 791,153 | 838,623 |
| Service charges - Water | 17,426 | 17,426 | 17,426 | 17,426 | 17,426 | 17,426 | 17,426 | 17,426 | 17,426 | 17,426 | 17,426 | 17,426 | 209,109 | 221,026 | 234,288 |
| Service charges - Waste Water Management | 10,794 | 10,794 | 10,794 | 10,794 | 10,794 | 10,794 | 10,794 | 10,794 | 10,794 | 10,794 | 10,794 | 10,794 | 129,533 | 140,980 | 149,439 |
| Service charges - Waste Management | 9,620 | 9,620 | 9,620 | 9,620 | 9,620 | 9,620 | 9,620 | 9,620 | 9,620 | 9,620 | 9,620 | 9,620 | 115,444 | 122,552 | 129,905 |
| Sale of Goods and Rendering of Services | 5,310 | 5,310 | 5,310 | 5,310 | 5,310 | 5,310 | 5,310 | 5,310 | 5,310 | 5,310 | 5,310 | 5,311 | 63,725 | 40,330 | 23,509 |
| Agency services | 625 | 625 | 625 | 625 | 625 | 625 | 625 | 625 | 625 | 625 | 625 | 625 | 7,500 | 7,950 | 8,427 |
| Interest | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Interest earned from Receivables | 1,042 | 1,042 | 1,042 | 1,042 | 1,042 | 1,042 | 1,042 | 1,042 | 1,042 | 1,042 | 1,042 | 1,042 | 12,500 | 13,250 | 14,045 |
| Interest earned from Current and Non Current Assets | 4,583 | 4,583 | 4,583 | 4,583 | 4,583 | 4,583 | 4,583 | 4,583 | 4,583 | 4,583 | 4,583 | 4,583 | 55,000 | 58,300 | 61,798 |
| Dividends | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Rent on Land | 38 | 38 | 38 | 38 | 38 | 38 | 38 | 38 | 38 | 38 | 38 | 38 | 452 | 479 | 508 |
| Rental from Fixed Assets | 629 | 629 | 629 | 629 | 629 | 629 | 629 | 629 | 629 | 629 | 629 | 629 | 7,544 | 7,996 | 8,475 |
| Licence and permits | 65 | 65 | 65 | 65 | 65 | 65 | 65 | 65 | 65 | 65 | 65 | 65 | 780 | 827 | 876 |
| Special rating levies | 1,285 | 1,285 | 1,285 | 1,285 | 1,285 | 1,285 | 1,285 | 1,285 | 1,285 | 1,285 | 1,285 | 1,285 | 15,420 | 16,037 | 16,678 |
| Operational Revenue | 463 | 463 | 463 | 463 | 463 | 463 | 463 | 463 | 463 | 463 | 463 | 463 | 5,554 | 5,886 | 6,238 |
| **Non-Exchange Revenue** | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Property rates | 31,998 | 31,998 | 31,998 | 31,998 | 31,998 | 31,998 | 31,998 | 31,998 | 31,998 | 31,998 | 31,998 | 31,998 | 383,977 | 407,016 | 431,437 |
| Surcharges and Taxes | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Fines, penalties and forfeits | 4,378 | 4,378 | 4,378 | 4,378 | 4,378 | 4,378 | 4,378 | 4,378 | 4,378 | 4,378 | 4,378 | 4,378 | 52,537 | 52,636 | 52,741 |
| 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 | 16,967 | 16,967 | 16,967 | 16,967 | 16,967 | 16,967 | 16,967 | 16,967 | 16,967 | 16,967 | 16,967 | 16,967 | 203,607 | 199,962 | 209,075 |
| Interest | 192 | 192 | 192 | 192 | 192 | 192 | 192 | 192 | 192 | 192 | 192 | 192 | 2,300 | 2,438 | 2,584 |
| Fuel Levy | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Operational Revenue | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Gains on disposal of Assets | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Other Gains | – | – | – | – | – | – | – | – | – | – | – | 3,000 | 3,000 | 3,180 | 3,371 |
| Discontinued Operations | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Total Revenue (excluding capital transfers and contributions)** | **167,710** | **167,710** | **167,710** | **167,710** | **167,710** | **167,710** | **167,710** | **167,710** | **167,710** | **167,710** | **167,710** | **170,711** | **2,015,522** | **2,094,119** | **2,194,265** |
| **Expenditure** | | | | | | | | | | | | | | | |
| Employee related costs | 51,599 | 51,599 | 51,599 | 51,599 | 51,599 | 51,599 | 51,599 | 51,599 | 51,599 | 51,599 | 51,599 | 51,600 | 619,194 | 642,369 | 673,354 |
| Remuneration of councillors | 1,168 | 1,168 | 1,168 | 1,168 | 1,168 | 1,168 | 1,168 | 1,168 | 1,168 | 1,168 | 1,168 | 1,168 | 14,012 | 15,062 | 16,151 |
| Bulk purchases - electricity | 46,347 | 46,347 | 46,347 | 46,347 | 46,347 | 46,347 | 46,347 | 46,347 | 46,347 | 46,347 | 46,347 | 46,347 | 556,160 | 585,970 | 622,242 |
| Inventory consumed | 6,347 | 6,347 | 6,347 | 6,347 | 6,347 | 6,347 | 6,347 | 6,347 | 6,347 | 6,347 | 6,347 | 6,348 | 76,168 | 75,536 | 82,188 |
| Debt impairment | – | – | – | – | – | – | – | – | – | – | – | 70,770 | 70,770 | 74,309 | 78,024 |
| Depreciation and amortisation | 13,934 | 13,934 | 13,934 | 13,934 | 13,934 | 13,934 | 13,934 | 13,934 | 13,934 | 13,934 | 13,934 | 13,935 | 167,211 | 176,609 | 186,617 |
| Interest | 4,269 | 4,269 | 4,269 | 4,269 | 4,269 | 4,269 | 4,269 | 4,269 | 4,269 | 4,269 | 4,269 | 4,269 | 51,227 | 44,657 | 45,526 |
| Contracted services | 29,525 | 29,525 | 29,525 | 29,525 | 29,525 | 29,525 | 29,525 | 29,525 | 29,525 | 29,525 | 29,525 | 29,526 | 354,297 | 373,949 | 400,663 |
| Transfers and subsidies | 1,397 | 1,397 | 1,397 | 1,397 | 1,397 | 1,397 | 1,397 | 1,397 | 1,397 | 1,397 | 1,397 | 1,397 | 16,770 | 17,487 | 18,128 |
| Irrecoverable debts written off | 1,667 | 1,667 | 1,667 | 1,667 | 1,667 | 1,667 | 1,667 | 1,667 | 1,667 | 1,667 | 1,667 | 1,667 | 20,000 | 20,000 | 20,000 |
| Operational costs | 13,682 | 13,682 | 13,682 | 13,682 | 13,682 | 13,682 | 13,682 | 13,682 | 13,682 | 13,682 | 13,682 | 13,683 | 164,183 | 141,857 | 129,786 |
| Losses on disposal of Assets | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Other Losses | 5,647 | 5,647 | 5,647 | 5,647 | 5,647 | 5,647 | 5,647 | 5,647 | 5,647 | 5,647 | 5,647 | (62,122) | – | – | – |
| **Total Expenditure** | **175,582** | **175,582** | **175,582** | **175,582** | **175,582** | **175,582** | **175,582** | **175,582** | **175,582** | **175,582** | **175,582** | **178,587** | **2,109,991** | **2,167,804** | **2,272,680** |
| **Surplus/(Deficit)** | **(7,872)** | **(7,872)** | **(7,872)** | **(7,872)** | **(7,872)** | **(7,872)** | **(7,872)** | **(7,872)** | **(7,872)** | **(7,872)** | **(7,872)** | **(7,876)** | **(94,469)** | **(73,685)** | **(78,415)** |
| Transfers and subsidies - capital (monetary allocations) | 8,462 | 8,462 | 8,462 | 8,462 | 8,462 | 8,462 | 8,462 | 8,462 | 8,462 | 8,462 | 8,462 | 8,462 | 101,549 | 77,043 | 52,375 |
| Transfers and subsidies - capital (in-kind) | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) after capital transfers & contributio** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **587** | **7,080** | **3,358** | **(26,040)** |
| Income Tax | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) after income tax** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **587** | **7,080** | **3,358** | **(26,040)** |
| Share of Surplus/Deficit attributable to Joint Venture | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Share of Surplus/Deficit attributable to Minorities | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) attributable to municipality** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **587** | **7,080** | **3,358** | **(26,040)** |
| Share of Surplus/Deficit attributable to Associate | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Intercompany/Parent subsidiary transactions | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit)** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **587** | **7,080** | **3,358** | **(26,040)** |

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

| Description | Budget Year 2025/26 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Revenue by Vote** | | | | | | | | | | | | | | | |
| Vote 1 - Municipal Council | 6,576 | 6,576 | 6,576 | 6,576 | 6,576 | 6,576 | 6,576 | 6,576 | 6,576 | 6,576 | 6,576 | 6,576 | 78,908 | 83,068 | 86,815 |
| Vote 2 - Office of the Municipal Manager | 43 | 43 | 43 | 43 | 43 | 43 | 43 | 43 | 43 | 43 | 43 | 43 | 515 | 546 | 579 |
| Vote 3 - Corporate Services | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 1,274 | 1,345 | 1,419 |
| Vote 4 - Financial Services | 39,805 | 39,805 | 39,805 | 39,805 | 39,805 | 39,805 | 39,805 | 39,805 | 39,805 | 39,805 | 39,805 | 39,806 | 477,666 | 503,242 | 532,331 |
| Vote 5 - Infrastructure Services | 118,301 | 118,301 | 118,301 | 118,301 | 118,301 | 118,301 | 118,301 | 118,301 | 118,301 | 118,301 | 118,301 | 118,301 | 1,419,613 | 1,476,820 | 1,508,055 |
| Vote 6 - Community Services | 4,412 | 4,412 | 4,412 | 4,412 | 4,412 | 4,412 | 4,412 | 4,412 | 4,412 | 4,412 | 4,412 | 4,412 | 52,939 | 19,957 | 28,422 |
| Vote 7 - Municipal Public Safety | 5,918 | 5,918 | 5,918 | 5,918 | 5,918 | 5,918 | 5,918 | 5,918 | 5,918 | 5,918 | 5,918 | 5,918 | 71,012 | 71,492 | 72,585 |
| Vote 8 - Planning and Development | 1,262 | 1,262 | 1,262 | 1,262 | 1,262 | 1,262 | 1,262 | 1,262 | 1,262 | 1,262 | 1,262 | 1,262 | 15,145 | 14,692 | 16,433 |
| Vote 9 - Costing Services | 10,983 | 10,983 | 10,983 | 10,983 | 10,983 | 10,983 | 10,983 | 10,983 | 10,983 | 10,983 | 10,983 | 10,983 | 131,796 | 137,635 | 145,338 |
| Vote 10 - Main Ledger Services | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Total Revenue by Vote** | **187,405** | **187,405** | **187,405** | **187,405** | **187,405** | **187,405** | **187,405** | **187,405** | **187,405** | **187,405** | **187,405** | **187,406** | **2,248,867** | **2,308,796** | **2,391,977** |
| **Expenditure by Vote to be appropriated** | | | | | | | | | | | | | | | |
| Vote 1 - Municipal Council | 4,626 | 4,626 | 4,626 | 4,626 | 4,626 | 4,626 | 4,626 | 4,626 | 4,626 | 4,626 | 4,626 | 4,626 | 55,516 | 51,174 | 53,459 |
| Vote 2 - Office of the Municipal Manager | 2,809 | 2,809 | 2,809 | 2,809 | 2,809 | 2,809 | 2,809 | 2,809 | 2,809 | 2,809 | 2,809 | 2,808 | 33,702 | 35,365 | 36,868 |
| Vote 3 - Corporate Services | 6,882 | 6,882 | 6,882 | 6,882 | 6,882 | 6,882 | 6,882 | 6,882 | 6,882 | 6,882 | 6,882 | 6,882 | 82,589 | 85,570 | 88,975 |
| Vote 4 - Financial Services | 14,289 | 14,289 | 14,289 | 14,289 | 14,289 | 14,289 | 14,289 | 14,289 | 14,289 | 14,289 | 14,289 | 14,289 | 171,468 | 180,629 | 197,884 |
| Vote 5 - Infrastructure Services | 107,793 | 107,793 | 107,793 | 107,793 | 107,793 | 107,793 | 107,793 | 107,793 | 107,793 | 107,793 | 107,793 | 107,795 | 1,293,520 | 1,327,940 | 1,386,612 |
| Vote 6 - Community Services | 16,926 | 16,926 | 16,926 | 16,926 | 16,926 | 16,926 | 16,926 | 16,926 | 16,926 | 16,926 | 16,926 | 16,928 | 203,116 | 203,744 | 213,945 |
| Vote 7 - Municipal Public Safety | 16,796 | 16,796 | 16,796 | 16,796 | 16,796 | 16,796 | 16,796 | 16,796 | 16,796 | 16,796 | 16,796 | 16,797 | 201,555 | 216,833 | 225,625 |
| Vote 8 - Planning and Development | 5,710 | 5,710 | 5,710 | 5,710 | 5,710 | 5,710 | 5,710 | 5,710 | 5,710 | 5,710 | 5,710 | 5,711 | 68,526 | 66,549 | 69,312 |
| Vote 9 - Costing Services | 10,983 | 10,983 | 10,983 | 10,983 | 10,983 | 10,983 | 10,983 | 10,983 | 10,983 | 10,983 | 10,983 | 10,983 | 131,796 | 137,635 | 145,338 |
| Vote 10 - Main Ledger Services | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Total Expenditure by Vote** | **186,815** | **186,815** | **186,815** | **186,815** | **186,815** | **186,815** | **186,815** | **186,815** | **186,815** | **186,815** | **186,815** | **186,820** | **2,241,787** | **2,305,439** | **2,418,018** |
| **Surplus/(Deficit) before assoc.** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **587** | **7,080** | **3,358** | **(26,040)** |
| Surplus/(Deficit) after income tax | – | – | – | – | – | – | – | – | – | – | – | 7,080 | 7,080 | 3,358 | (26,040) |
| Share of Surplus/Deficit attributable to Associate | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Intercompany/Parent subsidiary transactions | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit)** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **587** | **7,080** | **3,358** | **(26,040)** |

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

| Description | Budget Year 2025/26 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Revenue - Functional** | | | | | | | | | | | | | | | |
| ***Governance and administration*** | **46,558** | **46,558** | **46,558** | **46,558** | **46,558** | **46,558** | **46,558** | **46,558** | **46,558** | **46,558** | **46,558** | **170,089** | **682,229** | **719,608** | **760,780** |
| Executive and council | 6,576 | 6,576 | 6,576 | 6,576 | 6,576 | 6,576 | 6,576 | 6,576 | 6,576 | 6,576 | 6,576 | 25,480 | 97,812 | 102,810 | 107,662 |
| Finance and administration | 39,982 | 39,982 | 39,982 | 39,982 | 39,982 | 39,982 | 39,982 | 39,982 | 39,982 | 39,982 | 39,982 | 144,609 | 584,416 | 616,798 | 653,118 |
| Internal audit | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| ***Community and public safety*** | **15,906** | **15,906** | **15,906** | **15,906** | **15,906** | **15,906** | **15,906** | **15,906** | **15,906** | **15,906** | **15,906** | **18,874** | **193,840** | **125,256** | **116,810** |
| Community and social services | 806 | 806 | 806 | 806 | 806 | 806 | 806 | 806 | 806 | 806 | 806 | 806 | 9,667 | 885 | 929 |
| Sport and recreation | 3,537 | 3,537 | 3,537 | 3,537 | 3,537 | 3,537 | 3,537 | 3,537 | 3,537 | 3,537 | 3,537 | 3,537 | 42,443 | 18,294 | 26,663 |
| Public safety | 5,918 | 5,918 | 5,918 | 5,918 | 5,918 | 5,918 | 5,918 | 5,918 | 5,918 | 5,918 | 5,918 | 8,886 | 73,980 | 74,592 | 75,859 |
| Housing | 5,646 | 5,646 | 5,646 | 5,646 | 5,646 | 5,646 | 5,646 | 5,646 | 5,646 | 5,646 | 5,646 | 5,646 | 67,750 | 31,486 | 13,360 |
| Health | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| ***Economic and environmental services*** | **1,888** | **1,888** | **1,888** | **1,888** | **1,888** | **1,888** | **1,888** | **1,888** | **1,888** | **1,888** | **1,888** | **7,185** | **27,958** | **28,107** | **24,815** |
| Planning and development | 1,300 | 1,300 | 1,300 | 1,300 | 1,300 | 1,300 | 1,300 | 1,300 | 1,300 | 1,300 | 1,300 | 6,597 | 20,901 | 18,258 | 19,332 |
| Road transport | 536 | 536 | 536 | 536 | 536 | 536 | 536 | 536 | 536 | 536 | 536 | 536 | 6,430 | 9,848 | 5,483 |
| Environmental protection | 52 | 52 | 52 | 52 | 52 | 52 | 52 | 52 | 52 | 52 | 52 | 52 | 626 | 0 | 0 |
| ***Trading services*** | **112,070** | **112,070** | **112,070** | **112,070** | **112,070** | **112,070** | **112,070** | **112,070** | **112,070** | **112,070** | **112,070** | **112,070** | **1,344,840** | **1,435,825** | **1,489,571** |
| Energy sources | 66,982 | 66,982 | 66,982 | 66,982 | 66,982 | 66,982 | 66,982 | 66,982 | 66,982 | 66,982 | 66,982 | 66,982 | 803,779 | 847,370 | 897,368 |
| Water management | 21,249 | 21,249 | 21,249 | 21,249 | 21,249 | 21,249 | 21,249 | 21,249 | 21,249 | 21,249 | 21,249 | 21,249 | 254,990 | 264,806 | 252,630 |
| Waste water management | 12,658 | 12,658 | 12,658 | 12,658 | 12,658 | 12,658 | 12,658 | 12,658 | 12,658 | 12,658 | 12,658 | 12,658 | 151,900 | 181,383 | 189,066 |
| Waste management | 11,181 | 11,181 | 11,181 | 11,181 | 11,181 | 11,181 | 11,181 | 11,181 | 11,181 | 11,181 | 11,181 | 11,181 | 134,170 | 142,266 | 150,507 |
| ***Other*** | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Total Revenue - Functional** | **176,423** | **176,423** | **176,423** | **176,423** | **176,423** | **176,423** | **176,423** | **176,423** | **176,423** | **176,423** | **176,423** | **308,219** | **2,248,867** | **2,308,796** | **2,391,977** |
| **Expenditure - Functional** | | | | | | | | | | | | | | | |
| ***Governance and administration*** | **30,274** | **30,274** | **30,274** | **30,274** | **30,274** | **30,274** | **30,274** | **30,274** | **30,274** | **30,274** | **30,274** | **30,274** | **363,287** | **366,740** | **391,739** |
| Executive and council | 6,147 | 6,147 | 6,147 | 6,147 | 6,147 | 6,147 | 6,147 | 6,147 | 6,147 | 6,147 | 6,147 | 6,147 | 73,767 | 66,698 | 69,726 |
| Finance and administration | 23,721 | 23,721 | 23,721 | 23,721 | 23,721 | 23,721 | 23,721 | 23,721 | 23,721 | 23,721 | 23,721 | 23,722 | 284,657 | 295,023 | 316,782 |
| Internal audit | 405 | 405 | 405 | 405 | 405 | 405 | 405 | 405 | 405 | 405 | 405 | 405 | 4,863 | 5,019 | 5,230 |
| ***Community and public safety*** | **30,899** | **30,899** | **30,899** | **30,899** | **30,899** | **30,899** | **30,899** | **30,899** | **30,899** | **30,899** | **30,899** | **30,901** | **370,794** | **366,759** | **364,101** |
| Community and social services | 2,397 | 2,397 | 2,397 | 2,397 | 2,397 | 2,397 | 2,397 | 2,397 | 2,397 | 2,397 | 2,397 | 2,397 | 28,762 | 29,798 | 31,171 |
| Sport and recreation | 6,635 | 6,635 | 6,635 | 6,635 | 6,635 | 6,635 | 6,635 | 6,635 | 6,635 | 6,635 | 6,635 | 6,636 | 79,622 | 83,511 | 87,667 |
| Public safety | 17,681 | 17,681 | 17,681 | 17,681 | 17,681 | 17,681 | 17,681 | 17,681 | 17,681 | 17,681 | 17,681 | 17,682 | 212,178 | 227,645 | 237,286 |
| Housing | 4,186 | 4,186 | 4,186 | 4,186 | 4,186 | 4,186 | 4,186 | 4,186 | 4,186 | 4,186 | 4,186 | 4,186 | 50,232 | 25,804 | 7,977 |
| Health | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| ***Economic and environmental services*** | **20,085** | **20,085** | **20,085** | **20,085** | **20,085** | **20,085** | **20,085** | **20,085** | **20,085** | **20,085** | **20,085** | **20,086** | **241,023** | **249,107** | **265,753** |
| Planning and development | 5,299 | 5,299 | 5,299 | 5,299 | 5,299 | 5,299 | 5,299 | 5,299 | 5,299 | 5,299 | 5,299 | 5,300 | 63,589 | 62,307 | 65,205 |
| Road transport | 12,575 | 12,575 | 12,575 | 12,575 | 12,575 | 12,575 | 12,575 | 12,575 | 12,575 | 12,575 | 12,575 | 12,576 | 150,904 | 161,508 | 174,428 |
| Environmental protection | 2,211 | 2,211 | 2,211 | 2,211 | 2,211 | 2,211 | 2,211 | 2,211 | 2,211 | 2,211 | 2,211 | 2,211 | 26,530 | 25,292 | 26,120 |
| ***Trading services*** | **93,997** | **93,997** | **93,997** | **93,997** | **93,997** | **93,997** | **93,997** | **93,997** | **93,997** | **93,997** | **93,997** | **225,794** | **1,259,762** | **1,315,596** | **1,388,858** |
| Energy sources | 56,232 | 56,232 | 56,232 | 56,232 | 56,232 | 56,232 | 56,232 | 56,232 | 56,232 | 56,232 | 56,232 | 136,921 | 755,473 | 789,896 | 836,301 |
| Water management | 15,129 | 15,129 | 15,129 | 15,129 | 15,129 | 15,129 | 15,129 | 15,129 | 15,129 | 15,129 | 15,129 | 36,915 | 203,332 | 207,498 | 216,740 |
| Waste water management | 13,080 | 13,080 | 13,080 | 13,080 | 13,080 | 13,080 | 13,080 | 13,080 | 13,080 | 13,080 | 13,080 | 28,642 | 172,526 | 186,104 | 195,274 |
| Waste management | 9,556 | 9,556 | 9,556 | 9,556 | 9,556 | 9,556 | 9,556 | 9,556 | 9,556 | 9,556 | 9,556 | 23,317 | 128,430 | 132,099 | 140,543 |
| ***Other*** | **577** | **577** | **577** | **577** | **577** | **577** | 577 | 577 | 577 | 577 | 577 | 577 | 6,921 | 7,237 | 7,567 |
| **Total Expenditure - Functional** | **175,832** | **175,832** | **175,832** | **175,832** | **175,832** | **175,832** | **175,832** | **175,832** | **175,832** | **175,832** | **175,832** | **307,632** | **2,241,787** | **2,305,439** | **2,418,018** |
| **Surplus/(Deficit) before assoc.** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **587** | **7,080** | **3,358** | **(26,040)** |
| Intercompany/Parent subsidiary transactions | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit)** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **587** | **7,080** | **3,358** | **(26,040)** |

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

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

| Description | Budget Year 2025/26 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | July | August | Sept. | October | Nov. | Dec. | January | Feb. | March | April | May | June | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| Multi-year expenditure *to be appropriated* | | | | | | | | | | | | | | | |
| Vote 1 - Municipal Council | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Vote 2 - Office of the Municipal Manager | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Vote 3 - Corporate Services | – | – | 783 | – | – | 840 | – | – | 783 | – | – | 840 | 3,244 | 500 | 500 |
| Vote 4 - Financial Services | – | – | – | – | – | 4,210 | – | – | – | – | – | 4,210 | 8,420 | – | – |
| Vote 5 - Infrastructure Services | 277 | 127 | 14,323 | 537 | 6,077 | 57,505 | 1,027 | 7,227 | 17,023 | 16,327 | 7,127 | 72,405 | 199,985 | 147,043 | 132,375 |
| Vote 6 - Community Services | – | – | 81 | – | – | 581 | – | – | 81 | – | – | 581 | 1,325 | – | – |
| Vote 7 - Municipal Public Safety | – | – | 73 | – | – | 1,573 | – | – | 73 | – | – | 1,573 | 3,292 | – | – |
| Vote 8 - Planning and Development | – | – | – | – | – | 15 | – | – | – | – | – | 15 | 29 | – | – |
| Vote 9 - Costing Services | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Vote 10 - Main Ledger Services | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Capital multi-year expenditure sub-total** | **277** | **127** | **15,260** | **537** | **6,077** | **64,723** | **1,027** | **7,227** | **17,960** | **16,327** | **7,127** | **79,623** | **216,295** | **147,543** | **132,875** |
| Single-year expenditure *to be appropriated* | | | | | | | | | | | | | | | |
| Vote 1 - Municipal Council | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Vote 2 - Office of the Municipal Manager | 100 | 100 | 104 | 100 | – | 4 | – | – | 1,004 | 1,000 | 2,971 | 4 | 5,386 | – | – |
| Vote 3 - Corporate Services | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Vote 4 - Financial Services | – | – | – | 1,000 | – | 2,750 | – | – | – | 2,000 | – | 10,150 | 15,900 | – | – |
| Vote 5 - Infrastructure Services | – | – | 200 | 50 | 250 | 3,200 | 450 | – | 400 | – | 200 | 3,200 | 7,950 | – | – |
| Vote 6 - Community Services | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Vote 7 - Municipal Public Safety | – | – | – | – | – | 150 | – | – | – | – | – | 150 | 300 | – | – |
| Vote 8 - Planning and Development | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Vote 9 - Costing Services | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Vote 10 - Main Ledger Services | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Capital single-year expenditure sub-total** | **100** | **100** | **304** | **1,150** | **250** | **6,104** | **450** | **–** | **1,404** | **3,000** | **3,171** | **13,504** | **29,536** | **–** | **–** |
| **Total Capital Expenditure** | **377** | **227** | **15,563** | **1,687** | **6,327** | **70,827** | **1,477** | **7,227** | **19,363** | **19,327** | **10,298** | **93,127** | **245,831** | **147,543** | **132,875** |

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

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

| Description | Budget Year 2025/26 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | July | August | Sept. | October | Nov. | Dec. | January | Feb. | March | April | May | June | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| Capital Expenditure - Functional | | | | | | | | | | | | | | | |
| ***Governance and administration*** | **100** | **100** | **886** | **100** | **–** | **928** | **–** | **–** | **1,786** | **1,000** | **2,971** | **928** | **8,800** | **500** | **500** |
| Executive and council | 100 | 100 | 104 | 100 | – | 31 | – | – | 1,004 | 1,000 | 2,971 | 31 | 5,441 | – | – |
| Finance and administration | – | – | 783 | – | – | 897 | – | – | 783 | – | – | 897 | 3,359 | 500 | 500 |
| Internal audit | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| ***Community and public safety*** | **77** | **77** | **5,707** | **77** | **5,077** | **13,043** | **977** | **5,077** | **6,207** | **10,077** | **77** | **24,085** | **70,560** | **15,000** | **22,392** |
| Community and social services | – | – | 81 | – | – | 81 | – | – | 81 | – | – | 6,081 | 6,325 | – | – |
| Sport and recreation | 77 | 77 | 5,552 | 77 | 77 | 9,488 | 977 | 77 | 6,052 | 77 | 77 | 9,988 | 32,601 | 2,000 | 9,392 |
| Public safety | – | – | 73 | – | – | 3,473 | – | – | 73 | – | – | 3,473 | 7,092 | – | – |
| Housing | – | – | – | – | 5,000 | – | – | 5,000 | – | 10,000 | – | 4,542 | 24,542 | 13,000 | 13,000 |
| Health | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| ***Economic and environmental services*** | **–** | **–** | **–** | **50** | **250** | **7,902** | **450** | **–** | **200** | **–** | **200** | **7,902** | **16,954** | **9,400** | **5,000** |
| Planning and development | – | – | – | – | – | 777 | – | – | – | – | – | 777 | 1,554 | – | – |
| Road transport | – | – | – | 50 | 250 | 7,125 | 450 | – | 200 | – | 200 | 7,125 | 15,400 | 9,400 | 5,000 |
| Environmental protection | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| ***Trading services*** | **200** | **50** | **8,970** | **1,460** | **1,000** | **48,954** | **50** | **2,150** | **11,170** | **8,250** | **7,050** | **60,212** | **149,517** | **122,643** | **104,983** |
| Energy sources | – | – | 4,245 | 1,000 | – | 12,895 | – | – | 4,245 | 7,000 | 5,000 | 18,903 | 53,290 | 30,551 | 38,983 |
| Water management | 150 | – | 3,175 | 100 | 700 | 23,139 | – | 600 | 2,875 | 200 | 500 | 26,489 | 57,927 | 51,142 | 23,800 |
| Waste water management | 50 | 50 | 1,550 | 360 | 300 | 10,450 | 50 | 1,550 | 4,050 | 1,050 | 1,550 | 12,350 | 33,360 | 38,850 | 38,300 |
| Waste management | – | – | – | – | – | 2,470 | – | – | – | – | – | 2,470 | 4,940 | 2,100 | 3,900 |
| ***Other*** | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Total Capital Expenditure - Functional** | **377** | **227** | **15,563** | **1,687** | **6,327** | **70,827** | **1,477** | **7,227** | **19,363** | **19,327** | **10,298** | **93,127** | **245,831** | **147,543** | **132,875** |
| Funded by: | | | | | | | | | | | | | | | |
| National Government | – | – | 5,250 | – | – | 25,900 | – | – | 5,250 | 5,000 | 5,000 | **29,808** | **76,207** | **64,043** | **39,375** |
| Provincial Government | – | – | – | – | 5,000 | 400 | – | 5,000 | – | 10,000 | – | 4,942 | 25,342 | 13,000 | 13,000 |
| District Municipality | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Other transfers and grants | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Transfers recognised - capital** | **–** | **–** | **5,250** | **–** | **5,000** | **26,300** | **–** | **5,000** | **5,250** | **15,000** | **5,000** | **34,750** | **101,549** | **77,043** | **52,375** |
| **Public contributions & donations** | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Borrowing** | 200 | 50 | 8,770 | 460 | 1,000 | 33,540 | 50 | 1,150 | 9,470 | 250 | 550 | 38,490 | 93,982 | 70,000 | 80,000 |
| **Internally generated funds** | 177 | 177 | 1,543 | 1,227 | 327 | 10,987 | 1,427 | 1,077 | 4,643 | 4,077 | 4,748 | 19,887 | 50,300 | 500 | 500 |
| **Total Capital Funding** | **377** | **227** | **15,563** | **1,687** | **6,327** | **70,827** | **1,477** | **7,227** | **19,363** | **19,327** | 10,298 | 93,127 | 245,831 | 147,543 | 132,875 |

## Table 53 MBRR SA30 - Budgeted monthly cash flow

| MONTHLY CASH FLOWS | Budget Year 2025/26 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Cash Receipts By Source** | | | | | | | | | | | | | 1 | | |
| Property rates | 34,260 | 34,260 | 34,260 | 34,260 | 34,260 | 34,260 | 34,260 | 34,260 | 34,260 | 34,260 | 34,260 | 18,841 | 395,706 | 419,145 | 443,977 |
| Service charges - electricity revenue | 62,258 | 62,258 | 62,258 | 62,258 | 62,258 | 62,258 | 62,258 | 62,258 | 62,258 | 62,258 | 62,258 | 62,258 | 747,091 | 792,782 | 840,349 |
| Service charges - water revenue | 17,126 | 17,126 | 17,126 | 17,126 | 17,126 | 17,126 | 17,126 | 17,126 | 17,126 | 17,126 | 17,126 | 17,126 | 205,517 | 217,229 | 230,263 |
| Service charges - sanitation revenue | 10,608 | 10,608 | 10,608 | 10,608 | 10,608 | 10,608 | 10,608 | 10,608 | 10,608 | 10,608 | 10,608 | 10,608 | 127,298 | 138,469 | 146,786 |
| Service charges - refuse revenue | 9,454 | 9,454 | 9,454 | 9,454 | 9,454 | 9,454 | 9,454 | 9,454 | 9,454 | 9,454 | 9,454 | 9,454 | 113,453 | 120,518 | 127,740 |
| Rental of facilities and equipment | 666 | 666 | 666 | 666 | 666 | 666 | 666 | 666 | 666 | 666 | 666 | 666 | 7,996 | 8,475 | 8,983 |
| Interest earned - external investments | 4,583 | 4,583 | 4,583 | 4,583 | 4,583 | 4,583 | 4,583 | 4,583 | 4,583 | 4,583 | 4,583 | 4,583 | 55,000 | 58,300 | 61,798 |
| Interest earned - outstanding debtors | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Dividends received | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Fines, penalties and forfeits | 668 | 668 | 668 | 668 | 668 | 668 | 668 | 668 | 668 | 668 | 668 | 668 | 8,017 | 5,890 | 3,658 |
| Licences and permits | 232 | 232 | 232 | 232 | 232 | 232 | 232 | 232 | 232 | 232 | 232 | 232 | 2,780 | 2,947 | 3,124 |
| Agency services | 625 | 625 | 625 | 625 | 625 | 625 | 625 | 625 | 625 | 625 | 625 | 625 | 7,500 | 7,950 | 8,427 |
| Transfers and Subsidies - Operational | 16,967 | 16,967 | 16,967 | 16,967 | 16,967 | 16,967 | 16,967 | 16,967 | 16,967 | 16,967 | 16,967 | 16,967 | 203,607 | 199,962 | 209,075 |
| Other revenue | 5,793 | 5,793 | 5,793 | 5,793 | 5,793 | 5,793 | 5,793 | 5,793 | 5,793 | 5,793 | 5,793 | 5,793 | 69,516 | 47,513 | 30,340 |
| **Cash Receipts by Source** | **163,242** | **163,242** | **163,242** | **163,242** | **163,242** | **163,242** | **163,242** | **163,242** | **163,242** | **163,242** | **163,242** | **147,823** | **1,943,481** | **2,019,180** | **2,114,520** |
| **Other Cash Flows by Source** | | | | | | | | | | | | | | | |
| Transfers and subsidies - capital (monetary allocations) | 8,462 | 8,462 | 8,462 | 8,462 | 8,462 | 8,462 | 8,462 | 8,462 | 8,462 | 8,462 | 8,462 | 8,462 | 101,549 | 77,043 | 52,375 |
| Transfers and subsidies - capital (in-kind) | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Proceeds on Disposal of Fixed and Intangible Assets | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Short term loans | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Borrowing long term/refinancing | – | – | – | – | – | – | – | – | – | – | – | 90,000 | 90,000 | 70,000 | 80,000 |
| Increase (decrease) in consumer deposits | 433 | 433 | 433 | 433 | 433 | 433 | 433 | 433 | 433 | 433 | 433 | 433 | 5,200 | 2,050 | 2,050 |
| Decrease (increase) in non-current receivables | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Decrease (increase) in non-current investments | 2,514 | 2,514 | 2,514 | 2,514 | 2,514 | 2,514 | 2,514 | 2,514 | 2,514 | 2,514 | 2,514 | 2,514 | 30,167 | (360) | – |
| **Total Cash Receipts by Source** | **174,651** | **174,651** | **174,651** | **174,651** | **174,651** | **174,651** | **174,651** | **174,651** | **174,651** | **174,651** | **174,651** | **249,232** | **2,170,397** | **2,167,913** | **2,248,945** |
| **Cash Payments by Type** | | | | | | | | | | | | | | | |
| Employee related costs | (50,410) | (50,410) | (50,410) | (50,410) | (50,410) | (50,410) | (50,410) | (50,410) | (50,410) | (50,410) | (50,410) | (50,411) | (604,925) | (636,219) | (666,959) |
| Remuneration of councillors | (1,168) | (1,168) | (1,168) | (1,168) | (1,168) | (1,168) | (1,168) | (1,168) | (1,168) | (1,168) | (1,168) | (1,168) | (14,012) | (15,062) | (16,151) |
| Finance charges | (4,269) | (4,269) | (4,269) | (4,269) | (4,269) | (4,269) | (4,269) | (4,269) | (4,269) | (4,269) | (4,269) | (4,269) | (51,227) | (44,657) | (45,526) |
| Bulk purchases - Electricity | (46,347) | (46,347) | (46,347) | (46,347) | (46,347) | (46,347) | (46,347) | (46,347) | (46,347) | (46,347) | (46,347) | (46,347) | (556,160) | (585,970) | (622,242) |
| Bulk purchases - Water & Sewer | | | | | | | | | | | | – | – | | |
| Other materials | (6,347) | (6,347) | (6,347) | (6,347) | (6,347) | (6,347) | (6,347) | (6,347) | (6,347) | (6,347) | (6,347) | (6,348) | (76,168) | (75,536) | (82,188) |
| Contracted services | (29,525) | (29,525) | (29,525) | (29,525) | (29,525) | (29,525) | (29,525) | (29,525) | (29,525) | (29,525) | (29,525) | (29,526) | (354,297) | (373,949) | (400,663) |
| Transfers and grants - other municipalities | | | | | | | | | | | | – | – | | |
| Transfers and grants - other | (1,397) | (1,397) | (1,397) | (1,397) | (1,397) | (1,397) | (1,397) | (1,397) | (1,397) | (1,397) | (1,397) | (1,397) | (16,770) | (17,487) | (18,128) |
| Other expenditure | (12,784) | (12,784) | (12,784) | (12,784) | (12,784) | (12,784) | (12,784) | (12,784) | (12,784) | (12,784) | (12,784) | (12,786) | (153,413) | (121,231) | (121,515) |
| **Cash Payments by Type** | **(152,247)** | **(152,247)** | **(152,247)** | **(152,247)** | **(152,247)** | **(152,247)** | **(152,247)** | **(152,247)** | **(152,247)** | **(152,247)** | **(152,247)** | **(152,251)** | **(1,826,971)** | **(1,870,111)** | **(1,973,372)** |
| **Other Cash Flows/Payments by Type** | | | | | | | | | | | | | | | |
| Capital assets | (377) | (227) | (15,563) | (1,687) | (6,327) | (70,827) | (1,477) | (7,227) | (19,363) | (19,327) | (10,298) | (93,127) | (245,831) | (147,543) | (132,875) |
| Repayment of borrowing | – | – | (3,166) | – | (1,496) | (21,895) | – | – | (3,351) | – | (1,572) | (123,175) | (154,654) | (61,383) | (72,116) |
| Other Cash Flows/Payments | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Total Cash Payments by Type** | **(152,625)** | **(152,475)** | **(170,976)** | **(153,935)** | **(160,071)** | **(244,969)** | **(153,725)** | **(159,475)** | **(174,962)** | **(171,575)** | **(164,117)** | **(368,553)** | **(2,227,456)** | **(2,079,038)** | **(2,178,363)** |
| **NET INCREASE/(DECREASE) IN CASH HELD** | **22,027** | **22,177** | **3,675** | **20,717** | **14,580** | **(70,317)** | **20,927** | **15,177** | **(310)** | **3,077** | **10,534** | **(119,320)** | **(57,059)** | **88,875** | **70,582** |
| Cash/cash equivalents at the month/year begin: | 787,000 | 809,027 | 831,203 | 834,878 | 855,595 | 870,175 | 799,858 | 820,785 | 835,961 | 835,651 | 838,728 | 849,262 | 787,000 | 729,941 | 818,816 |
| Cash/cash equivalents at the month/year end: | 809,027 | 831,203 | 834,878 | 855,595 | 870,175 | 799,858 | 820,785 | 835,961 | 835,651 | 838,728 | 849,262 | 729,941 | 729,941 | 818,816 | 889,398 |

## 2.10 Annual budgets and SDBIP

The Draft SDBIP for 2025/26 will be tabled at the Council Meeting on 31 March 2025 as per the legal prescript.

## 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

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

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Capital expenditure on new assets by Asset Class/Sub-class** | | | | | | | | | |
| **Infrastructure** | **45,748** | **85,627** | **87,369** | **77,878** | **78,759** | **78,759** | **64,830** | **39,451** | **34,183** |
| Roads Infrastructure | 7,714 | 16,799 | 11,795 | 952 | 3,250 | 3,250 | 6,500 | 9,400 | 2,000 |
| *Roads* | 7,714 | 16,799 | 4,760 | 952 | 3,250 | 3,250 | 6,500 | 9,400 | 2,000 |
| *Road Structures* | – | – | 7,035 | – | – | – | – | – | – |
| Storm water Infrastructure | 4,724 | 1,113 | 5,968 | 10,213 | 13,536 | 13,536 | 5,000 | – | – |
| *Drainage Collection* | – | – | 2,280 | – | – | – | – | – | – |
| *Storm water Conveyance* | 4,724 | 1,113 | 3,687 | 10,213 | 13,536 | 13,536 | 5,000 | – | – |
| Electrical Infrastructure | 18,244 | 53,049 | 45,316 | 32,748 | 30,317 | 30,317 | 27,590 | 20,451 | 17,483 |
| *MV Substations* | 16,453 | 32,685 | 17,417 | 7,414 | 4,983 | 4,983 | 8,982 | – | 900 |
| *MV Switching Stations* | – | – | 519 | – | – | – | – | – | – |
| *MV Networks* | 1,791 | 20,365 | 27,380 | 25,334 | 25,334 | 25,334 | 18,608 | 20,451 | 16,583 |
| Water Supply Infrastructure | 3,171 | 9,484 | 16,099 | 24,900 | 24,100 | 24,100 | 13,050 | 7,000 | 9,800 |
| *Boreholes* | 2,180 | 3,961 | 7,027 | 10,100 | 12,600 | 12,600 | 2,000 | 3,000 | – |
| *Reservoirs* | – | – | 360 | – | – | – | – | 1,000 | 4,500 |
| *Pump Stations* | – | 5,431 | – | – | – | – | – | – | 2,000 |
| *Water Treatment Works* | – | – | 2,775 | 8,000 | 5,500 | 5,500 | 7,500 | – | – |
| *Distribution* | 991 | 92 | 5,937 | 6,800 | 6,000 | 6,000 | 3,550 | 3,000 | 3,300 |
| Sanitation Infrastructure | 8,923 | 3,956 | 8,141 | 8,500 | 6,500 | 6,500 | 7,750 | 500 | 1,000 |
| *Reticulation* | 8,923 | 3,956 | 7,094 | 500 | 500 | 500 | 950 | 200 | 1,000 |
| *Waste Water Treatment Works* | – | – | 1,047 | 8,000 | 6,000 | 6,000 | 6,800 | 300 | – |
| Solid Waste Infrastructure | 2,972 | 1,226 | 50 | 565 | 1,055 | 1,055 | 4,940 | 2,100 | 3,900 |
| *Waste Transfer Stations* | 2,972 | 1,226 | 50 | 505 | 995 | 995 | 3,300 | 500 | 2,500 |
| *Waste Processing Facilities* | – | – | – | – | – | – | 840 | – | – |
| *Waste Drop-off Points* | – | – | – | – | – | – | 800 | – | – |
| *Waste Separation Facilities* | – | – | – | – | – | – | – | 1,600 | 1,400 |
| *Electricity Generation Facilities* | – | – | – | 60 | 60 | 60 | – | – | – |
| **Community Assets** | **9,187** | **7,742** | **4,248** | **6,297** | **9,669** | **9,669** | **15,593** | **–** | **8,000** |
| Community Facilities | 4,140 | 2,674 | 797 | 3,350 | 2,900 | 2,900 | 6,821 | – | 3,000 |
| *Halls* | 1,564 | – | – | 1,450 | 1,000 | 1,000 | 5,371 | – | – |
| *Testing Stations* | 1,046 | – | – | – | – | – | – | – | – |
| *Libraries* | – | 914 | 96 | – | – | – | – | – | – |
| *Parks* | – | 86 | 106 | 550 | 550 | 550 | – | – | – |
| *Public Open Space* | 206 | 1,079 | – | – | – | – | – | – | – |
| *Public Ablution Facilities* | 918 | 595 | 595 | – | – | – | – | – | – |
| *Stalls* | – | – | – | – | – | – | 800 | – | – |
| *Taxi Ranks/Bus Terminals* | 406 | – | – | 1,350 | 1,350 | 1,350 | 650 | – | 3,000 |
| Sport and Recreation Facilities | 5,047 | 5,068 | 3,451 | 2,947 | 6,769 | 6,769 | 8,772 | – | 5,000 |
| *Indoor Facilities* | – | – | – | – | – | – | – | – | – |
| *Outdoor Facilities* | 5,047 | 5,068 | 3,451 | 2,947 | 6,769 | 6,769 | 8,772 | – | 5,000 |
| **Heritage assets** | – | – | – | – | – | – | – | – | – |
| **Investment properties** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Other assets** | **50,440** | **28,734** | **40,245** | **15,379** | **35,194** | **35,194** | **26,792** | **14,250** | **13,000** |
| Operational Buildings | 1,410 | 2,211 | 6,567 | 2,250 | 3,750 | 3,750 | 2,250 | 1,250 | – |
| *Municipal Offices* | 1,410 | 2,211 | 934 | 750 | 2,250 | 2,250 | – | – | – |
| *Workshops* | – | – | 5,633 | 1,500 | 1,500 | 1,500 | 2,250 | 1,250 | – |
| Housing | 49,031 | 26,523 | 33,678 | 13,129 | 31,444 | 31,444 | 24,542 | 13,000 | 13,000 |
| *Social Housing* | 49,031 | 26,523 | 33,678 | 13,129 | 31,444 | 31,444 | 24,542 | 13,000 | 13,000 |
| **Biological or Cultivated Assets** | 21 | – | – | 700 | 400 | 400 | 300 | – | – |
| Biological or Cultivated Assets | 21 | – | – | 700 | 400 | 400 | 300 | – | – |
| **Intangible Assets** | – | – | 71 | – | – | – | – | – | – |
| Servitudes | – | – | – | – | – | – | – | – | – |
| Licences and Rights | – | – | 71 | – | – | – | – | – | – |
| *Computer Software and Applications* | – | – | 71 | – | – | – | – | – | – |
| **Computer Equipment** | 3,240 | 2,212 | 4,550 | 3,250 | 3,250 | 3,250 | 3,130 | 500 | 500 |
| Computer Equipment | 3,240 | 2,212 | 4,550 | 3,250 | 3,250 | 3,250 | 3,130 | 500 | 500 |
| **Furniture and Office Equipment** | 2,910 | 715 | 408 | 865 | 1,396 | 1,396 | 1,345 | – | – |
| Furniture and Office Equipment | 2,910 | 715 | 408 | 865 | 1,396 | 1,396 | 1,345 | – | – |
| **Machinery and Equipment** | 1,363 | 729 | 3,588 | 1,225 | 335 | 335 | 325 | – | – |
| Machinery and Equipment | 1,363 | 729 | 3,588 | 1,225 | 335 | 335 | 325 | – | – |
| **Transport Assets** | 6,806 | 7,043 | 1,787 | 8,150 | 22,816 | 22,816 | 24,150 | – | – |
| Transport Assets | 6,806 | 7,043 | 1,787 | 8,150 | 22,816 | 22,816 | 24,150 | – | – |
| **Land** | – | – | – | – | – | – | – | – | – |
| **Zoo's, Marine and Non-biological Animals** | – | – | – | – | – | – | – | – | – |
| **Living resources** | - | - | - | - | - | - | - | - | - |
| **Total Capital Expenditure on new assets** | **119,714** | **132,803** | **142,268** | **113,744** | **151,819** | **151,819** | **136,465** | **54,201** | **55,683** |

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

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

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Capital expenditure on renewal of existing assets by Asset Class/Sub-class** | | | | | | | | | |
| **Infrastructure** | **30,964** | **17,393** | **15,235** | **19,375** | **19,375** | **19,375** | **45,827** | **45,092** | **16,700** |
| Roads Infrastructure | – | – | – | – | – | – | – | – | – |
| *Roads* | – | – | – | – | – | – | – | – | – |
| *Road Structures* | – | – | – | – | – | – | – | – | – |
| *Road Furniture* | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | – | – | – | – | – | – | – | – | – |
| Storm water Infrastructure | – | – | – | – | – | – | – | – | – |
| Electrical Infrastructure | 1,000 | 1,042 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 2,000 | 2,500 |
| *Power Plants* | – | – | – | – | – | – | – | – | – |
| *HV Substations* | – | – | – | – | – | – | – | – | – |
| *HV Switching Station* | – | – | – | – | – | – | – | – | – |
| *HV Transmission Conductors* | – | – | – | – | – | – | – | – | – |
| *MV Substations* | – | – | – | – | – | – | – | – | – |
| *MV Switching Stations* | 1,000 | 1,042 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 2,000 | 2,500 |
| *MV Networks* | – | – | – | – | – | – | – | – | – |
| *LV Networks* | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | – | – | – | – | – | – | – | – | – |
| Water Supply Infrastructure | 29,964 | 15,725 | 12,448 | 17,175 | 17,175 | 17,175 | 43,627 | 42,392 | 13,500 |
| *Dams and Weirs* | – | – | – | – | – | – | – | – | – |
| *Boreholes* | – | – | – | – | – | – | – | – | – |
| *Reservoirs* | – | – | – | – | – | – | – | – | – |
| *Pump Stations* | – | 1,262 | 403 | 500 | 500 | 500 | 500 | 500 | 500 |
| *Water Treatment Works* | 9,309 | – | – | – | – | – | – | – | – |
| *Bulk Mains* | – | – | – | – | – | – | – | – | – |
| *Distribution* | 20,655 | 14,462 | 12,045 | 16,675 | 16,675 | 16,675 | 43,127 | 41,892 | 13,000 |
| *Distribution Points* | – | – | – | – | – | – | – | – | – |
| *PRV Stations* | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | – | – | – | – | – | – | – | – | – |
| Sanitation Infrastructure | – | 626 | 1,287 | 700 | 700 | 700 | 700 | 700 | 700 |
| *Pump Station* | – | 626 | 1,287 | 700 | 700 | 700 | 700 | 700 | 700 |
| *Reticulation* | – | – | – | – | – | – | – | – | – |
| *Waste Water Treatment Works* | – | – | – | – | – | – | – | – | – |
| *Outfall Sewers* | – | – | – | – | – | – | – | – | – |
| *Toilet Facilities* | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | – | – | – | – | – | – | – | – | – |
| Solid Waste Infrastructure | – | – | – | – | – | – | – | – | – |
| **Community Assets** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Community Facilities | – | – | – | – | – | – | – | – | – |
| **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 renewal of existing assets** | **30,964** | **17,393** | **15,235** | **19,375** | **19,375** | **19,375** | **45,827** | **45,092** | **16,700** |
| | | | | | | | | | |
| ***Renewal of Existing Assets as % of total capex*** | *74.3%* | *9.2%* | *7.9%* | *10.5%* | *8.6%* | *8.6%* | *18.6%* | *30.6%* | *12.6%* |
| ***Renewal of Existing Assets as % of deprecn"*** | *21.1%* | *11.7%* | *9.9%* | *12.2%* | *12.2%* | *12.2%* | *27.4%* | *25.5%* | *9.0%* |

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

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

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Repairs and maintenance expenditure by Asset Class/Sub-class** | | | | | | | | | |
| **Infrastructure** | **141,079** | **137,671** | **159,666** | **173,170** | **182,405** | **182,405** | **193,055** | **209,848** | **223,876** |
| Roads Infrastructure | 64,340 | 54,418 | 74,585 | 78,769 | 79,784 | 79,784 | 85,143 | 92,661 | 100,377 |
| *Roads* | 64,340 | 54,418 | 74,585 | 78,769 | 79,784 | 79,784 | 85,143 | 92,661 | 100,377 |
| Storm water Infrastructure | 6,870 | 6,157 | 5,588 | 6,361 | 11,679 | 11,679 | 13,747 | 14,479 | 15,222 |
| *Storm water Conveyance* | 6,870 | 6,157 | 5,588 | 6,361 | 11,679 | 11,679 | 13,747 | 14,479 | 15,222 |
| Electrical Infrastructure | 30,721 | 35,380 | 38,864 | 40,144 | 45,567 | 45,567 | 49,278 | 51,502 | 54,259 |
| *LV Networks* | 30,721 | 35,380 | 38,864 | 40,144 | 45,567 | 45,567 | 49,278 | 51,502 | 54,259 |
| Water Supply Infrastructure | 21,088 | 20,432 | 19,038 | 24,954 | 19,116 | 19,116 | 20,985 | 22,129 | 23,336 |
| *Water Treatment Works* | 272 | 33 | – | 331 | – | – | – | – | – |
| *Distribution* | 18,916 | 18,708 | 17,457 | 21,542 | 18,075 | 18,075 | 19,901 | 20,981 | 22,119 |
| *Distribution Points* | 1,900 | 1,691 | 1,581 | 3,081 | 1,042 | 1,042 | 1,083 | 1,148 | 1,217 |
| Sanitation Infrastructure | 11,710 | 12,634 | 12,280 | 14,322 | 15,602 | 15,602 | 12,419 | 16,948 | 17,872 |
| *Pump Station* | – | – | – | – | – | – | – | – | – |
| *Reticulation* | 6,507 | 6,759 | 6,576 | 8,338 | 8,522 | 8,522 | 8,521 | 9,361 | 9,829 |
| *Waste Water Treatment Works* | 5,203 | 5,875 | 5,703 | 5,984 | 7,080 | 7,080 | 3,898 | 7,587 | 8,043 |
| Solid Waste Infrastructure | 6,351 | 8,650 | 9,310 | 8,620 | 10,658 | 10,658 | 11,483 | 12,129 | 12,810 |
| *Waste Processing Facilities* | 1,574 | 2,662 | 3,003 | 3,100 | 3,100 | 3,100 | 3,100 | 3,317 | 3,549 |
| *Waste Drop-off Points* | 4,777 | 5,988 | 6,307 | 5,520 | 7,558 | 7,558 | 8,383 | 8,812 | 9,261 |
| **Community Assets** | **50,376** | **53,486** | **55,786** | **66,438** | **62,398** | **62,398** | **63,754** | **66,930** | **70,336** |
| Community Facilities | 37,455 | 40,568 | 43,765 | 49,396 | 47,317 | 47,317 | 48,317 | 50,789 | 53,442 |
| *Halls* | 4,464 | 5,950 | 5,954 | 7,405 | 5,027 | 5,027 | 5,464 | 5,737 | 6,172 |
| *Libraries* | – | 14 | 72 | 1,800 | – | – | – | – | – |
| *Cemeteries/Crematoria* | 1,037 | 943 | 978 | 994 | 2,869 | 2,869 | 3,111 | 3,257 | 3,402 |
| *Parks* | 27,586 | 28,619 | 31,644 | 33,755 | 31,445 | 31,445 | 31,742 | 33,423 | 35,121 |
| *Public Open Space* | 3,886 | 4,553 | 4,667 | 4,401 | 4,667 | 4,667 | 4,186 | 4,361 | 4,538 |
| *Public Ablution Facilities* | 482 | 488 | 450 | 1,041 | 3,308 | 3,308 | 3,812 | 4,011 | 4,210 |
| Sport and Recreation Facilities | 12,921 | 12,919 | 12,021 | 17,042 | 15,081 | 15,081 | 15,438 | 16,141 | 16,894 |
| *Outdoor Facilities* | 12,921 | 12,919 | 12,021 | 17,042 | 15,081 | 15,081 | 15,438 | 16,141 | 16,894 |
| **Heritage assets** | – | – | – | – | – | – | – | – | – |
| **Investment properties** | – | – | – | – | – | – | – | – | – |
| **Other assets** | **15,056** | **16,833** | **12,818** | **13,758** | **20,223** | **20,223** | **18,955** | **13,511** | **13,784** |
| Operational Buildings | 15,056 | 16,833 | 12,818 | 13,758 | 20,223 | 20,223 | 18,955 | 13,511 | 13,784 |
| *Municipal Offices* | 15,048 | 16,773 | 12,726 | 13,720 | 20,223 | 20,223 | 18,955 | 13,511 | 13,784 |
| *Building Plan Offices* | – | 25 | 59 | – | – | – | – | – | – |
| *Depots* | 8 | 34 | 33 | 38 | – | – | – | – | – |
| Housing | – | – | – | – | – | – | – | – | – |
| **Biological or Cultivated Assets** | – | – | – | – | – | – | – | – | – |
| **Intangible Assets** | 5,915 | 6,829 | 7,777 | 8,967 | 9,317 | 9,317 | 10,661 | 10,591 | 10,884 |
| Servitudes | – | – | – | – | – | – | – | – | – |
| Licences and Rights | 5,915 | 6,829 | 7,777 | 8,967 | 9,317 | 9,317 | 10,661 | 10,591 | 10,884 |
| *Computer Software and Applications* | 5,915 | 6,829 | 7,777 | 8,967 | 9,317 | 9,317 | 10,661 | 10,591 | 10,884 |
| **Computer Equipment** | 2,490 | 2,157 | 1,898 | 2,566 | 3,026 | 3,026 | 2,546 | 2,546 | 2,546 |
| Computer Equipment | 2,490 | 2,157 | 1,898 | 2,566 | 3,026 | 3,026 | 2,546 | 2,546 | 2,546 |
| **Furniture and Office Equipment** | 5,004 | 8,206 | 12,316 | 7,747 | 1,606 | 1,606 | 1,704 | 1,721 | 1,783 |
| Furniture and Office Equipment | 5,004 | 8,206 | 12,316 | 7,747 | 1,606 | 1,606 | 1,704 | 1,721 | 1,783 |
| **Machinery and Equipment** | 4,059 | 4,163 | 6,749 | 5,983 | 7,111 | 7,111 | 5,807 | 9,633 | 10,253 |
| Machinery and Equipment | 4,059 | 4,163 | 6,749 | 5,983 | 7,111 | 7,111 | 5,807 | 9,633 | 10,253 |
| **Transport Assets** | 21,406 | 20,160 | 23,455 | 17,145 | 31,037 | 31,037 | 30,419 | 32,202 | 34,093 |
| Transport Assets | 21,406 | 20,160 | 23,455 | 17,145 | 31,037 | 31,037 | 30,419 | 32,202 | 34,093 |
| **Land** | – | – | – | – | – | – | – | – | – |
| **Zoo's, Marine and Non-biological Animals** | – | – | – | – | – | – | – | – | – |
| **Living resources** | - | - | - | - | - | - | - | - | - |
| **Total Repairs and Maintenance Expenditure** | **245,386** | **249,505** | **280,465** | **295,774** | **317,124** | **317,124** | **326,900** | **346,983** | **367,554** |
| ***R&M as a % of PPE*** | *6.7%* | *6.7%* | *7.5%* | *7.6%* | *8.1%* | *8.1%* | *396.2%* | *-1379.7%* | *-738.0%* |
| ***R&M as % Operating Expenditure*** | *16.4%* | *15.9%* | *16.0%* | *15.2%* | *15.5%* | *15.5%* | *25.8%* | *16.4%* | *17.0%* |

# Table 57 MBRR SA34d – Depreciation by asset class

**WC032 Overstrand - Supporting Table SA34d Depreciation by asset class**

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Depreciation by Asset Class/Sub-class** | | | | | | | | | |
| **Infrastructure** | **123,129** | **122,707** | **125,238** | **132,242** | **132,242** | **132,242** | **138,760** | **145,682** | **152,968** |
| **Roads Infrastructure** | **36,312** | **39,206** | **40,379** | **46,014** | **46,014** | **46,014** | **49,695** | **53,671** | **57,965** |
| Roads | 36,312 | 39,206 | 40,379 | 46,014 | 46,014 | 46,014 | 49,695 | 53,671 | 57,965 |
| *Storm water Infrastructure* | 7,231 | 8,446 | 8,695 | 8,725 | 8,725 | 8,725 | 8,899 | 9,077 | 9,259 |
| Drainage Collection | 7,231 | 8,446 | 8,695 | 8,725 | 8,725 | 8,725 | 8,899 | 9,077 | 9,259 |
| *Storm water Conveyance* | – | – | – | – | – | – | – | – | – |
| *Attenuation* | – | – | – | – | – | – | – | – | – |
| *Electrical Infrastructure* | 28,582 | 26,923 | 27,567 | 27,643 | 27,643 | 27,643 | 28,196 | 28,760 | 29,335 |
| Power Plants | – | – | – | – | – | – | – | – | – |
| *LV Networks* | 26,305 | 26,420 | 26,988 | 27,643 | 27,643 | 27,643 | 28,196 | 28,760 | 29,335 |
| *Capital Spares* | 2,277 | 503 | 579 | – | – | – | – | – | – |
| *Water Supply Infrastructure* | 28,222 | 24,404 | 23,198 | 25,050 | 25,050 | 25,050 | 26,052 | 27,094 | 28,178 |
| Dams and Weirs | – | – | – | – | – | – | – | – | – |
| *Distribution* | 27,021 | 24,055 | 22,699 | 25,050 | 25,050 | 25,050 | 26,052 | 27,094 | 28,178 |
| *Distribution Points* | – | – | – | – | – | – | – | – | – |
| *PRV Stations* | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | 1,201 | 349 | 499 | – | – | – | – | – | – |
| *Sanitation Infrastructure* | 19,712 | 20,394 | 22,730 | 21,502 | 21,502 | 21,502 | 22,577 | 23,706 | 24,891 |
| Pump Station | – | – | – | – | – | – | – | – | – |
| *Reticulation* | – | – | – | – | – | – | – | – | – |
| *Waste Water Treatment Works* | 19,448 | 20,389 | 21,049 | 21,502 | 21,502 | 21,502 | 22,577 | 23,706 | 24,891 |
| *Outfall Sewers* | – | – | – | – | – | – | – | – | – |
| *Toilet Facilities* | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | 264 | 5 | 1,680 | – | – | – | – | – | – |
| *Solid Waste Infrastructure* | 3,070 | 3,334 | 2,668 | 3,307 | 3,307 | 3,307 | 3,340 | 3,374 | 3,340 |
| Landfill Sites | 2,898 | 3,280 | 2,661 | 3,307 | 3,307 | 3,307 | 3,340 | 3,374 | 3,340 |
| *Capital Spares* | 172 | 54 | 8 | – | – | – | – | – | – |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| Community Assets | 10,888 | 13,075 | 14,232 | 13,817 | 13,817 | 13,817 | 15,199 | 16,719 | 18,391 |
| **Community Facilities** | **10,888** | **13,075** | **14,232** | **13,817** | **13,817** | **13,817** | **15,199** | **16,719** | **18,391** |
| Halls | 10,888 | 13,075 | 14,232 | 13,817 | 13,817 | 13,817 | 15,199 | 16,719 | 18,391 |
| Heritage assets | – | – | – | – | – | – | – | – | – |
| **Monuments** | – | – | – | – | – | – | – | – | – |
| Investment properties | – | – | – | – | – | – | – | – | – |
| **Revenue Generating** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Other assets | 3,567 | 3,526 | 3,526 | 3,538 | 3,538 | 3,538 | 3,538 | 3,538 | 3,538 |
| **Operational Buildings** | **3,567** | **3,526** | **3,526** | **3,538** | **3,538** | **3,538** | **3,538** | **3,538** | **3,538** |
| Municipal Offices | 3,567 | 3,526 | 3,526 | 3,538 | 3,538 | 3,538 | 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 | – | – | – | – | – | – | – | – | – |
| *Biological or Cultivated Assets* | 68 | 68 | – | – | – | – | – | – | – |
| **Biological or Cultivated Assets** | 68 | 68 | – | – | – | – | – | – | – |
| Intangible Assets | 290 | 253 | 708 | 271 | 271 | 271 | 290 | 311 | 332 |
| **Servitudes** | – | – | – | – | – | – | – | – | – |
| Licences and Rights | 290 | 253 | 708 | 271 | 271 | 271 | 290 | 311 | 332 |
| Water Rights | – | – | – | – | – | – | – | – | – |
| *Effluent Licenses* | – | – | – | – | – | – | – | – | – |
| *Solid Waste Licenses* | – | – | – | – | – | – | – | – | – |
| *Computer Software and Applications* | 290 | 253 | 708 | 271 | 271 | 271 | 290 | 311 | 332 |
| *Load Settlement Software Applications* | – | – | – | – | – | – | – | – | – |
| *Unspecified* | – | – | – | – | – | – | – | – | – |
| Computer Equipment | **22** | **100** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Computer Equipment** | 22 | 100 | – | – | – | – | – | – | – |
| Furniture and Office Equipment | 2,067 | 2,207 | 2,388 | 2,316 | 2,316 | 2,316 | 2,547 | 2,802 | 3,082 |
| **Furniture and Office Equipment** | 2,067 | 2,207 | 2,388 | 2,316 | 2,316 | 2,316 | 2,547 | 2,802 | 3,082 |
| Machinery and Equipment | 925 | 1,314 | 1,452 | 1,473 | 1,473 | 1,473 | 1,621 | 1,783 | 1,961 |
| **Machinery and Equipment** | 925 | 1,314 | 1,452 | 1,473 | 1,473 | 1,473 | 1,621 | 1,783 | 1,961 |
| Transport Assets | 6,048 | 5,071 | 6,120 | 4,716 | 4,716 | 4,716 | 5,188 | 5,706 | 6,277 |
| **Transport Assets** | 6,048 | 5,071 | 6,120 | 4,716 | 4,716 | 4,716 | 5,188 | 5,706 | 6,277 |
| Land | – | – | – | – | – | – | – | – | – |
| **Land** | – | – | – | – | – | – | – | – | – |
| Zoo's, Marine and Non-biological Animals | – | – | – | – | – | – | – | – | – |
| **Zoo's, Marine and Non-biological Animals** | – | – | – | – | – | – | – | – | – |
| Living resources | – | – | 127 | 68 | 68 | 68 | 68 | 68 | 68 |
| **Mature** | **-** | **-** | **127** | **68** | **68** | **68** | **68** | **68** | **68** |
| Policing and Protection | - | - | 127 | 68 | 68 | 68 | 68 | 68 | 68 |
| Total Depreciation | 147,004 | 148,321 | 153,664 | 158,373 | 158,373 | 158,373 | 167,143 | 176,541 | 186,550 |

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

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

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Capital expenditure on upgrading of existing assets by Asset Class/Sub-class** | | | | | | | | | |
| **Infrastructure** | **41,698** | **38,606** | **33,725** | **41,609** | **43,609** | **43,609** | **36,710** | **46,250** | **56,100** |
| Electrical Infrastructure | 7,173 | 1,600 | 2,767 | 15,464 | 15,464 | 15,464 | 16,300 | 8,100 | 19,000 |
| *MV Switching Stations* | – | – | 2,767 | – | – | – | – | – | – |
| *MV Networks* | 7,173 | 1,600 | – | 15,464 | 15,464 | 15,464 | 16,300 | 8,100 | 19,000 |
| *LV Networks* | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | – | – | – | – | – | – | – | – | – |
| Water Supply Infrastructure | 3,586 | 6,928 | 541 | 500 | 500 | 500 | 500 | 500 | 500 |
| *Pump Stations* | – | 1,000 | – | – | – | – | – | – | – |
| *Distribution* | 3,586 | 5,928 | 541 | 500 | 500 | 500 | 500 | 500 | 500 |
| Sanitation Infrastructure | 30,939 | 28,219 | 30,351 | 25,621 | 27,621 | 27,621 | 18,910 | 37,650 | 36,600 |
| *Pump Station* | 23,626 | 17,291 | 1,059 | 11,026 | 13,026 | 13,026 | 13,000 | 3,000 | 10,000 |
| *Reticulation* | 4,790 | 350 | 117 | 600 | 600 | 600 | 600 | 800 | 600 |
| *Waste Water Treatment Works* | 2,524 | 10,578 | 29,176 | 13,995 | 13,995 | 13,995 | 5,310 | 33,850 | 26,000 |
| Solid Waste Infrastructure | – | 1,859 | 65 | 25 | 25 | 25 | – | – | – |
| *Landfill Sites* | – | – | – | – | – | – | – | – | – |
| *Waste Transfer Stations* | – | 1,859 | – | – | – | – | – | – | – |
| *Waste Processing Facilities* | – | – | – | – | – | – | – | – | – |
| *Waste Drop-off Points* | – | – | 65 | 25 | 25 | 25 | – | – | – |
| **Community Assets** | **–** | **519** | **2,290** | **9,900** | **10,190** | **10,190** | **26,829** | **2,000** | **4,392** |
| Community Facilities | – | 319 | – | – | – | – | 4,000 | – | – |
| *Halls* | – | – | – | – | – | – | – | – | – |
| *Centres* | – | – | – | – | – | – | – | – | – |
| *Crèches* | – | – | – | – | – | – | – | – | – |
| *Clinics/Care Centres* | – | – | – | – | – | – | – | – | – |
| *Fire/Ambulance Stations* | – | – | – | – | – | – | 3,000 | – | – |
| *Testing Stations* | – | – | – | – | – | – | – | – | – |
| *Museums* | – | – | – | – | – | – | – | – | – |
| *Galleries* | – | – | – | – | – | – | – | – | – |
| *Theatres* | – | – | – | – | – | – | – | – | – |
| *Libraries* | – | – | – | – | – | – | – | – | – |
| *Cemeteries/Crematoria* | – | – | – | – | – | – | – | – | – |
| *Police* | – | – | – | – | – | – | – | – | – |
| *Parks* | – | – | – | – | – | – | – | – | – |
| *Public Open Space* | – | – | – | – | – | – | 1,000 | – | – |
| *Taxi Ranks/Bus Terminals* | – | 319 | – | – | – | – | – | – | – |
| *Capital Spares* | – | – | – | – | – | – | – | – | – |
| Sport and Recreation Facilities | – | 200 | 2,290 | 9,900 | 10,190 | 10,190 | 22,829 | 2,000 | 4,392 |
| *Indoor Facilities* | – | – | – | – | – | – | – | – | – |
| *Outdoor Facilities* | – | 200 | 2,290 | 9,900 | 10,190 | 10,190 | 22,829 | 2,000 | 4,392 |
| *Capital Spares* | – | – | – | – | – | – | – | – | – |
| **Heritage assets** | – | – | – | – | – | – | – | – | – |
| **Investment properties** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Revenue Generating | – | – | – | – | – | – | – | – | – |
| **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 on upgrading of existing assets** | **41,698** | **39,125** | **36,015** | **51,509** | **53,800** | **53,800** | **63,539** | **48,250** | **60,492** |
| ***Upgrading of Existing Assets as % of total capex*** | *0.0%* | *20.7%* | *18.6%* | *27.9%* | *23.9%* | *23.9%* | *25.8%* | *32.7%* | *45.5%* |
| ***Upgrading of Existing Assets as % of deprecn"*** | *28.4%* | *26.4%* | *23.4%* | *32.5%* | *34.0%* | *34.0%* | *38.0%* | *27.3%* | *32.4%* |

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

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

| Vote Description | 2025/26 Medium Term Revenue & Expenditure Framework | | | Forecasts | | | |
|---|---|---|---|---|---|---|---|
| R thousand | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 | Forecast 2028/29 | Forecast 2029/30 | Forecast 2030/31 | Present value |
| **Capital expenditure** | | | | | | | |
| Vote 1 - Municipal Council | – | – | – | | | | |
| Vote 2 - Office of the Municipal Manager | 5,386 | – | – | | | | |
| Vote 3 - Corporate Services | 3,244 | 500 | 500 | 530 | 562 | 596 | 631 |
| Vote 4 - Financial Services | 24,320 | – | – | | | | |
| Vote 5 - Infrastructure Services | 207,935 | 147,043 | 132,375 | 140,318 | 148,737 | 157,661 | 167,120 |
| Vote 6 - Community Services | 1,325 | – | – | | | | |
| Vote 7 - Municipal Public Safety | 3,592 | – | – | | | | |
| Vote 8 - Planning and Development | 29 | – | – | | | | |
| Vote 9 - Costing Services | – | – | – | | | | |
| Vote 10 - Main Ledger Services | – | – | – | | | | |
| **Total Capital Expenditure** | **245,831** | **147,543** | **132,875** | **140,848** | **149,298** | **158,256** | **167,752** |
| **Future operational costs by vote** | | | | | | | |
| Vote 1 - Municipal Council | 55,516 | 51,174 | 53,459 | 56,666 | 60,066 | 63,670 | 67,490 |
| Vote 2 - Office of the Municipal Manager | 28,316 | 35,365 | 36,868 | 39,080 | 41,424 | 43,910 | 46,544 |
| Vote 3 - Corporate Services | 79,345 | 85,070 | 88,475 | 93,784 | 99,411 | 105,375 | 111,698 |
| Vote 4 - Financial Services | 147,148 | 180,629 | 197,884 | 209,757 | 222,342 | 235,683 | 249,824 |
| Vote 5 - Infrastructure Services | 1,085,585 | 1,180,897 | 1,254,237 | 1,329,492 | 1,409,261 | 1,493,817 | 1,583,446 |
| Vote 6 - Community Services | 201,791 | 203,744 | 213,945 | 226,782 | 240,389 | 254,812 | 270,101 |
| Vote 7 - Municipal Public Safety | 197,963 | 216,833 | 225,625 | 239,162 | 253,512 | 268,723 | 284,846 |
| Vote 8 - Planning and Development | 68,497 | 66,549 | 69,312 | 73,471 | 77,879 | 82,552 | 87,505 |
| Vote 9 - Costing Services | 131,796 | 137,635 | 145,338 | 154,058 | 163,302 | 173,100 | 183,486 |
| Vote 10 - Main Ledger Services | – | – | – | | | | |
| **Total future operational costs** | 1,995,956 | 2,157,896 | 2,285,143 | 2,422,251 | 2,567,586 | 2,721,642 | 2,884,940 |
| **Future revenue by source** | | | | | | | |
| Exchange Revenue | 119,343 | 791,153 | 838,623 | 888,940 | 942,276 | 998,813 | 1,058,742 |
| Service charges - Electricity | 745,540 | 791,153 | 838,623 | 920,808 | 1,011,047 | 1,110,129 | 1,218,922 |
| Service charges - Water | 209,109 | 221,026 | 234,288 | 248,696 | 263,991 | 280,227 | 297,460 |
| Service charges - Waste Water Management | 129,533 | 140,980 | 149,439 | 152,906 | 156,454 | 160,083 | 163,797 |
| Service charges - Waste Management | 115,444 | 122,552 | 129,905 | 137,648 | 145,851 | 154,544 | 163,755 |
| Agency services | 7,500 | 7,950 | 8,427 | 8,898 | 9,396 | 9,921 | 10,475 |
| **Total future revenue** | 1,326,469 | 2,074,815 | 2,199,304 | 2,357,896 | 2,529,015 | 2,713,717 | 2,913,152 |
| **Net Financial Implications** | **915,317** | **230,623** | **218,714** | **205,203** | **187,870** | **166,181** | **139,540** |

# Table 60 MBRR SA36 - Detailed capital budget per municipal vote

| R thousand | | | | | | | | | | | | | 2025/26 Medium Term Revenue & Expenditure Framework | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Function | Project Description | Project Number | Type | MTSF Service Outcome | IUDF | Own Strategic Objectives | Asset Class | Asset Sub-Class | Ward Location | GPS Longitude | GPS Lattitude | Audited Outcome 2023/24 | Current Year 2024/25 Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| EXECUTIVE & COUNCIL | | | | | | | | | | | | 7 | 70 | | | |
| | 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 | | | 5,371 | | |
| | MINOR ASSETS-OFFICE OF THE MUNIC | | New | A capable, ethical and developmental state | Governance | 1 | Furniture and Office Equipment | Other | Overstrand | Overstrand | Overstrand | | | 15 | | |
| FINANCE AND ADMINISTRATION | | | | | | | | | | | | 6,960 | 3,085 | | | |
| | UPS REPLACEMENT | | New | A capable, ethical and developmental state | Governance | 1 | Computer Equipment | Other | Overstrand | Overstrand | Overstrand | | | 500 | 500 | 500 |
| | DATA CENTRE SERVER END OF LIFE RE | | New | A capable, ethical and developmental state | Governance | 1 | Computer Equipment | Other | Overstrand | Overstrand | Overstrand | | | 2,000 | | |
| | MINOR ASSETS FINANCIAL SERVICES | | New | A capable, ethical and developmental state | Governance | 1 | Furniture and Office Equipment | Other | Overstrand | Overstrand | Overstrand | | | 170 | | |
| | MINOR ASSETS CORPORATE SERVICES | | New | A capable, ethical and developmental state | Governance | 1 | Furniture and Office Equipment | Other | Overstrand | Overstrand | Overstrand | | | 59 | | |
| | MINOR ASSETS ICT ORGANIZATION WI | | New | A capable, ethical and developmental state | Governance | 1 | Computer Equipment | Other | Overstrand | Overstrand | Overstrand | | | 630 | | |
| PUBLIC SAFETY | | | | | | | | | | | | 2,310 | 6,650 | | | |
| | PURCHASE OF DOGS -EXPLOSIVE & RO | | New | Social cohesion and safe communities | Governance | 4 | Biological or Cultivated Assets | Police | Overstrand | Overstrand | Overstrand | | | 300 | | |
| | UPGRADING OF FIRE STATION BUILDINGS | | Upgrading | Social cohesion and safe communities | Governance | 4 | Operational Buildings | Fire/Ambulance Static | Overstrand | Overstrand | Overstrand | | | 3,000 | | |
| | VEHICLES-PUBLIC SAFETY | | New | Social cohesion and safe communities | Governance | 4 | Transport Assets | Other | Overstrand | Overstrand | Overstrand | | | 3,500 | | |
| | MINOR ASSETS PROTECTION SERVICES | | New | Social cohesion and safe communities | Governance | 4 | Furniture and Office Equipment | Other | Overstrand | Overstrand | Overstrand | | | 292 | | |
| PLANNING & DEVELOPMENT | | | | | | | | | | | | 6,170 | 2,875 | | | |
| | MINOR ASSETS PLANNING AND DEVELO | | New | A capable, ethical and developmental state | Inclusion and access | 5 | Furniture and Office Equipment | Other | Overstrand | Overstrand | Overstrand | | | 29 | | |
| | ZWELIHLE BUSINESS HUB | | | A capable, ethical and developmental state | Inclusion and access | 5 | Community Facilities | Public Open Space | Ward 12 | 34. 424 19. 212 Degree | 34. 424 19. 212 Degrees | | | 800 | | |
| | MINOR ASSETS INFRASTRUCTURE SER | | New | A capable, ethical and developmental state | Inclusion and access | 5 | Furniture and Office Equipment | Other | Overstrand | Overstrand | Overstrand | | | 725 | | |
| COMMUNITY SERVICES | | | | | | | | | | | | 1,371 | 1,351 | | | |
| | VEHICLES-COMMUNITY SERVICES | | New | A capable, ethical and developmental state | Inclusion and access | 3 | Transport Assets | Other | Overstrand | Overstrand | Overstrand | | | 6,000 | | |
| | MINOR ASSETS COMMUNITY SERVICES | | New | A capable, ethical and developmental state | Inclusion and access | 3 | Furniture and Office Equipment | Other | Overstrand | Overstrand | Overstrand | | | 325 | | |
| SPORT & RECREATION | | | | | | | | | | | | 5,741 | 17,509 | | | |
| | UPGRADE HAWSTON SPORT COMPLEX | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 4 | Sport and Recreation Facilities | Outdoor Facilities | Ward 08 | 19.219 Degrees | 34.419 Degrees | | | 929 | | 4,392 |
| | UPGRADE HAWSTON SPORT COMPLEX( | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 4 | Sport and Recreation Facilities | Outdoor Facilities | Ward 08 | 19.219 Degrees | 34.419 Degrees | | | 9,700 | | |
| | UPGRADE MOUNT PLEASANT SPORT GI | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 4 | Sport and Recreation Facilities | Outdoor Facilities | Ward 04 | 19°07'56.01"E Degrees | 34°23'09.91"S Degrees | | | 1,700 | 2,000 | |
| | UPGRADE MOUNT PLEASANT SPORT GI | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 4 | Sport and Recreation Facilities | Outdoor Facilities | Ward 04 | 19°07'56.01"E Degrees | 34°23'09.91"S Degrees | | | 10,500 | | |
| | TOE OF SLIPWAY TO REPAIR | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 4 | Community Facilities | Piers | Ward 09 | 34°20'18.35"S Degrees | 19°01'35.31"E Degrees | | | 1,000 | | |
| | UPGRADE OF KLEINMOND SPORT FACI | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 4 | Sport and Recreation Facilities | Outdoor Facilities | Ward 09 | 34°20'31" S 19°01'17"E | 34°20'31" S 19°01'17"E | | | 1,900 | | |
| | UPGRADE OF KLEINMOND SPORT FACI | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 4 | Sport and Recreation Facilities | Outdoor Facilities | Ward 09 | 34°20'31" S 19°01'17"E | 34°20'31" S 19°01'17"E | | | 6,872 | | |
| | UPGRADE SPORTGROUNDS | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 4 | Sport and Recreation Facilities | Outdoor Facilities | Ward 06 | 19.212, Degrees | 34.427 Degrees | | | | | 5,000 |
| HOUSING | | | | | | | | | | | | 33,678 | 31,444 | | | |
| | LCH SERVICES CONSTRUCTION CONTF | | New | integration, human settlements and local gover | Spatial integration | 4 | Housing | Social Housing | Overstrand | Overstrand | Overstrand | | | 24,542 | 13,000 | 13,000 |
| ROADS | | | | | | | | | | | | 11,755 | 4,600 | | | |
| | REHABILITATE ROADS AND SIDEWALKS | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 02 | 19°21'39"E Degrees | 34°35'30"S Degrees | | | | 2,400 | 2,000 |
| | REHABILITATE ROADS & STORMWATER | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 06 | 19.212 Degrees | 34.429 Degrees | | | 6,000 | | |
| | REHABILITATE ROADS | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 04 | 19.219 Degrees | 34.419 Degrees | | | | 4,000 | |
| | REHABILITATE ROADS PROTEADORP | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 09 | 19.209,-34.423 | 19.209,-34.423 | | | | 3,000 | |
| | HERMANUS TAXI RANK | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 03 | 34°25'16.83"S Degrees | 19°13'00.62"E Degrees | | | | | 3,000 |
| | VEHICLES-ROADS | | New | g the social wage through reliable and quality b | Inclusion and access | 5 | Transport Assets | Other | Overstrand | Overstrand | Overstrand | | | 8,250 | | |
| | HAWSTON ALMAR CIRCLE | | New | g the social wage through reliable and quality b | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 08 | 34°23'09.91"S Degrees | 19°07'56.01"E Degrees | | | 500 | | |
| | TAXI HOLDING FACILTY | | New | g the social wage through reliable and quality b | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 04 | 19.219 Degrees | 34.419 Degrees | | | 650 | | |
| ELECTRICITY | | | | | | | | | | | | 49,583 | 51,031 | | | |
| | GANSBAAI STANFORD MV LV UPGRADE | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 2 | Electrical Infrastructure | MV Substations | Multi-ward Gansbaai | 34°35'54.86"S Degrees | 19°20'49.51"E Degrees | | | 4,000 | 6,800 | 3,500 |
| | FKRAAL KBAAI MV/LV UPGRADE AS PER | | New | g the social wage through reliable and quality b | Inclusion and access | 2 | Electrical Infrastructure | MV Substations | Multi-ward Gansbaai | 34°37'5.14"S Degrees | 19°20'3.08"E Degrees | | | | 3,000 | 2,000 |
| | ELECTRIFICATION OF LOW COST HOUS | | New | g the social wage through reliable and quality b | Inclusion and access | 2 | Electrical Infrastructure | MV Substations | Overstrand | Overstrand | Overstrand | | | 13,908 | 9,551 | 9,983 |
| | HERMANUS MV/LV UPGRADE REPLACEI | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 2 | Electrical Infrastructure | MV Substations | Ward 03 | 34°25'16.83"S Degrees | 19°13'00.62"E Degrees | | | 9,000 | 4,000 | 12,000 |
| | KLEINMOND MV/LV NETWORK UPGRADI | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 2 | Electrical Infrastructure | MV Networks | Ward 09 | 34°20'18.35"S Degrees | 19°01'35.31"E Degrees | | | 4,000 | 2,000 | 4,000 |
| | HAWSTON MV/LV UPGRADE REPLACEM | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 2 | Electrical Infrastructure | MV Networks | Ward 08 | 34°23'09.91"S Degrees | 19°07'56.01"E Degrees | | | 3,300 | 2,100 | 3,000 |
| | ADDITIONAL WORKSPACE AT ELECTRIC | | New | g the social wage through reliable and quality b | Inclusion and access | 2 | Electrical Infrastructure | MV Networks | Ward 13 | 34°25'16.83"S Degrees | 19°13'00.62"E Degrees | | | 1,500 | | |
| | NEW STILL STREET 66KV 11KV SUBSTA | | New | g the social wage through reliable and quality b | Inclusion and access | 2 | Electrical Infrastructure | MV Networks | Ward 03 | 34°25'16.83"S Degrees | 19°13'00.62"E Degrees | | | 5,000 | | 900 |
| | NEW STILL STREET 66KV 11KV SUBSTA | | New | g the social wage through reliable and quality b | Inclusion and access | 2 | Electrical Infrastructure | MV Networks | Ward 03 | 34°25'16.83"S Degrees | 19°13'00.62"E Degrees | | | 3,982 | | |
| | HIGH MAST LIGHTS REPLACEMENT | | New | g the social wage through reliable and quality b | Inclusion and access | 2 | Electrical Infrastructure | MV Networks | Ward 03 | 34°25'16.83"S Degrees | 19°13'00.62"E Degrees | | | 700 | 1,100 | 1,100 |
| | VEHICLES-ELECTRICITY | | New | g the social wage through reliable and quality b | Inclusion and access | 2 | Transport Assets | Other | Overstrand | Overstrand | Overstrand | | | 6,400 | | |
| | ELECTRICITY TRANSFORMERS CAPITA | | New | g the social wage through reliable and quality b | Inclusion and access | 2 | Electrical Infrastructure | MV Networks | Overstrand | Overstrand | Overstrand | | | 1,500 | 2,000 | 2,500 |

## Detailed capital budget per municipal vote (continued)

| R thousand | | | | | | | | | | | | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Function | Project Description | Project Number | Type | MTSF Service Outcome | IUDF | Own Strategic Objectives | Asset Class | Asset Sub-Class | Ward Location | GPS Longitude | GPS Lattitude | Audited Outcome 2023/24 | Current Year 2024/25 Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **WATER** | | | | | | | | | | | | 29,092 | 42,775 | | | |
| | REFURBISHMENT OF BULK WATER INFR | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 2 | Water Supply Infrastructure | Reticulation | Overstrand | Overstrand | Overstrand | | | 1,000 | 1,000 | 1,000 |
| | FENCING AT WATER INSTALLATIONS | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 2 | Water Supply Infrastructure | Reticulation | Overstrand | Overstrand | Overstrand | | | 500 | 500 | 500 |
| | REPLACEMENT OF OVERSTRAND WATE | | New | g the social wage through reliable and quality b | Inclusion and access | 2 | Water Supply Infrastructure | Reticulation | Overstrand | Overstrand | Overstrand | | | 9,500 | 10,000 | 7,000 |
| | WATER FACILITIES CONTINGENCY | | Renewal | g the social wage through reliable and quality b | Inclusion and access | 2 | Water Supply Infrastructure | Reticulation | Overstrand | Overstrand | Overstrand | | | 500 | 500 | 500 |
| | REFURBISHMENT OF BUFFELS RIVER V | | Renewal | g the social wage through reliable and quality b | Inclusion and access | 2 | Water Supply Infrastructure | Pump Stations | Multi-ward Kleinmond | 19.019° E Degrees | 34.329° S Degrees | | | 3,000 | 4,650 | 5,000 |
| | PREEKSTOEL WTW OFFICE SPACE | | Renewal | g the social wage through reliable and quality b | Inclusion and access | 2 | Water Supply Infrastructure | Municipal Offices | Multi-ward Hermanus | 19.237° E Degrees | 34.376° S Degrees | | | 28,427 | 26,242 | |
| | UPGRADE HERMANUS WELL FIELDS PH | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 2 | Water Supply Infrastructure | Water Treatment Wo | Multi-ward Hermanus | 19.237° E Degrees | 34.376° S Degrees | | | 750 | 1,250 | |
| | REPLACEMENT OF WATER PIPES PROT | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 2 | Water Supply Infrastructure | Distribution | Overstrand | Overstrand | Overstrand | | | 2,000 | 3,000 | |
| | DE KELDERS WTW MEMBRANE REPLAC | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 2 | Water Supply Infrastructure | Distribution | Ward 14 | 19.370° E / -34.556° S | 19.370° E / -34.556° S | | | 800 | | |
| | PEARLY BEACH GROUNDWATER DEVELOPMENT | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 2 | Water Supply Infrastructure | Water Treatment Wo | Ward 11 | 19.539° E / -34.663° S | 19.539° E / -34.663° S | | | 1,200 | | |
| | SEA WATER DESALINATION PLANT | | New | g the social wage through reliable and quality b | Inclusion and access | 2 | Water Supply Infrastructure | Distribution | Ward 03 | 34°25'16.83"S Degrees | 19°13'00.62"E Degrees | | | 2,750 | | 3,300 |
| | NEW RESERVOIR ONRUS RIVER | | New | g the social wage through reliable and quality b | Inclusion and access | 2 | Water Supply Infrastructure | Reservoirs | Ward 13 | 34°25'16.83"S Degrees | 19°13'00.62"E Degrees | | | | 3,000 | 3,500 |
| | NEW RESERVOIR VOORBERG | | New | g the social wage through reliable and quality b | Inclusion and access | 2 | Water Supply Infrastructure | Reservoirs | Ward 10 | 18°52'51,6"E | 34°21'16,2"S | | | | 1,000 | 1,000 |
| | NEW DISINFECTION SYSTEM AT PREEKSTOEL WTW | | New | g the social wage through reliable and quality b | Inclusion and access | 2 | Water Supply Infrastructure | Water Treatment Wo | Multi-ward Hermanus | 19.207° E / -34.409° S | 19.207° E / -34.409° S | | | 7,000 | | |
| | BAARDSKEERDERSBOS WTW ADD STORAGE CAPACITY | | New | g the social wage through reliable and quality b | Inclusion and access | 2 | Water Supply Infrastructure | Water Treatment Wo | Ward 11 | 19.570° E / -34.586° S | 19.570° E / -34.586° S | | | 500 | | 2,000 |
| | TELEMETRY SYSTEM UPGRADE-WATER | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 2 | Water Supply Infrastructure | Reticulation | Overstrand | Overstrand | Overstrand | | | 300 | 300 | |
| **SEWERAGE** | | | | | | | | | | | | 40,767 | 44,187 | | | |
| | SEWERAGE FACILITIES CONTINGENCY | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 2 | Sanitation Infrastructure | Waste Water Treatme | Overstrand | Overstrand | Overstrand | | | 700 | 700 | 700 |
| | FENCING AT SEWERAGE INSTALLATION | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 2 | Sanitation Infrastructure | Waste Water Treatme | Overstrand | Overstrand | Overstrand | | | 600 | 800 | 600 |
| | UPGRADING OF PUMPSTATIONS & RISI | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 2 | Sanitation Infrastructure | Waste Water Treatme | Overstrand | Overstrand | Overstrand | | | 13,000 | 3,000 | 10,000 |
| | HERMANUS WWTW UPGRADE SCREENS | | Replacement | g the social wage through reliable and quality b | Inclusion and access | 2 | Sanitation Infrastructure | Waste Water Treatme | Multi-ward Hermanus | 19.209° E Degrees | 34.427° S Degrees | | | 1,310 | | |
| | HAWSTON WWTW REFURBISH AND UPG | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 2 | Sanitation Infrastructure | Waste Water Treatme | Ward 08 | 34°23'09.91"S Degrees | 19°07'56.01"E Degrees | | | 4,000 | 17,000 | 11,000 |
| | HAWSTON WWTW REFURBISH AND UPG | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 2 | Sanitation Infrastructure | Waste Water Treatme | Ward 08 | 34°23'09.91"S Degrees | 19°07'56.01"E Degrees | | | | 16,850 | 15,000 |
| | TELEMETRY SYSTEM UPGRADE-SEWER | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 2 | Sanitation Infrastructure | Waste Water Treatme | Overstrand | Overstrand | Overstrand | | | 200 | 200 | |
| | HAWSTON SEWER NETWORK EXTENSION | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 2 | Sanitation Infrastructure | Waste Water Treatme | Ward 08 | 19.129° E / -34.376° S | 19.129° E / -34.376° S | | | | | 1,000 |
| | ELUXOLWENI WWTW UPGRADE | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 2 | Sanitation Infrastructure | Waste Water Treatme | Ward 11 | 19.492° E / -34.650° S | 19.492° E / -34.650° S | | | 500 | | |
| | UPGRADING OF SEWER SYSTEM IN MOOIUITSIG | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 2 | Sanitation Infrastructure | Waste Water Treatme | Ward 10 | 34°21'18.0"S 18°52'51.6 | 34°21'18.0"S 18°52'51.6"E | | | 750 | | |
| | NEW DISINFECTION SYSTEMS AT WAST | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 2 | Sanitation Infrastructure | Waste Water Treatme | Overstrand | Overstrand | Overstrand | | | 6,000 | | |
| **STORMWATER** | | | | | | | | | | | | 5,968 | 14,536 | | | |
| | STORMWATER SYSTEM UPGRADING | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 2 | Storm water Infrastructure | Storm water Conveya | Ward 08 | 34°23'09.91"S Degrees | 19°07'56.01"E Degrees | | | 1,000 | | |
| | STORMWATER AND SUBSURFACE DRAINAGE SYSTEM | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 2 | Storm water Infrastructure | Storm water Conveya | Ward 11 | 19.395° E / -34.592° S | 19.395° E / -34.592° S | | | 5,000 | | |
| **WASTE MANAGEMENT** | | | | | | | | | | | | | | | | |
| | UPGRADING OF KLEINMOND TRANSFE | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 2 | Solid Waste Infrastructure | Waste Transfer Static | Multi-ward Kleinmond | 34°20'18.35"S Degrees | 19°01'35.31"E Degrees | 115 | 4,880 | | 500 | |
| | GANSBAAI LANDFILL WEIGHBRIDGE NE | | New | g the social wage through reliable and quality b | Inclusion and access | 2 | Solid Waste Infrastructure | Waste Drop-off Points | Multi-ward Gansbaai | 19.395° E / -34.592° S | 19.395° E / -34.592° S | | | 840 | | |
| | HERMANUS TRANSFER STATION PERIMETER WALL COMPL | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 2 | Solid Waste Infrastructure | Waste Transfer Static | Multi-ward HM Area | -34,4247551 19,217636 | -34,4247551 19,21763634 | | | 3,300 | | |
| | HERMANUS TRANSFER STATION UPGRADE CHIPPING AREA | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 2 | Solid Waste Infrastructure | Waste Transfer Static | Multi-ward HM Area | -34,4247551 19,217636 | -34,4247551 19,21763634 | | | | | 2,500 |
| | HAWSTON DROP OFF FENCE UPGRADE | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 2 | Solid Waste Infrastructure | Waste Drop-off Points | Ward 08 | -34,37733902 19,12819 | -34,37733902 19,12819007 | | | 600 | | |
| | PRINGLE BAY DROP OFF UPGRADE | | Upgrading | g the social wage through reliable and quality b | Inclusion and access | 2 | Solid Waste Infrastructure | Waste Drop-off Points | Ward 10 | -34,34266214 18,84410 | -34,34266214 18,84410498 | | | 200 | | |
| | ORGANIC WASTE DIVERSION PROJECT | | New | g the social wage through reliable and quality b | Inclusion and access | 2 | Solid Waste Infrastructure | Waste Processing Fa | Overstrand | Overstrand | Overstrand | | | | 1,600 | 1,400 |
| **Parent Capital expenditure** | | | | | | | | | | | | **193,518** | **224,994** | **245,831** | **147,543** | **132,875** |
| **Total Capital expenditure** | | | | | | | | | | | | **193,518** | **224,994** | **245,831** | **147,543** | **132,875** |

## Table 61 MBRR SA37 - Projects delayed from previous financial year

| R thousand | | | | | | | | | | | Current Year 2024/25 | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Function | Project name | Type | MTSF Service Outcome | IUDF | Own Strategic Objectives | Asset Class | Asset Sub-Class | Ward Location | GPS Longitude | GPS Lattitude | Original Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| PUBLIC SAFETY | PURCHASE OF DOGS -EXPLOSIVE & ROAD OPERATIONS | New | hesion and safe com | Governance | 4 | Biological or Cultivated Assets | Police | Overstrand | Overstrand | Overstrand | 350 | | 300 | | |
| ELECTRICITY | NEW STILL STREET 66KV 11KV SUBSTATION | New | age through reliable | clusion and acce | 2 | Electrical Infrastructure | MV Networks | Ward 03 | 34 °25'16.83"S Degrees | 19 °13'00.62"E Degre | 5,000 | 1,018 | 3,982 | | |

## 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 was 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 31 March 2025.

## 2.14 Other supporting documents

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

| Description<br>R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|---|---|
| REVENUE ITEMS: | | | | | | | | | |
| Non-exchange revenue by source | | | | | | | | | |
| Property rates | | | | | | | | | |
| Total Property Rates | 280,176 | 297,101 | 339,596 | 361,957 | 367,000 | 367,000 | 383,977 | 407,016 | 431,437 |
| *less Revenue Foregone* ***(exemptions, reductions and rebates and*** | – | – | – | – | – | – | – | – | – |
| **Net Property Rates** | **280,176** | **297,101** | **339,596** | **361,957** | **367,000** | **367,000** | **383,977** | **407,016** | **431,437** |
| Exchange revenue service charges | | | | | | | | | |
| Service charges - Electricity | | | | | | | | | |
| Total Service charges - Electricity | 518,304 | 503,509 | 615,226 | 644,825 | 687,077 | 687,077 | 754,102 | 800,229 | 848,243 |
| *less Revenue Foregone* ***(in excess of 50 kwh per indigent household per*** | – | – | – | – | – | – | – | – | – |
| ***less Cost of Free Basic Services (50 kwh per indigent household per*** | 5,513 | 7,509 | 7,509 | 8,077 | 8,077 | 8,077 | 8,562 | 9,076 | 9,620 |
| **Net Service charges - Electricity** | **512,791** | **495,999** | **607,716** | **636,747** | **679,000** | **679,000** | **745,540** | **791,153** | **838,623** |
| Service charges - Water | | | | | | | | | |
| Total Service charges - Water | 145,550 | 161,284 | 187,506 | 180,150 | 200,432 | 200,432 | 212,747 | 224,882 | 238,375 |
| *less Revenue Foregone* ***(in excess of 6 kilolitres per indigent household*** | – | – | – | – | – | – | – | – | – |
| ***less Cost of Free Basic Services (6 kilolitres per indigent household per*** | 3,065 | 3,214 | 5,224 | 3,432 | 3,432 | 3,432 | 3,638 | 3,856 | 4,088 |
| **Net Service charges - Water** | **142,484** | **158,070** | **182,282** | **176,718** | **197,000** | **197,000** | **209,109** | **221,026** | **234,288** |
| Service charges - Waste Water Management | | | | | | | | | |
| Total Service charges - Waste Water Management | 98,489 | 107,385 | 124,007 | 125,809 | 133,930 | 133,930 | 137,303 | 149,216 | 158,169 |
| *less Revenue Foregone* ***(in excess of free sanitation service to indigent*** | – | – | – | – | – | – | – | – | – |
| ***less Cost of Free Basic Services (free sanitation service to indigent*** | 5,253 | 6,729 | 9,814 | 7,330 | 7,330 | 7,330 | 7,770 | 8,236 | 8,730 |
| **Net Service charges - Waste Water Management** | **93,237** | **100,655** | **114,193** | **118,479** | **126,600** | **126,600** | **129,533** | **140,980** | **149,439** |
| Service charges - Waste Management | | | | | | | | | |
| Total refuse removal revenue | 93,894 | 100,785 | 116,883 | 123,523 | 123,523 | 123,523 | 130,896 | 138,931 | 147,267 |
| Total landfill revenue | – | – | – | – | – | – | – | – | – |
| *less Revenue Foregone* ***(in excess of one removal a week to indigent*** | – | – | – | – | – | – | – | – | – |
| ***less Cost of Free Basic Services (removed once a week to indigent*** | 16,929 | 14,861 | 19,152 | 14,577 | 14,577 | 14,577 | 15,452 | 16,379 | 17,362 |
| **Net Service charges - Waste Management** | **76,964** | **85,923** | **97,731** | **108,946** | **108,946** | **108,946** | **115,444** | **122,552** | **129,905** |

## Supporting detail to budgeted financial performance (Continued)

| Description<br>R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|---|---|
| **EXPENDITURE ITEMS:** | | | | | | | | | |
| **Employee related costs** | | | | | | | | | |
| Basic Salaries and Wages | 281,218 | 295,585 | 321,972 | 365,690 | 380,280 | 380,280 | 395,106 | 414,484 | 434,369 |
| Pension and UIF Contributions | 49,835 | 47,755 | 56,004 | 67,580 | 58,426 | 58,426 | 62,922 | 64,822 | 68,006 |
| Medical Aid Contributions | 14,510 | 15,638 | 16,959 | 19,652 | 17,925 | 17,925 | 19,278 | 19,691 | 20,659 |
| Overtime | 35,197 | 42,829 | 43,751 | 35,012 | 41,624 | 41,624 | 42,318 | 47,268 | 49,631 |
| Performance Bonus | 20,628 | 21,923 | 23,469 | 27,721 | 23,955 | 23,955 | 25,974 | 26,564 | 27,861 |
| Motor Vehicle Allowance | 8,136 | 7,976 | 7,726 | 8,869 | 7,736 | 7,736 | 8,438 | 8,849 | 9,283 |
| Cellphone Allowance | 2,185 | 2,155 | 2,492 | 2,586 | 2,467 | 2,467 | 2,645 | 2,770 | 2,895 |
| Housing Allowances | 1,707 | 1,774 | 1,825 | 1,996 | 1,967 | 1,967 | 2,116 | 2,214 | 2,323 |
| Other benefits and allowances | 19,421 | 29,364 | 25,261 | 23,219 | 25,813 | 25,813 | 26,329 | 27,652 | 29,026 |
| Payments in lieu of leave | – | – | – | – | – | – | – | – | – |
| Long service awards | 3,689 | 3,283 | 4,010 | 4,604 | 4,604 | 4,604 | 4,831 | 4,144 | 4,310 |
| Post-retirement benefit obligations | 12,613 | 7,079 | 13,780 | 22,636 | 22,636 | 22,636 | 23,841 | 18,241 | 19,043 |
| Entertainment | – | – | – | – | – | – | – | – | – |
| Scarcity | 3,575 | 3,796 | 4,103 | 4,367 | 3,990 | 3,990 | 4,295 | 4,513 | 4,737 |
| Acting and post related allowance | 2,074 | 1,781 | 1,334 | 2,329 | 1,050 | 1,050 | 1,101 | 1,158 | 1,215 |
| In kind benefits | – | – | – | – | – | – | – | – | – |
| ***sub-total*** | **454,787** | **480,939** | **522,688** | **586,260** | **592,474** | **592,474** | **619,194** | **642,369** | **673,354** |
| Less: Employees costs capitalised to PPE | – | – | – | – | – | – | – | – | – |
| **Total Employee related costs** | **454,787** | **480,939** | **522,688** | **586,260** | **592,474** | **592,474** | **619,194** | **642,369** | **673,354** |
| **Depreciation and amortisation** | | | | | | | | | |
| Depreciation of Property, Plant & Equipment | 141,928 | 146,163 | 149,263 | 158,170 | 158,170 | 158,170 | 166,921 | 176,298 | 186,285 |
| Lease amortisation | 290 | 253 | 708 | 271 | 271 | 271 | 290 | 311 | 332 |
| Capital asset impairment | 6,101 | 1,904 | 3,819 | – | – | – | – | – | – |
| **Total Depreciation and amortisation** | **148,319** | **148,321** | **153,790** | **158,441** | **158,441** | **158,441** | **167,211** | **176,609** | **186,617** |
| **Bulk purchases - electricity** | | | | | | | | | |
| Electricity Bulk Purchases | 351,600 | 346,418 | 444,223 | 484,477 | 499,605 | 499,605 | 556,160 | 585,970 | 622,242 |
| **Total bulk purchases** | **351,600** | **346,418** | **444,223** | **484,477** | **499,605** | **499,605** | **556,160** | **585,970** | **622,242** |
| **Transfers and grants** | | | | | | | | | |
| Cash transfers and grants | 12,813 | 14,786 | 16,512 | 17,417 | 16,717 | 16,717 | 16,770 | 17,487 | 18,128 |
| Non-cash transfers and grants | – | 1,300 | – | – | – | – | – | – | – |
| **Total transfers and grants** | **12,813** | **16,086** | **16,512** | **17,417** | **16,717** | **16,717** | **16,770** | **17,487** | **18,128** |
| **Contracted services** | | | | | | | | | |
| *Outsourced Services* | 104,229 | 125,768 | 144,038 | 154,567 | 164,107 | 164,107 | 177,462 | 188,490 | 199,717 |
| *Consultants and Professional Services* | 32,365 | 38,390 | 33,142 | 40,437 | 38,189 | 38,189 | 40,095 | 39,303 | 49,039 |
| *Contractors* | 100,622 | 92,930 | 116,090 | 121,344 | 140,800 | 140,800 | 136,741 | 146,157 | 151,907 |
| ***sub-total*** | **237,215** | **257,088** | **293,270** | **316,348** | **343,096** | **343,096** | **354,297** | **373,949** | **400,663** |

## Supporting detail to budgeted financial performance (Continued)

| Description<br>R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|---|---|
| **Operational Costs** | | | | | | | | | |
| Collection costs | 5,363 | 4,915 | 5,787 | 7,809 | 7,809 | 7,809 | 9,610 | 10,187 | 10,798 |
| Contributions to 'other' provisions | 13,315 | 13,315 | 1,140 | 15,629 | 15,629 | 15,629 | 10,575 | 7,707 | 8,798 |
| Audit fees | 3,810 | 5,257 | 4,609 | 5,500 | 6,030 | 6,030 | 5,775 | 6,065 | 6,370 |
| *Other Operational Costs* | | | | | | | | | |
| *Operating Leases* | 96 | 136 | 97 | 287 | 282 | 282 | 8,370 | 8,850 | 9,361 |
| *Operational Cost* | 93,661 | 118,486 | 170,216 | 163,121 | 159,988 | 159,988 | 129,854 | 109,048 | 94,459 |
| *Statutory Payments other than Income Taxes* | – | – | – | – | – | – | – | – | – |
| *Discontinued Operations* | – | – | – | – | – | – | – | – | – |
| **Total Operational Costs** | **116,245** | **142,111** | **181,848** | **192,346** | **189,738** | **189,738** | **164,183** | **141,857** | **129,786** |

| Repairs and Maintenance by Expenditure Item | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Employee related costs | 113,771 | 116,569 | 122,183 | 132,398 | 140,089 | 140,089 | 150,241 | 158,326 | 166,165 |
| Inventory Consumed (Project Maintenance) | 22,089 | 23,186 | 28,196 | 25,845 | 22,170 | 22,170 | 27,016 | 31,092 | 35,254 |
| Contracted Services | 99,098 | 97,410 | 114,352 | 123,054 | 139,714 | 139,714 | 125,509 | 133,261 | 140,675 |
| Other Expenditure | 10,428 | 12,340 | 15,734 | 14,477 | 15,152 | 15,152 | 24,134 | 24,303 | 25,460 |
| **Total Repairs and Maintenance Expenditure** | 245,386 | 249,505 | 280,465 | 295,774 | 317,124 | 317,124 | 326,900 | 346,983 | 367,554 |

| Description<br>R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|---|---|
| **Inventory Consumed** | | | | | | | | | |
| Inventory Consumed - Water | – | – | – | 9,460 | 9,460 | 9,460 | 9,697 | 9,939 | 10,188 |
| Inventory Consumed - Other | 14,310 | 20,373 | 16,158 | 15,903 | 15,903 | 15,903 | 15,903 | 15,903 | 15,903 |
| **Total Inventory Consumed & Other Material** | **14,310** | **20,373** | **16,158** | **25,364** | **25,364** | **25,364** | **25,600** | **25,843** | **26,091** |

## 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 - Community Services | Vote 7 - Municipal Public Safety | Vote 8 - Planning and Development | Vote 9 - Costing Services | Vote 10 - Main Ledger Services | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Revenue** | | | | | | | | | | | |
| **Exchange Revenue** | | | | | | | | | | | |
| Service charges - Electricity | – | – | – | 1,000 | 744,540 | – | – | – | – | – | **745,540** |
| Service charges - Water | – | – | – | 12 | 209,097 | – | – | – | – | – | **209,109** |
| Service charges - Waste Water Management | – | – | – | – | 129,533 | – | 0 | – | – | – | **129,533** |
| Service charges - Waste Management | – | – | – | – | 115,444 | – | – | – | – | – | **115,444** |
| Sale of Goods and Rendering of Services | – | 15 | 270 | 1,122 | 42,796 | 8,791 | 115 | 10,617 | – | – | **63,725** |
| Agency services | – | – | – | – | – | 0 | 7,500 | – | – | – | **7,500** |
| Interest | – | – | – | 0 | – | – | – | – | – | – | **0** |
| Interest earned from Receivables | – | – | – | 12,500 | – | 0 | – | – | – | – | **12,500** |
| Interest earned from Current and Non Current Assets | – | – | – | 55,000 | – | – | – | – | – | – | **55,000** |
| Dividends | – | – | – | – | – | – | – | – | – | – | **–** |
| Rent on Land | – | 450 | – | – | – | 2 | – | 0 | – | – | **452** |
| Rental from Fixed Assets | – | – | – | – | – | 7,543 | – | 0 | – | – | **7,544** |
| Licence and permits | – | 50 | – | – | – | 500 | 230 | – | – | – | **780** |
| Special rating levies | – | | – | 15,420 | – | | | – | – | – | **15,420** |
| Operational Revenue | 15 | – | 1,004 | 1,152 | 2,450 | 15 | 880 | 37 | – | – | **5,554** |
| **Non-Exchange Revenue** | | | | | | | | | | | |
| Property rates | – | – | – | 383,977 | – | – | – | – | – | – | **383,977** |
| Surcharges and Taxes | – | – | – | – | – | – | – | – | – | – | **–** |
| Fines, penalties and forfeits | 0 | – | – | 0 | 560 | 18 | 51,120 | 838 | – | – | **52,537** |
| Licences or permits | – | – | – | – | – | – | 2,000 | – | – | – | **2,000** |
| Transfer and subsidies - Operational | 78,893 | – | – | 2,472 | 100,715 | 8,997 | 9,167 | 3,363 | – | – | **203,607** |
| Interest | – | – | – | 2,300 | – | – | – | – | – | – | **2,300** |
| Fuel Levy | – | – | – | – | – | – | – | – | – | – | **–** |
| Service charges | – | – | – | – | – | – | – | – | – | – | **–** |
| Gains on disposal of Assets | – | – | – | – | – | – | – | – | – | – | **–** |
| Other Gains | – | – | – | 2,711 | – | – | – | 289 | – | – | **3,000** |
| Discontinued Operations | – | – | – | – | – | – | – | – | – | – | **–** |
| **Total Revenue (excluding capital transfers and contr** | **78,908** | **515** | **1,274** | **477,666** | **1,345,136** | **25,867** | **71,012** | **15,145** | **–** | **–** | **2,015,522** |
| **Expenditure** | | | | | | | | | | | |
| Employee related costs | 29,153 | 26,821 | 47,085 | 72,514 | 156,010 | 119,052 | 116,307 | 52,250 | – | – | **619,194** |
| Remuneration of councillors | 14,012 | – | – | – | – | – | – | – | – | – | **14,012** |
| Bulk purchases - electricity | – | – | – | – | 556,160 | – | – | – | – | – | **556,160** |
| Inventory consumed | 30 | 220 | 2,693 | 2,068 | 41,999 | 14,569 | 12,958 | 1,630 | – | – | **76,168** |
| Debt impairment | – | – | – | 6,885 | 19,238 | – | 44,588 | 127 | – | – | **70,838** |
| Depreciation and amortisation | 1 | 55 | 2,042 | 1,573 | 138,848 | 22,224 | 2,139 | 262 | – | – | **167,143** |
| Interest | – | – | – | – | 51,227 | – | – | – | – | – | **51,227** |
| Contracted services | 181 | 4,345 | 6,474 | 33,713 | 237,515 | 42,410 | 18,138 | 11,523 | – | – | **354,297** |
| Transfers and subsidies | 1,350 | – | – | 15,420 | – | – | – | – | – | – | **16,770** |
| Irrecoverable debts written off | – | – | – | 981 | 18,853 | – | – | 166 | – | – | **20,000** |
| Operational costs | 10,789 | 2,260 | 24,295 | 38,314 | 73,671 | 4,860 | 7,426 | 2,568 | – | – | **164,183** |
| Losses on disposal of Assets | – | – | – | – | – | – | – | – | – | – | **–** |
| Other Losses | – | – | – | – | – | – | – | – | – | – | **–** |
| **Total Expenditure** | **55,516** | **33,702** | **82,589** | **171,468** | **1,293,520** | **203,116** | **201,555** | **68,526** | **–** | **–** | **2,109,991** |
| **Surplus/(Deficit)** | **23,391** | **(33,187)** | **(81,315)** | **306,198** | **51,616** | **(177,249)** | **(130,542)** | **(53,381)** | **–** | **–** | **(94,469)** |
| Transfers and subsidies - capital (monetary allocations) | – | – | – | – | **74,477** | **27,072** | – | – | – | – | **101,549** |
| Transfers and subsidies - capital (in-kind) | – | – | – | – | – | – | – | – | – | – | **–** |
| Surplus/(Deficit) after capital transfers & contributions | – | – | – | – | – | – | – | – | – | – | **–** |
| **Income Tax** | **23,391** | **(33,187)** | **(81,315)** | **306,198** | **126,093** | **(150,177)** | **(130,542)** | **(53,381)** | **–** | **–** | **7,080** |

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

| Description | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | | | | | | | | | |
| **ASSETS** | | | | | | | | | |
| **Trade and other receivables from exchange transactions** | | | | | | | | | |
| Electricity | 32,616 | 40,953 | 57,688 | 63,977 | 84,122 | 84,122 | 89,220 | 94,990 | 101,458 |
| Water | 28,153 | 33,410 | 47,072 | 29,386 | 38,414 | 38,414 | 32,955 | 28,649 | 24,571 |
| Waste | 12,770 | 17,031 | 22,663 | 9,746 | 20,819 | 20,819 | 20,882 | 21,068 | 21,380 |
| Waste Water | 17,081 | 21,499 | 28,887 | 15,299 | 26,674 | 26,674 | 26,887 | 27,298 | 27,854 |
| Other trade receivables from exchange transactions | 19,784 | 19,540 | 24,619 | 11,304 | 17,304 | 17,304 | 18,633 | 17,748 | 16,894 |
| **Gross: Trade and other receivables from exchange transactic** | **110,403** | **132,433** | **180,929** | **129,712** | **187,333** | **187,333** | **188,577** | **189,753** | **192,157** |
| **Less: Impairment for debt** | **(34,076)** | **(42,608)** | **(64,387)** | **(52,965)** | **(63,351)** | **(63,351)** | **(82,817)** | **(103,256)** | **(124,717)** |
| Impairment for Electricity | (10,450) | (13,688) | (21,151) | (15,905) | (19,745) | (19,745) | (26,943) | (34,501) | (42,437) |
| Impairment for Water | (9,087) | (11,167) | (17,261) | (10,182) | (12,648) | (12,648) | (17,272) | (22,127) | (27,224) |
| Impairment for Waste | (4,089) | (5,692) | (8,312) | (9,303) | (11,205) | (11,205) | (14,768) | (18,510) | (22,439) |
| Impairment for Waste Water | (5,452) | (7,186) | (10,594) | (9,303) | (11,359) | (11,359) | (15,213) | (19,259) | (23,507) |
| Impairment for other trade receivalbes from exchange transaction | (4,998) | (4,875) | (7,070) | (8,271) | (8,393) | (8,393) | (8,621) | (8,860) | (9,111) |
| **Total net Trade and other receivables from Exchange Trx** | **76,328** | **89,825** | **116,542** | **76,747** | **123,982** | **123,982** | **105,760** | **86,497** | **67,440** |
| **Receivables from non-exchange transactions** | | | | | | | | | |
| Property rates | 35,166 | 6,757 | 47,159 | 43,897 | 47,219 | 47,219 | 52,809 | 58,445 | 64,457 |
| Less: Impairment of Property rates | (11,359) | (2,654) | (17,295) | (14,660) | (18,280) | (18,280) | (25,064) | (32,187) | (39,666) |
| **Net Property rates** | **23,808** | **4,103** | **29,864** | **29,237** | **28,939** | **28,939** | **27,745** | **26,258** | **24,791** |
| Other receivables from non-exchange transactions | 75,803 | 124,091 | 86,225 | 162,421 | 169,992 | 169,992 | 173,985 | 217,865 | 264,745 |
| Impairment for other receivalbes from non-exchange transactions | (65,427) | (107,454) | (79,267) | (157,827) | (157,827) | (157,827) | (166,187) | (212,933) | (262,016) |
| **Net other receivables from non-exchange transactions** | **10,377** | **16,637** | **6,958** | **4,595** | **12,166** | **12,166** | **7,798** | **4,932** | **2,729** |
| **Total net Receivables from non-exchange transactions** | **34,185** | **20,740** | **36,822** | **33,832** | **41,105** | **41,105** | **35,543** | **31,190** | **27,520** |
| **Inventory** | | | | | | | | | |
| **Water** | | | | | | | | | |
| **Opening Balance** | 206 | **248** | **314** | **368** | **368** | **368** | 302 | **370** | **409** |
| **System Input Volume** | **42** | **66** | **54** | **11,973** | **11,973** | **11,973** | **12,272** | **12,579** | **12,893** |
| Water Treatment Works | 42 | 66 | 54 | (1) | (1) | (1) | (1) | (1) | (1) |
| Bulk Purchases | – | – | – | – | – | – | – | – | – |
| Natural Sources | – | – | – | 11,974 | 11,974 | 11,974 | 12,273 | 12,580 | 12,894 |
| **Authorised Consumption** | **–** | **–** | **–** | **(9,460)** | **(9,460)** | **(9,460)** | **(9,697)** | **(9,939)** | **(10,188)** |
| **Billed Authorised Consumption** | **–** | **–** | **–** | **(9,254)** | **(9,254)** | **(9,254)** | **(9,485)** | **(9,722)** | **(9,965)** |
| **Billed Metered Consumption** | **–** | **–** | **–** | **(9,254)** | **(9,254)** | **(9,254)** | **(9,485)** | **(9,722)** | **(9,965)** |
| Free Basic Water | – | – | – | – | – | – | – | – | – |
| Subsidised Water | – | – | – | – | – | – | – | – | – |
| Revenue Water | – | – | – | (9,254) | (9,254) | (9,254) | (9,485) | (9,722) | (9,965) |
| **UnBilled Authorised Consumption** | **–** | **–** | **–** | **(207)** | **(207)** | **(207)** | **(212)** | **(217)** | **(223)** |
| Unbilled Metered Consumption | – | – | – | – | – | – | – | – | – |
| Unbilled Unmetered Consumption | – | – | – | (207) | (207) | (207) | (212) | (217) | (223) |
| **Water Losses** | **–** | **–** | **–** | **(2,463)** | **(2,463)** | **(2,463)** | **(2,506)** | **(2,601)** | **(2,677)** |
| **Apparent losses** | **–** | **–** | **–** | **(2,513)** | **(2,513)** | **(2,513)** | **(2,576)** | **(2,641)** | **(2,707)** |
| Unauthorised Consumption | – | – | – | (2,513) | (2,513) | (2,513) | (2,576) | (2,641) | (2,707) |
| Customer Meter Inaccuracies | – | – | – | – | – | – | – | – | – |
| **Real losses** | **–** | **–** | **–** | **50** | **50** | **50** | **70** | **40** | **30** |
| Leakage on Transmission and Distribution Mains | – | – | – | – | – | – | – | – | – |
| Leakage and Overflows at Storage Tanks/Reservoirs | – | – | – | – | – | – | – | – | – |
| Leakage on Service Connections up to the point of Customer | – | – | – | – | – | – | – | – | – |
| Data Transfer and Management Errors | – | – | – | 50 | 50 | 50 | 70 | 40 | 30 |
| Unavoidable Annual Real Losses | – | – | – | – | – | – | – | – | – |
| **Non-revenue Water** | – | – | – | **(2,670)** | **(2,670)** | **(2,670)** | **(2,718)** | **(2,818)** | **(2,899)** |
| Correction of Prior period errors | – | – | – | – | – | – | – | – | – |
| **Closing Balance Water** | **248** | **314** | **368** | **417** | **417** | **417** | **370** | **409** | **438** |
| **Consumables** | | | | | | | | | |
| **Standard Rated** | | | | | | | | | |
| **Opening Balance** | 9,374 | **8,918** | **10,113** | **14,519** | **14,519** | **14,519** | 8,381 | **14,498** | **14,594** |
| Acquisitions | 13,854 | 21,568 | 20,564 | 16,000 | 16,000 | 16,000 | 21,600 | 16,000 | 16,000 |
| Issues | (14,310) | (20,373) | (16,158) | (15,903) | (15,903) | (15,903) | (15,903) | (15,903) | (15,903) |
| Adjustments | – | – | – | – | – | – | 420 | – | – |
| Write-offs | – | – | – | – | – | – | – | – | – |
| Correction of Prior period errors | – | – | – | – | – | – | – | – | – |
| **Closing balance - Consumables Standard Rated** | **8,918** | **10,113** | **14,519** | **14,615** | **14,615** | **14,615** | **14,498** | **14,594** | **14,691** |
| **Zero Rated** | | | | | | | | | |
| **Housing Stock** | | | | | | | | | |
| **Opening Balance** | 3,157 | **1,766** | **1,167** | **824** | **824** | **824** | 820 | **720** | **620** |
| Acquisitions | 273 | – | – | – | – | – | – | – | – |
| Transfers | 32,972 | (67) | (343) | – | – | – | (100) | (100) | (100) |
| Sales | (34,635) | (531) | – | – | – | – | – | – | – |
| Correction of Prior period errors | – | – | – | – | – | – | – | – | – |
| **Closing Balance - Housing Stock** | **1,766** | **1,167** | **824** | **824** | **824** | **824** | **720** | **620** | **520** |
| **Closing Balance - Inventory & Consumables** | **10,932** | **11,594** | **15,711** | **15,857** | **15,857** | **15,857** | **15,588** | **15,624** | **15,649** |
| **Property, plant and equipment (PPE)** | | | | | | | | | |
| PPE at cost/valuation (excl. finance leases) | 6,291,976 | 6,465,649 | 6,648,434 | 6,790,595 | 6,829,042 | 6,829,042 | 7,116,694 | 7,264,237 | 7,397,112 |
| Leases recognised as PPE | – | – | – | – | – | – | – | – | – |
| Less: Accumulated depreciation | (2,658,488) | (2,791,307) | (2,934,747) | (2,910,483) | (2,910,483) | (2,910,483) | (3,257,837) | (3,434,067) | (3,620,285) |
| **Total Property, plant and equipment (PPE)** | **3,633,488** | **3,674,341** | **3,713,687** | **3,880,112** | **3,918,559** | **3,918,559** | **3,858,857** | **3,830,170** | **3,776,828** |
| **LIABILITIES** | | | | | | | | | |
| **Current liabilities - Financial liabilities** | | | | | | | | | |
| Short term loans (other than bank overdraft) | – | – | – | – | – | – | – | – | – |
| Current portion of long-term liabilities | 50,494 | 57,949 | 50,444 | 154,566 | 154,566 | 154,566 | 61,383 | 72,116 | 80,828 |
| **Total Current liabilities - Financial liabilities** | **50,494** | **57,949** | **50,444** | **154,566** | **154,566** | **154,566** | **61,383** | **72,116** | **80,828** |
| **Trade and other payables** | | | | | | | | | |
| Trade and other payables from exchange transactions | 114,571 | 127,465 | 133,784 | 158,403 | 158,403 | 158,403 | 133,297 | 133,581 | 133,874 |
| Other trade payables from exchange transactions | – | – | – | – | – | – | – | – | – |
| Trade payables from Non-exchange transactions: Unspent condi | 26,309 | 6,206 | 5,342 | – | – | – | – | – | – |
| Trade payables from Non-exchange transactions: Other | – | – | – | – | – | – | – | – | – |
| VAT | – | – | – | 3,365 | 3,365 | 3,365 | 4,201 | 5,095 | 6,044 |
| **Total Trade and other payables** | **140,880** | **133,672** | **139,126** | **161,768** | **161,768** | **161,768** | **137,498** | **138,676** | **139,917** |
| **Non current liabilities - Financial liabilities** | | | | | | | | | |
| Borrowing | 429,906 | 421,957 | 421,513 | 331,786 | 331,786 | 331,786 | 360,476 | 358,360 | 357,532 |
| Other financial liabilities | – | – | – | – | – | – | – | – | – |
| **Total Non current liabilities - Financial liabilities** | **429,906** | **421,957** | **421,513** | **331,786** | **331,786** | **331,786** | **360,476** | **358,360** | **357,532** |
| **Provisions** | | | | | | | | | |
| Retirement benefits | – | – | – | – | – | – | – | – | – |
| *List other major provision items* | | | | | | | | | |
| Refuse landfill site rehabilitation | 137,226 | 150,133 | 151,340 | 165,880 | 165,880 | 165,880 | 162,088 | 160,554 | 159,649 |
| Other | 19,799 | 20,707 | 21,179 | 22,360 | 22,360 | 22,360 | 24,841 | 25,827 | 26,853 |
| **Total Provisions** | **157,026** | **170,841** | **172,518** | **188,240** | **188,240** | **188,240** | **186,928** | **186,381** | **186,502** |
| **CHANGES IN NET ASSETS** | | | | | | | | | |
| **Accumulated surplus/(deficit)** | | | | | | | | | |
| Accumulated surplus/(deficit) - opening balance | 3,698,334 | 3,720,952 | 3,829,562 | 3,998,825 | 3,974,632 | 3,974,632 | 4,057,127 | 4,076,664 | 4,085,262 |
| GRAP adjustments | 1,671 | (1,078) | – | – | – | – | – | – | – |
| Restated balance | 3,700,005 | 3,719,873 | 3,829,562 | 3,998,825 | 3,974,632 | 3,974,632 | 4,057,127 | 4,076,664 | 4,085,262 |
| Surplus/(Deficit) | 20,390 | 111,298 | 129,040 | (41,415) | (3,557) | (3,557) | 7,080 | 3,358 | (26,040) |
| Transfers to/from Reserves | (0) | (0) | (0) | 10,119 | 105,122 | 105,122 | 12,457 | 5,241 | 4,883 |
| Depreciation offsets | – | – | – | – | – | – | – | – | – |
| Other adjustments | 557 | (1,609) | – | 10 | 10 | 10 | – | – | – |
| **Accumulated Surplus/(Deficit)** | **3,720,953** | **3,829,562** | **3,958,602** | **3,967,539** | **4,076,207** | **4,076,207** | **4,076,664** | **4,085,262** | **4,064,105** |
| **Reserves** | | | | | | | | | |
| Housing Development Fund | 3,228 | 3,228 | 3,228 | 3,230 | 3,230 | 3,230 | 3,231 | 3,232 | 3,233 |
| Capital replacement | – | – | – | – | – | – | – | – | – |
| Self-insurance | – | – | – | – | – | – | – | – | – |
| Other reserves | – | – | – | – | – | – | – | – | – |
| Revaluation | – | – | – | – | – | – | – | – | – |
| **Total Reserves** | **3,228** | **3,228** | **3,228** | **3,230** | **3,230** | **3,230** | **3,231** | **3,232** | **3,233** |
| **TOTAL COMMUNITY WEALTH/EQUITY** | **3,724,180** | **3,832,790** | **3,961,830** | **3,970,769** | **4,079,436** | **4,079,436** | **4,079,894** | **4,088,493** | **4,067,337** |

## 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 | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Demographics** | | | | | | | | | | | |
| Population | 0 | 55,735 | 74,547 | 80,432 | 111 | 132 | 135 | 137 | 140 | 142 | 145 |
| Females aged 5 - 14 | 0 | 4,050 | 5,843 | 5,228 | 7 | 8 | 8 | 8 | 8 | 8 | 8 |
| Males aged 5 - 14 | 0 | 4,055 | 5,894 | 5,278 | 7 | 8 | 8 | 8 | 8 | 8 | 8 |
| Females aged 15 - 34 | 0 | 9,473 | 11,567 | 13,141 | 18 | 20 | 21 | 21 | 21 | 22 | 22 |
| Males aged 15 - 34 | 0 | 9,520 | 11,230 | 13,648 | 19 | 20 | 20 | 21 | 21 | 21 | 22 |
| Unemployment | 0 | 5,165 | 8,099 | 4,237 | 6 | 27 | 25 | 25 | 26 | 26 | 26 |
| **Monthly household income (no. of households)** | | | | | | | | | | | |
| No income | 0 | 2,214 | 2,551 | 3,251 | 3 | 7 | 7 | 7 | 7 | 7 | 8 |
| R1 - R1 600 | 0 | 6,098 | 7,025 | 8,955 | 8 | 19 | 20 | 20 | 20 | 21 | 21 |
| R1 601 - R3 200 | 0 | 3,766 | 4,339 | 5,530 | 5 | 12 | 12 | 12 | 12 | 13 | 13 |
| R3 201 - R6 400 | 0 | 3,383 | 3,897 | 4,968 | 5 | 11 | 11 | 11 | 11 | 11 | 12 |
| R6 401 - R12 800 | 0 | 2,306 | 2,657 | 3,386 | 3 | 7 | 7 | 8 | 8 | 8 | 8 |
| R12 801 - R25 600 | 0 | 917 | 1,056 | 1,347 | 1 | 3 | 3 | 3 | 3 | 3 | 3 |
| R25 601 - R51 200 | 0 | 209 | 241 | 307 | 0 | 1 | 1 | 1 | 1 | 1 | 1 |
| R52 201 - R102 400 | 0 | 83 | 96 | 122 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| R102 401 - R204 800 | 0 | 44 | 51 | 65 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| R204 801 - R409 600 | 0 | 36 | 41 | 53 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| R409 601 - R819 200 | 0 | - | - | - | - | - | - | - | - | - | - |
| > R819 200 | 0 | - | - | - | - | - | - | - | - | - | - |
| **Poverty profiles (no. of households)** | | | | | | | | | | | |
| < R2 060 per household per month | 0 | 9,393 | 10,821 | 9,393 | 12,947 | 29,565 | 30,074 | 30,615 | 31,166 | 31,727 | 32,298 |
| | 0 | - | - | - | - | - | - | - | - | - | - |
| **Household/demographics (000)** | | | | | | | | | | | |
| Number of people in municipal area | 0 | 55,735 | 75,014 | 80,358 | 111 | 132 | 135 | 137 | 140 | 142 | 145 |
| Number of poor people in municipal area | 0 | | | | | | | | | | |
| Number of households in municipal area | 0 | 19,056 | 21,953 | 27,983 | 26 | 60 | 61 | 62 | 63 | 64 | 66 |
| Number of poor households in municipal area | 0 | - | - | - | - | - | - | - | - | - | - |
| Definition of poor household (R per month) | 0 | - | - | - | - | - | - | - | - | - | - |
| **Housing statistics** | | | | | | | | | | | |
| Formal | 0 | 15,593 | 17,964 | 22,436 | 23,691 | 54,103 | 55,035 | 56,026 | 57,035 | 58,061 | 59,106 |
| Informal | 0 | 2 | 3 | 4 | 3,779 | 3,536 | 3,242 | 3,137 | 3,220 | 4,229 | 4,374 |
| **Total number of households** | | 18,034 | 21,271 | 26,004 | 27,470 | 57,639 | 58,277 | 59,163 | 60,255 | 62,290 | 63,480 |
| Dwellings provided by municipality | 0 | - | - | - | 350 | 250 | 486 | 382 | 139 | | - |
| Dwellings provided by province/s | 0 | - | - | - | - | - | - | - | - | - | - |
| Dwellings provided by private sector | 0 | - | - | - | - | - | - | - | - | - | - |
| **Total new housing dwellings** | | - | - | - | 350 | 250 | 486 | 382 | 139 | - | - |
| **Economic** | | | | | | | | | | | |
| Inflation/inflation outlook (CPIX) | | | | | 4.5% | 4.5% | 5.3% | 4.4% | 4.3% | 4.6% | 4.4% |
| Interest rate - borrowing | | | | | 9.8% | 11.4% | 10.5% | 10.6% | 10.5% | 10.5% | 10.5% |
| Interest rate - investment | | | | | 4.8% | 7.3% | 9.0% | 8.3% | 7.4% | 7.4% | 7.4% |
| Remuneration increases | | | | | 3.5% | 4.9% | 5.4% | 6.0% | 5.1% | 5.0% | 5.0% |
| Consumption growth (electricity) | | | | | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% |
| Consumption growth (water) | | | | | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% |
| **Collection rates** | | | | | | | | | | | |
| Property tax/service charges | | | | | 99.4% | 99.5% | 100.0% | 99.0% | 99.0% | 99.0% | 99.0% |
| Rental of facilities & equipment | | | | | 3.5% | 4.9% | 5.4% | 6.0% | 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% | 98.7% | 98.7% | 98.7% | 98.7% |
| 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 | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Valuation:** | | | | | | | | | |
| Date of valuation: | 02/07/2015 | 02/07/2015 | 02/07/2022 | 02/07/2022 | | | | | |
| Financial year valuation used | **2016/2017** | **2016/2017** | **2022/2023** | **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) | 60 | 60 | 12 | 24 | | | 36 | | |
| No. of properties | 43,655 | 43,655 | 44,983 | 45,476 | | | 48,067 | | |
| No. of sectional title values | 2,752 | 2,752 | 702 | 2,423 | | | 2,568 | | |
| No. of unreasonably difficult properties s7(2) | - | - | - | - | | | - | | |
| No. of supplementary valuations | 1 | 1 | 1 | 1 | | | 1 | | |
| No. of valuation roll amendments | 15 | 15 | - | - | | | - | | |
| No. of objections by rate payers | - | - | 1,888 | - | | | - | | |
| No. of appeals by rate payers | - | - | 170 | - | | | - | | |
| No. of successful objections | - | - | 1,203 | - | | | - | | |
| No. of successful objections > 10% | - | - | 360 | - | | | - | | |
| Supplementary valuation | 2,552 | 2,552 | 657 | - | | | - | | |
| Public service infrastructure value (Rm) | 306 | 306 | 96 | 96 | | | 102 | | |
| Municipality owned property value (Rm) | 928 | 928 | 1,160 | 1,142 | | | 1,211 | | |
| **Valuation reductions:** | | | | | | | | | |
| Valuation reductions-public infrastructure (Rm) | 306 | 306 | 96 | 96 | 96 | 96 | 102 | 108 | 115 |
| Valuation reductions-nature reserves/park (Rm) | 436 | 436 | 680 | 583 | 583 | 583 | 618 | 655 | 695 |
| Valuation reductions-mineral rights (Rm) | - | - | - | - | - | - | - | - | - |
| Valuation reductions-R15,000 threshold (Rm) | 505 | 505 | 511 | 533 | 533 | 533 | 565 | 599 | 635 |
| Valuation reductions-public worship (Rm) | 194 | 194 | 270 | 177 | 177 | 177 | 188 | 199 | 211 |
| Valuation reductions-other (Rm) | 1,169 | 1,169 | 1,185 | 2,137 | 2,137 | 2,137 | | | |
| **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) | 53,082 | 53,082 | 90,339 | 90,318 | 90,318 | 90,318 | 95,737 | 101,481 | 107,570 |
| Total land value (Rm) | 24,419 | 24,419 | 32,974 | 34,126 | 34,126 | 34,126 | 36,173 | 38,344 | 40,644 |
| Total value of improvements (Rm) | 31,099 | 31,099 | 57,365 | 59,719 | 59,719 | 59,719 | 63,302 | 67,100 | 71,126 |
| Total market value (Rm) | 53,458 | 53,458 | 92,914 | 93,845 | 93,845 | 93,845 | 99,475 | 105,444 | 111,771 |
| **Rating:** | | | | | | | | | |
| Residential rate used to determine rate for other categories? (Y/N) | Yes | Yes | Yes | YES | | | | | |
| Differential rates used? (Y/N) | Yes | Yes | Yes | YES | | | | | |
| Limit on annual rate increase (s20)? (Y/N) | No | No | No | NO | NO | NO | | | |
| Special rating area used? (Y/N) | Yes | Yes | Yes | YES | | | | | |
| Phasing-in properties s21 (number) | No | No | No | NO | NO | NO | – | – | – |
| Rates policy accompanying budget? (Y/N) | Yes | Yes | Yes | YES | | | | | |
| Fixed amount minimum value (R'000) | – | – | – | – | | | – | | |
| Non-residential prescribed ratio s19? (%) | 0.0% | 0.0% | 0.0% | 0.0% | | | 0.0% | | |
| **Rate revenue:** | | | | | | | | | |
| Rate revenue budget (R '000) | 263,562 | 275,384 | 409,443 | 439,026 | 439,026 | 439,026 | 481,611 | 510,508 | 541,138 |
| Rate revenue expected to collect (R'000) | 263,562 | 275,384 | 409,443 | 439,026 | 439,026 | 439,026 | 481,611 | 510,508 | 541,138 |
| Expected cash collection rate (%) | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| Special rating areas (R'000) | 12,074 | 12,590 | 13,345 | 14,443 | 14,443 | 14,443 | 15,020 | 15,621 | 16,246 |
| Rebates, exemptions - indigent (R'000) | – | – | – | – | – | – | | | |
| Rebates, exemptions - pensioners (R'000) | – | – | 1,178 | 1,273 | 1,273 | 1,273 | 1,396 | 1,480 | 1,569 |
| Rebates, exemptions - bona fide farm. (R'000) | – | – | | | | | | | |
| Rebates, exemptions - other (R'000) | – | – | 67,758 | 75,796 | 75,796 | 75,796 | 82,617 | 87,575 | 92,829 |
| 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 2024/25** | | | | | | | | | | | | |
| **Valuation:** | | | | | | | | | | | | |
| No. of properties | 1,022 | - | - | 33,133 | 183 | 157 | - | 780 | 4,282 | - | - | 40 |
| No. of sectional title property values | 461 | - | - | 2,423 | - | - | - | - | - | - | - | 3 |
| No. of unreasonably difficult properties s7(2) | - | - | - | - | - | - | - | - | - | - | - | – |
| No. of supplementary valuations | NOT RECEIVI | NOT RECEIVI | NOT RECEIVI | NOT RECEIVI | NOT RECEIVI | NOT RECEIVI | NOT RECEIVI | NOT RECEIVI | NOT RECEIVI | NOT RECEIVI | NOT RECEIVI | – |
| 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 | 1 | - | - | 100 | - | - | - | - | - | - | - | 0 |
| Years since last valuation **(select)** | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | |
| Frequency of valuation **(select)** | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | |
| Method of valuation used **(select)** | Market | Market | Market | Market | Market | Market | Market | Market | Market | Market | Market | |
| Base of valuation **(select)** | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | |
| 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 | - | - | - | - | - | - | - | - | - | - | 96,207 |
| Valuation reductions-nature reserves/park (Rm) | 583 | - | - | - | - | - | | - | - | - | - | 583,151 |
| Valuation reductions-mineral rights (Rm) | - | - | - | - | - | - | - | - | - | - | - | – |
| Valuation reductions-R15,000 threshold (Rm) | - | - | - | 53 | - | - | - | - | - | | - | 53,090 |
| Valuation reductions-public worship (Rm) | 177 | - | - | - | - | - | - | - | - | - | - | 177,072 |
| Valuation reductions-other (Rm) | - | - | - | 2,137 | - | - | - | - | - | - | - | 2,137,409 |
| **Total valuation reductions:** | | | | | | | | | | | | |
| Total value used for rating (Rm) | 4,847 | - | - | 80,094 | 1,000 | 515 | - | 96 | 3,522 | - | - | 90,074,710 |
| Total land value (Rm) | 201 | - | - | 26,290 | 752 | 176 | - | 81 | 3,522 | - | - | 31,022,525 |
| Total value of improvements (Rm) | 4,645 | - | - | 53,804 | 285 | 339 | - | 15 | - | - | - | 59,088,585 |
| Total market value (Rm) | 4,847 | - | - | 80,094 | 1,000 | 515 | - | 96 | 3,522 | - | - | 90,074,710 |
| **Rating:** | | | | | | | | | | | | |
| Average rate | | | | | | | | | | | | |
| Rate revenue budget (R '000) | 48,260 | | | 360,771 | 1,129 | | 4,289 | | 24,576 | | | 439,026 |
| Rate revenue expected to collect (R'000) | 48,260 | | | 360,771 | 1,129 | | 4,289 | | 24,576 | | | 439,026 |
| 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) | | | | 14,443 | | | | | | | | 14,443 |
| 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) | – | – | – | 75,796 | – | – | – | – | – | – | – | 75,796 |
| Phase-in reductions/discounts (R'000) | – | – | – | – | – | – | – | – | – | – | – | – |
| **Total rebates,exemptns,reductns,discs (R'000)** | | | | | | | | | | | | – |

## 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 2025/26** | | | | | | | | | | | | |
| **Valuation:** | | | | | | | | | | | | |
| No. of properties | 1,022 | - | - | 33,133 | 183 | 157 | - | 780 | 4,282 | - | - | 40 |
| No. of sectional title property values | 461 | - | - | 2,423 | - | - | - | - | - | - | - | 3 |
| No. of unreasonably difficult properties s7(2) | - | - | - | - | | - | - | - | - | - | - | – |
| No. of supplementary valuations | NOT RECEIVI | NOT RECEIVI | NOT RECEIVI | NOT RECEIVI | NOT RECEIVI | NOT RECEIVI | NOT RECEIVI | NOT RECEIVI | NOT RECEIVI | NOT RECEIVI | NOT RECEIVI | – |
| 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 | 1 | - | - | 100 | - | - | - | - | - | - | - | 0 |
| Years since last valuation **(select)** | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | |
| Frequency of valuation **(select)** | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | |
| Method of valuation used **(select)** | Market | Market | Market | Market | Market | Market | Market | Market | Market | Market | Market | |
| Base of valuation **(select)** | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | |
| 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 | - | - | - | - | - | - | - | - | - | - | 101,979 |
| Valuation reductions-nature reserves/park (Rm) | 62 | - | - | - | - | - | | - | - | - | - | 61,840 |
| Valuation reductions-mineral rights (Rm) | - | - | - | - | - | - | - | - | - | - | - | – |
| Valuation reductions-R15,000 threshold (Rm) | - | - | - | 56 | - | - | - | - | - | | - | 56,275 |
| Valuation reductions-public worship (Rm) | 188 | - | - | - | - | - | - | - | - | - | - | 187,696 |
| Valuation reductions-other (Rm) | - | - | - | 2,266 | - | - | - | - | - | - | - | 2,265,653 |
| **Total valuation reductions:** | | | | | | | | | | | | |
| Total value used for rating (Rm) | 5,137 | - | - | 84,900 | 1,060 | 546 | - | 102 | 3,734 | - | - | 95,479,192 |
| Total land value (Rm) | 214 | - | - | 27,867 | 797 | 187 | - | 86 | 3,734 | - | - | 32,883,876 |
| Total value of improvements (Rm) | 4,924 | - | - | 57,032 | 302 | 360 | - | 16 | - | - | - | 62,633,900 |
| Total market value (Rm) | 5,137 | - | - | 84,900 | 1,060 | 546 | - | 102 | 3,734 | - | - | 95,479,192 |
| **Rating:** | | | | | | | | | | | | |
| Average rate | | | | | | | | | | | | |
| Rate revenue budget (R '000) | 60,893 | | | 378,066 | 1,043 | | 5,211 | | 36,397 | | | 481,611 |
| Rate revenue expected to collect (R'000) | 60,893 | | | 378,066 | 1,043 | | 5,211 | | 36,397 | | | 481,611 |
| Expected cash collection rate (%) | 100.0% | | | 100.0% | 100.0% | | 100.0% | | | | | 0 |
| Special rating areas (R'000) | | | | 15,020 | | | | | | | | 15,020 |
| Rebates, exemptions - indigent (R'000) | | | | | | | | | | | | – |
| Rebates, exemptions - pensioners (R'000) | | | | 1,396 | | | | | | | | 1,396 |
| Rebates, exemptions - bona fide farm. (R'000) | | | | | | | | | | | | – |
| Rebates, exemptions - other (R'000) | | | | 82,617 | | | | | | | | 82,617 |
| Phase-in reductions/discounts (R'000) | | | | | | | | | | | | – |
| **Total rebates,exemptns,reductns,discs (R'000)** | – | – | – | 84,014 | – | – | – | – | – | – | – | 84,014 |

# Table 69 MBRR SA13a – Service tariffs by category

| Description | Provide description of tariff structure where appropriate | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Property rates** *(rate in the Rand)* | | | | | | | | |
| Residential properties | | | | | | | | |
| Residential properties - vacant land | | | | | | | | |
| Formal/informal settlements | | | | | | | | |
| Small holdings | | | | | | | | |
| Farm properties - used | | | | | | | | |
| Farm properties - not used | | | | | | | | |
| Industrial properties | | | | | | | | |
| Business and commercial properties | | | | | | | | |
| Communal land - residential | | | | | | | | |
| Communal land - small holdings | | | | | | | | |
| Communal land - farm property | | | | | | | | |
| Communal land - business and commercial | | | | | | | | |
| Communal land - other | | | | | | | | |
| State-owned properties | | | | | | | | |
| Municipal properties | | | | | | | | |
| Public service infrastructure | | | | | | | | |
| 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 | | | | | | | | |
| 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) | | | | | | | | |
| **Exemptions, reductions and rebates** *(Rands)* | | | | | | | | |
| ***Residential properties*** | | | | | | | | |
| R15 000 threshhold rebate | | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 |
| General residential rebate | | | | | | | | |
| Indigent rebate or exemption | | | | | | | | |
| Pensioners/social grants rebate or exemption | | | | | | | | |
| Temporary relief rebate or exemption | | | | | | | | |
| Bona fide farmers rebate or exemption | | | | | | | | |
| ***Other rebates or exemptions*** | | | | | | | | |
| **Water tariffs** | | | | | | | | |
| ***Domestic*** | | | | | | | | |
| Basic charge/fixed fee *(Rands/month)* | | 148 | 156 | 166 | 176 | 187 | 198 | 210 |
| Service point - vacant land *(Rands/month)* | | 148 | 156 | 166 | 176 | 187 | 198 | 210 |
| Water usage - flat rate tariff *(c/kl)* | | | | | | | | |
| Water usage - life line tariff | (describe structure) | | | | | | | |
| Water usage - Block 1 (c/kl) | 0 - 6 kl | 6 | 6 | 7 | 7 | 8 | 8 | 9 |
| Water usage - Block 2 (c/kl) | 7 - 18 kl | 12 | 13 | 12 | 15 | 16 | 17 | 18 |
| Water usage - Block 3 (c/kl) | 19 - 30 kl | 19 | 20 | 21 | - | - | - | - |
| Water usage - Block 4 (c/kl) | 31 - 45 kl | 31 | 33 | - | - | - | - | - |
| Water usage - Block 5 (c/kl) | 19 - 45 kl | - | - | 19 | 31 | 33 | 35 | 37 |
| Water usage - Block 6 (c/kl) | 45 - 60 kl | 53 | 55 | 59 | 62 | 66 | 70 | 74 |
| ***Other*** | >60 kl | 70 | 74 | 78 | 83 | 88 | 93 | 99 |
| **Waste water tariffs** | | | | | | | | |
| ***Domestic*** | | | | | | | | |
| Basic charge/fixed fee *(Rands/month)* | | 132 | 138 | 148 | 161 | 170 | 180 | 191 |
| Service point - vacant land *(Rands/month)* | | 132 | 138 | 147 | 161 | 170 | 180 | 191 |
| Waste water - flat rate tariff *(c/kl)* | | 1,489 | 1,556 | 1,669 | 1,818 | 1,927 | 2,043 | 2,165 |
| Volumetric charge - Block 1 (c/kl) | Basic charge pumps | 89 | 93 | 99 | 108 | 115 | 122 | 129 |
| Volumetric charge - Block 2 (c/kl) | Service per pump | 608 | 636 | 677 | 738 | 782 | 829 | 879 |
| Volumetric charge - Block 3 (c/kl) | | | | | | | | |
| Volumetric charge - Block 4 (c/kl) | | | | | | | | |
| ***Other*** | | | | | | | | |
| **Electricity tariffs** | | | | | | | | |
| ***Domestic*** | | | | | | | | |
| Basic charge/fixed fee *(Rands/month)* | | 408 | 439 | 504 | 466 | 414 | 439 | 465 |
| Service point - vacant land *(Rands/month)* | | 408 | 439 | 504 | 466 | 414 | 439 | 465 |
| FBE | | - | - | - | 2 | 5 | 6 | 6 |
| Life-line tariff - meter | Household income threshold | | | | | | | |
| Life-line tariff - prepaid | (describe structure) | 146 | 157 | 157 | 49 | | | |
| Flat rate tariff - meter *(c/kwh)* | | - | - | - | 2 | 5 | 6 | 6 |
| Flat rate tariff - prepaid *(c/kwh)* | one-part | | | | | | | |
| Meter - IBT Block 1 (c/kwh) | | | | | | | | |
| Meter - IBT Block 2 (c/kwh) | | | | | | | | |
| Meter - IBT Block 3 (c/kwh) | Credit Meter | | | | | | | |
| Meter - IBT Block 4 (c/kwh) | 0 - 350 kWh | 157 | 168 | 194 | 213 | 233 | 247 | 262 |
| Meter - IBT Block 5 (c/kwh) | 351 - 600 kWh | 230 | 247 | 285 | 274 | 288 | 305 | 323 |
| Prepaid - IBT Block 1 (c/kwh) | > 600 kWh | 283 | 304 | 350 | 385 | 327 | 347 | 368 |
| Prepaid - IBT Block 2 (c/kwh) | Prepaid Meter | | | | | | | |
| Prepaid - IBT Block 3 (c/kwh) | 0 - 350 kWh | 145 | 155 | 179 | 200 | 224 | 237 | 252 |
| Prepaid - IBT Block 4 (c/kwh) | 351 - 600 kWh | 217 | 233 | 268 | 280 | 278 | 295 | 312 |
| Prepaid - IBT Block 5 (c/kwh) | > 600 kWh | 272 | 292 | 336 | 370 | 319 | 338 | 358 |
| ***Other*** | | | | | | | | |
| **Waste management tariffs** | | | | | | | | |
| ***Domestic*** | | | | | | | | |
| Street cleaning charge | | | | | | | | |
| Basic charge/fixed fee | | 202 | 213 | 228 | 253 | 268 | 284 | 301 |
| 80l bin - once a week | | | | | | | | |
| 250l bin - once a week | | 202 | 213 | 228 | 253 | 268 | 284 | 301 |

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

| Description | Provide description of tariff structure where appropriate | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Exemptions, reductions and rebates** *(Rands)* | | | | | | | | |
| R15 000 threshhold rebate | | 15,000 | 15,000 | 15,000 | | | | |
| *General residential rebate* | | 35,000 | 35,000 | 35,000 | | | | |
| *Indigent rebate or exemption* | | | 0 | 0 | | | | |
| *Pensioners/social grants rebate or exemption* | | 220,000 | 220,000 | | | | | |
| *Residential Properties exemption (Residential Properties* | | | | 40 - 100% | | | | |
| *Bona fide farmers rebate or exemption* | | | | | | | | |
| *Other rebates or exemptions* | | 75% | 75% | 75% | | | | |
| | | 1 | 1 | 1 | | | | |
| **Water tariffs** | | | | | | | | |
| | | 148 | 156 | 166 | 176 | 187 | 198 | 210 |
| | | 148 | 156 | 166 | 176 | 187 | 198 | 210 |
| | 0 - 6 kl | 6 | 6 | 7 | 7 | 8 | 8 | 9 |
| | 7 - 18 kl | 12 | 13 | 14 | 15 | 16 | 17 | 18 |
| | 19 - 30 kl | 20 | 21 | | | | | |
| | 31 - 45 kl | 31 | 33 | | | | | |
| | 19 - 45 kl | | | 19 | 31 | 33 | 35 | 37 |
| | 46 - 60 kl | 53 | 55 | 59 | 62 | 66 | 70 | 74 |
| | > 60 kl | 70 | 74 | 78 | 83 | 88 | 93 | 99 |
| **Waste water tariffs** | | | | | | | | |
| | Basic charge | 132 | 138 | 148 | 161 | 170 | 180 | 191 |
| | | 132 | 138 | 148 | 161 | 170 | 180 | 191 |
| | 70% of water usage | 15 | 16 | 17 | 18 | 19 | 20 | 22 |
| | Basic charge pumps | 89 | 93 | 99 | 108 | 115 | 122 | 129 |
| | Service per pump | 608 | 636 | 677 | 738 | 782 | 829 | 879 |
| **Electricity tariffs** | | | | | | | | |
| | Basic | 408 | 439 | 504 | 466 | 414 | 439 | 465 |
| | | 408 | 439 | 504 | 466 | 414 | 439 | 465 |
| | FBE based on household income | | | | | | | |
| | one-part (cents) | 146 | 157 | 157 | 199 | 224 | 237 | 252 |
| | Credit Meter | | | | | | | |
| | 0 - 350 kWh (cents) | 157 | 168 | 194 | 213 | 233 | 247 | 262 |
| | 351 - 600 kWh (cents) | 230 | 247 | 285 | 274 | 288 | 305 | 323 |
| | > 600 kWh (cents) | 283 | 304 | 350 | 385 | 327 | 347 | 368 |
| | Prepaid Meter | | | | | | - | - |
| | 0 - 350 kWh (cents) | 145 | 155 | 179 | 200 | 224 | 237 | 252 |
| | 351 - 600 kWh (cents) | 217 | 233 | 268 | 274 | 278 | 295 | 312 |
| | > 600 kWh (cents) | 272 | 292 | 336 | 370 | 319 | 338 | 358 |

## Table 71 MBRR SA32 – List of external mechanisms

| External mechanism<br>Name of organisation | Yrs/ Mths | Period of agreement 1.<br>Number | Service provided | Expiry date of service delivery agreement or contract | Monetary value of agreement 2.<br>R thousand |
|---|---|---|---|---|---|
| Outsourcing of sub function water and waste water treatmer | Yrs | 15 | Outsourcing of sub function water and waste water treatmer | 07 December 2033 | 1,370,804 |
| Outsourcing of sub function operation of landfil site | Yrs | 13 | Outsourcing of sub function operation of landfil 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<br>R thousand | Program/Project description | Prior year outcomes<br>Audited Outcome 2023/24 | <br>Current Year 2024/25 Full Year Forecast | 2025/26 Medium Term Revenue & Expenditure Framework<br>Budget Year 2025/26 | <br>Budget Year +1 2026/27 | <br>Budget Year +2 2027/28 | Project information<br>Ward location |
|---|---|---|---|---|---|---|---|
| **Vote 1 - Municipal Council** | | | | | | | |
| | Municipal Running Cost | 41,353 | 56,030 | 55,493 | 51,151 | 53,436 | |
| | Typical Work Streams | | 24 | 23 | 23 | 23 | |
| **Vote 2 - Office of the Municipal Manager** | | | | | | | |
| | Municipal Running Cost | 7,442 | 18,836 | 31,936 | 33,525 | 34,939 | |
| | Repairs & Maintenance | | 36 | 36 | 36 | 37 | |
| | Typical Work Streams | 9 | 13 | 1,730 | 1,803 | 1,892 | |
| **Vote 3 - Corporate Services** | | | | | | | |
| | Municipal Running Cost | 51,374 | 60,059 | 66,792 | 69,535 | 72,446 | |
| | Repairs & Maintenance | 10,222 | 12,726 | 13,289 | 13,219 | 13,512 | |
| | Typical Work Streams | 2,117 | 2,370 | 2,509 | 2,817 | 3,017 | |
| **Vote 4 - Financial Services** | | | | | | | |
| | Municipal Running Cost | 89,290 | 109,239 | 122,229 | 128,856 | 143,338 | |
| | Repairs & Maintenance | 692 | 21,384 | 31,274 | 33,059 | 34,951 | |
| | Typical Work Streams | 16,656 | 18,133 | 17,965 | 18,715 | 19,595 | |
| **Vote 5 - Infrastructure Services** | | | | | | | |
| | Municipal Running Cost | 741,526 | 1,113,433 | 1,050,752 | 1,089,263 | 1,151,393 | |
| | Repairs & Maintenance | 32,452 | 113,657 | 195,793 | 216,132 | 230,601 | |
| | Typical Work Streams | 112,712 | 50,014 | 46,974 | 22,545 | 4,618 | |
| **Vote 6 - Public Safety** | | | | | | | |
| | Municipal Running Cost | 78,818 | 154,967 | 185,237 | 196,607 | 206,723 | |
| | Repairs & Maintenance | 1,421 | 8,877 | 1,655 | 2,092 | 2,255 | |
| | Typical Work Streams | 14,707 | 20,501 | 14,663 | 18,134 | 16,646 | |
| **Vote 7 - Planning and Development** | | | | | | | |
| | Municipal Running Cost | 9,491 | 57,874 | 51,972 | 54,492 | 57,125 | |
| | Repairs & Maintenance | 206 | 2,572 | 3,634 | 2,341 | 2,443 | |
| | Typical Work Streams | 4,472 | 6,566 | 12,920 | 9,717 | 9,744 | |
| **Vote 8 - Community Services** | | | | | | | |
| | Municipal Running Cost | 301,672 | 149,950 | 94,893 | 95,664 | 101,045 | |
| | Repairs & Maintenance | 210,880 | 39,283 | 81,220 | 80,103 | 83,754 | |
| | Typical Work Streams | 25,288 | 26,192 | 27,003 | 27,977 | 29,146 | |
| **Parent operational expenditure** | | **1,752,801** | **2,042,734** | **2,109,991** | **2,167,804** | **2,272,680** | |
| **Total Operational expenditure** | | **1,752,801** | **2,042,734** | **2,109,991** | **2,167,804** | **2,272,680** | |

## Table 73 MBRR SA33 – Contracts having future budgetary implications

**WC032 Overstrand - Supporting Table SA33 Contracts having future budgetary implications**

| Description | Preceding Years | Current Year 2024/25 | 2025/26 Medium Term Revenue & Expenditure Framework | | | Forecast 2028/29 | Forecast 2029/30 | Forecast 2030/31 | Forecast 2031/32 | Forecast 2032/33 | Forecast 2033/34 | Forecast 2034/35 | Total Contract Value |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | Total | Original Budget | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate |
| **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.* | 219,396 | 105,692 | 114,552 | 124,171 | 127,881 | 135,289 | 143,137 | 151,451 | 16,026 | 169,593 | 63,615 | | 1,370,804 |
| *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* | 27,303 | 7,708 | 8,196 | 8,726 | 9,276 | 9,863 | 10,390 | 10,872 | 11,419 | 4,834 | | | 108,587 |
| *Contract 3* | | | | | | | | | | | | | – |
| **Total Operating Expenditure Implication** | 246,698 | 113,401 | 122,748 | 132,898 | 137,157 | 145,152 | 153,527 | 162,323 | 27,445 | 174,427 | 63,615 | – | 1,479,391 |
| **Capital Expenditure Obligation By Contract** | | | | | | | | | | | | | |
| **Total Capital Expenditure Implication** | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Total Parent Expenditure Implication** | **246,698** | **113,401** | **122,748** | **132,898** | **137,157** | **145,152** | **153,527** | **162,323** | **27,445** | **174,427** | **63,615** | **–** | 1,479,391 |

## 2.15 Municipal manager's quality certificate

I, DGI O'NEILL, the municipal manager of **Overstrand Municipality**, hereby certify that the annual budget and supporting documentation for the **2025/2026 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: 30 March 2026

# ANNEXURE A

# DRAFT BUDGET SCHEDULES 1-10

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

| Vote Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Revenue by Vote** | | | | | | | | | |
| Vote 1 - Municipal Council | 53 270 | 74 415 | 106 209 | 91 820 | 77 622 | 77 622 | 78 908 | 83 068 | 86 815 |
| Vote 2 - Office of the Municipal Manager | – | – | – | – | 1 931 | 1 931 | 515 | 546 | 579 |
| Vote 3 - Corporate Services | 3 603 | 1 496 | 1 492 | 1 364 | 1 464 | 1 464 | 1 274 | 1 345 | 1 419 |
| Vote 4 - Financial Services | 325 949 | 370 122 | 436 859 | 437 064 | 452 207 | 452 207 | 477 666 | 503 242 | 532 331 |
| Vote 5 - Infrastructure Services | 1 034 384 | 1 102 798 | 1 275 677 | 1 260 015 | 1 370 156 | 1 370 156 | 1 419 613 | 1 476 820 | 1 508 055 |
| Vote 6 - Public Safety | 27 139 | 24 795 | 29 545 | 34 972 | 38 268 | 38 268 | 52 939 | 19 957 | 28 422 |
| Vote 7 - Planning and Development | 48 857 | 76 056 | (7 188) | 61 852 | 70 323 | 70 323 | 71 012 | 71 492 | 72 585 |
| Vote 8 - Community Services | 25 229 | 32 033 | 39 248 | 15 707 | 27 206 | 27 206 | 15 145 | 14 692 | 16 433 |
| **Total Revenue by Vote** | **1 518 431** | **1 681 715** | **1 881 841** | **1 902 794** | **2 039 177** | **2 039 177** | **2 117 071** | **2 171 162** | **2 246 640** |
| **Expenditure by Vote** ***to be appropriated*** | | | | | | | | | |
| Vote 1 - Municipal Council | 36 404 | 46 177 | 41 353 | 54 329 | 53 910 | 53 910 | 55 516 | 51 174 | 53 459 |
| Vote 2 - Office of the Municipal Manager | 10 117 | 9 709 | 14 201 | 25 593 | 30 559 | 30 559 | 33 702 | 35 365 | 36 868 |
| Vote 3 - Corporate Services | 54 553 | 58 075 | 56 963 | 72 318 | 76 578 | 76 578 | 82 589 | 85 570 | 88 975 |
| Vote 4 - Financial Services | 136 612 | 140 078 | 106 638 | 138 929 | 168 137 | 168 137 | 171 468 | 180 629 | 197 884 |
| Vote 5 - Infrastructure Services | 893 615 | 943 253 | 1 189 410 | 1 210 945 | 1 261 213 | 1 261 213 | 1 293 520 | 1 327 940 | 1 386 612 |
| Vote 6 - Public Safety | 152 166 | 157 827 | 186 656 | 192 551 | 190 034 | 190 034 | 203 116 | 203 744 | 213 945 |
| Vote 7 - Planning and Development | 123 167 | 153 723 | 94 947 | 175 704 | 191 120 | 191 120 | 201 555 | 216 833 | 225 625 |
| Vote 8 - Community Services | 90 848 | 63 185 | 62 634 | 73 840 | 71 184 | 71 184 | 68 526 | 66 549 | 69 312 |
| **Total Expenditure by Vote** | **1 497 483** | **1 572 027** | **1 752 801** | **1 944 209** | **2 042 734** | **2 042 734** | **2 109 991** | **2 167 804** | **2 272 680** |
| **Surplus/(Deficit) for the year** | **20 948** | **109 688** | **129 040** | **(41 415)** | **(3 557)** | **(3 557)** | **7 080** | **3 358** | **(26 040)** |

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

| R thousand | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Revenue** | | | | | | | | | |
| **Exchange Revenue** | | | | | | | | | |
| Service charges - Electricity | 512 791 | 495 999 | 607 716 | 636 747 | 679 000 | 679 000 | 745 540 | 791 153 | 838 623 |
| Service charges - Water | 142 484 | 158 070 | 182 282 | 176 718 | 197 000 | 197 000 | 209 109 | 221 026 | 234 288 |
| Service charges - Waste Water Management | 93 237 | 100 655 | 114 193 | 118 479 | 126 600 | 126 600 | 129 533 | 140 980 | 149 439 |
| Service charges - Waste Management | 76 964 | 85 923 | 97 731 | 108 946 | 108 946 | 108 946 | 115 444 | 122 552 | 129 905 |
| Sale of Goods and Rendering of Services | 68 874 | 80 449 | 131 093 | 102 760 | 97 788 | 97 788 | 63 725 | 40 330 | 23 509 |
| Agency services | 6 880 | 7 140 | 6 599 | 7 103 | 7 103 | 7 103 | 7 500 | 7 950 | 8 427 |
| Interest | 24 | 33 | 215 | 0 | 0 | 0 | 0 | 0 | 0 |
| Interest earned from Receivables | 3 370 | 5 796 | 10 299 | 9 400 | 11 500 | 11 500 | 12 500 | 13 250 | 14 045 |
| Interest earned from Current and Non Current Assets | 31 884 | 51 751 | 68 418 | 51 250 | 59 250 | 59 250 | 55 000 | 58 300 | 61 798 |
| Dividends | – | – | – | – | – | – | – | – | – |
| Rent on Land | 1 650 | 1 401 | 2 704 | 1 889 | 1 889 | 1 889 | 452 | 479 | 508 |
| Rental from Fixed Assets | 5 042 | 5 346 | 5 583 | 5 676 | 7 176 | 7 176 | 7 544 | 7 996 | 8 475 |
| Licence and permits | 1 002 | 1 143 | 923 | 779 | 779 | 779 | 780 | 827 | 876 |
| Special Rating Areas | – | – | – | – | – | – | 15 420 | 16 037 | 16 678 |
| Operational Revenue | 7 497 | 10 988 | 10 968 | 8 539 | 8 544 | 8 544 | 5 554 | 5 886 | 6 238 |
| **Non-Exchange Revenue** | | | | | | | | | |
| Property rates | 280 176 | 297 101 | 339 596 | 361 957 | 367 000 | 367 000 | 383 977 | 407 016 | 431 437 |
| Surcharges and Taxes | – | – | – | – | – | – | – | – | – |
| Fines, penalties and forfeits | 35 124 | 58 043 | (22 970) | 44 889 | 52 460 | 52 460 | 52 537 | 52 636 | 52 741 |
| Licences or permits | 1 778 | 1 834 | 2 008 | 2 000 | 2 000 | 2 000 | 2 000 | 2 120 | 2 247 |
| Transfer and subsidies - Operational | 151 903 | 172 162 | 191 359 | 190 368 | 199 300 | 199 300 | 203 607 | 199 962 | 209 075 |
| Interest | 851 | 1 294 | 2 186 | 2 110 | 2 110 | 2 110 | 2 300 | 2 438 | 2 584 |
| Fuel Levy | – | – | – | – | – | – | – | – | – |
| Operational Revenue | – | – | – | – | – | – | – | – | – |
| Gains on disposal of Assets | – | 904 | – | – | 10 807 | 10 807 | – | – | – |
| Other Gains | 7 570 | 14 279 | 16 679 | 7 650 | 7 650 | 7 650 | 3 000 | 3 180 | 3 371 |
| Discontinued Operations | – | – | – | – | – | – | – | – | – |
| **Total Revenue (excluding capital transfers and contributions)** | **1 429 101** | **1 550 312** | **1 767 584** | **1 837 261** | **1 946 903** | **1 946 903** | **2 015 522** | **2 094 119** | **2 194 265** |
| **Expenditure** | | | | | | | | | |
| Employee related costs | 454 787 | 480 939 | 522 688 | 586 260 | 592 474 | 592 474 | 619 194 | 642 369 | 673 354 |
| Remuneration of councillors | 11 582 | 12 315 | 12 730 | 13 912 | 13 506 | 13 506 | 14 012 | 15 062 | 16 151 |
| Bulk purchases - electricity | 351 600 | 346 418 | 444 223 | 484 477 | 499 605 | 499 605 | 556 160 | 585 970 | 622 242 |
| Inventory consumed | 52 661 | 58 220 | 59 851 | 61 091 | 64 234 | 64 234 | 76 168 | 75 536 | 82 188 |
| Debt impairment | 28 248 | 52 100 | (12 141) | 53 394 | 67 400 | 67 400 | 70 770 | 74 309 | 78 024 |
| Depreciation and amortisation | 148 319 | 148 321 | 153 790 | 158 441 | 158 441 | 158 441 | 167 211 | 176 609 | 186 617 |
| Interest | 47 584 | 48 152 | 48 571 | 49 814 | 49 814 | 49 814 | 51 227 | 44 657 | 45 526 |
| Contracted services | 237 215 | 257 088 | 293 270 | 316 348 | 343 096 | 343 096 | 354 297 | 373 949 | 400 663 |
| Transfers and subsidies | 12 813 | 16 086 | 16 512 | 17 417 | 16 717 | 16 717 | 16 770 | 17 487 | 18 128 |
| Irrecoverable debts written off | 5 258 | 10 206 | 30 884 | 10 709 | 47 709 | 47 709 | 20 000 | 20 000 | 20 000 |
| Operational costs | 116 245 | 142 111 | 181 848 | 192 346 | 189 738 | 189 738 | 164 183 | 141 857 | 129 786 |
| Losses on disposal of Assets | 30 979 | – | 514 | – | – | – | – | – | – |
| Other Losses | 192 | 72 | 60 | – | – | – | – | – | – |
| **Total Expenditure** | **1 497 483** | **1 572 027** | **1 752 801** | **1 944 209** | **2 042 734** | **2 042 734** | **2 109 991** | **2 167 804** | **2 272 680** |
| **Surplus/(Deficit)** | **(68 383)** | **(21 715)** | **14 783** | **(106 948)** | **(95 831)** | **(95 831)** | **(94 469)** | **(73 685)** | **(78 415)** |
| Transfers and subsidies - capital (monetary | 87 270 | 125 273 | 92 977 | 65 533 | 88 616 | 88 616 | 101 549 | 77 043 | 52 375 |
| Transfers and subsidies - capital (in-kind) | 2 060 | 6 130 | 21 280 | – | 3 658 | 3 658 | – | – | – |
| **Surplus/(Deficit) after capital transfers & contributions** | **20 948** | 109 688 | 129 040 | **(41 415)** | **(3 557)** | **(3 557)** | **7 080** | **3 358** | **(26 040)** |
| Income Tax | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) after income tax** | **20 948** | 109 688 | 129 040 | (41 415) | (3 557) | (3 557) | 7 080 | 3 358 | (26 040) |
| Share of Surplus/Deficit attributable to Joint Venture | – | – | – | – | – | – | – | – | – |
| Share of Surplus/Deficit attributable to Minorities | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) attributable to municipality** | **20 948** | 109 688 | 129 040 | (41 415) | (3 557) | (3 557) | 7 080 | 3 358 | (26 040) |
| Share of Surplus/Deficit attributable to Associate | – | – | – | – | – | – | – | – | – |
| Intercompany/Parent subsidiary transactions | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) for the year** | **20 948** | **109 688** | **129 040** | **(41 415)** | **(3 557)** | **(3 557)** | **7 080** | **3 358** | **(26 040)** |

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

| Vote Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| Capital Expenditure - Functional | | | | | | | | | |
| ***Governance and administration*** | **3 761** | **2 228** | **6 967** | **3 490** | **3 155** | **3 155** | **8 800** | **500** | **500** |
| Executive and council | 3 | 5 | 7 | 520 | 70 | 70 | 5 441 | – | – |
| Finance and administration | 3 759 | 2 223 | 6 960 | 2 970 | 3 085 | 3 085 | 3 359 | 500 | 500 |
| Internal audit | – | – | – | – | – | – | – | – | – |
| ***Community and public safety*** | **63 534** | **40 838** | **43 100** | **32 711** | **56 954** | **56 954** | **70 560** | **15 000** | **22 392** |
| Community and social services | 1 458 | 3 890 | 1 371 | 2 235 | 1 351 | 1 351 | 6 325 | – | – |
| Sport and recreation | 5 047 | 3 318 | 5 741 | 13 397 | 17 509 | 17 509 | 32 601 | 2 000 | 9 392 |
| Public safety | 7 998 | 5 007 | 2 310 | 3 950 | 6 650 | 6 650 | 7 092 | – | – |
| Housing | 49 031 | 28 623 | 33 678 | 13 129 | 31 444 | 31 444 | 24 542 | 13 000 | 13 000 |
| Health | – | – | – | – | – | – | – | – | – |
| ***Economic and environmental services*** | **11 405** | **20 518** | **17 926** | **3 277** | **7 475** | **7 475** | **16 954** | **9 400** | **5 000** |
| Planning and development | 2 656 | 3 719 | 6 170 | 975 | 2 875 | 2 875 | 1 554 | – | – |
| Road transport | 8 748 | 16 799 | 11 755 | 2 302 | 4 600 | 4 600 | 15 400 | 9 400 | 5 000 |
| Environmental protection | – | – | – | – | – | – | – | – | – |
| ***Trading services*** | **113 677** | **125 737** | **125 525** | **145 151** | **157 410** | **157 410** | **149 517** | **122 643** | **104 983** |
| Energy sources | 28 253 | 55 692 | 49 583 | 53 461 | 51 031 | 51 031 | 53 290 | 30 551 | 38 983 |
| Water management | 36 721 | 31 608 | 29 092 | 43 575 | 42 775 | 42 775 | 57 927 | 51 142 | 23 800 |
| Waste water management | 45 732 | 32 801 | 46 735 | 45 534 | 58 723 | 58 723 | 33 360 | 38 850 | 38 300 |
| Waste management | 2 972 | 5 637 | 115 | 2 580 | 4 880 | 4 880 | 4 940 | 2 100 | 3 900 |
| ***Other*** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Total Capital Expenditure - Functional** | **192 377** | **189 321** | **193 518** | **184 628** | **224 994** | **224 994** | **245 831** | **147 543** | **132 875** |
| Funded by: | | | | | | | | | |
| National Government | 36 688 | 81 741 | 59 150 | 52 299 | 55 951 | 55 951 | 76 207 | 64 043 | 39 375 |
| Provincial Government | 1 290 | 5 036 | 33 827 | 13 129 | 32 560 | 32 560 | 25 342 | 13 000 | 13 000 |
| District Municipality | – | – | – | – | – | – | – | – | – |
| allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, | 53 387 | 26 098 | 21 282 | 105 | 3 763 | 3 763 | – | – | – |
| **Transfers recognised - capital** | **91 365** | **112 876** | **114 260** | **65 533** | **92 274** | **92 274** | **101 549** | **77 043** | **52 375** |
| **Public contributions & donations** | – | 18 467 | | | | | | | |
| **Borrowing** | 65 237 | 34 249 | 66 513 | 93 010 | 89 511 | 89 511 | 93 982 | 70 000 | 80 000 |
| **Internally generated funds** | 35 775 | 23 730 | 12 745 | 26 085 | 43 209 | 43 209 | 50 300 | 500 | 500 |
| **Total Capital Funding** | **192 377** | **189 321** | **193 518** | **184 628** | **224 994** | **224 994** | **245 831** | **147 543** | **132 875** |

**WC032 Overstrand - Schedule 4 - Budgeted Financial Position**

| R thousand | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **ASSETS** | | | | | | | | | |
| **Current assets** | | | | | | | | | |
| Cash and cash equivalents | 616 280 | 646 535 | 676 658 | 660 378 | 676 391 | 676 391 | 729 941 | 818 816 | 889 398 |
| Trade and other receivables from exchange transactions | 96 422 | 110 076 | 153 598 | 76 747 | 123 982 | 123 982 | 105 760 | 86 497 | 67 440 |
| Receivables from non-exchange transactions | 52 678 | 50 479 | 52 959 | 33 832 | 41 105 | 41 105 | 35 543 | 31 190 | 27 520 |
| Current portion of non-current receivables | – | – | – | – | – | – | – | – | – |
| Inventory | 10 938 | 11 594 | 15 711 | 11 199 | 11 199 | 11 199 | 15 588 | 15 624 | 15 649 |
| VAT | 12 472 | 13 587 | 14 019 | 1 783 | 1 783 | 1 783 | 1 800 | 1 817 | 1 836 |
| Other current assets | 733 | 1 455 | 745 | 45 087 | 45 087 | 45 087 | 55 610 | 56 670 | 57 740 |
| **Total current assets** | **789 523** | **833 727** | **913 690** | **829 027** | **899 548** | **899 548** | **944 243** | **1 010 615** | **1 059 583** |
| **Non current assets** | | | | | | | | | |
| Investments | 60 512 | 68 211 | 77 045 | 84 471 | 84 471 | 84 471 | 8 400 | – | – |
| Investment property | 131 248 | 151 589 | 164 436 | 150 336 | 150 336 | 150 336 | 168 225 | 170 585 | 173 956 |
| Property, plant and equipment | 3 633 488 | 3 674 341 | 3 713 687 | 3 880 112 | 3 918 559 | 3 918 559 | 3 858 857 | 3 830 170 | 3 776 828 |
| Biological assets | – | – | – | – | – | – | – | – | – |
| Living and non-living resources | 610 | 542 | 415 | 1 106 | 806 | 806 | 980 | 912 | 844 |
| Heritage assets | 112 126 | 109 625 | 109 625 | 114 055 | 114 055 | 114 055 | 109 625 | 109 625 | 109 625 |
| Intangible assets | 8 940 | 8 687 | 8 050 | 7 637 | 7 637 | 7 637 | 7 488 | 7 177 | 6 845 |
| Trade and other receivables from exchange transactions | – | – | – | – | – | – | – | – | – |
| Non-current receivables from non-exchange transactions | – | – | – | – | – | – | – | – | – |
| Other non-current assets | – | – | – | – | – | – | – | – | – |
| **Total non current assets** | **3 946 923** | **4 012 995** | **4 073 258** | **4 237 717** | **4 275 864** | **4 275 864** | **4 153 575** | **4 118 469** | **4 068 097** |
| **TOTAL ASSETS** | **4 736 446** | **4 846 722** | **4 986 948** | **5 066 744** | **5 175 412** | **5 175 412** | **5 097 817** | **5 129 084** | **5 127 680** |
| **LIABILITIES** | | | | | | | | | |
| **Current liabilities** | | | | | | | | | |
| Bank overdraft | – | – | – | – | – | – | – | – | – |
| Financial liabilities | 50 494 | 57 949 | 50 444 | 154 566 | 154 566 | 154 566 | 61 383 | 72 116 | 80 828 |
| Consumer deposits | 64 682 | 65 804 | 69 338 | 58 712 | 58 712 | 58 712 | 69 665 | 71 715 | 73 765 |
| Trade and other payables from exchange transactions | 120 787 | 127 465 | 133 784 | 158 403 | 158 403 | 158 403 | 133 297 | 133 581 | 133 874 |
| Trade and other payables from non-exchange transactions | 26 309 | 6 206 | 5 342 | – | – | – | – | – | – |
| Provision | 41 443 | 43 365 | 45 659 | 53 093 | 53 093 | 53 093 | 48 242 | 53 463 | 55 523 |
| VAT | – | – | – | 3 365 | 3 365 | 3 365 | 4 201 | 5 095 | 6 044 |
| Other current liabilities | 5 414 | 6 083 | 6 683 | 6 643 | 6 643 | 6 643 | 7 966 | 8 285 | 8 616 |
| **Total current liabilities** | **309 129** | **306 872** | **311 250** | **434 783** | **434 783** | **434 783** | **324 754** | **344 254** | **358 650** |
| **Non current liabilities** | | | | | | | | | |
| Financial liabilities | 429 906 | 421 957 | 421 513 | 331 786 | 331 786 | 331 786 | 360 476 | 358 360 | 357 532 |
| Provision | 157 026 | 170 841 | 172 518 | 188 240 | 188 240 | 188 240 | 186 928 | 186 381 | 186 502 |
| Long term portion of trade payables | – | – | – | – | – | – | – | – | – |
| Other non-current liabilities | 116 205 | 114 262 | 119 837 | 141 167 | 141 167 | 141 167 | 145 765 | 151 596 | 157 659 |
| **Total non current liabilities** | **703 137** | **707 060** | **713 869** | **661 193** | **661 193** | **661 193** | **693 169** | **696 336** | **701 693** |
| **TOTAL LIABILITIES** | **1 012 266** | **1 013 932** | **1 025 118** | **1 095 976** | **1 095 976** | **1 095 976** | **1 017 923** | **1 040 590** | **1 060 343** |
| **NET ASSETS** | **3 724 180** | **3 832 790** | **3 961 830** | **3 970 769** | **4 079 436** | **4 079 436** | **4 079 894** | **4 088 493** | **4 067 337** |
| **COMMUNITY WEALTH/EQUITY** | | | | | | | | | |
| Accumulated surplus/(deficit) | 3 720 953 | 3 829 562 | 3 958 602 | 3 967 539 | 4 076 207 | 4 076 207 | 4 076 664 | 4 085 262 | 4 064 105 |
| Reserves and funds | 3 228 | 3 228 | 3 228 | 3 230 | 3 230 | 3 230 | 3 231 | 3 232 | 3 233 |
| Other | – | – | – | – | – | – | – | – | – |
| **TOTAL COMMUNITY WEALTH/EQUITY** | **3 724 180** | **3 832 790** | **3 961 830** | **3 970 769** | **4 079 436** | **4 079 436** | **4 079 894** | **4 088 493** | **4 067 337** |

**WC032 Overstrand - Schedule 5 - Budgeted Cash Flows**

| R thousand | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **CASH FLOW FROM OPERATING ACTIVITIES** | | | | | | | | | |
| **Receipts** | | | | | | | | | |
| Property rates | 277 452 | 292 203 | 331 408 | 358 095 | 362 295 | 362 295 | 395 706 | 419 145 | 443 977 |
| Service charges | 813 102 | 812 299 | 933 715 | 1 032 355 | 1 102 689 | 1 102 689 | 1 193 359 | 1 268 998 | 1 345 137 |
| Other revenue | 88 928 | 114 226 | 148 838 | 120 379 | 120 379 | 120 379 | 95 808 | 72 775 | 54 532 |
| Transfers and Subsidies - Operational | 145 075 | 172 032 | 186 843 | 190 368 | 201 918 | 201 918 | 203 607 | 199 962 | 209 075 |
| Transfers and Subsidies - Capital | 96 836 | 105 269 | 96 616 | 65 533 | 92 274 | 92 274 | 101 549 | 77 043 | 52 375 |
| Interest | 36 128 | 58 874 | 81 119 | 51 250 | 51 250 | 51 250 | 55 000 | 58 300 | 61 798 |
| Dividends | – | – | – | – | – | – | – | – | – |
| **Payments** | | | | | | | | | |
| Suppliers and employees | (1 199 126) | (1 277 763) | (1 501 927) | (1 609 408) | (1 656 924) | (1 656 924) | (1 758 974) | (1 807 968) | (1 909 718) |
| Interest | (47 584) | (48 152) | (48 571) | (49 814) | (49 814) | (49 814) | (51 227) | (44 657) | (45 526) |
| Transfers and Subsidies | (12 813) | (14 865) | (16 590) | (17 417) | (17 417) | (17 417) | (16 770) | (17 487) | (18 128) |
| **NET CASH FROM/(USED) OPERATING ACTIVITIES** | **197 999** | **214 123** | **211 450** | **141 341** | **206 650** | **206 650** | **218 059** | **226 111** | **193 523** |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | | | | | | | |
| **Receipts** | | | | | | | | | |
| Proceeds on disposal of PPE | 3 813 | 3 676 | 302 | – | 13 043 | 13 043 | – | – | – |
| Decrease (increase) in non-current receivables | – | | – | – | – | – | – | – | – |
| Decrease (increase) in non-current investments | (4 980) | (4 980) | (4 980) | (4 980) | (4 980) | (4 980) | 30 167 | (360) | – |
| **Payments** | | | | | | | | | |
| Capital assets | (190 382) | (183 191) | (172 235) | (184 628) | (222 775) | (222 775) | (245 831) | (147 543) | (132 875) |
| **NET CASH FROM/(USED) INVESTING ACTIVITIES** | **(191 549)** | **(184 495)** | **(176 913)** | **(189 608)** | **(214 712)** | **(214 712)** | **(215 664)** | **(147 903)** | **(132 875)** |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | | | | | | | |
| **Receipts** | | | | | | | | | |
| Short term loans | – | – | – | – | – | – | – | – | – |
| Borrowing long term/refinancing | 50 000 | 50 000 | 50 000 | 65 000 | 65 000 | 65 000 | 90 000 | 70 000 | 80 000 |
| Increase (decrease) in consumer deposits | 1 064 | 1 122 | 3 535 | (6 600) | (6 600) | (6 600) | 5 200 | 2 050 | 2 050 |
| **Payments** | | | | | | | | | |
| Repayment of borrowing | (53 957) | (50 494) | (57 949) | (50 605) | (50 605) | (50 605) | (154 654) | (61 383) | (72 116) |
| **NET CASH FROM/(USED) FINANCING ACTIVITIES** | **(2 893)** | **628** | **(4 414)** | **7 795** | **7 795** | **7 795** | **(59 454)** | **10 667** | **9 934** |
| **NET INCREASE/ (DECREASE) IN CASH HELD** | **3 557** | **30 255** | **30 123** | **(40 473)** | **(267)** | **(267)** | **(57 059)** | **88 875** | **70 582** |
| Cash/cash equivalents at the year begin: | **612 723** | **616 280** | **646 535** | **700 851** | **676 658** | **676 658** | **787 000** | **729 941** | **818 816** |
| Cash/cash equivalents at the year end: | **616 280** | **646 535** | **676 658** | **660 378** | **676 391** | **676 391** | **729 941** | **818 816** | **889 398** |

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

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Cash and investments available** | | | | | | | | | |
| Cash/cash equivalents at the year end | 616 280 | 646 535 | 676 658 | 660 378 | 676 391 | 676 391 | 729 941 | 818 816 | 889 398 |
| Other current investments > 90 days | 0 | (0) | (0) | 0 | 0 | 0 | – | – | – |
| Investments - Property, plant and equipment | 60 512 | 68 211 | 77 045 | 84 471 | 84 471 | 84 471 | 8 400 | – | – |
| **Cash and investments available:** | **676 792** | **714 746** | **753 703** | **744 849** | **760 862** | **760 862** | **738 342** | **818 816** | **889 398** |
| **Application of cash and investments** | | | | | | | | | |
| Trade payables from Non-exchange transactions: Unspent conditional Grants | 26 309 | 6 206 | 5 342 | – | – | – | – | – | – |
| Unspent borrowing | – | 30 175 | 56 641 | 27 610 | 27 610 | 27 610 | 3 982 | – | – |
| Statutory requirements | – | – | 14 020 | 6 919 | 11 659 | 11 659 | – | – | – |
| Other working capital requirements | 11 963 | 15 967 | 8 748 | 44 481 | 37 543 | 37 543 | 90 143 | 102 940 | 106 854 |
| Other provisions | 13 315 | 13 315 | (52 554) | (56 225) | (56 225) | (56 225) | – | – | – |
| Long term investments committed | 60 512 | 68 211 | 77 045 | 84 471 | 84 471 | 84 471 | 8 400 | – | – |
| Reserves to be backed by cash/investments | – | – | – | – | – | – | – | – | – |
| **Total Application of cash and investments:** | **112 099** | **133 875** | **109 242** | **107 257** | **105 059** | **105 059** | **102 525** | **102 940** | **106 854** |
| **Surplus(shortfall)** | **564 693** | **580 871** | **644 461** | **637 592** | **655 803** | **655 803** | **635 816** | **715 876** | **782 544** |

**WC032 Overstrand - Table A9 Asset Management**

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **CAPITAL EXPENDITURE** | | | | | | | | | |
| **Total New Assets** | **119 714** | **132 803** | **142 268** | **113 744** | **151 819** | **151 819** | **136 465** | **54 201** | **55 683** |
| *Roads Infrastructure* | 7 714 | 16 799 | 11 795 | 952 | 3 250 | 3 250 | 6 500 | 9 400 | 2 000 |
| *Storm water Infrastructure* | 4 724 | 1 113 | 5 968 | 10 213 | 13 536 | 13 536 | 5 000 | – | – |
| *Electrical Infrastructure* | 18 244 | 53 049 | 45 316 | 32 748 | 30 317 | 30 317 | 27 590 | 20 451 | 17 483 |
| *Water Supply Infrastructure* | 3 171 | 9 484 | 16 099 | 24 900 | 24 100 | 24 100 | 13 050 | 7 000 | 9 800 |
| *Sanitation Infrastructure* | 8 923 | 3 956 | 8 141 | 8 500 | 6 500 | 6 500 | 7 750 | 500 | 1 000 |
| *Solid Waste Infrastructure* | 2 972 | 1 226 | 50 | 565 | 1 055 | 1 055 | 4 940 | 2 100 | 3 900 |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | ***45 748*** | ***85 627*** | ***87 369*** | ***77 878*** | ***78 759*** | ***78 759*** | ***64 830*** | ***39 451*** | ***34 183*** |
| Community Facilities | 4 140 | 2 674 | 797 | 3 350 | 2 900 | 2 900 | 6 821 | – | 3 000 |
| Sport and Recreation Facilities | 5 047 | 5 068 | 3 451 | 2 947 | 6 769 | 6 769 | 8 772 | – | 5 000 |
| **Community Assets** | ***9 187*** | ***7 742*** | ***4 248*** | ***6 297*** | ***9 669*** | ***9 669*** | ***15 593*** | **–** | ***8 000*** |
| **Heritage Assets** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Revenue Generating | – | – | – | – | – | – | – | – | – |
| Non-revenue Generating | – | – | – | – | – | – | – | – | – |
| **Investment properties** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Operational Buildings | 1 410 | 2 211 | 6 567 | 2 250 | 3 750 | 3 750 | 2 250 | 1 250 | – |
| Housing | 49 031 | 26 523 | 33 678 | 13 129 | 31 444 | 31 444 | 24 542 | 13 000 | 13 000 |
| **Other Assets** | ***50 440*** | ***28 734*** | ***40 245*** | ***15 379*** | ***35 194*** | ***35 194*** | ***26 792*** | ***14 250*** | ***13 000*** |
| **Biological or Cultivated Assets** | **21** | **–** | **–** | **700** | **400** | **400** | **300** | **–** | **–** |
| Servitudes | – | – | – | – | – | – | – | – | – |
| Licences and Rights | – | – | 71 | – | – | – | – | – | – |
| **Intangible Assets** | **–** | **–** | ***71*** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Computer Equipment** | **3 240** | **2 212** | **4 550** | **3 250** | **3 250** | **3 250** | **3 130** | **500** | **500** |
| **Furniture and Office Equipment** | **2 910** | **715** | **408** | **865** | **1 396** | **1 396** | **1 345** | **–** | **–** |
| **Machinery and Equipment** | **1 363** | **729** | **3 588** | **1 225** | **335** | **335** | **325** | **–** | **–** |
| **Transport Assets** | **6 806** | **7 043** | **1 787** | **8 150** | **22 816** | **22 816** | **24 150** | **–** | **–** |
| **Land** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Zoo's, Marine and Non-biological Animals** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Mature** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Immature** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Living Resources** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Total Renewal of Existing Assets** | **30 964** | **17 393** | **15 235** | **19 375** | **19 375** | **19 375** | **45 827** | **45 092** | **16 700** |
| *Roads Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Storm water Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Electrical Infrastructure* | 1 000 | 1 042 | 1 500 | 1 500 | 1 500 | 1 500 | 1 500 | 2 000 | 2 500 |
| *Water Supply Infrastructure* | 29 964 | 15 725 | 12 448 | 17 175 | 17 175 | 17 175 | 43 627 | 42 392 | 13 500 |
| *Sanitation Infrastructure* | – | 626 | 1 287 | 700 | 700 | 700 | 700 | 700 | 700 |
| *Solid Waste Infrastructure* | – | – | – | – | – | – | | | |
| *Rail Infrastructure* | – | – | – | – | – | – | | | |
| *Coastal Infrastructure* | – | – | – | – | – | – | | | |
| *Information and Communication Infrastructure* | – | – | – | – | – | – | | | |
| **Infrastructure** | ***30 964*** | ***17 393*** | ***15 235*** | ***19 375*** | ***19 375*** | ***19 375*** | ***45 827*** | ***45 092*** | ***16 700*** |
| 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** | **41 698** | **39 125** | **36 015** | **51 509** | **53 800** | **53 800** | **63 539** | **48 250** | **60 492** |
| *Roads Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Storm water Infrastructure* | – | – | – | – | – | – | 1 000 | – | – |
| *Electrical Infrastructure* | 7 173 | 1 600 | 2 767 | 15 464 | 15 464 | 15 464 | 16 300 | 8 100 | 19 000 |
| *Water Supply Infrastructure* | 3 586 | 6 928 | 541 | 500 | 500 | 500 | 500 | 500 | 500 |
| *Sanitation Infrastructure* | 30 939 | 28 219 | 30 351 | 25 621 | 27 621 | 27 621 | 18 910 | 37 650 | 36 600 |
| *Solid Waste Infrastructure* | – | 1 859 | 65 | 25 | 25 | 25 | – | – | – |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | ***41 698*** | ***38 606*** | ***33 725*** | ***41 609*** | ***43 609*** | ***43 609*** | ***36 710*** | ***46 250*** | ***56 100*** |
| Community Facilities | – | 319 | – | – | – | – | 4 000 | – | – |
| Sport and Recreation Facilities | – | 200 | 2 290 | 9 900 | 10 190 | 10 190 | 22 829 | 2 000 | 4 392 |
| **Community Assets** | **–** | ***519*** | ***2 290*** | ***9 900*** | ***10 190*** | ***10 190*** | ***26 829*** | ***2 000*** | ***4 392*** |
| **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** | **192 377** | **189 321** | **193 518** | **184 628** | **224 994** | **224 994** | **245 831** | **147 543** | **132 875** |
| *Roads Infrastructure* | 7 714 | 16 799 | 11 795 | 952 | 3 250 | 3 250 | 6 500 | 9 400 | 2 000 |
| *Storm water Infrastructure* | 4 724 | 1 113 | 5 968 | 10 213 | 13 536 | 13 536 | 6 000 | – | – |
| *Electrical Infrastructure* | 26 417 | 55 692 | 49 583 | 49 711 | 47 281 | 47 281 | 45 390 | 30 551 | 38 983 |
| *Water Supply Infrastructure* | 36 721 | 32 137 | 29 088 | 42 575 | 41 775 | 41 775 | 57 177 | 49 892 | 23 800 |
| *Sanitation Infrastructure* | 39 862 | 32 801 | 39 780 | 34 821 | 34 821 | 34 821 | 27 360 | 38 850 | 38 300 |
| *Solid Waste Infrastructure* | 2 972 | 3 085 | 115 | 590 | 1 080 | 1 080 | 4 940 | 2 100 | 3 900 |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | ***118 410*** | ***141 626*** | ***136 329*** | ***138 863*** | ***141 744*** | ***141 744*** | ***147 367*** | ***130 793*** | ***106 983*** |
| Community Facilities | 4 140 | 2 994 | 797 | 3 350 | 2 900 | 2 900 | 10 821 | – | 3 000 |
| Sport and Recreation Facilities | 5 047 | 5 268 | 5 741 | 12 847 | 16 959 | 16 959 | 31 601 | 2 000 | 9 392 |
| **Community Assets** | ***9 187*** | ***8 261*** | ***6 538*** | ***16 197*** | ***19 859*** | ***19 859*** | ***42 422*** | ***2 000*** | ***12 392*** |
| **Heritage Assets** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Revenue Generating | – | – | – | – | – | – | – | – | – |
| Non-revenue Generating | – | – | – | – | – | – | – | – | – |
| **Investment properties** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Operational Buildings | 1 410 | 2 211 | 6 567 | 2 250 | 3 750 | 3 750 | 2 250 | 1 250 | – |
| Housing | 49 031 | 26 523 | 33 678 | 13 129 | 31 444 | 31 444 | 24 542 | 13 000 | 13 000 |
| **Other Assets** | ***50 440*** | ***28 734*** | ***40 245*** | ***15 379*** | ***35 194*** | ***35 194*** | ***26 792*** | ***14 250*** | ***13 000*** |
| **Biological or Cultivated Assets** | **21** | **–** | **–** | **700** | **400** | **400** | **300** | **–** | **–** |
| Servitudes | – | – | – | – | – | – | – | – | – |
| Licences and Rights | – | – | 71 | – | – | – | – | – | – |
| **Intangible Assets** | **–** | **–** | ***71*** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Computer Equipment** | **3 240** | **2 212** | **4 550** | **3 250** | **3 250** | **3 250** | **3 130** | **500** | **500** |
| **Furniture and Office Equipment** | **2 910** | **715** | **408** | **865** | **1 396** | **1 396** | **1 345** | **–** | **–** |
| **Machinery and Equipment** | **1 363** | **729** | **3 588** | **1 225** | **335** | **335** | **325** | **–** | **–** |
| **Transport Assets** | **6 806** | **7 043** | **1 787** | **8 150** | **22 816** | **22 816** | **24 150** | **–** | **–** |
| **Land** | **–** | **–** | **–** | **–** | **–** | **–** | | | |
| **Zoo's, Marine and Non-biological Animals** | **–** | **–** | **–** | **–** | **–** | **–** | | | |
| **Mature** | **–** | **–** | **–** | **–** | **–** | **–** | | | |
| **Immature** | **–** | **–** | **–** | **–** | **–** | **–** | | | |
| **Living Resources** | **–** | **–** | **–** | **–** | **–** | **–** | | | |
| **TOTAL CAPITAL EXPENDITURE - Asset class** | **192 377** | **189 321** | **193 518** | **184 628** | **224 994** | **224 994** | **245 831** | **147 543** | **132 875** |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **ASSET REGISTER SUMMARY - PPE (WDV)** | 3 886 411 | 3 944 784 | 3 996 213 | 4 153 247 | 4 191 393 | 4 191 393 | 4 145 174 | 4 118 469 | 4 068 097 |
| *Roads Infrastructure* | 1 029 544 | 1 030 337 | 1 025 787 | 875 222 | 877 520 | 877 520 | 914 446 | 870 175 | 814 211 |
| *Storm water Infrastructure* | 247 600 | 247 788 | 246 502 | 246 734 | 250 419 | 250 419 | 255 828 | 246 750 | 237 491 |
| *Electrical Infrastructure* | 485 064 | 533 170 | 555 186 | 603 240 | 600 810 | 600 810 | 535 259 | 537 050 | 546 698 |
| *Water Supply Infrastructure* | 500 923 | 512 678 | 520 541 | 554 132 | 553 332 | 553 332 | 606 144 | 628 942 | 624 564 |
| *Sanitation Infrastructure* | 427 473 | 468 023 | 487 367 | 503 640 | 503 640 | 503 640 | 507 626 | 531 249 | 553 560 |
| *Solid Waste Infrastructure* | 40 054 | 39 649 | 37 096 | 44 240 | 44 240 | 44 240 | 37 547 | 36 274 | 36 833 |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | ***2 730 657*** | ***2 831 644*** | ***2 872 478*** | ***2 827 209*** | ***2 829 962*** | ***2 829 962*** | ***2 856 851*** | ***2 850 441*** | ***2 813 358*** |
| Community Facilities | | | | | | | | | |
| Sport and Recreation Facilities | | | | | | | | | |
| **Community Assets** | ***226 208*** | ***233 953*** | ***229 978*** | **–** | **–** | **–** | ***278 763*** | ***264 045*** | ***258 046*** |
| **Heritage Assets** | **112 126** | **109 625** | **109 625** | **114 055** | **114 055** | **114 055** | **109 625** | **109 625** | **109 625** |
| Revenue Generating | – | – | – | – | – | – | – | – | – |
| Non-revenue Generating | – | – | – | – | – | – | – | – | – |
| **Investment properties** | ***127 088*** | ***151 589*** | ***164 436*** | ***150 336*** | ***150 336*** | ***150 336*** | ***168 225*** | ***170 585*** | ***173 956*** |
| Operational Buildings | – | – | – | – | – | – | | – | – |
| Housing | – | – | – | – | – | – | | – | – |
| **Other Assets** | ***157 525*** | ***81 149*** | ***80 885*** | ***923 673*** | ***939 337*** | ***939 337*** | ***137 872*** | ***148 584*** | ***158 046*** |
| **Biological or Cultivated Assets** | **–** | **–** | **–** | **–** | **5 231** | **5 231** | **–** | **–** | **–** |
| Servitudes | – | – | – | – | – | – | | – | – |
| Licences and Rights | – | – | – | – | – | – | | – | – |
| **Intangible Assets** | ***8 940*** | ***8 687*** | ***8 050*** | ***7 709*** | ***7 709*** | ***7 709*** | ***7 488*** | ***7 177*** | ***6 845*** |
| **Computer Equipment** | **10 483** | **10 578** | **11 355** | **–** | **–** | **–** | **17 735** | **18 235** | **18 735** |
| **Furniture and Office Equipment** | **1 818** | **1 682** | **3 353** | **20 289** | **20 420** | **20 420** | **2 627** | **(175)** | **(3 257)** |
| **Machinery and Equipment** | **9 473** | **10 500** | **10 142** | **7 577** | **7 577** | **7 577** | **7 699** | **5 907** | **3 935** |
| **Transport Assets** | **97 940** | **99 145** | **95 012** | **101 294** | **115 960** | **115 960** | **146 824** | **132 649** | **117 481** |
| **Land** | **403 543** | **405 689** | **410 484** | **–** | **–** | **–** | **410 484** | **410 484** | **410 484** |
| **Zoo's, Marine and Non-biological Animals** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Living Resources** | **610** | **542** | **415** | **1 106** | **806** | **806** | **980** | **912** | **844** |
| **TOTAL ASSET REGISTER SUMMARY - PPE (WDV)** | **3 886 411** | **3 944 784** | **3 996 213** | **4 153 247** | **4 191 393** | **4 191 393** | **4 145 174** | **4 118 469** | **4 068 097** |
| **EXPENDITURE OTHER ITEMS** | | | | | | | | | |
| **Depreciation** | 147 004 | 148 321 | 153 664 | 158 373 | 158 373 | 158 373 | 167 143 | 176 541 | 186 550 |
| **Repairs and Maintenance by Asset Class** | **245 386** | **249 505** | **280 465** | **295 774** | **317 124** | **317 124** | **326 900** | **346 983** | **367 554** |
| *Roads Infrastructure* | 64 340 | 54 418 | 74 585 | 78 769 | 79 784 | 79 784 | 85 143 | 92 661 | 100 377 |
| *Storm water Infrastructure* | 6 870 | 6 157 | 5 588 | 6 361 | 11 679 | 11 679 | 13 747 | 14 479 | 15 222 |
| *Electrical Infrastructure* | 30 721 | 35 380 | 38 864 | 40 144 | 45 567 | 45 567 | 49 278 | 51 502 | 54 259 |
| *Water Supply Infrastructure* | 21 088 | 20 432 | 19 038 | 24 954 | 19 116 | 19 116 | 20 985 | 22 129 | 23 336 |
| *Sanitation Infrastructure* | 11 710 | 12 634 | 12 280 | 14 322 | 15 602 | 15 602 | 12 419 | 16 948 | 17 872 |
| *Solid Waste Infrastructure* | 6 351 | 8 650 | 9 310 | 8 620 | 10 658 | 10 658 | 11 483 | 12 129 | 12 810 |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | ***141 079*** | ***137 671*** | ***159 666*** | ***173 170*** | ***182 405*** | ***182 405*** | ***193 055*** | ***209 848*** | ***223 876*** |
| Community Facilities | 37 455 | 40 568 | 43 765 | 49 396 | 47 317 | 47 317 | 48 317 | 50 789 | 53 442 |
| Sport and Recreation Facilities | 12 921 | 12 919 | 12 021 | 17 042 | 15 081 | 15 081 | 15 438 | 16 141 | 16 894 |
| **Community Assets** | ***50 376*** | ***53 486*** | ***55 786*** | ***66 438*** | ***62 398*** | ***62 398*** | ***63 754*** | ***66 930*** | ***70 336*** |
| **Heritage Assets** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Revenue Generating | – | – | – | – | – | – | – | – | – |
| Non-revenue Generating | – | – | – | – | – | – | – | – | – |
| **Investment properties** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Operational Buildings | 15 056 | 16 833 | 12 818 | 13 758 | 20 223 | 20 223 | 18 955 | 13 511 | 13 784 |
| Housing | – | – | – | – | – | – | – | – | – |
| **Other Assets** | ***15 056*** | ***16 833*** | ***12 818*** | ***13 758*** | ***20 223*** | ***20 223*** | ***18 955*** | ***13 511*** | ***13 784*** |
| **Biological or Cultivated Assets** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Servitudes | – | – | – | – | – | – | – | – | – |
| Licences and Rights | 5 915 | 6 829 | 7 777 | 8 967 | 9 317 | 9 317 | 10 661 | 10 591 | 10 884 |
| **Intangible Assets** | ***5 915*** | ***6 829*** | ***7 777*** | ***8 967*** | ***9 317*** | ***9 317*** | ***10 661*** | ***10 591*** | ***10 884*** |
| **Computer Equipment** | **2 490** | **2 157** | **1 898** | **2 566** | **3 026** | **3 026** | **2 546** | **2 546** | **2 546** |
| **Furniture and Office Equipment** | **5 004** | **8 206** | **12 316** | **7 747** | **1 606** | **1 606** | **1 704** | **1 721** | **1 783** |
| **Machinery and Equipment** | **4 059** | **4 163** | **6 749** | **5 983** | **7 111** | **7 111** | **5 807** | **9 633** | **10 253** |
| **Transport Assets** | **21 406** | **20 160** | **23 455** | **17 145** | **31 037** | **31 037** | **30 419** | **32 202** | **34 093** |
| **Libraries** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Zoo's, Marine and Non-biological Animals** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Mature** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Immature** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Living Resources** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **TOTAL EXPENDITURE OTHER ITEMS** | **392 390** | **397 826** | **434 129** | **454 148** | **475 497** | **475 497** | **494 044** | **523 524** | **554 104** |
| ***Renewal and upgrading of Existing Assets as % of total*** | *37.8%* | *29.9%* | *26.5%* | *38.4%* | *32.5%* | *32.5%* | *44.5%* | *63.3%* | *58.1%* |
| ***Renewal and upgrading of Existing Assets as % of depr*** | *49.4%* | *38.1%* | *33.4%* | *44.8%* | *46.2%* | *46.2%* | *65.4%* | *52.9%* | *41.4%* |
| ***R&M as a % of PPE*** | *6.4%* | *6.3%* | *7.0%* | *7.1%* | *7.6%* | *7.6%* | *7.9%* | *8.4%* | *9.0%* |
| ***Renewal and upgrading and R&M as a % of PPE*** | *8.3%* | *7.8%* | *8.4%* | *8.9%* | *9.4%* | *9.4%* | *10.6%* | *10.7%* | *11.0%* |

**WC032 Overstrand - Schedule 8 - Basic service delivery measurement**

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Household service targets** | | | | | | | | | |
| ***Water:*** | | | | | | | | | |
| Piped water inside dwelling | 30 990 | 31 829 | 31 324 | 32 466 | 32 466 | 32 466 | 32 888 | 33 217 | 33 549 |
| Piped water inside yard (but not in dwelling) | – | – | – | – | – | – | – | – | – |
| Using public tap (at least min.service level) | 3 536 | 3 242 | 3 242 | 3 536 | 3 137 | 3 536 | 3 220 | 4 229 | 4 374 |
| Other water supply (at least min.service level) | – | – | – | – | – | – | – | – | – |
| *Minimum Service Level and Above sub-total* | 34 526 | 35 071 | 34 566 | 36 002 | 35 603 | 36 002 | 36 108 | 37 446 | 37 923 |
| Using public tap (< min.service level) | – | – | – | – | – | – | – | – | – |
| Other water supply (< min.service level) | – | – | – | – | – | – | – | – | – |
| No water supply | – | – | – | – | – | – | – | – | – |
| *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| **Total number of households** | **34 526** | **35 071** | **34 566** | **36 002** | **35 603** | **36 002** | **36 108** | **37 446** | **37 923** |
| ***Sanitation/sewerage:*** | | | | | | | | | |
| Flush toilet (connected to sewerage) | 31 394 | 32 323 | 31 646 | 32 969 | 32 969 | 32 969 | 33 562 | 33 898 | 34 237 |
| Flush toilet (with septic tank) | – | – | – | – | – | – | – | – | – |
| Chemical toilet | – | – | – | – | – | – | – | – | – |
| Pit toilet (ventilated) | – | – | – | – | – | – | – | – | – |
| Other toilet provisions (> min.service level) | 3 536 | 3 242 | 3 242 | 3 536 | 3 137 | 3 536 | 3 220 | 4 229 | 4 374 |
| *Minimum Service Level and Above sub-total* | 34 930 | 35 565 | 34 888 | 36 505 | 36 106 | 36 505 | 36 782 | 38 127 | 38 611 |
| Bucket toilet | – | – | – | – | – | – | – | – | – |
| Other toilet provisions (< min.service level) | – | – | – | – | – | – | – | – | – |
| No toilet provisions | – | – | – | – | – | – | – | – | – |
| *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| **Total number of households** | **34 930** | **35 565** | **34 888** | **36 505** | **36 106** | **36 505** | **36 782** | **38 127** | **38 611** |
| ***Energy:*** | | | | | | | | | |
| Electricity (at least min.service level) | 5 618 | 5 502 | 5 174 | 5 060 | 5 060 | 5 060 | 4 946 | 4 832 | 4 718 |
| Electricity - prepaid (min.service level) | 20 821 | 21 854 | 22 381 | 23 149 | 23 149 | 23 149 | 23 363 | 23 597 | 23 811 |
| *Minimum Service Level and Above sub-total* | 26 439 | 27 356 | 27 555 | 28 209 | 28 209 | 28 209 | 28 309 | 28 429 | 28 529 |
| Electricity (< min.service level) | – | – | – | – | – | – | – | – | – |
| Electricity - prepaid (< min. service level) | – | – | – | – | – | – | – | – | – |
| Other energy sources | – | – | – | – | – | – | – | – | – |
| *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| **Total number of households** | **26 439** | **27 356** | **27 555** | **28 209** | **28 209** | **28 209** | **28 309** | **28 429** | **28 529** |
| ***Refuse:*** | | | | | | | | | |
| Removed at least once a week | 34 819 | 35 601 | 35 261 | 36 313 | 36 313 | 36 313 | 36 676 | 37 043 | 37 413 |
| *Minimum Service Level and Above sub-total* | 34 819 | 35 601 | 35 261 | 36 313 | 36 313 | 36 313 | 36 676 | 37 043 | 37 413 |
| Removed less frequently than once a week | – | – | – | – | – | – | – | – | – |
| Using communal refuse dump | – | – | – | – | – | – | – | – | – |
| Using own refuse dump | – | – | – | – | – | – | – | – | – |
| Other rubbish disposal | – | – | – | – | – | – | – | – | – |
| No rubbish disposal | – | – | – | – | – | – | – | – | – |
| *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| **Total number of households** | **34 819** | **35 601** | **35 261** | **36 313** | **36 313** | **36 313** | **36 676** | **37 043** | **37 413** |
| **Households receiving Free Basic Service** | | | | | | | | | |
| Water (6 kilolitres per household per month) | 7 595 | 7 278 | 7 400 | 4 800 | 4 800 | 4 800 | 5 800 | 5 800 | 5 800 |
| Sanitation (free minimum level service) | 7 400 | 7 400 | 7 400 | 4 800 | 4 800 | 4 800 | 5 800 | 5 800 | 5 800 |
| Electricity/other energy (50kwh per household per month) | 7 400 | 7 400 | 7 400 | 4 800 | 4 800 | 4 800 | 5 800 | 5 800 | 5 800 |
| Refuse (removed at least once a week) | 7 400 | 7 400 | 7 400 | 4 800 | 4 800 | 4 800 | 5 800 | 5 800 | 5 800 |
| Informal Settlements | – | – | – | – | – | – | – | – | – |
| **Cost of Free Basic Services provided - Formal Settlements (R'000)** | | | | | | | | | |
| Water (6 kilolitres per indigent household per month) | 3 065 | 3 214 | 5 224 | 3 432 | 3 432 | 3 432 | 3 638 | 3 856 | 4 088 |
| Sanitation (free sanitation service to indigent households) | 5 253 | 6 729 | 9 814 | 7 330 | 7 330 | 7 330 | 7 770 | 8 236 | 8 730 |
| Electricity/other energy (50kwh per indigent household per month) | 5 513 | 7 509 | 7 509 | 8 077 | 8 077 | 8 077 | 8 562 | 9 076 | 9 620 |
| Refuse (removed once a week for indigent households) | 16 929 | 14 861 | 19 152 | 14 577 | 14 577 | 14 577 | 15 452 | 16 379 | 17 362 |
| Cost of Free Basic Services provided - Informal Formal Settlements (R'000) | – | – | – | – | – | – | – | – | – |
| **Total cost of FBS provided** | **30 760** | **32 314** | **41 699** | **33 417** | **33 417** | **33 417** | **35 422** | **37 547** | **39 800** |
| **Highest level of free service provided per household** | | | | | | | | | |
| Property rates (R value threshold) | 220 000 | | | 300 000 | 300 000 | 300 000 | 350 000 | 350 000 | 350 000 |
| Water (kilolitres per household per month) | 6 | 6 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| Sanitation (kilolitres per household per month) | 4 | 4 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| Sanitation (Rand per household per month) | 132 | 138 | 148 | 155 | 155 | 155 | 164 | 174 | 185 |
| Electricity (kwh per household per month) | 50 | 50 | 50 | 70 | 70 | 70 | 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) ( impermissable values per section 17 of MPRA) | – | – | – | – | – | – | – | – | – |
| Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA) | – | – | – | – | – | – | – | – | – |
| Water (in excess of 6 kilolitres per indigent household per month) | – | – | – | – | – | – | – | – | – |
| Sanitation (in excess of free sanitation service to indigent households) | – | – | – | – | – | – | – | – | – |
| Electricity/other energy (in excess of 50 kwh per indigent household per mor | – | – | – | – | – | – | – | – | – |
| 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** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |

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

| Standard Classification Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Revenue - Functional** | | | | | | | | | |
| ***Governance and administration*** | **393 138** | **462 263** | **564 280** | **534 699** | **546 469** | **546 469** | **682 229** | **719 608** | **760 780** |
| Executive and council | 53 624 | 73 092 | 106 420 | 91 905 | 77 625 | 77 625 | 97 812 | 102 810 | 107 662 |
| Finance and administration | 339 514 | 389 170 | 457 860 | 442 794 | 468 844 | 468 844 | 584 416 | 616 798 | 653 118 |
| Internal audit | – | – | – | – | – | – | – | – | – |
| ***Community and public safety*** | **164 894** | **182 416** | **159 424** | **193 553** | **218 751** | **218 751** | **193 840** | **125 256** | **116 810** |
| Community and social services | 9 726 | 9 270 | 9 474 | 9 154 | 9 293 | 9 293 | 9 667 | 885 | 929 |
| Sport and recreation | 15 568 | 14 939 | 18 510 | 24 504 | 27 744 | 27 744 | 42 443 | 18 294 | 26 663 |
| Public safety | 48 216 | 76 056 | (7 188) | 61 852 | 70 323 | 70 323 | 73 980 | 74 592 | 75 859 |
| Housing | 91 383 | 82 150 | 138 628 | 98 043 | 111 391 | 111 391 | 67 750 | 31 486 | 13 360 |
| Health | – | – | – | – | – | – | – | – | – |
| ***Economic and environmental services*** | **24 301** | **34 098** | **36 468** | **14 207** | **26 117** | **26 117** | **27 958** | **28 107** | **24 815** |
| Planning and development | 17 461 | 19 181 | 21 179 | 12 358 | 15 389 | 15 389 | 20 901 | 18 258 | 19 332 |
| Road transport | 6 342 | 14 877 | 15 248 | 1 802 | 9 990 | 9 990 | 6 430 | 9 848 | 5 483 |
| Environmental protection | 498 | 40 | 40 | 46 | 738 | 738 | 626 | 0 | 0 |
| ***Trading services*** | **936 098** | **1 002 939** | **1 121 669** | **1 160 336** | **1 247 841** | **1 247 841** | **1 344 840** | **1 435 825** | **1 489 571** |
| Energy sources | 557 894 | 576 269 | 661 409 | 689 348 | 739 445 | 739 445 | 803 779 | 847 370 | 897 368 |
| Water management | 156 426 | 182 255 | 206 017 | 204 493 | 227 242 | 227 242 | 254 990 | 264 806 | 252 630 |
| Waste water management | 123 924 | 141 829 | 145 524 | 142 748 | 154 476 | 154 476 | 151 900 | 181 383 | 189 066 |
| Waste management | 97 854 | 102 585 | 108 719 | 123 746 | 126 678 | 126 678 | 134 170 | 142 266 | 150 507 |
| ***Other*** | **–** | **0** | **0** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Total Revenue - Functional** | **1 518 431** | **1 681 715** | **1 881 841** | **1 902 794** | **2 039 177** | **2 039 177** | **2 248 867** | **2 308 796** | **2 391 977** |
| **Expenditure - Functional** | | | | | | | | | |
| ***Governance and administration*** | **296 840** | **280 075** | **290 826** | **247 182** | **238 332** | **238 332** | **363 287** | **366 740** | **391 739** |
| Executive and council | 65 261 | 60 364 | 68 349 | 71 584 | 60 292 | 60 292 | 73 767 | 66 698 | 69 726 |
| Finance and administration | 228 680 | 216 561 | 219 138 | 170 452 | 173 524 | 173 524 | 284 657 | 295 023 | 316 782 |
| Internal audit | 2 898 | 3 150 | 3 339 | 5 145 | 4 517 | 4 517 | 4 863 | 5 019 | 5 230 |
| ***Community and public safety*** | **247 198** | **297 737** | **296 230** | **353 370** | **379 433** | **379 433** | **370 794** | **366 759** | **364 101** |
| Community and social services | 20 500 | 22 970 | 36 149 | 25 282 | 26 898 | 26 898 | 28 762 | 29 798 | 31 171 |
| Sport and recreation | 53 049 | 57 811 | 57 556 | 69 335 | 68 154 | 68 154 | 79 622 | 83 511 | 87 667 |
| Public safety | 126 920 | 156 969 | 92 802 | 167 271 | 197 558 | 197 558 | 212 178 | 227 645 | 237 286 |
| Housing | 46 729 | 59 987 | 109 723 | 91 482 | 86 824 | 86 824 | 50 232 | 25 804 | 7 977 |
| Health | – | – | – | – | – | – | – | – | – |
| ***Economic and environmental services*** | **183 133** | **179 614** | **204 094** | **219 096** | **222 874** | **222 874** | **241 023** | **249 107** | **265 753** |
| Planning and development | 47 152 | 47 425 | 48 212 | 53 667 | 52 320 | 52 320 | 63 589 | 62 307 | 65 205 |
| Road transport | 114 891 | 107 694 | 131 258 | 140 211 | 138 671 | 138 671 | 150 904 | 161 508 | 174 428 |
| Environmental protection | 21 090 | 24 496 | 24 623 | 25 218 | 31 882 | 31 882 | 26 530 | 25 292 | 26 120 |
| ***Trading services*** | **767 390** | **810 879** | **958 821** | **1 120 638** | **1 196 161** | **1 196 161** | **1 259 762** | **1 315 596** | **1 388 858** |
| Energy sources | 438 281 | 439 681 | 553 664 | 655 407 | 687 564 | 687 564 | 755 473 | 789 896 | 836 301 |
| Water management | 131 792 | 139 629 | 160 902 | 179 516 | 191 477 | 191 477 | 203 332 | 207 498 | 216 740 |
| Waste water management | 110 529 | 134 709 | 147 196 | 159 566 | 183 531 | 183 531 | 172 526 | 186 104 | 195 274 |
| Waste management | 86 788 | 96 861 | 97 059 | 126 149 | 133 588 | 133 588 | 128 430 | 132 099 | 140 543 |
| ***Other*** | **2 923** | **3 722** | **2 830** | **3 923** | **5 935** | **5 935** | **6 921** | **7 237** | **7 567** |
| **Total Expenditure - Functional** | **1 497 483** | **1 572 027** | **1 752 801** | **1 944 209** | **2 042 734** | **2 042 734** | **2 241 787** | **2 305 439** | **2 418 018** |
| **Surplus/(Deficit) for the year** | **20 948** | **109 688** | **129 040** | **(41 415)** | **(3 557)** | **(3 557)** | **7 080** | **3 358** | **(26 040)** |

**WC032 Overstrand - Schedule 10 - Budgeted Capital Expenditure by directorate**

| Vote Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Capital expenditure - Vote** | | | | | | | | | |
| **Multi-year expenditure to be appropriated** | | | | | | | | | |
| Vote 1 - Municipal Council | | | | | | | – | – | – |
| Vote 2 - Office of the Municipal Manager | – | – | – | – | – | – | – | – | – |
| Vote 3 - Corporate Services | 3 250 | – | 588 | 765 | 1 081 | 1 081 | 3 244 | 500 | 500 |
| Vote 4 - Financial Services | 42 | – | 10 | 1 560 | 2 175 | 2 175 | 8 420 | – | – |
| Vote 5 - Infrastructure Services | 146 819 | 4 059 | 170 843 | 154 385 | 174 773 | 174 773 | 199 985 | 147 043 | 132 375 |
| Vote 6 - Public Safety | 100 | – | 161 | 1 300 | 1 300 | 1 300 | 3 292 | – | – |
| Vote 7 - Planning and Development | 6 417 | – | 6 170 | 30 | 30 | 30 | 29 | – | – |
| Vote 8 - Community Services | 2 117 | – | – | 735 | 335 | 335 | 1 325 | – | – |
| **Total Capital Expenditure - Vote** | **158 744** | **4 059** | **177 772** | **158 775** | **179 694** | **179 694** | **216 295** | **147 543** | **132 875** |
| **Single-year expenditure to be appropriated** | | | | | | | | | |
| Vote 1 - Municipal Council | – | – | – | – | – | – | – | – | – |
| Vote 2 - Office of the Municipal Manager | – | – | 7 | 465 | 15 | 15 | 5 386 | – | – |
| Vote 3 - Corporate Services | – | 1 812 | 6 362 | 2 200 | 1 884 | 1 884 | – | – | – |
| Vote 4 - Financial Services | – | 57 | – | 5 650 | 19 816 | 19 816 | 15 900 | – | – |
| Vote 5 - Infrastructure Services | 26 219 | 163 637 | 115 | 14 689 | 17 361 | 17 361 | 7 950 | – | – |
| Vote 6 - Public Safety | 965 | 2 365 | 2 150 | 1 850 | 1 550 | 1 550 | 300 | – | – |
| Vote 7 - Planning and Development | 1 458 | 12 384 | – | – | – | – | – | – | – |
| Vote 8 - Community Services | 4 989 | 5 007 | 7 112 | 1 000 | 4 674 | 4 674 | – | – | – |
| **Capital single-year expenditure sub-total** | **33 633** | **185 262** | **15 746** | **25 854** | **45 299** | **45 299** | **29 536** | **–** | **–** |
| **Total Capital Expenditure - Vote** | **192 377** | **189 321** | **193 518** | **184 628** | **224 994** | **224 994** | **245 831** | **147 543** | **132 875** |

# ANNEXURE B

# A1 SCHEDULE & A2 BUDGET CHARTS

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. To the extent possible, 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 6.9

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Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

**Contact details:**

Kgomotso Baloyi
National Treasury
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Electronic submissions:
LG Upload Portal

## Preparation Instructions

| | |
|---|---|
| **Municipality Name:** | WC032 Overstrand |
| **CFO Name:** | SANTIE REYNEKE-NAUDE |
| **Tel:** | 028 313 8040 |
| **Fax:** | 0 |
| **E-Mail:** | cfo@overstrand.gov.za |
| **Budget for MTREF starting:** | 2025 |
| **Budget Year:** | 2025/26 |
| **Does this municipality have Entities?** | No |
| **If YES: Identify type of report:** | Consolidated Informati |

**LGDB Export**

**Name Votes & Sub-Votes**

### Printing Instructions

**Showing / Hiding Columns**

Hide Pre-audit columns on all

Hide Reference columns on all

**Showing / Clearing Highlights**

Clear Highlights on all sheets

### Important documents which provide essential assistance

| | |
|---|---|
| MFMA Budget Circulars | Click to view |
| MBRR Budget Formats Guide | Click to view |
| Dummy Budget Guide | Click to view |
| Funding Compliance Guide | Click to view |
| MFMA Return Forms | Click to view |

| Organisational Structure Votes | Complete Votes & Sub-Votes | | Select Org. Structure |
|---|---|---|---|
| Vote 1 - Municipal Council | **Vote 1** | **Municipal Council** | |
| Vote 2 - Office of the Municipal Manager | 1.1 | Council:Council's General | 1.1 - Council:Council's General |
| Vote 3 - Corporate Services | 1.2 | Council:Mayors Office | 1.2 - Council:Mayors Office |
| Vote 4 - Financial Services | 1.3 | Council:Pensioners & Continued Members | 1.3 - Council:Pensioners & Continued Members |
| Vote 5 - Infrastructure Services | 1.4 | [Name of sub-vote] | |
| Vote 6 - Community Services | 1.5 | [Name of sub-vote] | |
| Vote 7 - Municipal Public Safety | 1.6 | [Name of sub-vote] | |
| Vote 8 - Planning and Development | 1.7 | [Name of sub-vote] | |
| Vote 9 - Costing Services | 1.8 | [Name of sub-vote] | |
| Vote 10 - Main Ledger Services | 1.9 | [Name of sub-vote] | |
| Vote 11 - [NAME OF VOTE 11] | 1.10 | [Name of sub-vote] | |
| Vote 12 - [NAME OF VOTE 12] | **Vote 2** | **Office of the Municipal Manager** | |
| Vote 13 - [NAME OF VOTE 13] | 2.1 | MM:Municipal Manager | 2.1 - MM:Municipal Manager |
| Vote 14 - [NAME OF VOTE 14] | 2.2 | MM:Internal Audit | 2.2 - MM:Internal Audit |
| Vote 15 - [NAME OF VOTE 15] | 2.3 | MM:Strategic Support Services | 2.3 - MM:Strategic Support Services |
| | 2.4 | MM:Legal Services & Contract Management | 2.4 - MM:Legal Services & Contract Management |
| | **Vote 3** | **Corporate Services** | |
| | 3.1 | Corp:Director:Corporate Services | 3.1 - Corp:Director:Corporate Services |
| | 3.2 | Corp:Risk Management | 3.2 - Corp:Risk Management |
| | 3.3 | Corp:Human Resources Management | 3.3 - Corp:Human Resources Management |
| | 3.4 | Corp:Info & Communication Technolgy | 3.4 - Corp:Info & Communication Technolgy |
| | 3.5 | Corp:Business Architecture & CRM | 3.5 - Corp:Business Architecture & CRM |
| | 3.6 | Corp:Administrative Support Services | 3.6 - Corp:Administrative Support Services |
| | 3.7 | Corp:Municipal Court | 3.7 - Corp:Municipal Court |
| | **Vote 4** | **Financial Services** | |
| | 4.1 | Fin:Chief Financial Officer | 4.1 - Fin:Chief Financial Officer |
| | 4.2 | Fin:Financial Accounting | 4.2 - Fin:Financial Accounting |
| | 4.3 | Fin:Revenue Management | 4.3 - Fin:Revenue Management |
| | 4.4 | Fin:Expenditure, Fleet & Asset Management | 4.4 - Fin:Expenditure, Fleet & Asset Management |
| | 4.5 | Fin:Supply Chain Management | 4.5 - Fin:Supply Chain Management |
| | **Vote 5** | **Infrastructure Services** | |
| | 5.1 | Infra:Chief Engineer:Infrastructure Services | 5.1 - Infra:Chief Engineer:Infrastructure Services |
| | 5.2 | Infra:Civil Infrastructure Planning, Project Management & Housing Deve | 5.2 - Infra:Civil Infrastructure Planning, Project Management & Ho |
| | 5.3 | Infra:Waste Management | 5.3 - Infra:Waste Management |
| | 5.4 | Infra:Civil Engineering Services | 5.4 - Infra:Civil Engineering Services |
| | 5.5 | Infra:Water | 5.5 - Infra:Water |
| | 5.6 | Infra:Sewerage | 5.6 - Infra:Sewerage |
| | 5.7 | Infra:Roads | 5.7 - Infra:Roads |
| | 5.8 | Infra:Stormwater | 5.8 - Infra:Stormwater |
| | 5.9 | Infra:Electricity | 5.9 - Infra:Electricity |
| | 5.10 | Infra:Mechanical Workshop Fleet Management | 5.10 - Infra:Mechanical Workshop Fleet Management |
| | **Vote 6** | **Community Services** | |
| | 6.1 | Comm:Director:Community Services | 6.1 - Comm:Director:Community Services |
| | 6.2 | Comm:Community Services | 6.2 - Comm:Community Services |
| | 6.3 | Comm:Resorts | 6.3 - Comm:Resorts |
| | 6.4 | Comm:Parks and Open Spaces & Cemetries | 6.4 - Comm:Parks and Open Spaces & Cemetries |
| | 6.5 | Comm:Sportsfields | 6.5 - Comm:Sportsfields |
| | 6.6 | Comm:Beaches & Slipways | 6.6 - Comm:Beaches & Slipways |
| | 6.7 | Comm:Refuse Removal & CBD Cleansing | 6.7 - Comm:Refuse Removal & CBD Cleansing |
| | 6.8 | Comm:Intergrated Human Settlements & Development | 6.8 - Comm:Intergrated Human Settlements & Development |
| | 6.9 | Comm:Library Services | 6.9 - Comm:Library Services |
| | 6.10 | Comm:Halls,Facilities&Building Maintenance | 6.10 - Comm:Halls,Facilities&Building Maintenance |
| | **Vote 7** | **Municipal Public Safety** | |
| | 7.1 | MPS:Director: Municipal Public Safety | 7.1 - MPS:Director: Municipal Public Safety |
| | 7.2 | MPS:Traffic Services | 7.2 - MPS:Traffic Services |
| | 7.3 | MPS:Law Enforcement Services | 7.3 - MPS:Law Enforcement Services |
| | 7.4 | MPS:Fire & Rescue | 7.4 - MPS:Fire & Rescue |
| | 7.5 | MPS:Disaster Management | 7.5 - MPS:Disaster Management |
| | 7.6 | MPS:Safety,Security & CCTV | 7.6 - MPS:Safety,Security & CCTV |
| | **Vote 8** | **Planning and Development** | |
| | 8.1 | P&D:Director:Planning & Development | 8.1 - P&D:Director:Planning & Development |
| | 8.2 | P&D:Town Planning & Spatial Planning | 8.2 - P&D:Town Planning & Spatial Planning |
| | 8.3 | P&D:Environmental Management & Conservation | 8.3 - P&D:Environmental Management & Conservation |
| | 8.4 | P&D:Building Control | 8.4 - P&D:Building Control |
| | 8.5 | P&D:Socio-Economic Programme | 8.5 - P&D:Socio-Economic Programme |
| | 8.6 | P&D:Tourism | 8.6 - P&D:Tourism |
| | 8.7 | P&D:Property Management | 8.7 - P&D:Property Management |
| | **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 |
| | **Vote 10** | **Main Ledger Services** | |
| | 10.1 | Main Ledger | 10.1 - Main Ledger |

## WC032 Overstrand - Contact Information

### A. GENERAL INFORMATION

| | |
|---|---|
| **Municipality** | WC032 Overstrand |
| **Grade** | 4 |
| **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 | Mr |
| Name | ANNELIE RABIE | Name | WHILES JANSEN |
| Telephone number | 028 313 8001 | Telephone number | 028 313 8002 |
| Cell number | 083 457 8711 | Cell number | 071 728 4568 |
| Fax number | 028 313 8067 | Fax number | 028 313 8128 |
| E-mail address | annelierabie@overstrand.gov.za | E-mail address | wjansen@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 |
| Cell number | 081 491 0949 | Cell number | 071 728 4568 |
| 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 | BELINDA SPANELLIS |
| 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 | |
| **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 |
| Telephone number | 028 313 8151 | Telephone number | 028 313 8071 |
| 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 |

## WC032 Overstrand - Table A1 Budget Summary

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousands | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Financial Performance** | | | | | | | | | |
| Property rates | 280 176 | 297 101 | 339 596 | 361 957 | 367 000 | 367 000 | 383 977 | 407 016 | 431 437 |
| Service charges | 825 476 | 840 648 | 1 001 922 | 1 040 890 | 1 111 546 | 1 111 546 | 1 199 626 | 1 275 712 | 1 352 255 |
| Investment revenue | 31 884 | 51 751 | 68 418 | 51 250 | 59 250 | 59 250 | 55 000 | 58 300 | 61 798 |
| Transfer and subsidies - Operational | 151 903 | 172 162 | 191 359 | 190 368 | 199 300 | 199 300 | 203 607 | 199 962 | 209 075 |
| Other own revenue | 139 661 | 188 650 | 166 288 | 192 796 | 209 807 | 209 807 | 173 311 | 153 129 | 139 700 |
| **Total Revenue (excluding capital transfers and** | 1 429 101 | 1 550 312 | 1 767 584 | 1 837 261 | 1 946 903 | 1 946 903 | 2 015 522 | 2 094 119 | 2 194 265 |
| Employee costs | 454 787 | 480 939 | 522 688 | 586 260 | 592 474 | 592 474 | 619 194 | 642 369 | 673 354 |
| Remuneration of councillors | 11 582 | 12 315 | 12 730 | 13 912 | 13 506 | 13 506 | 14 012 | 15 062 | 16 151 |
| Depreciation and amortisation | 148 319 | 148 321 | 153 790 | 158 441 | 158 441 | 158 441 | 167 211 | 176 609 | 186 617 |
| Interest | 47 584 | 48 152 | 48 571 | 49 814 | 49 814 | 49 814 | 51 227 | 44 657 | 45 526 |
| Inventory consumed and bulk purchases | 404 261 | 404 638 | 504 074 | 545 567 | 563 839 | 563 839 | 632 328 | 661 506 | 704 430 |
| Transfers and subsidies | 12 813 | 16 086 | 16 512 | 17 417 | 16 717 | 16 717 | 16 770 | 17 487 | 18 128 |
| Other expenditure | 418 137 | 461 576 | 494 436 | 572 798 | 647 944 | 647 944 | 609 250 | 610 115 | 628 473 |
| **Total Expenditure** | 1 497 483 | 1 572 027 | 1 752 801 | 1 944 209 | 2 042 734 | 2 042 734 | 2 109 991 | 2 167 804 | 2 272 680 |
| **Surplus/(Deficit)** | (68 383) | (21 715) | 14 783 | (106 948) | (95 831) | (95 831) | (94 469) | (73 685) | (78 415) |
| Transfers and subsidies - capital (monetary allocations) | 87 270 | 125 273 | 92 977 | 65 533 | 88 616 | 88 616 | 101 549 | 77 043 | 52 375 |
| Transfers and subsidies - capital (in-kind) | 2 060 | 6 130 | 21 280 | – | 3 658 | 3 658 | – | – | – |
| **Surplus/(Deficit) after capital transfers & contributions** | 20 948 | 109 688 | 129 040 | (41 415) | (3 557) | (3 557) | 7 080 | 3 358 | (26 040) |
| Share of surplus/ (deficit) of associate | – | – | – | – | – | – | – | – | – |
| Intercompany/Parent subsidiary transactions | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) for the year** | 20 948 | 109 688 | 129 040 | (41 415) | (3 557) | (3 557) | 7 080 | 3 358 | (26 040) |
| **Capital expenditure & funds sources** | | | | | | | | | |
| **Capital expenditure** | 192 377 | 189 321 | 193 518 | 184 628 | 224 994 | 224 994 | 245 831 | 147 543 | 132 875 |
| Transfers recognised - capital | 91 365 | 112 876 | 114 260 | 65 533 | 92 274 | 92 274 | 101 549 | 77 043 | 52 375 |
| Borrowing | 65 237 | 34 249 | 66 513 | 93 010 | 89 511 | 89 511 | 93 982 | 70 000 | 80 000 |
| Internally generated funds | 35 775 | 23 730 | 12 745 | 26 085 | 43 209 | 43 209 | 50 300 | 500 | 500 |
| **Total sources of capital funds** | 192 377 | 170 854 | 193 518 | 184 628 | 224 994 | 224 994 | 245 831 | 147 543 | 132 875 |
| **Financial position** | | | | | | | | | |
| Total current assets | 789 523 | 833 727 | 913 690 | 829 027 | 899 548 | 899 548 | 944 243 | 1 010 615 | 1 059 583 |
| Total non current assets | 3 946 923 | 4 012 995 | 4 073 258 | 4 237 717 | 4 275 864 | 4 275 864 | 4 153 575 | 4 118 469 | 4 068 097 |
| Total current liabilities | 309 129 | 306 872 | 311 250 | 434 783 | 434 783 | 434 783 | 324 754 | 344 254 | 358 650 |
| Total non current liabilities | 703 137 | 707 060 | 713 869 | 661 193 | 661 193 | 661 193 | 693 169 | 696 336 | 701 693 |
| Community wealth/Equity | 3 724 180 | 3 832 790 | 3 961 830 | 3 970 769 | 4 079 436 | 4 079 436 | 4 079 894 | 4 088 493 | 4 067 337 |
| **Cash flows** | | | | | | | | | |
| Net cash from (used) operating | 197 999 | 214 123 | 211 450 | 141 341 | 206 650 | 206 650 | 218 059 | 226 111 | 193 523 |
| Net cash from (used) investing | (191 549) | (184 495) | (176 913) | (189 608) | (214 712) | (214 712) | (215 664) | (147 903) | (132 875) |
| Net cash from (used) financing | (2 893) | 628 | (4 414) | 7 795 | 7 795 | 7 795 | (59 454) | 10 667 | 9 934 |
| **Cash/cash equivalents at the year end** | 616 280 | 646 535 | 676 658 | 660 378 | 676 391 | 676 391 | 729 941 | 818 816 | 889 398 |
| **Cash backing/surplus reconciliation** | | | | | | | | | |
| Cash and investments available | 676 792 | 714 746 | 753 703 | 744 849 | 760 862 | 760 862 | 738 342 | 818 816 | 889 398 |
| Application of cash and investments | 112 099 | 133 875 | 109 242 | 107 257 | 105 059 | 105 059 | 102 525 | 102 940 | 106 854 |
| **Balance - surplus (shortfall)** | 564 693 | 580 871 | 644 461 | 637 592 | 655 803 | 655 803 | 635 816 | 715 876 | 782 544 |
| **Asset management** | | | | | | | | | |
| Asset register summary (WDV) | 3 886 411 | 3 944 784 | 3 996 213 | 4 153 247 | 4 191 393 | 4 191 393 | 4 145 174 | 4 118 469 | 4 068 097 |
| Depreciation | 147 004 | 148 321 | 153 664 | 158 373 | 158 373 | 158 373 | 167 143 | 176 541 | 186 550 |
| Renewal and Upgrading of Existing Assets | 72 662 | 56 518 | 51 250 | 70 885 | 73 175 | 73 175 | 109 366 | 93 342 | 77 192 |
| Repairs and Maintenance | 245 386 | 249 505 | 280 465 | 295 774 | 317 124 | 317 124 | 326 900 | 346 983 | 367 554 |
| **Free services** | | | | | | | | | |
| Cost of Free Basic Services provided | 30 760 | 32 314 | 41 699 | 33 417 | 33 417 | 33 417 | 35 422 | 37 547 | 39 800 |
| Revenue cost of free services provided | – | – | – | – | – | – | – | – | – |
| **Households below minimum service level** | | | | | | | | | |
| Water: | – | – | – | – | – | – | – | – | – |
| Sanitation/sewerage: | – | – | – | – | – | – | – | – | – |
| Energy: | – | – | – | – | – | – | – | – | – |
| Refuse: | – | – | – | – | – | – | – | – | – |

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

| Functional Classification Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Revenue - Functional** | | | | | | | | | |
| ***Governance and administration*** | **393 138** | **462 263** | **564 280** | **534 699** | **546 469** | **546 469** | **682 229** | **719 608** | **760 780** |
| Executive and council | 53 624 | 73 092 | 106 420 | 91 905 | 77 625 | 77 625 | 97 812 | 102 810 | 107 662 |
| Finance and administration | 339 514 | 389 170 | 457 860 | 442 794 | 468 844 | 468 844 | 584 416 | 616 798 | 653 118 |
| Internal audit | – | – | – | – | – | – | – | – | – |
| ***Community and public safety*** | **164 894** | **182 416** | **159 424** | **193 553** | **218 751** | **218 751** | **193 840** | **125 256** | **116 810** |
| Community and social services | 9 726 | 9 270 | 9 474 | 9 154 | 9 293 | 9 293 | 9 667 | 885 | 929 |
| Sport and recreation | 15 568 | 14 939 | 18 510 | 24 504 | 27 744 | 27 744 | 42 443 | 18 294 | 26 663 |
| Public safety | 48 216 | 76 056 | (7 188) | 61 852 | 70 323 | 70 323 | 73 980 | 74 592 | 75 859 |
| Housing | 91 383 | 82 150 | 138 628 | 98 043 | 111 391 | 111 391 | 67 750 | 31 486 | 13 360 |
| Health | – | – | – | – | – | – | – | – | – |
| ***Economic and environmental services*** | **24 301** | **34 098** | **36 468** | **14 207** | **26 117** | **26 117** | **27 958** | **28 107** | **24 815** |
| Planning and development | 17 461 | 19 181 | 21 179 | 12 358 | 15 389 | 15 389 | 20 901 | 18 258 | 19 332 |
| Road transport | 6 342 | 14 877 | 15 248 | 1 802 | 9 990 | 9 990 | 6 430 | 9 848 | 5 483 |
| Environmental protection | 498 | 40 | 40 | 46 | 738 | 738 | 626 | 0 | 0 |
| ***Trading services*** | **936 098** | **1 002 939** | **1 121 669** | **1 160 336** | **1 247 841** | **1 247 841** | **1 344 840** | **1 435 825** | **1 489 571** |
| Energy sources | 557 894 | 576 269 | 661 409 | 689 348 | 739 445 | 739 445 | 803 779 | 847 370 | 897 368 |
| Water management | 156 426 | 182 255 | 206 017 | 204 493 | 227 242 | 227 242 | 254 990 | 264 806 | 252 630 |
| Waste water management | 123 924 | 141 829 | 145 524 | 142 748 | 154 476 | 154 476 | 151 900 | 181 383 | 189 066 |
| Waste management | 97 854 | 102 585 | 108 719 | 123 746 | 126 678 | 126 678 | 134 170 | 142 266 | 150 507 |
| ***Other*** | **–** | **0** | **0** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Total Revenue - Functional** | **1 518 431** | **1 681 715** | **1 881 841** | **1 902 794** | **2 039 177** | **2 039 177** | **2 248 867** | **2 308 796** | **2 391 977** |
| **Expenditure - Functional** | | | | | | | | | |
| ***Governance and administration*** | **296 840** | **280 075** | **290 826** | **247 182** | **238 332** | **238 332** | **363 287** | **366 740** | **391 739** |
| Executive and council | 65 261 | 60 364 | 68 349 | 71 584 | 60 292 | 60 292 | 73 767 | 66 698 | 69 726 |
| Finance and administration | 228 680 | 216 561 | 219 138 | 170 452 | 173 524 | 173 524 | 284 657 | 295 023 | 316 782 |
| Internal audit | 2 898 | 3 150 | 3 339 | 5 145 | 4 517 | 4 517 | 4 863 | 5 019 | 5 230 |
| ***Community and public safety*** | **247 198** | **297 737** | **296 230** | **353 370** | **379 433** | **379 433** | **370 794** | **366 759** | **364 101** |
| Community and social services | 20 500 | 22 970 | 36 149 | 25 282 | 26 898 | 26 898 | 28 762 | 29 798 | 31 171 |
| Sport and recreation | 53 049 | 57 811 | 57 556 | 69 335 | 68 154 | 68 154 | 79 622 | 83 511 | 87 667 |
| Public safety | 126 920 | 156 969 | 92 802 | 167 271 | 197 558 | 197 558 | 212 178 | 227 645 | 237 286 |
| Housing | 46 729 | 59 987 | 109 723 | 91 482 | 86 824 | 86 824 | 50 232 | 25 804 | 7 977 |
| Health | – | – | – | – | – | – | – | – | – |
| ***Economic and environmental services*** | **183 133** | **179 614** | **204 094** | **219 096** | **222 874** | **222 874** | **241 023** | **249 107** | **265 753** |
| Planning and development | 47 152 | 47 425 | 48 212 | 53 667 | 52 320 | 52 320 | 63 589 | 62 307 | 65 205 |
| Road transport | 114 891 | 107 694 | 131 258 | 140 211 | 138 671 | 138 671 | 150 904 | 161 508 | 174 428 |
| Environmental protection | 21 090 | 24 496 | 24 623 | 25 218 | 31 882 | 31 882 | 26 530 | 25 292 | 26 120 |
| ***Trading services*** | **767 390** | **810 879** | **958 821** | **1 120 638** | **1 196 161** | **1 196 161** | **1 259 762** | **1 315 596** | **1 388 858** |
| Energy sources | 438 281 | 439 681 | 553 664 | 655 407 | 687 564 | 687 564 | 755 473 | 789 896 | 836 301 |
| Water management | 131 792 | 139 629 | 160 902 | 179 516 | 191 477 | 191 477 | 203 332 | 207 498 | 216 740 |
| Waste water management | 110 529 | 134 709 | 147 196 | 159 566 | 183 531 | 183 531 | 172 526 | 186 104 | 195 274 |
| Waste management | 86 788 | 96 861 | 97 059 | 126 149 | 133 588 | 133 588 | 128 430 | 132 099 | 140 543 |
| ***Other*** | **2 923** | **3 722** | **2 830** | **3 923** | **5 935** | **5 935** | **6 921** | **7 237** | **7 567** |
| **Total Expenditure - Functional** | **1 497 483** | **1 572 027** | **1 752 801** | **1 944 209** | **2 042 734** | **2 042 734** | **2 241 787** | **2 305 439** | **2 418 018** |
| **Surplus/(Deficit) for the year** | **20 948** | **109 688** | **129 040** | **(41 415)** | **(3 557)** | **(3 557)** | **7 080** | **3 358** | **(26 040)** |

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

| Functional Classification Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Revenue - Functional** | | | | | | | | | |
| ***Municipal governance and administration*** | **393 138** | **462 263** | **564 280** | **534 699** | **546 469** | **546 469** | **682 229** | **719 608** | **760 780** |
| Executive and council | 53 624 | 73 092 | 106 420 | 91 905 | 77 625 | 77 625 | 97 812 | 102 810 | 107 662 |
| *Mayor and Council* | 53 270 | 72 865 | 106 209 | 91 820 | 77 622 | 77 622 | 81 422 | 85 693 | 89 587 |
| *Municipal Manager, Town Secretary and Chief Executive* | 354 | 227 | 211 | 85 | 3 | 3 | 16 391 | 17 117 | 18 075 |
| Finance and administration | 339 514 | 389 170 | 457 860 | 442 794 | 468 844 | 468 844 | 584 416 | 616 798 | 653 118 |
| *Administrative and Corporate Support* | 2 835 | 652 | 271 | 272 | 272 | 272 | 30 382 | 31 727 | 33 499 |
| *Asset Management* | – | – | – | – | – | – | – | – | – |
| *Finance* | 325 777 | 368 467 | 436 859 | 437 019 | 452 162 | 452 162 | 517 718 | 545 067 | 576 497 |
| *Fleet Management* | – | 2 552 | 0 | 0 | 0 | 0 | 2 749 | 2 870 | 3 031 |
| *Human Resources* | 2 473 | 1 294 | 1 491 | 1 363 | 1 463 | 1 463 | 9 902 | 10 354 | 10 933 |
| *Information Technology* | 817 | 200 | 0 | – | – | – | 11 670 | 12 187 | 12 869 |
| *Legal Services* | – | – | – | – | – | – | 2 095 | 2 188 | 2 310 |
| *Marketing, Customer Relations, Publicity and Media Co-ordination* | – | – | – | – | – | – | 1 861 | 1 944 | 2 053 |
| *Property Services* | 398 | 1 387 | 489 | 524 | 524 | 524 | 334 | 354 | 375 |
| *Risk Management* | – | – | – | – | – | – | – | – | – |
| *Security Services* | – | – | 0 | – | – | – | – | – | – |
| *Supply Chain Management* | 150 | 70 | 89 | 45 | 45 | 45 | 7 417 | 7 746 | 8 180 |
| *Valuation Service* | 7 064 | 14 549 | 18 662 | 3 570 | 14 378 | 14 378 | 289 | 2 360 | 3 371 |
| Internal audit | – | – | – | – | – | – | – | – | – |
| *Governance Function* | – | – | – | – | – | – | – | – | – |
| ***Community and public safety*** | **164 894** | **182 416** | **159 424** | **193 553** | **218 751** | **218 751** | **193 840** | **125 256** | **116 810** |
| Community and social services | **9 726** | **9 270** | **9 474** | **9 154** | **9 293** | **9 293** | **9 667** | **885** | **929** |
| *Aged Care* | – | – | – | – | – | – | – | – | – |
| *Agricultural* | – | – | – | – | – | – | – | – | – |
| *Animal Care and Diseases* | – | – | – | – | – | – | – | – | – |
| *Cemeteries, Funeral Parlours and Crematoriums* | 402 | 330 | 375 | 252 | 252 | 252 | 260 | 276 | 292 |
| *Child Care Facilities* | – | – | – | – | – | – | – | – | – |
| *Community Halls and Facilities* | 394 | 274 | 298 | 246 | 246 | 246 | 526 | 549 | 572 |
| *Consumer Protection* | – | – | – | – | – | – | – | – | – |
| *Cultural Matters* | – | – | – | – | – | – | – | – | – |
| *Disaster Management* | – | – | – | – | – | – | – | – | – |
| *Education* | – | – | – | – | – | – | – | – | – |
| *Indigenous and Customary Law* | – | – | – | – | – | – | – | – | – |
| *Industrial Promotion* | – | – | – | – | – | – | – | – | – |
| *Language Policy* | – | – | – | – | – | – | – | – | – |
| *Libraries and Archives* | 8 930 | 8 666 | 8 801 | 8 656 | 8 795 | 8 795 | 8 881 | 60 | 64 |
| *Literacy Programmes* | – | – | – | – | – | – | – | – | – |
| *Media Services* | – | – | – | – | – | – | – | – | – |
| *Museums and Art Galleries* | – | – | – | – | – | – | – | – | – |
| *Population Development* | – | – | – | – | – | – | – | – | – |
| *Provincial Cultural Matters* | – | – | – | – | – | – | – | – | – |
| *Theatres* | – | – | – | – | – | – | – | – | – |
| *Zoo's* | – | – | – | – | – | – | – | – | – |
| Sport and recreation | **15 568** | **14 939** | **18 510** | **24 504** | **27 744** | **27 744** | **42 443** | **18 294** | **26 663** |
| *Beaches and Jetties* | 887 | 871 | 832 | 603 | 121 | 121 | 883 | 936 | 993 |
| *Casinos, Racing, Gambling, Wagering* | – | – | – | – | – | – | – | – | – |
| *Community Parks (including Nurseries)* | 4 947 | 4 691 | 6 158 | 5 620 | 5 713 | 5 713 | 5 416 | 5 741 | 6 085 |
| *Recreational Facilities* | 7 366 | 8 545 | 9 155 | 7 852 | 11 550 | 11 550 | 9 025 | 9 567 | 10 141 |
| *Sports Grounds and Stadiums* | 2 369 | 833 | 2 365 | 10 430 | 10 361 | 10 361 | 27 119 | 2 050 | 9 445 |
| Public safety | **48 216** | **76 056** | **(7 188)** | **61 852** | **70 323** | **70 323** | **73 980** | **74 592** | **75 859** |
| *Civil Defence* | – | – | 0 | – | – | – | – | – | – |
| *Cleansing* | – | – | – | – | – | – | – | – | – |
| *Control of Public Nuisances* | 4 686 | 10 298 | 7 627 | 7 995 | 8 395 | 8 395 | 8 667 | 8 989 | 9 385 |
| *Fencing and Fences* | – | – | – | – | – | – | – | – | – |
| *Fire Fighting and Protection* | 1 020 | 303 | 1 920 | 207 | 707 | 707 | 3 583 | 3 222 | 3 402 |
| *Licensing and Control of Animals* | 1 263 | 369 | 1 007 | 111 | 111 | 111 | 200 | 212 | 225 |
| *Police Forces, Traffic and Street Parking Control* | 41 248 | 65 086 | (17 743) | 53 539 | 61 110 | 61 110 | 61 530 | 62 169 | 62 846 |
| *Pounds* | – | – | – | – | – | – | – | – | – |
| Housing | **91 383** | **82 150** | **138 628** | **98 043** | **111 391** | **111 391** | **67 750** | **31 486** | **13 360** |
| *Housing* | 91 383 | 82 150 | 138 628 | 98 043 | 111 391 | 111 391 | 67 750 | 31 486 | 13 360 |
| *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*** | **24 301** | **34 098** | **36 468** | **14 207** | **26 117** | **26 117** | **27 958** | **28 107** | **24 815** |
| Planning and development | **17 461** | **19 181** | **21 179** | **12 358** | **15 389** | **15 389** | **20 901** | **18 258** | **19 332** |
| *Billboards* | – | – | – | – | – | – | – | – | – |
| *Corporate Wide Strategic Planning (IDPs, LEDs)* | – | – | – | – | 1 931 | 1 931 | 1 791 | 1 879 | 1 986 |
| *Central City Improvement District* | – | – | – | – | – | – | – | – | – |
| *Development Facilitation* | – | 121 | 179 | – | – | – | – | – | – |
| *Economic Development/Planning* | 4 529 | 2 593 | 3 366 | 1 898 | 1 898 | 1 898 | 2 986 | 416 | 439 |
| *Regional Planning and Development* | – | – | – | – | – | – | – | – | – |
| *Town Planning, Building Regulations and Enforcement, and City* | 12 933 | 15 236 | 16 982 | 10 260 | 10 260 | 10 260 | 12 339 | 13 066 | 13 846 |
| *Project Management Unit* | – | 1 231 | 652 | 200 | 1 300 | 1 300 | 3 785 | 2 898 | 3 060 |
| *Provincial Planning* | – | – | – | – | – | – | – | – | – |
| *Support to Local Municipalities* | – | – | – | – | – | – | – | – | – |

| Functional Classification Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| Road transport | 6 342 | 14 877 | 15 248 | 1 802 | 9 990 | 9 990 | 6 430 | 9 848 | 5 483 |
| *Public Transport* | – | – | – | – | – | – | – | – | – |
| *Road and Traffic Regulation* | – | – | – | – | – | – | – | – | – |
| *Roads* | 6 342 | 14 877 | 15 248 | 1 802 | 9 990 | 9 990 | 6 430 | 9 848 | 5 483 |
| *Taxi Ranks* | – | – | – | – | – | – | – | – | – |
| Environmental protection | 498 | 40 | 40 | 46 | 738 | 738 | 626 | 0 | 0 |
| *Biodiversity and Landscape* | 498 | 40 | 40 | 46 | 738 | 738 | 626 | 0 | 0 |
| *Coastal Protection* | – | – | – | – | – | – | – | – | – |
| *Indigenous Forests* | – | – | – | – | – | – | – | – | – |
| *Nature Conservation* | – | – | – | – | – | – | – | – | – |
| *Pollution Control* | – | – | – | – | – | – | – | – | – |
| *Soil Conservation* | – | – | – | – | – | – | – | – | – |
| ***Trading services*** | **936 098** | **1 002 939** | **1 121 669** | **1 160 336** | **1 247 841** | **1 247 841** | **1 344 840** | **1 435 825** | **1 489 571** |
| Energy sources | **557 894** | **576 269** | **661 409** | **689 348** | **739 445** | **739 445** | **803 779** | **847 370** | **897 368** |
| *Electricity* | 557 894 | 573 470 | 657 005 | 689 348 | 739 445 | 739 445 | 803 779 | 847 370 | 897 368 |
| *Street Lighting and Signal Systems* | – | 2 799 | 4 404 | – | – | – | – | – | – |
| *Nonelectric Energy* | – | – | – | – | – | – | – | – | – |
| Water management | **156 426** | **182 255** | **206 017** | **204 493** | **227 242** | **227 242** | **254 990** | **264 806** | **252 630** |
| *Water Treatment* | – | – | – | – | 128 | 128 | – | – | – |
| *Water Distribution* | 156 426 | 182 255 | 206 017 | 204 493 | 227 114 | 227 114 | 254 990 | 264 806 | 252 630 |
| *Water Storage* | – | – | – | – | – | – | – | – | – |
| Waste water management | **123 924** | **141 829** | **145 524** | **142 748** | **154 476** | **154 476** | **151 900** | **181 383** | **189 066** |
| *Public Toilets* | – | 0 | – | – | – | – | – | – | – |
| *Sewerage* | 123 713 | 141 422 | 139 806 | 135 675 | 144 079 | 144 079 | 151 500 | 180 959 | 188 616 |
| *Storm Water Management* | 212 | 408 | 5 718 | 7 073 | 10 396 | 10 396 | 400 | 424 | 450 |
| *Waste Water Treatment* | – | – | – | – | – | – | – | – | – |
| Waste management | **97 854** | **102 585** | **108 719** | **123 746** | **126 678** | **126 678** | **134 170** | **142 266** | **150 507** |
| *Recycling* | – | – | 0 | – | – | – | – | – | – |
| *Solid Waste Disposal (Landfill Sites)* | 2 361 | 1 712 | 158 | 200 | 200 | 200 | 20 | 21 | 23 |
| *Solid Waste Removal* | 95 493 | 100 873 | 108 561 | 123 547 | 126 478 | 126 478 | 134 150 | 142 244 | 150 484 |
| *Street Cleaning* | – | – | – | – | – | – | – | – | – |
| ***Other*** | **–** | **0** | **0** | **–** | **–** | **–** | **–** | **–** | **–** |
| Abattoirs | – | – | – | – | – | – | – | – | – |
| Air Transport | – | – | – | – | – | – | – | – | – |
| Forestry | – | – | – | – | – | – | – | – | – |
| Licensing and Regulation | – | – | – | – | – | – | – | – | – |
| Markets | – | – | – | – | – | – | – | – | – |
| Tourism | – | 0 | 0 | – | – | – | – | – | – |
| **Total Revenue - Functional** | **1 518 431** | **1 681 715** | **1 881 841** | **1 902 794** | **2 039 177** | **2 039 177** | **2 248 867** | **2 308 796** | **2 391 977** |
| **Expenditure - Functional** | | | | | | | | | |
| ***Municipal governance and administration*** | **296 840** | **280 075** | **290 826** | **247 182** | **238 332** | **238 332** | **363 287** | **366 740** | **391 739** |
| Executive and council | 65 261 | 60 364 | 68 349 | 71 584 | 60 292 | 60 292 | 73 767 | 66 698 | 69 726 |
| *Mayor and Council* | 36 404 | 33 142 | 41 353 | 52 078 | 51 672 | 51 672 | 55 529 | 51 186 | 53 471 |
| *Municipal Manager, Town Secretary and Chief Executive* | 28 857 | 27 223 | 26 997 | 19 506 | 8 620 | 8 620 | 18 238 | 15 511 | 16 255 |
| Finance and administration | 228 680 | 216 561 | 219 138 | 170 452 | 173 524 | 173 524 | 284 657 | 295 023 | 316 782 |
| *Administrative and Corporate Support* | 44 606 | 48 589 | 39 788 | 26 435 | 9 834 | 9 834 | 42 098 | 41 734 | 43 888 |
| *Asset Management* | 207 | 186 | 636 | 1 500 | 1 500 | 1 500 | 1 500 | 1 500 | 1 500 |
| *Finance* | 71 247 | 84 190 | 94 816 | 65 835 | 76 588 | 76 588 | 114 510 | 120 517 | 134 492 |
| *Fleet Management* | 9 688 | 10 053 | 6 350 | 6 823 | 6 026 | 6 026 | 8 913 | 9 456 | 10 023 |
| *Human Resources* | 14 140 | 14 682 | 15 747 | 9 080 | 10 978 | 10 978 | 19 843 | 20 993 | 22 128 |
| *Information Technology* | 23 529 | 24 910 | 27 228 | 21 365 | 20 834 | 20 834 | 32 798 | 33 306 | 34 495 |
| *Legal Services* | 5 483 | 4 631 | 5 303 | 4 735 | 6 729 | 6 729 | 9 586 | 10 210 | 10 590 |
| *Marketing, Customer Relations, Publicity and Media Co-ordination* | 2 192 | 2 223 | 2 192 | 2 219 | 1 388 | 1 388 | 3 209 | 3 334 | 3 477 |
| *Property Services* | 43 333 | 12 363 | 10 520 | 18 474 | 24 084 | 24 084 | 27 203 | 27 459 | 29 015 |
| *Risk Management* | 524 | 982 | 930 | 1 227 | 1 427 | 1 427 | 1 547 | 1 616 | 1 686 |
| *Security Services* | 3 752 | 3 348 | 4 360 | 5 608 | 4 958 | 4 958 | 6 141 | 6 731 | 6 471 |
| *Supply Chain Management* | 9 980 | 10 404 | 11 268 | 7 152 | 9 178 | 9 178 | 17 310 | 18 167 | 19 019 |
| *Valuation Service* | – | – | – | – | – | – | – | – | – |
| Internal audit | 2 898 | 3 150 | 3 339 | 5 145 | 4 517 | 4 517 | 4 863 | 5 019 | 5 230 |
| *Governance Function* | 2 898 | 3 150 | 3 339 | 5 145 | 4 517 | 4 517 | 4 863 | 5 019 | 5 230 |
| ***Community and public safety*** | **247 198** | **297 737** | **296 230** | **353 370** | **379 433** | **379 433** | **370 794** | **366 759** | **364 101** |
| Community and social services | **20 500** | **22 970** | **36 149** | **25 282** | **26 898** | **26 898** | **28 762** | **29 798** | **31 171** |
| *Aged Care* | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| *Agricultural* | – | – | – | – | – | – | – | – | – |
| *Animal Care and Diseases* | – | 500 | 530 | 800 | 950 | 950 | 1 000 | 1 110 | 1 232 |
| *Cemeteries, Funeral Parlours and Crematoriums* | 1 037 | 943 | 978 | 994 | 2 870 | 2 870 | 3 111 | 3 257 | 3 402 |
| *Child Care Facilities* | – | – | – | – | – | – | – | – | – |
| *Community Halls and Facilities* | 9 963 | 12 381 | 24 724 | 12 440 | 11 959 | 11 959 | 13 281 | 13 731 | 14 499 |
| *Consumer Protection* | – | – | – | – | – | – | – | – | – |
| *Cultural Matters* | – | – | – | – | – | – | – | – | – |
| *Disaster Management* | – | – | – | – | – | – | – | – | – |
| *Education* | – | – | – | – | – | – | – | – | – |
| *Indigenous and Customary Law* | – | – | – | – | – | – | – | – | – |
| *Industrial Promotion* | – | – | – | – | – | – | – | – | – |
| *Language Policy* | – | – | – | – | – | – | – | – | – |
| *Libraries and Archives* | 9 500 | 9 145 | 9 916 | 11 047 | 11 118 | 11 118 | 11 369 | 11 700 | 12 037 |
| *Literacy Programmes* | – | – | – | – | – | – | – | – | – |
| *Media Services* | – | – | – | – | – | – | – | – | – |
| *Museums and Art Galleries* | – | – | – | – | – | – | – | – | – |
| *Population Development* | – | – | – | – | – | – | – | – | – |
| *Provincial Cultural Matters* | – | – | – | – | – | – | – | – | – |
| *Theatres* | – | – | – | – | – | – | – | – | – |

| Functional Classification Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| *Zoo's* | – | – | – | – | – | – | – | – | – |
| Sport and recreation | **53 049** | **57 811** | **57 556** | **69 335** | **68 154** | **68 154** | **79 622** | **83 511** | **87 667** |
| *Beaches and Jetties* | 6 427 | 7 597 | 7 153 | 8 737 | 9 490 | 9 490 | 9 278 | 9 693 | 10 145 |
| *Casinos, Racing, Gambling, Wagering* | – | – | – | – | – | – | – | – | – |
| *Community Parks (including Nurseries)* | 29 609 | 31 090 | 33 926 | 36 917 | 35 158 | 35 158 | 46 107 | 48 451 | 50 952 |
| *Recreational Facilities* | 11 145 | 12 838 | 10 637 | 15 119 | 15 181 | 15 181 | 15 529 | 16 207 | 16 942 |
| *Sports Grounds and Stadiums* | 5 868 | 6 287 | 5 839 | 8 562 | 8 326 | 8 326 | 8 707 | 9 160 | 9 628 |
| Public safety | **126 920** | **156 969** | **92 802** | **167 271** | **197 558** | **197 558** | **212 178** | **227 645** | **237 286** |
| *Civil Defence* | 15 383 | 19 208 | 23 979 | 23 296 | 29 764 | 29 764 | 29 516 | 32 084 | 33 699 |
| *Cleansing* | – | – | – | – | – | – | – | – | – |
| *Control of Public Nuisances* | 22 256 | 26 083 | 27 875 | 26 337 | 30 541 | 30 541 | 40 863 | 43 506 | 45 855 |
| *Fencing and Fences* | – | – | – | – | – | – | – | – | – |
| *Fire Fighting and Protection* | 34 976 | 35 792 | 40 719 | 37 767 | 54 415 | 54 415 | 54 735 | 60 073 | 60 971 |
| *Licensing and Control of Animals* | – | 35 | – | – | – | – | – | – | – |
| *Police Forces, Traffic and Street Parking Control* | 54 305 | 75 850 | 230 | 79 870 | 82 838 | 82 838 | 87 064 | 91 982 | 96 760 |
| *Pounds* | – | – | – | – | – | – | – | – | – |
| Housing | **46 729** | **59 987** | **109 723** | **91 482** | **86 824** | **86 824** | **50 232** | **25 804** | **7 977** |
| *Housing* | 46 729 | 59 987 | 109 723 | 91 482 | 86 824 | 86 824 | 50 232 | 25 804 | 7 977 |
| *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*** | **183 133** | **179 614** | **204 094** | **219 096** | **222 874** | **222 874** | **241 023** | **249 107** | **265 753** |
| Planning and development | **47 152** | **47 425** | **48 212** | **53 667** | **52 320** | **52 320** | **63 589** | **62 307** | **65 205** |
| *Billboards* | – | – | – | – | – | – | – | – | – |
| *Corporate Wide Strategic Planning (IDPs, LEDs)* | 2 542 | 2 756 | 2 991 | 2 259 | 2 327 | 2 327 | 3 730 | 3 921 | 4 110 |
| *Central City Improvement District* | – | – | – | – | – | – | – | – | – |
| *Development Facilitation* | 2 212 | 1 868 | 1 645 | 2 178 | 4 055 | 4 055 | 5 539 | 4 092 | 4 245 |
| *Economic Development/Planning* | 9 561 | 7 876 | 8 605 | 9 638 | 7 250 | 7 250 | 8 737 | 6 451 | 6 753 |
| *Regional Planning and Development* | – | – | – | – | – | – | – | – | – |
| *Town Planning, Building Regulations and Enforcement, and City* | 22 400 | 23 640 | 23 167 | 30 293 | 26 115 | 26 115 | 28 212 | 29 578 | 30 939 |
| *Project Management Unit* | 10 437 | 11 284 | 11 805 | 9 300 | 12 573 | 12 573 | 17 372 | 18 264 | 19 158 |
| *Provincial Planning* | – | – | – | – | – | – | – | – | – |
| *Support to Local Municipalities* | – | – | – | – | – | – | – | – | – |
| Road transport | **114 891** | **107 694** | **131 258** | **140 211** | **138 671** | **138 671** | **150 904** | **161 508** | **174 428** |
| *Public Transport* | – | – | – | – | – | – | – | – | – |
| *Road and Traffic Regulation* | 1 345 | 1 177 | 1 949 | 1 443 | 2 165 | 2 165 | 2 270 | 2 388 | 2 506 |
| *Roads* | 113 547 | 106 517 | 129 309 | 138 768 | 136 506 | 136 506 | 148 634 | 159 120 | 171 923 |
| *Taxi Ranks* | – | – | – | – | – | – | – | – | – |
| Environmental protection | **21 090** | **24 496** | **24 623** | **25 218** | **31 882** | **31 882** | **26 530** | **25 292** | **26 120** |
| *Biodiversity and Landscape* | 20 579 | 23 467 | 23 732 | 23 708 | 29 872 | 29 872 | 24 720 | 23 336 | 24 085 |
| *Coastal Protection* | – | – | – | – | – | – | – | – | – |
| *Indigenous Forests* | – | – | – | – | – | – | – | – | – |
| *Nature Conservation* | 511 | 1 028 | 891 | 1 510 | 2 010 | 2 010 | 1 810 | 1 956 | 2 034 |
| *Pollution Control* | – | – | – | – | – | – | – | – | – |
| *Soil Conservation* | – | – | – | – | – | – | – | – | – |
| ***Trading services*** | **767 390** | **810 879** | **958 821** | **1 120 638** | **1 196 161** | **1 196 161** | **1 259 762** | **1 315 596** | **1 388 858** |
| Energy sources | **438 281** | **439 681** | **553 664** | **655 407** | **687 564** | **687 564** | **755 473** | **789 896** | **836 301** |
| *Electricity* | 436 108 | 435 215 | 547 005 | 653 305 | 685 369 | 685 369 | 753 095 | 787 325 | 833 532 |
| *Street Lighting and Signal Systems* | 2 173 | 4 466 | 6 659 | 2 102 | 2 195 | 2 195 | 2 378 | 2 571 | 2 769 |
| *Nonelectric Energy* | – | – | – | – | – | – | – | – | – |
| Water management | **131 792** | **139 629** | **160 902** | **179 516** | **191 477** | **191 477** | **203 332** | **207 498** | **216 740** |
| *Water Treatment* | 76 360 | 74 641 | 87 789 | 99 352 | 98 866 | 98 866 | 114 924 | 116 555 | 123 674 |
| *Water Distribution* | 50 599 | 58 827 | 65 566 | 71 071 | 83 428 | 83 428 | 79 210 | 81 471 | 83 768 |
| *Water Storage* | 4 833 | 6 161 | 7 548 | 9 093 | 9 183 | 9 183 | 9 197 | 9 472 | 9 298 |
| Waste water management | **110 529** | **134 709** | **147 196** | **159 566** | **183 531** | **183 531** | **172 526** | **186 104** | **195 274** |
| *Public Toilets* | 1 409 | 488 | 850 | 1 566 | 3 313 | 3 313 | 3 812 | 4 011 | 4 210 |
| *Sewerage* | 65 033 | 75 358 | 81 145 | 80 765 | 102 735 | 102 735 | 95 255 | 105 446 | 111 097 |
| *Storm Water Management* | 14 130 | 15 143 | 15 104 | 15 522 | 20 917 | 20 917 | 23 478 | 24 424 | 25 392 |
| *Waste Water Treatment* | 29 957 | 43 720 | 50 096 | 61 714 | 56 566 | 56 566 | 49 981 | 52 223 | 54 575 |
| Waste management | **86 788** | **96 861** | **97 059** | **126 149** | **133 588** | **133 588** | **128 430** | **132 099** | **140 543** |
| *Recycling* | 73 | 84 | 172 | 202 | 202 | 202 | 282 | 227 | 314 |
| *Solid Waste Disposal (Landfill Sites)* | 45 629 | 49 011 | 42 505 | 65 852 | 70 509 | 70 509 | 66 933 | 67 566 | 72 697 |
| *Solid Waste Removal* | 41 087 | 47 766 | 54 383 | 60 096 | 62 878 | 62 878 | 61 216 | 64 306 | 67 533 |
| *Street Cleaning* | – | – | – | – | – | – | – | – | – |
| ***Other*** | **2 923** | **3 722** | **2 830** | **3 923** | **5 935** | **5 935** | **6 921** | **7 237** | **7 567** |
| Abattoirs | – | – | – | – | – | – | – | – | – |
| Air Transport | – | – | – | – | – | – | – | – | – |
| Forestry | – | – | – | – | – | – | – | – | – |
| Licensing and Regulation | – | – | – | – | – | – | – | – | – |
| Markets | – | – | – | – | – | – | – | – | – |
| Tourism | 2 923 | 3 722 | 2 830 | 3 923 | 5 935 | 5 935 | 6 921 | 7 237 | 7 567 |
| **Total Expenditure - Functional** | **1 497 483** | **1 572 027** | **1 752 801** | **1 944 209** | **2 042 734** | **2 042 734** | **2 241 787** | **2 305 439** | **2 418 018** |
| **Surplus/(Deficit) for the year** | **20 948** | **109 688** | **129 040** | **(41 415)** | **(3 557)** | **(3 557)** | **7 080** | **3 358** | **(26 040)** |

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

| Vote Description | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Revenue by Vote** | 1 | | | | | | | | | |
| Vote 1 - Municipal Council | | 53 270 | 74 415 | 106 209 | 91 820 | 77 622 | 77 622 | 78 908 | 83 068 | 86 815 |
| Vote 2 - Office of the Municipal Manager | | – | – | – | – | 1 931 | 1 931 | 515 | 546 | 579 |
| Vote 3 - Corporate Services | | 3 603 | 1 496 | 1 492 | 1 364 | 1 464 | 1 464 | 1 274 | 1 345 | 1 419 |
| Vote 4 - Financial Services | | 325 949 | 370 122 | 436 859 | 437 064 | 452 207 | 452 207 | 477 666 | 503 242 | 532 331 |
| Vote 5 - Infrastructure Services | | 1 034 384 | 1 102 798 | 1 275 677 | 1 260 015 | 1 370 156 | 1 370 156 | 1 419 613 | 1 476 820 | 1 508 055 |
| Vote 6 - Community Services | | 27 139 | 24 795 | 29 545 | 34 972 | 38 268 | 38 268 | 52 939 | 19 957 | 28 422 |
| Vote 7 - Municipal Public Safety | | 48 857 | 76 056 | (7 188) | 61 852 | 70 323 | 70 323 | 71 012 | 71 492 | 72 585 |
| Vote 8 - Planning and Development | | 25 229 | 32 033 | 39 248 | 15 707 | 27 206 | 27 206 | 15 145 | 14 692 | 16 433 |
| Vote 9 - Costing Services | | – | – | – | – | – | – | 131 796 | 137 635 | 145 338 |
| 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 | **1 518 431** | **1 681 715** | **1 881 841** | **1 902 794** | **2 039 177** | **2 039 177** | **2 248 867** | **2 308 796** | **2 391 977** |
| **Expenditure by Vote** ***to be appropriated*** | 1 | | | | | | | | | |
| Vote 1 - Municipal Council | | 36 404 | 46 177 | 41 353 | 54 329 | 53 910 | 53 910 | 55 516 | 51 174 | 53 459 |
| Vote 2 - Office of the Municipal Manager | | 10 117 | 9 709 | 14 201 | 25 593 | 30 559 | 30 559 | 33 702 | 35 365 | 36 868 |
| Vote 3 - Corporate Services | | 54 553 | 58 075 | 56 963 | 72 318 | 76 578 | 76 578 | 82 589 | 85 570 | 88 975 |
| Vote 4 - Financial Services | | 136 612 | 140 078 | 106 638 | 138 929 | 168 137 | 168 137 | 171 468 | 180 629 | 197 884 |
| Vote 5 - Infrastructure Services | | 893 615 | 943 253 | 1 189 410 | 1 210 945 | 1 261 213 | 1 261 213 | 1 293 520 | 1 327 940 | 1 386 612 |
| Vote 6 - Community Services | | 152 166 | 157 827 | 186 656 | 192 551 | 190 034 | 190 034 | 203 116 | 203 744 | 213 945 |
| Vote 7 - Municipal Public Safety | | 123 167 | 153 723 | 94 947 | 175 704 | 191 120 | 191 120 | 201 555 | 216 833 | 225 625 |
| Vote 8 - Planning and Development | | 90 848 | 63 185 | 62 634 | 73 840 | 71 184 | 71 184 | 68 526 | 66 549 | 69 312 |
| Vote 9 - Costing Services | | – | – | – | – | – | – | 131 796 | 137 635 | 145 338 |
| 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 | **1 497 483** | **1 572 027** | **1 752 801** | **1 944 209** | **2 042 734** | **2 042 734** | **2 241 787** | **2 305 439** | **2 418 018** |
| **Surplus/(Deficit) for the year** | 2 | **20 948** | **109 688** | **129 040** | **(41 415)** | **(3 557)** | **(3 557)** | **7 080** | **3 358** | **(26 040)** |

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

| Vote Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| Revenue by Vote | | | | | | | | | |
| **Vote 1 - Municipal Council** | **53 270** | **74 415** | **106 209** | **91 820** | **77 622** | **77 622** | **78 908** | **83 068** | **86 815** |
| 1.1 - Council:Council's General | 53 270 | 74 415 | 106 209 | 91 820 | 77 622 | 77 622 | 78 908 | 83 068 | 86 815 |
| 1.2 - Council:Mayors Office | – | – | – | – | – | – | – | – | – |
| 1.3 - Council:Pensioners & Continued Members | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| **Vote 2 - Office of the Municipal Manager** | **–** | **–** | **–** | **–** | **1 931** | **1 931** | **515** | **546** | **579** |
| 2.1 - MM:Municipal Manager | – | – | – | – | – | – | – | – | – |
| 2.2 - MM:Internal Audit | – | – | – | – | – | – | – | – | – |
| 2.3 - MM:Strategic Support Services | – | – | – | – | 1 931 | 1 931 | 515 | 546 | 579 |
| 2.4 - MM:Legal Services & Contract Management | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| **Vote 3 - Corporate Services** | **3 603** | **1 496** | **1 492** | **1 364** | **1 464** | **1 464** | **1 274** | **1 345** | **1 419** |
| 3.1 - Corp:Director:Corporate Services | 3 603 | 1 496 | 1 492 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3.2 - Corp:Risk Management | – | – | – | – | – | – | – | – | – |
| 3.3 - Corp:Human Resources Management | – | – | – | 1 363 | 1 463 | 1 463 | 1 272 | 1 342 | 1 417 |
| 3.4 - Corp:Info & Communication Technolgy | – | – | – | – | – | – | – | – | – |
| 3.5 - Corp:Business Architecture & CRM | – | – | – | – | – | – | – | – | – |
| 3.6 - Corp:Administrative Support Services | – | – | – | 1 | 1 | 1 | 3 | 3 | 3 |
| 3.7 - Corp:Municipal Court | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| **Vote 4 - Financial Services** | **325 949** | **370 122** | **436 859** | **437 064** | **452 207** | **452 207** | **477 666** | **503 242** | **532 331** |
| 4.1 - Fin:Chief Financial Officer | 325 949 | 370 122 | 436 859 | 160 | – | – | – | – | – |
| 4.2 - Fin:Financial Accounting | – | – | – | 55 400 | 63 400 | 63 400 | 58 143 | 59 120 | 61 798 |
| 4.3 - Fin:Revenue Management | – | – | – | 379 642 | 386 945 | 386 945 | 417 621 | 442 115 | 468 321 |
| 4.4 - Fin:Expenditure, Fleet & Asset Management | – | – | – | 117 | 117 | 117 | 52 | 53 | 55 |
| 4.5 - Fin:Supply Chain Management | – | – | – | 1 745 | 1 745 | 1 745 | 1 850 | 1 953 | 2 156 |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| **Vote 5 - Infrastructure Services** | **1 034 384** | **1 102 798** | **1 275 677** | **1 260 015** | **1 370 156** | **1 370 156** | **1 419 613** | **1 476 820** | **1 508 055** |
| 5.1 - Infra:Chief Engineer:Infrastructure Services | 1 034 384 | 1 102 798 | 1 275 677 | 138 | 138 | 138 | 0 | 0 | 0 |
| 5.2 - Infra:Civil Infrastructure Planning, Project Management & Housing Development | – | – | – | 97 739 | 112 315 | 112 315 | 68 342 | 31 146 | 13 000 |
| 5.3 - Infra:Waste Management | – | – | – | 123 746 | 126 678 | 126 678 | 134 170 | 142 266 | 150 507 |
| 5.4 - Infra:Civil Engineering Services | – | – | – | 7 250 | 13 440 | 13 440 | 130 | 130 | 146 |
| 5.5 - Infra:Water | – | – | – | 197 693 | 221 114 | 221 114 | 254 990 | 264 806 | 252 630 |
| 5.6 - Infra:Sewerage | – | – | – | 135 675 | 144 079 | 144 079 | 151 500 | 180 959 | 188 616 |
| 5.7 - Infra:Roads | – | – | – | 1 352 | 2 550 | 2 550 | 6 300 | 9 718 | 5 337 |
| 5.8 - Infra:Stormwater | – | – | – | 7 073 | 10 396 | 10 396 | 400 | 424 | 450 |
| 5.9 - Infra:Electricity | – | – | – | 689 348 | 739 445 | 739 445 | 803 779 | 847 370 | 897 368 |
| 5.10 - Infra:Mechanical Workshop Fleet Management | – | – | – | – | – | – | – | – | – |
| **Vote 6 - Community Services** | **27 139** | **24 795** | **29 545** | **34 972** | **38 268** | **38 268** | **52 939** | **19 957** | **28 422** |
| 6.1 - Comm:Director:Community Services | 27 139 | 24 795 | 29 545 | 161 | 79 | 79 | 77 | 77 | 77 |
| 6.2 - Comm:Community Services | – | – | – | – | – | – | – | – | – |
| 6.3 - Comm:Resorts | – | – | – | 7 215 | 7 215 | 7 215 | 8 440 | 8 947 | 9 483 |
| 6.4 - Comm:Parks and Open Spaces & Cemetries | – | – | – | 5 873 | 5 965 | 5 965 | 5 676 | 6 016 | 6 377 |
| 6.5 - Comm:Sportsfields | – | – | – | 10 430 | 14 018 | 14 018 | 27 119 | 2 050 | 9 445 |
| 6.6 - Comm:Beaches & Slipways | – | – | – | 1 239 | 797 | 797 | 1 468 | 1 556 | 1 650 |
| 6.7 - Comm:Refuse Removal & CBD Cleansing | – | – | – | – | – | – | – | – | – |
| 6.8 - Comm:Intergrated Human Settlements & Development | – | – | – | 504 | 504 | 504 | 418 | 340 | 360 |
| 6.9 - Comm:Library Services | – | – | – | 8 656 | 8 795 | 8 795 | 8 881 | 60 | 64 |
| 6.10 - Comm:Halls,Facilities&Building Maintenance | – | – | – | 894 | 894 | 894 | 860 | 911 | 966 |
| **Vote 7 - Municipal Public Safety** | **48 857** | **76 056** | **(7 188)** | **61 852** | **70 323** | **70 323** | **71 012** | **71 492** | **72 585** |
| 7.1 - MPS:Director: Municipal Public Safety | 48 857 | 76 056 | (7 188) | – | – | – | – | – | – |
| 7.2 - MPS:Traffic Services | – | – | – | 53 539 | 61 110 | 61 110 | 61 530 | 62 169 | 62 846 |
| 7.3 - MPS:Law Enforcement Services | – | – | – | 8 106 | 8 506 | 8 506 | 8 867 | 9 201 | 9 610 |
| 7.4 - MPS:Fire & Rescue | – | – | – | 207 | 707 | 707 | 615 | 122 | 129 |
| 7.5 - MPS:Disaster Management | – | – | – | – | – | – | – | – | – |
| 7.6 - MPS:Safety,Security & CCTV | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| **Vote 8 - Planning and Development** | **25 229** | **32 033** | **39 248** | **15 707** | **27 206** | **27 206** | **15 145** | **14 692** | **16 433** |
| 8.1 - P&D:Director:Planning & Development | 25 229 | 32 033 | 39 248 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8.2 - P&D:Town Planning & Spatial Planning | – | – | – | 2 142 | 2 142 | 2 142 | 2 366 | 2 508 | 2 659 |
| 8.3 - P&D:Environmental Management & Conservation | – | – | – | 46 | 738 | 738 | 626 | 0 | 0 |
| 8.4 - P&D:Building Control | – | – | – | 7 980 | 7 980 | 7 980 | 9 125 | 9 673 | 10 253 |
| 8.5 - P&D:Socio-Economic Programme | – | – | – | 1 969 | 1 969 | 1 969 | 2 738 | 150 | 150 |
| 8.6 - P&D:Tourism | – | – | – | – | – | – | – | – | – |
| 8.7 - P&D:Property Management | – | – | – | 3 570 | 14 378 | 14 378 | 289 | 2 360 | 3 371 |

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

| Vote Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| **Vote 9 - Costing Services** | – | – | – | – | – | – | 131 796 | 137 635 | 145 338 |
| 9.1 - Departmental Charges & Recoveries | – | – | – | – | – | – | 131 796 | 137 635 | 145 338 |
| 9.2 - Internal Billing | – | – | – | – | – | – | – | – | – |
| 9.3 - Activity Based Costing | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
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| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| **Vote 10 - Main Ledger Services** | – | – | – | – | – | – | – | – | – |
| 10.1 - Main Ledger | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| **Total Revenue by Vote** | 1 518 431 | 1 681 715 | 1 881 841 | 1 902 794 | 2 039 177 | 2 039 177 | 2 248 867 | 2 308 796 | 2 391 977 |
| **Expenditure by Vote** | | | | | | | | | |
| **Vote 1 - Municipal Council** | 36 404 | 46 177 | 41 353 | 54 329 | 53 910 | 53 910 | 55 516 | 51 174 | 53 459 |
| 1.1 - Council:Council's General | 36 404 | 46 177 | 41 353 | 53 172 | 52 756 | 52 756 | 54 310 | 49 914 | 52 143 |
| 1.2 - Council:Mayors Office | – | – | – | 1 156 | 1 154 | 1 154 | 1 205 | 1 259 | 1 315 |
| 1.3 - Council:Pensioners & Continued Members | – | – | – | 1 | 1 | 1 | 1 | 1 | 1 |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| **Vote 2 - Office of the Municipal Manager** | 10 117 | 9 709 | 14 201 | 25 593 | 30 559 | 30 559 | 33 702 | 35 365 | 36 868 |
| 2.1 - MM:Municipal Manager | 10 117 | 9 709 | 14 201 | 3 429 | 3 887 | 3 887 | 4 277 | 4 471 | 4 670 |
| 2.2 - MM:Internal Audit | – | – | – | 5 145 | 4 517 | 4 517 | 4 863 | 5 019 | 5 230 |
| 2.3 - MM:Strategic Support Services | – | – | – | 13 884 | 17 376 | 17 376 | 19 112 | 20 023 | 20 963 |
| 2.4 - MM:Legal Services & Contract Management | – | – | – | 3 134 | 4 779 | 4 779 | 5 450 | 5 853 | 6 005 |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| **Vote 3 - Corporate Services** | 54 553 | 58 075 | 56 963 | 72 318 | 76 578 | 76 578 | 82 589 | 85 570 | 88 975 |
| 3.1 - Corp:Director:Corporate Services | 54 553 | 58 075 | 56 963 | 4 776 | 2 980 | 2 980 | 2 965 | 3 096 | 3 232 |
| 3.2 - Corp:Risk Management | – | – | – | 1 227 | 1 427 | 1 427 | 1 547 | 1 616 | 1 686 |
| 3.3 - Corp:Human Resources Management | – | – | – | 16 796 | 18 622 | 18 622 | 19 700 | 20 849 | 21 981 |
| 3.4 - Corp:Info & Communication Technolgy | – | – | – | 35 519 | 32 148 | 32 148 | 33 664 | 34 174 | 35 365 |
| 3.5 - Corp:Business Architecture & CRM | – | – | – | 4 188 | 11 785 | 11 785 | 14 364 | 15 004 | 15 392 |
| 3.6 - Corp:Administrative Support Services | – | – | – | 6 336 | 5 802 | 5 802 | 6 226 | 6 488 | 6 748 |
| 3.7 - Corp:Municipal Court | – | – | – | 3 478 | 3 813 | 3 813 | 4 123 | 4 344 | 4 572 |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| **Vote 4 - Financial Services** | 136 612 | 140 078 | 106 638 | 138 929 | 168 137 | 168 137 | 171 468 | 180 629 | 197 884 |
| 4.1 - Fin:Chief Financial Officer | 136 612 | 140 078 | 106 638 | 2 948 | 2 895 | 2 895 | 2 693 | 2 826 | 2 961 |
| 4.2 - Fin:Financial Accounting | – | – | – | 9 330 | 9 549 | 9 549 | 10 735 | 10 724 | 11 254 |
| 4.3 - Fin:Revenue Management | – | – | – | 61 712 | 70 751 | 70 751 | 70 179 | 74 390 | 85 885 |
| 4.4 - Fin:Expenditure, Fleet & Asset Management | – | – | – | 41 190 | 61 288 | 61 288 | 62 343 | 65 926 | 69 664 |
| 4.5 - Fin:Supply Chain Management | – | – | – | 23 748 | 23 654 | 23 654 | 25 518 | 26 764 | 28 120 |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| **Vote 5 - Infrastructure Services** | 893 615 | 943 253 | 1 189 410 | 1 210 945 | 1 261 213 | 1 261 213 | 1 293 520 | 1 327 940 | 1 386 612 |
| 5.1 - Infra:Chief Engineer:Infrastructure Services | 893 615 | 943 253 | 1 189 410 | 3 394 | 3 765 | 3 765 | 4 037 | 4 211 | 4 384 |
| 5.2 - Infra:Civil Infrastructure Planning, Project Management & Housing Development | – | – | – | 221 943 | 219 838 | 219 838 | 195 507 | 179 713 | 170 915 |
| 5.3 - Infra:Waste Management | – | – | – | 66 435 | 75 633 | 75 633 | 69 573 | 70 518 | 75 630 |
| 5.4 - Infra:Civil Engineering Services | – | – | – | 73 340 | 65 104 | 65 104 | 68 309 | 72 087 | 75 657 |
| 5.5 - Infra:Water | – | – | – | 63 623 | 77 947 | 77 947 | 69 627 | 66 745 | 68 381 |
| 5.6 - Infra:Sewerage | – | – | – | 80 397 | 93 713 | 93 713 | 86 876 | 95 704 | 100 453 |
| 5.7 - Infra:Roads | – | – | – | 98 658 | 88 248 | 88 248 | 102 911 | 110 661 | 120 548 |
| 5.8 - Infra:Stormwater | – | – | – | 16 212 | 20 917 | 20 917 | 23 478 | 24 424 | 25 392 |
| 5.9 - Infra:Electricity | – | – | – | 584 226 | 616 048 | 616 048 | 673 202 | 703 878 | 745 254 |
| 5.10 - Infra:Mechanical Workshop Fleet Management | – | – | – | 2 715 | – | – | – | – | – |
| **Vote 6 - Community Services** | 152 166 | 157 827 | 186 656 | 192 551 | 190 034 | 190 034 | 203 116 | 203 744 | 213 945 |
| 6.1 - Comm:Director:Community Services | 152 166 | 157 827 | 186 656 | 21 158 | 12 686 | 12 686 | 6 655 | 2 293 | 2 394 |
| 6.2 - Comm:Community Services | – | – | – | 2 456 | 1 731 | 1 731 | 11 744 | 12 236 | 12 846 |
| 6.3 - Comm:Resorts | – | – | – | 14 161 | 13 321 | 13 321 | 13 193 | 13 766 | 14 390 |
| 6.4 - Comm:Parks and Open Spaces & Cemetries | – | – | – | 37 428 | 36 464 | 36 464 | 37 677 | 39 672 | 41 699 |
| 6.5 - Comm:Sportsfields | – | – | – | 7 185 | 5 845 | 5 845 | 6 059 | 6 388 | 6 734 |
| 6.6 - Comm:Beaches & Slipways | – | – | – | 9 653 | 11 274 | 11 274 | 11 534 | 12 049 | 12 606 |
| 6.7 - Comm:Refuse Removal & CBD Cleansing | – | – | – | 44 193 | 42 896 | 42 896 | 43 766 | 45 986 | 48 285 |
| 6.8 - Comm:Intergrated Human Settlements & Development | – | – | – | 10 110 | 8 951 | 8 951 | 9 199 | 9 528 | 9 956 |

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

| Vote Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| 6.9 - Comm:Library Services | – | – | – | 11 047 | 11 118 | 11 118 | 11 369 | 11 700 | 12 037 |
| 6.10 - Comm:Halls,Facilities&Building Maintenance | – | – | – | 35 160 | 45 749 | 45 749 | 51 920 | 50 126 | 52 999 |
| **Vote 7 - Municipal Public Safety** | **123 167** | **153 723** | **94 947** | **175 704** | **191 120** | **191 120** | **201 555** | **216 833** | **225 625** |
| 7.1 - MPS:Director: Municipal Public Safety | 123 167 | 153 723 | 94 947 | 4 652 | 4 504 | 4 504 | 4 628 | 4 853 | 5 045 |
| 7.2 - MPS:Traffic Services | – | – | – | 80 901 | 84 309 | 84 309 | 88 634 | 93 650 | 98 521 |
| 7.3 - MPS:Law Enforcement Services | – | – | – | 45 275 | 45 121 | 45 121 | 52 527 | 56 859 | 60 304 |
| 7.4 - MPS:Fire & Rescue | – | – | – | 35 071 | 43 659 | 43 659 | 39 673 | 41 827 | 44 094 |
| 7.5 - MPS:Disaster Management | – | – | – | 2 515 | 6 277 | 6 277 | 7 189 | 9 901 | 8 037 |
| 7.6 - MPS:Safety,Security & CCTV | – | – | – | 7 289 | 7 250 | 7 250 | 8 903 | 9 743 | 9 624 |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| **Vote 8 - Planning and Development** | **90 848** | **63 185** | **62 634** | **73 840** | **71 184** | **71 184** | **68 526** | **66 549** | **69 312** |
| 8.1 - P&D:Director:Planning & Development | 90 848 | 63 185 | 62 634 | 8 072 | 5 275 | 5 275 | 5 722 | 6 004 | 6 285 |
| 8.2 - P&D:Town Planning & Spatial Planning | – | – | – | 14 542 | 13 213 | 13 213 | 14 569 | 15 304 | 16 030 |
| 8.3 - P&D:Environmental Management & Conservation | – | – | – | 25 218 | 31 882 | 31 882 | 26 530 | 25 292 | 26 120 |
| 8.4 - P&D:Building Control | – | – | – | 10 484 | 9 988 | 9 988 | 9 795 | 10 294 | 10 790 |
| 8.5 - P&D:Socio-Economic Programme | – | – | – | 6 088 | 6 352 | 6 352 | 7 295 | 4 823 | 5 007 |
| 8.6 - P&D:Tourism | – | – | – | 3 923 | – | – | – | – | – |
| 8.7 - P&D:Property Management | – | – | – | 5 514 | 4 473 | 4 473 | 4 615 | 4 833 | 5 081 |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| **Vote 9 - Costing Services** | **–** | **–** | **–** | **–** | **–** | **–** | **131 796** | **137 635** | **145 338** |
| 9.1 - Departmental Charges & Recoveries | – | – | – | – | – | – | 131 796 | 137 635 | 145 338 |
| 9.2 - Internal Billing | – | – | – | – | – | – | – | – | – |
| 9.3 - Activity Based Costing | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| **Vote 10 - Main Ledger Services** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| 10.1 - Main Ledger | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | – | – |
| **Total Expenditure by Vote** | **1 497 483** | **1 572 027** | **1 752 801** | **1 944 209** | **2 042 734** | **2 042 734** | **2 241 787** | **2 305 439** | **2 418 018** |
| **Surplus/(Deficit) for the year** | **20 948** | **109 688** | **129 040** | **(41 415)** | **(3 557)** | **(3 557)** | **7 080** | **3 358** | **(26 040)** |

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

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Revenue** | | | | | | | | | |
| **Exchange Revenue** | | | | | | | | | |
| Service charges - Electricity | 512 791 | 495 999 | 607 716 | 636 747 | 679 000 | 679 000 | 745 540 | 791 153 | 838 623 |
| Service charges - Water | 142 484 | 158 070 | 182 282 | 176 718 | 197 000 | 197 000 | 209 109 | 221 026 | 234 288 |
| Service charges - Waste Water Management | 93 237 | 100 655 | 114 193 | 118 479 | 126 600 | 126 600 | 129 533 | 140 980 | 149 439 |
| Service charges - Waste Management | 76 964 | 85 923 | 97 731 | 108 946 | 108 946 | 108 946 | 115 444 | 122 552 | 129 905 |
| Sale of Goods and Rendering of Services | 68 874 | 80 449 | 131 093 | 102 760 | 97 788 | 97 788 | 63 725 | 40 330 | 23 509 |
| Agency services | 6 880 | 7 140 | 6 599 | 7 103 | 7 103 | 7 103 | 7 500 | 7 950 | 8 427 |
| Interest | 24 | 33 | 215 | 0 | 0 | 0 | 0 | 0 | 0 |
| Interest earned from Receivables | 3 370 | 5 796 | 10 299 | 9 400 | 11 500 | 11 500 | 12 500 | 13 250 | 14 045 |
| Interest earned from Current and Non Current Assets | 31 884 | 51 751 | 68 418 | 51 250 | 59 250 | 59 250 | 55 000 | 58 300 | 61 798 |
| Dividends | – | – | – | – | – | – | – | – | – |
| Rent on Land | 1 650 | 1 401 | 2 704 | 1 889 | 1 889 | 1 889 | 452 | 479 | 508 |
| Rental from Fixed Assets | 5 042 | 5 346 | 5 583 | 5 676 | 7 176 | 7 176 | 7 544 | 7 996 | 8 475 |
| Licence and permits | 1 002 | 1 143 | 923 | 779 | 779 | 779 | 780 | 827 | 876 |
| Special rating levies | | – | – | – | – | – | 15 420 | 16 037 | 16 678 |
| Operational Revenue | 7 497 | 10 988 | 10 968 | 8 539 | 8 544 | 8 544 | 5 554 | 5 886 | 6 238 |
| **Non-Exchange Revenue** | | | | | | | | | |
| Property rates | 280 176 | 297 101 | 339 596 | 361 957 | 367 000 | 367 000 | 383 977 | 407 016 | 431 437 |
| Surcharges and Taxes | – | – | – | – | – | – | – | – | – |
| Fines, penalties and forfeits | 35 124 | 58 043 | (22 970) | 44 889 | 52 460 | 52 460 | 52 537 | 52 636 | 52 741 |
| Licences or permits | 1 778 | 1 834 | 2 008 | 2 000 | 2 000 | 2 000 | 2 000 | 2 120 | 2 247 |
| Transfer and subsidies - Operational | 151 903 | 172 162 | 191 359 | 190 368 | 199 300 | 199 300 | 203 607 | 199 962 | 209 075 |
| Interest | 851 | 1 294 | 2 186 | 2 110 | 2 110 | 2 110 | 2 300 | 2 438 | 2 584 |
| Fuel Levy | – | – | – | – | – | – | – | – | – |
| Operational Revenue | – | – | – | – | – | – | – | – | – |
| Gains on disposal of Assets | – | 904 | – | – | 10 807 | 10 807 | – | – | – |
| Other Gains | 7 570 | 14 279 | 16 679 | 7 650 | 7 650 | 7 650 | 3 000 | 3 180 | 3 371 |
| Discontinued Operations | – | – | – | – | – | – | – | – | – |
| **Total Revenue (excluding capital transfers and contributions)** | **1 429 101** | **1 550 312** | **1 767 584** | **1 837 261** | **1 946 903** | **1 946 903** | **2 015 522** | **2 094 119** | **2 194 265** |
| **Expenditure** | | | | | | | | | |
| Employee related costs | 454 787 | 480 939 | 522 688 | 586 260 | 592 474 | 592 474 | 619 194 | 642 369 | 673 354 |
| Remuneration of councillors | 11 582 | 12 315 | 12 730 | 13 912 | 13 506 | 13 506 | 14 012 | 15 062 | 16 151 |
| Bulk purchases - electricity | 351 600 | 346 418 | 444 223 | 484 477 | 499 605 | 499 605 | 556 160 | 585 970 | 622 242 |
| Inventory consumed | 52 661 | 58 220 | 59 851 | 61 091 | 64 234 | 64 234 | 76 168 | 75 536 | 82 188 |
| Debt impairment | 28 248 | 52 100 | (12 141) | 53 394 | 67 400 | 67 400 | 70 770 | 74 309 | 78 024 |
| Depreciation and amortisation | 148 319 | 148 321 | 153 790 | 158 441 | 158 441 | 158 441 | 167 211 | 176 609 | 186 617 |
| Interest | 47 584 | 48 152 | 48 571 | 49 814 | 49 814 | 49 814 | 51 227 | 44 657 | 45 526 |
| Contracted services | 237 215 | 257 088 | 293 270 | 316 348 | 343 096 | 343 096 | 354 297 | 373 949 | 400 663 |
| Transfers and subsidies | 12 813 | 16 086 | 16 512 | 17 417 | 16 717 | 16 717 | 16 770 | 17 487 | 18 128 |
| Irrecoverable debts written off | 5 258 | 10 206 | 30 884 | 10 709 | 47 709 | 47 709 | 20 000 | 20 000 | 20 000 |
| Operational costs | 116 245 | 142 111 | 181 848 | 192 346 | 189 738 | 189 738 | 164 183 | 141 857 | 129 786 |
| Losses on disposal of Assets | 30 979 | – | 514 | – | – | – | – | – | – |
| Other Losses | 192 | 72 | 60 | – | – | – | – | – | – |
| **Total Expenditure** | **1 497 483** | **1 572 027** | **1 752 801** | **1 944 209** | **2 042 734** | **2 042 734** | **2 109 991** | **2 167 804** | **2 272 680** |
| **Surplus/(Deficit)** | **(68 383)** | **(21 715)** | **14 783** | **(106 948)** | **(95 831)** | **(95 831)** | **(94 469)** | **(73 685)** | **(78 415)** |
| Transfers and subsidies - capital (monetary allocations) | 87 270 | 125 273 | 92 977 | 65 533 | 88 616 | 88 616 | 101 549 | 77 043 | 52 375 |
| Transfers and subsidies - capital (in-kind) | 2 060 | 6 130 | 21 280 | – | 3 658 | 3 658 | – | – | – |
| **Surplus/(Deficit) after capital transfers & contributions** | **20 948** | 109 688 | 129 040 | **(41 415)** | **(3 557)** | **(3 557)** | **7 080** | **3 358** | **(26 040)** |
| Income Tax | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) after income tax** | **20 948** | 109 688 | 129 040 | (41 415) | (3 557) | (3 557) | 7 080 | 3 358 | (26 040) |
| Share of Surplus/Deficit attributable to Joint Venture | – | – | – | – | – | – | – | – | – |
| Share of Surplus/Deficit attributable to Minorities | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) attributable to municipality** | **20 948** | 109 688 | 129 040 | (41 415) | (3 557) | (3 557) | 7 080 | 3 358 | (26 040) |
| Share of Surplus/Deficit attributable to Associate | – | – | – | – | – | – | – | – | – |
| Intercompany/Parent subsidiary transactions | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) for the year** | **20 948** | **109 688** | **129 040** | **(41 415)** | **(3 557)** | **(3 557)** | **7 080** | **3 358** | **(26 040)** |

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

| Vote Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Capital expenditure - Vote** | | | | | | | | | |
| **Multi-year expenditure** *to be appropriated* | | | | | | | | | |
| Vote 1 - Municipal Council | – | – | – | – | – | – | – | – | – |
| Vote 2 - Office of the Municipal Manager | – | – | – | – | – | – | – | – | – |
| Vote 3 - Corporate Services | 3 250 | – | 588 | 765 | 1 081 | 1 081 | 3 244 | 500 | 500 |
| Vote 4 - Financial Services | 42 | – | 10 | 1 560 | 2 175 | 2 175 | 8 420 | – | – |
| Vote 5 - Infrastructure Services | 146 819 | 4 059 | 170 843 | 154 385 | 174 773 | 174 773 | 199 985 | 147 043 | 132 375 |
| Vote 6 - Community Services | 2 117 | – | – | 735 | 335 | 335 | 1 325 | – | – |
| Vote 7 - Municipal Public Safety | 100 | – | 161 | 1 300 | 1 300 | 1 300 | 3 292 | – | – |
| Vote 8 - Planning and Development | 6 417 | – | 6 170 | 30 | 30 | 30 | 29 | – | – |
| 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** | **158 744** | **4 059** | **177 772** | **158 775** | **179 694** | **179 694** | **216 295** | **147 543** | **132 875** |
| **Single-year expenditure** *to be appropriated* | | | | | | | | | |
| Vote 1 - Municipal Council | – | – | – | – | – | – | – | – | – |
| Vote 2 - Office of the Municipal Manager | – | – | 7 | 465 | 15 | 15 | 5 386 | – | – |
| Vote 3 - Corporate Services | – | 1 812 | 6 362 | 2 200 | 1 884 | 1 884 | – | – | – |
| Vote 4 - Financial Services | – | 57 | – | 5 650 | 19 816 | 19 816 | 15 900 | – | – |
| Vote 5 - Infrastructure Services | 26 219 | 163 637 | 115 | 14 689 | 17 361 | 17 361 | 7 950 | – | – |
| Vote 6 - Community Services | 4 989 | 5 007 | 7 112 | 1 000 | 4 674 | 4 674 | – | – | – |
| Vote 7 - Municipal Public Safety | 965 | 2 365 | 2 150 | 1 850 | 1 550 | 1 550 | 300 | – | – |
| Vote 8 - Planning and Development | 1 458 | 12 384 | – | – | – | – | – | – | – |
| 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** | **33 633** | **185 262** | **15 746** | **25 854** | **45 299** | **45 299** | **29 536** | **–** | **–** |
| **Total Capital Expenditure - Vote** | **192 377** | **189 321** | **193 518** | **184 628** | **224 994** | **224 994** | **245 831** | **147 543** | **132 875** |
| **Capital Expenditure - Functional** | | | | | | | | | |
| ***Governance and administration*** | **3 761** | **2 228** | **6 967** | **3 490** | **3 155** | **3 155** | **8 800** | **500** | **500** |
| Executive and council | 3 | 5 | 7 | 520 | 70 | 70 | 5 441 | – | – |
| Finance and administration | 3 759 | 2 223 | 6 960 | 2 970 | 3 085 | 3 085 | 3 359 | 500 | 500 |
| Internal audit | – | – | – | – | – | – | – | – | – |
| ***Community and public safety*** | **63 534** | **40 838** | **43 100** | **32 711** | **56 954** | **56 954** | **70 560** | **15 000** | **22 392** |
| Community and social services | 1 458 | 3 890 | 1 371 | 2 235 | 1 351 | 1 351 | 6 325 | – | – |
| Sport and recreation | 5 047 | 3 318 | 5 741 | 13 397 | 17 509 | 17 509 | 32 601 | 2 000 | 9 392 |
| Public safety | 7 998 | 5 007 | 2 310 | 3 950 | 6 650 | 6 650 | 7 092 | – | – |
| Housing | 49 031 | 28 623 | 33 678 | 13 129 | 31 444 | 31 444 | 24 542 | 13 000 | 13 000 |
| Health | – | – | – | – | – | – | – | – | – |
| ***Economic and environmental services*** | **11 405** | **20 518** | **17 926** | **3 277** | **7 475** | **7 475** | **16 954** | **9 400** | **5 000** |
| Planning and development | 2 656 | 3 719 | 6 170 | 975 | 2 875 | 2 875 | 1 554 | – | – |
| Road transport | 8 748 | 16 799 | 11 755 | 2 302 | 4 600 | 4 600 | 15 400 | 9 400 | 5 000 |
| Environmental protection | – | – | – | – | – | – | – | – | – |
| ***Trading services*** | **113 677** | **125 737** | **125 525** | **145 151** | **157 410** | **157 410** | **149 517** | **122 643** | **104 983** |
| Energy sources | 28 253 | 55 692 | 49 583 | 53 461 | 51 031 | 51 031 | 53 290 | 30 551 | 38 983 |
| Water management | 36 721 | 31 608 | 29 092 | 43 575 | 42 775 | 42 775 | 57 927 | 51 142 | 23 800 |
| Waste water management | 45 732 | 32 801 | 46 735 | 45 534 | 58 723 | 58 723 | 33 360 | 38 850 | 38 300 |
| Waste management | 2 972 | 5 637 | 115 | 2 580 | 4 880 | 4 880 | 4 940 | 2 100 | 3 900 |
| ***Other*** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Total Capital Expenditure - Functional** | **192 377** | **189 321** | **193 518** | **184 628** | **224 994** | **224 994** | **245 831** | **147 543** | **132 875** |
| **Funded by:** | | | | | | | | | |
| National Government | 36 688 | 81 741 | 59 150 | 52 299 | 55 951 | 55 951 | 76 207 | 64 043 | 39 375 |
| Provincial Government | 1 290 | 5 036 | 33 827 | 13 129 | 32 560 | 32 560 | 25 342 | 13 000 | 13 000 |
| District Municipality | – | – | | – | – | – | – | – | – |
| Transfers and subsidies - capital (monetary allocations) | 53 387 | 26 098 | 21 282 | 105 | 3 763 | 3 763 | – | – | – |
| **Transfers recognised - capital** | **91 365** | **112 876** | **114 260** | **65 533** | **92 274** | **92 274** | **101 549** | **77 043** | **52 375** |
| **Public contributions & donations** | – | 18 467 | | | | | | | |
| **Borrowing** | 65 237 | 34 249 | 66 513 | 93 010 | 89 511 | 89 511 | 93 982 | 70 000 | 80 000 |
| **Internally generated funds** | 35 775 | 23 730 | 12 745 | 26 085 | 43 209 | 43 209 | 50 300 | 500 | 500 |
| **Total Capital Funding** | **192 377** | **189 321** | **193 518** | **184 628** | **224 994** | **224 994** | **245 831** | **147 543** | **132 875** |

## WC032 Overstrand - Table A6 Budgeted Financial Position

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **ASSETS** | | | | | | | | | |
| **Current assets** | | | | | | | | | |
| Cash and cash equivalents | 616 280 | 646 535 | 676 658 | 660 378 | 676 391 | 676 391 | 729 941 | 818 816 | 889 398 |
| Trade and other receivables from exchange transactions | 96 422 | 110 076 | 153 598 | 76 747 | 123 982 | 123 982 | 105 760 | 86 497 | 67 440 |
| Receivables from non-exchange transactions | 52 678 | 50 479 | 52 959 | 33 832 | 41 105 | 41 105 | 35 543 | 31 190 | 27 520 |
| Current portion of non-current receivables | – | – | – | – | – | – | – | – | – |
| Inventory | 10 938 | 11 594 | 15 711 | 11 199 | 11 199 | 11 199 | 15 588 | 15 624 | 15 649 |
| VAT | 12 472 | 13 587 | 14 019 | 1 783 | 1 783 | 1 783 | 1 800 | 1 817 | 1 836 |
| Other current assets | 733 | 1 455 | 745 | 45 087 | 45 087 | 45 087 | 55 610 | 56 670 | 57 740 |
| **Total current assets** | **789 523** | **833 727** | **913 690** | **829 027** | **899 548** | **899 548** | **944 243** | **1 010 615** | **1 059 583** |
| **Non current assets** | | | | | | | | | |
| Investments | 60 512 | 68 211 | 77 045 | 84 471 | 84 471 | 84 471 | 8 400 | – | – |
| Investment property | 131 248 | 151 589 | 164 436 | 150 336 | 150 336 | 150 336 | 168 225 | 170 585 | 173 956 |
| Property, plant and equipment | 3 633 488 | 3 674 341 | 3 713 687 | 3 880 112 | 3 918 559 | 3 918 559 | 3 858 857 | 3 830 170 | 3 776 828 |
| Biological assets | – | – | – | – | – | – | – | – | – |
| Living and non-living resources | 610 | 542 | 415 | 1 106 | 806 | 806 | 980 | 912 | 844 |
| Heritage assets | 112 126 | 109 625 | 109 625 | 114 055 | 114 055 | 114 055 | 109 625 | 109 625 | 109 625 |
| Intangible assets | 8 940 | 8 687 | 8 050 | 7 637 | 7 637 | 7 637 | 7 488 | 7 177 | 6 845 |
| Trade and other receivables from exchange transactions | – | – | – | – | – | – | – | – | – |
| Non-current receivables from non-exchange transaction | – | – | – | – | – | – | – | – | – |
| Other non-current assets | – | – | – | – | – | – | – | – | – |
| **Total non current assets** | **3 946 923** | **4 012 995** | **4 073 258** | **4 237 717** | **4 275 864** | **4 275 864** | **4 153 575** | **4 118 469** | **4 068 097** |
| **TOTAL ASSETS** | **4 736 446** | **4 846 722** | **4 986 948** | **5 066 744** | **5 175 412** | **5 175 412** | **5 097 817** | **5 129 084** | **5 127 680** |
| **LIABILITIES** | | | | | | | | | |
| **Current liabilities** | | | | | | | | | |
| Bank overdraft | – | – | – | – | – | – | – | – | – |
| Financial liabilities | 50 494 | 57 949 | 50 444 | 154 566 | 154 566 | 154 566 | 61 383 | 72 116 | 80 828 |
| Consumer deposits | 64 682 | 65 804 | 69 338 | 58 712 | 58 712 | 58 712 | 69 665 | 71 715 | 73 765 |
| Trade and other payables from exchange transactions | 120 787 | 127 465 | 133 784 | 158 403 | 158 403 | 158 403 | 133 297 | 133 581 | 133 874 |
| Trade and other payables from non-exchange transactio | 26 309 | 6 206 | 5 342 | – | – | – | – | – | – |
| Provision | 41 443 | 43 365 | 45 659 | 53 093 | 53 093 | 53 093 | 48 242 | 53 463 | 55 523 |
| VAT | – | – | – | 3 365 | 3 365 | 3 365 | 4 201 | 5 095 | 6 044 |
| Other current liabilities | 5 414 | 6 083 | 6 683 | 6 643 | 6 643 | 6 643 | 7 966 | 8 285 | 8 616 |
| **Total current liabilities** | **309 129** | **306 872** | **311 250** | **434 783** | **434 783** | **434 783** | **324 754** | **344 254** | **358 650** |
| **Non current liabilities** | | | | | | | | | |
| Financial liabilities | 429 906 | 421 957 | 421 513 | 331 786 | 331 786 | 331 786 | 360 476 | 358 360 | 357 532 |
| Provision | 157 026 | 170 841 | 172 518 | 188 240 | 188 240 | 188 240 | 186 928 | 186 381 | 186 502 |
| Long term portion of trade payables | – | – | – | – | – | – | – | – | – |
| Other non-current liabilities | 116 205 | 114 262 | 119 837 | 141 167 | 141 167 | 141 167 | 145 765 | 151 596 | 157 659 |
| **Total non current liabilities** | **703 137** | **707 060** | **713 869** | **661 193** | **661 193** | **661 193** | **693 169** | **696 336** | **701 693** |
| **TOTAL LIABILITIES** | **1 012 266** | **1 013 932** | **1 025 118** | **1 095 976** | **1 095 976** | **1 095 976** | **1 017 923** | **1 040 590** | **1 060 343** |
| **NET ASSETS** | **3 724 180** | **3 832 790** | **3 961 830** | **3 970 769** | **4 079 436** | **4 079 436** | **4 079 894** | **4 088 493** | **4 067 337** |
| **COMMUNITY WEALTH/EQUITY** | | | | | | | | | |
| Accumulated surplus/(deficit) | 3 720 953 | 3 829 562 | 3 958 602 | 3 967 539 | 4 076 207 | 4 076 207 | 4 076 664 | 4 085 262 | 4 064 105 |
| Reserves and funds | 3 228 | 3 228 | 3 228 | 3 230 | 3 230 | 3 230 | 3 231 | 3 232 | 3 233 |
| Other | – | – | – | – | – | – | – | – | – |
| **TOTAL COMMUNITY WEALTH/EQUITY** | **3 724 180** | **3 832 790** | **3 961 830** | **3 970 769** | **4 079 436** | **4 079 436** | **4 079 894** | **4 088 493** | **4 067 337** |

**WC032 Overstrand - Table A6-Inventory**

| Store Type | Classification | 2022/23 | 2021/22 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Agricultural** | Opening balance - Agricultural | - | - | - | - | - | - | - | - | - |
| | Acquisitions - Agricultural | - | - | - | - | - | - | - | - | - |
| | Adjustments - Agricultural | - | - | - | - | - | - | - | - | - |
| | Issues - Agricultural | - | - | - | - | - | - | - | - | - |
| | Write Off - Agricultural | - | - | - | - | - | - | - | - | - |
| | Correction of Prior period errors - Agricultura | - | - | - | - | - | - | - | - | - |
| **Agricultural Total** | | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Consumables Standard Rated** | Opening balance - Consumables Standard Rated | 9 374 | 8 918 | 10 113 | 8 284 | 8 284 | 8 284 | 8 381 | 14 498 | 14 594 |
| | Acquisitions - Consumables Standard Ratec | 13 854 | 21 568 | 20 564 | 16 000 | 16 000 | 16 000 | 21 600 | 16 000 | 16 000 |
| | Adjustments - Consumables Standard Ratec | (14 310) | (20 373) | (16 158) | (15 903) | (15 903) | (15 903) | (15 903) | (15 903) | (15 903) |
| | Issues - Consumables Standard Rated | - | - | - | - | - | - | 420 | - | - |
| | Write Off - Consumables Standard Ratec | - | - | - | - | - | - | - | - | - |
| | Correction of Prior period errors - Consumables Standard | - | - | - | - | - | - | - | - | - |
| **Consumables Standard Rated Total** | | **8 918** | **10 113** | **14 519** | **8 381** | **8 381** | **8 381** | **14 498** | **14 594** | **14 691** |
| **Consumables Zero Rated** | Opening balance - Consumables Zero Rated | - | - | - | - | - | - | - | - | - |
| | Acquisitions - Consumables Zero Rated | - | - | - | - | - | - | - | - | - |
| | Adjustments - Consumables Zero Rated | - | - | - | - | - | - | - | - | - |
| | Issues - Consumables Zero Ratec | - | - | - | - | - | - | - | - | - |
| | Write Off - Consumables Zero Rated | - | - | - | - | - | - | - | - | - |
| | Correction of Prior period errors - Consumables Zero Ratec | - | - | - | - | - | - | - | - | - |
| **Consumables Zero Rated Total** | | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Finished Goods** | Opening balance - Finished Goods | - | - | - | - | - | - | - | - | - |
| | Acquisitions - Finished Goods | - | - | - | - | - | - | - | - | - |
| | Adjustments - Finished Goods | - | - | - | - | - | - | - | - | - |
| | Issues -Finished Goods | - | - | - | - | - | - | - | - | - |
| | Write Off - Finished Goods | - | - | - | - | - | - | - | - | - |
| | Correction of Prior period errors - Finished Goods | - | - | - | - | - | - | - | - | - |
| **Finished Goods Total** | | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Housing Stock** | Opening balance - Housing Stock | 3 157 | 1 766 | 1 167 | 2 517 | 2 517 | 2 517 | 820 | 720 | 620 |
| | Acquisitions - Housing Stock | 273 | - | - | - | - | - | - | - | - |
| | Sales - Housing Stock | 32 972 | (67) | (343) | - | - | - | (100) | (100) | (100) |
| | Transfer - Housing stock | (34 635) | (531) | - | - | - | - | - | - | - |
| | Correction of Prior period errors - Housing stock | - | - | - | - | - | - | - | - | - |
| **Housing Stock Total** | | **1 766** | **1 167** | **824** | **2 517** | **2 517** | **2 517** | **720** | **620** | **520** |
| **Land** | Opening balance - Land | - | - | - | - | - | - | - | - | - |
| | Acquisitions - Land | - | - | - | - | - | - | - | - | - |
| | Sales - land | - | - | - | - | - | - | - | - | - |
| | Adjustments - Land | - | - | - | - | - | - | - | - | - |
| | Correction of Prior period errors - Land | - | - | - | - | - | - | - | - | - |
| | Transfers - Land | - | - | - | - | - | - | - | - | - |
| **Land Total** | | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Materials and Supplies** | Opening balance - Materials and Supplies | - | - | - | - | - | - | - | - | - |
| | Acquisitions - Materials and Supplies | - | - | - | - | - | - | - | - | - |
| | Adjustments - Materials and Supplies | - | - | - | - | - | - | - | - | - |
| | Issues - Materials and Supplies | - | - | - | - | - | - | - | - | - |
| | Write Off - Materials and Supplies | - | - | - | - | - | - | - | - | - |
| | Correction of Prior period errors - Materials and Supplies | - | - | - | - | - | - | - | - | - |
| **Materials and Supplies Total** | | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Water** | Opening balance - Water | 206 | 248 | 314 | 253 | 253 | 253 | 302 | 370 | 409 |
| | Acquisitions - Water bulk purchases | - | - | - | - | - | - | - | - | - |
| | Acquisitions - Water natural sources | - | - | - | 11 974 | 11 974 | 11 974 | 12 273 | 12 580 | 12 894 |
| | Acquisitions - Water treatment works | 42 | 66 | 54 | (1) | (1) | (1) | (1) | (1) | (1) |
| | Billed Authorised Consumption:Billed Metered | - | - | - | - | - | - | - | - | - |
| | Billed Authorised Consumption:Billed Metered | - | - | - | (9 254) | (9 254) | (9 254) | (9 485) | (9 722) | (9 965) |
| | Billed Authorised Consumption:Billed Metered | - | - | - | - | - | - | - | - | - |
| | Billed Authorised Consumption:Billed Unmetered | - | - | - | - | - | - | - | - | - |
| | Billed Authorised Consumption:Billed Unmetered | - | - | - | - | - | - | - | - | - |
| | Billed Authorised Consumption:Billed Unmetered | - | - | - | - | - | - | - | - | - |
| | Data Transfer and Management Errors | - | - | - | 50 | 50 | 50 | 70 | 40 | 30 |
| | Non-revenue Water | - | - | - | (2 670) | (2 670) | (2 670) | (2 718) | (2 818) | (2 899) |
| | Unavoidable Annual Real Losses | - | - | - | - | - | - | - | - | - |
| | Unbilled Authorised Consumption:Unbilled Metered | - | - | - | - | - | - | - | - | - |
| | Unbilled Authorised Consumption:Unbilled Unmetered | - | - | - | (207) | (207) | (207) | (212) | (217) | (223) |
| | Water Losses:Apparent Losses:Customer Meter | - | - | - | - | - | - | - | - | - |
| | Water Losses:Apparent Losses:Unauthorised Consumption | - | - | - | (2 513) | (2 513) | (2 513) | (2 576) | (2 641) | (2 707) |
| | Water Losses:Real Losses:Leakage and Overflows at | - | - | - | - | - | - | - | - | - |
| | Water Losses:Real Losses:Leakage on Service | - | - | - | - | - | - | - | - | - |
| | Water Losses:Real Losses:Leakage on Transmission and | - | - | - | - | - | - | - | - | - |
| | Correction of Prior period errors - Water | - | - | - | - | - | - | - | - | - |
| **Water Total** | | **248** | **314** | **368** | **302** | **302** | **302** | **370** | **409** | **438** |
| **Work-in-progress** | Opening balance - WIP | - | - | - | - | - | - | - | - | - |
| | Materials - WIP | - | - | - | - | - | - | - | - | - |
| | Transfer - WIP | - | - | - | - | - | - | - | - | - |
| **Work-in-progress Total** | | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Grand Total** | | **10 932** | **11 594** | **15 711** | **11 199** | **11 199** | **11 199** | **15 588** | **15 624** | **15 649** |

## WC032 Overstrand - Table A7 Budgeted Cash Flows

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **CASH FLOW FROM OPERATING ACTIVITIES** | | | | | | | | | |
| **Receipts** | | | | | | | | | |
| Property rates | 277 452 | 292 203 | 331 408 | 358 095 | 362 295 | 362 295 | 395 706 | 419 145 | 443 977 |
| Service charges | 813 102 | 812 299 | 933 715 | 1 032 355 | 1 102 689 | 1 102 689 | 1 193 359 | 1 268 998 | 1 345 137 |
| Other revenue | 88 928 | 114 226 | 148 838 | 120 379 | 120 379 | 120 379 | 95 808 | 72 775 | 54 532 |
| Transfers and Subsidies - Operational | 145 075 | 172 032 | 186 843 | 190 368 | 201 918 | 201 918 | 203 607 | 199 962 | 209 075 |
| Transfers and Subsidies - Capital | 96 836 | 105 269 | 96 616 | 65 533 | 92 274 | 92 274 | 101 549 | 77 043 | 52 375 |
| Interest | 36 128 | 58 874 | 81 119 | 51 250 | 51 250 | 51 250 | 55 000 | 58 300 | 61 798 |
| Dividends | – | – | – | – | – | – | – | – | – |
| **Payments** | | | | | | | | | |
| Suppliers and employees | (1 199 126) | (1 277 763) | (1 501 927) | (1 609 408) | (1 656 924) | (1 656 924) | (1 758 974) | (1 807 968) | (1 909 718) |
| Interest | (47 584) | (48 152) | (48 571) | (49 814) | (49 814) | (49 814) | (51 227) | (44 657) | (45 526) |
| Transfers and Subsidies | (12 813) | (14 865) | (16 590) | (17 417) | (17 417) | (17 417) | (16 770) | (17 487) | (18 128) |
| **NET CASH FROM/(USED) OPERATING ACTIVI** | **197 999** | **214 123** | **211 450** | **141 341** | **206 650** | **206 650** | **218 059** | **226 111** | **193 523** |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | | | | | | | |
| **Receipts** | | | | | | | | | |
| Proceeds on disposal of PPE | 3 813 | 3 676 | 302 | – | 13 043 | 13 043 | – | – | – |
| Decrease (increase) in non-current receivables | – | | – | – | – | – | – | – | – |
| Decrease (increase) in non-current investment | (4 980) | (4 980) | (4 980) | (4 980) | (4 980) | (4 980) | 30 167 | (360) | – |
| **Payments** | | | | | | | | | |
| Capital assets | (190 382) | (183 191) | (172 235) | (184 628) | (222 775) | (222 775) | (245 831) | (147 543) | (132 875) |
| **NET CASH FROM/(USED) OPERATING ACTIVI** | **(191 549)** | **(184 495)** | **(176 913)** | **(189 608)** | **(214 712)** | **(214 712)** | **(215 664)** | **(147 903)** | **(132 875)** |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | | | | | | | |
| **Receipts** | | | | | | | | | |
| Short term loans | – | – | – | – | – | – | – | – | – |
| Borrowing long term/refinancing | 50 000 | 50 000 | 50 000 | 65 000 | 65 000 | 65 000 | 90 000 | 70 000 | 80 000 |
| Increase (decrease) in consumer deposits | 1 064 | 1 122 | 3 535 | (6 600) | (6 600) | (6 600) | 5 200 | 2 050 | 2 050 |
| **Payments** | | | | | | | | | |
| **Repayment of borrowing** | (53 957) | (50 494) | (57 949) | (50 605) | (50 605) | (50 605) | (154 654) | (61 383) | (72 116) |
| **NET CASH FROM/(USED) FINANCING ACTIVIT** | **(2 893)** | **628** | **(4 414)** | **7 795** | **7 795** | **7 795** | **(59 454)** | **10 667** | **9 934** |
| **NET INCREASE/ (DECREASE) IN CASH HELD** | **3 557** | **30 255** | **30 123** | **(40 473)** | **(267)** | **(267)** | **(57 059)** | **88 875** | **70 582** |
| **Cash/cash equivalents at the year begin:** | **612 723** | **616 280** | **646 535** | 700 851 | 676 658 | 676 658 | **787 000** | **729 941** | **818 816** |
| **Cash/cash equivalents at the year end:** | **616 280** | **646 535** | **676 658** | **660 378** | **676 391** | **676 391** | **729 941** | **818 816** | **889 398** |

***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 | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Cash and investments available** | | | | | | | | | |
| Cash/cash equivalents at the year end | 616 280 | 646 535 | 676 658 | 660 378 | 676 391 | 676 391 | 729 941 | 818 816 | 889 398 |
| Other current investments > 90 days | 0 | (0) | (0) | 0 | 0 | 0 | – | – | – |
| Non current Investments | 60 512 | 68 211 | 77 045 | 84 471 | 84 471 | 84 471 | 8 400 | – | – |
| **Cash and investments available:** | **676 792** | **714 746** | **753 703** | **744 849** | **760 862** | **760 862** | **738 342** | **818 816** | **889 398** |
| **Application of cash and investments** | | | | | | | | | |
| Trade payables from Non-exchange transactions: Unspe | 26 309 | 6 206 | 5 342 | – | – | – | – | – | – |
| Unspent borrowing | – | 30 175 | 56 641 | 27 610 | 27 610 | 27 610 | 3 982 | – | – |
| Statutory requirements | – | – | 14 020 | 6 919 | 11 659 | 11 659 | – | – | – |
| Other working capital requirements | 11 963 | 15 967 | 8 748 | 44 481 | 37 543 | 37 543 | 90 143 | 102 940 | 106 854 |
| Other provisions | 13 315 | 13 315 | (52 554) | (56 225) | (56 225) | (56 225) | – | – | – |
| Long term investments committed | 60 512 | 68 211 | 77 045 | 84 471 | 84 471 | 84 471 | 8 400 | – | – |
| Reserves to be backed by cash/investments | – | – | – | – | – | – | – | – | – |
| **Total Application of cash and investments:** | **112 099** | **133 875** | **109 242** | **107 257** | **105 059** | **105 059** | **102 525** | **102 940** | **106 854** |
| **Surplus(shortfall)** | **564 693** | **580 871** | **644 461** | **637 592** | **655 803** | **655 803** | **635 816** | **715 876** | **782 544** |
| Other working capital requirements | | | | | | | | | |
| Debtors | 108 824 | 111 498 | 125 036 | 113 922 | 120 860 | 120 860 | 43 154 | 30 641 | 27 020 |
| Creditors due | 120 787 | 127 465 | 133 784 | 158 403 | 158 403 | 158 403 | 133 297 | 133 581 | 133 874 |
| **Total** | **(11 963)** | **(15 967)** | **(8 748)** | **(44 481)** | **(37 543)** | **(37 543)** | **(90 143)** | **(102 940)** | **(106 854)** |
| Debtors collection assumptions | | | | | | | | | |
| Balance outstanding - debtors | 113 190 | 118 690 | 130 004 | 118 303 | 125 576 | 125 576 | 43 943 | 31 190 | 27 520 |
| Estimate of debtors collection rate | 96.1% | 93.9% | 96.2% | 96.3% | 96.2% | 96.2% | 98.2% | 98.2% | 98.2% |
| 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) | 60 512 | 68 211 | 77 045 | 84 471 | 84 471 | 84 471 | 8 400 | – | – |
| 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 | – | – | – | – | – | – | – | – | – |
| | 60 512 | 68 211 | 77 045 | 84 471 | 84 471 | 84 471 | 8 400 | – | – |
| Reserves to be backed by cash/investments | | | | | | | | | |
| Housing Development Fund | 3 228 | 3 228 | 3 228 | 3 230 | 3 230 | 3 230 | 3 231 | 3 232 | 3 233 |
| Capital replacement | – | – | – | – | – | – | – | – | – |
| Self-insurance | – | – | – | – | – | – | – | – | – |
| Compensation for Occupational Injuries and Diseases | – | – | – | – | – | – | – | – | – |
| Employee Benefit | – | – | – | – | – | – | – | – | – |
| Non-current Provisions | – | – | – | – | – | – | – | – | – |
| Valuation | – | – | – | – | – | – | – | – | – |
| Investment in associate account | – | – | – | – | – | – | – | – | – |
| Capitalisation | – | – | – | – | – | – | – | – | – |
| | 3 228 | 3 228 | 3 228 | 3 230 | 3 230 | 3 230 | 3 231 | 3 232 | 3 233 |

## WC032 Overstrand - Table A9 Asset Management

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited | Audited | Audited | Original | Adjusted | Full Year | Budget Year | Budget Year +1 | Budget Year +2 |
| CAPITAL EXPENDITURE | | | | | | | | | |
| **Total New Assets** | **119 714** | **132 803** | **142 268** | **113 744** | **151 819** | **151 819** | **136 465** | **54 201** | **55 683** |
| *Roads Infrastructure* | 7 714 | 16 799 | 11 795 | 952 | 3 250 | 3 250 | 6 500 | 9 400 | 2 000 |
| *Storm water Infrastructure* | 4 724 | 1 113 | 5 968 | 10 213 | 13 536 | 13 536 | 5 000 | – | – |
| *Electrical Infrastructure* | 18 244 | 53 049 | 45 316 | 32 748 | 30 317 | 30 317 | 27 590 | 20 451 | 17 483 |
| *Water Supply Infrastructure* | 3 171 | 9 484 | 16 099 | 24 900 | 24 100 | 24 100 | 13 050 | 7 000 | 9 800 |
| *Sanitation Infrastructure* | 8 923 | 3 956 | 8 141 | 8 500 | 6 500 | 6 500 | 7 750 | 500 | 1 000 |
| *Solid Waste Infrastructure* | 2 972 | 1 226 | 50 | 565 | 1 055 | 1 055 | 4 940 | 2 100 | 3 900 |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | ***45 748*** | ***85 627*** | ***87 369*** | ***77 878*** | ***78 759*** | ***78 759*** | ***64 830*** | ***39 451*** | ***34 183*** |
| Community Facilities | 4 140 | 2 674 | 797 | 3 350 | 2 900 | 2 900 | 6 821 | – | 3 000 |
| Sport and Recreation Facilities | 5 047 | 5 068 | 3 451 | 2 947 | 6 769 | 6 769 | 8 772 | – | 5 000 |
| **Community Assets** | ***9 187*** | ***7 742*** | ***4 248*** | ***6 297*** | ***9 669*** | ***9 669*** | ***15 593*** | **–** | ***8 000*** |
| **Heritage Assets** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Revenue Generating | – | – | – | – | – | – | – | – | – |
| Non-revenue Generating | – | – | – | – | – | – | – | – | – |
| **Investment properties** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Operational Buildings | 1 410 | 2 211 | 6 567 | 2 250 | 3 750 | 3 750 | 2 250 | 1 250 | – |
| Housing | 49 031 | 26 523 | 33 678 | 13 129 | 31 444 | 31 444 | 24 542 | 13 000 | 13 000 |
| **Other Assets** | ***50 440*** | ***28 734*** | ***40 245*** | ***15 379*** | ***35 194*** | ***35 194*** | ***26 792*** | ***14 250*** | ***13 000*** |
| **Biological or Cultivated Assets** | **21** | **–** | **–** | **700** | **400** | **400** | **300** | **–** | **–** |
| Servitudes | – | – | – | – | – | – | – | – | – |
| Licences and Rights | – | – | 71 | – | – | – | – | – | – |
| **Intangible Assets** | **–** | **–** | ***71*** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Computer Equipment** | **3 240** | **2 212** | **4 550** | **3 250** | **3 250** | **3 250** | **3 130** | **500** | **500** |
| **Furniture and Office Equipment** | **2 910** | **715** | **408** | **865** | **1 396** | **1 396** | **1 345** | **–** | **–** |
| **Machinery and Equipment** | **1 363** | **729** | **3 588** | **1 225** | **335** | **335** | **325** | **–** | **–** |
| **Transport Assets** | **6 806** | **7 043** | **1 787** | **8 150** | **22 816** | **22 816** | **24 150** | **–** | **–** |
| **Land** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Zoo's, Marine and Non-biological Animals** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Mature | – | - | - | - | - | - | - | - | - |
| Immature | – | - | - | - | - | - | - | - | - |
| **Living Resources** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Total Renewal of Existing Assets** | **30 964** | **17 393** | **15 235** | **19 375** | **19 375** | **19 375** | **45 827** | **45 092** | **16 700** |
| *Roads Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Storm water Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Electrical Infrastructure* | 1 000 | 1 042 | 1 500 | 1 500 | 1 500 | 1 500 | 1 500 | 2 000 | 2 500 |
| *Water Supply Infrastructure* | 29 964 | 15 725 | 12 448 | 17 175 | 17 175 | 17 175 | 43 627 | 42 392 | 13 500 |
| *Sanitation Infrastructure* | – | 626 | 1 287 | 700 | 700 | 700 | 700 | 700 | 700 |
| *Solid Waste Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | ***30 964*** | ***17 393*** | ***15 235*** | ***19 375*** | ***19 375*** | ***19 375*** | ***45 827*** | ***45 092*** | ***16 700*** |
| 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** | **41 698** | **39 125** | **36 015** | **51 509** | **53 800** | **53 800** | **63 539** | **48 250** | **60 492** |
| *Roads Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Storm water Infrastructure* | – | – | – | – | – | – | 1 000 | – | – |
| *Electrical Infrastructure* | 7 173 | 1 600 | 2 767 | 15 464 | 15 464 | 15 464 | 16 300 | 8 100 | 19 000 |
| *Water Supply Infrastructure* | 3 586 | 6 928 | 541 | 500 | 500 | 500 | 500 | 500 | 500 |
| *Sanitation Infrastructure* | 30 939 | 28 219 | 30 351 | 25 621 | 27 621 | 27 621 | 18 910 | 37 650 | 36 600 |
| *Solid Waste Infrastructure* | – | 1 859 | 65 | 25 | 25 | 25 | – | – | – |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | ***41 698*** | ***38 606*** | ***33 725*** | ***41 609*** | ***43 609*** | ***43 609*** | ***36 710*** | ***46 250*** | ***56 100*** |
| Community Facilities | – | 319 | – | – | – | – | 4 000 | – | – |
| Sport and Recreation Facilities | – | 200 | 2 290 | 9 900 | 10 190 | 10 190 | 22 829 | 2 000 | 4 392 |

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited | Audited | Audited | Original | Adjusted | Full Year | Budget Year | Budget Year +1 | Budget Year +2 |
| **Community Assets** | – | *519* | *2 290* | *9 900* | *10 190* | *10 190* | *26 829* | *2 000* | *4 392* |
| **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** | **192 377** | **189 321** | **193 518** | **184 628** | **224 994** | **224 994** | **245 831** | **147 543** | **132 875** |
| *Roads Infrastructure* | 7 714 | 16 799 | 11 795 | 952 | 3 250 | 3 250 | 6 500 | 9 400 | 2 000 |
| *Storm water Infrastructure* | 4 724 | 1 113 | 5 968 | 10 213 | 13 536 | 13 536 | 6 000 | – | – |
| *Electrical Infrastructure* | 26 417 | 55 692 | 49 583 | 49 711 | 47 281 | 47 281 | 45 390 | 30 551 | 38 983 |
| *Water Supply Infrastructure* | 36 721 | 32 137 | 29 088 | 42 575 | 41 775 | 41 775 | 57 177 | 49 892 | 23 800 |
| *Sanitation Infrastructure* | 39 862 | 32 801 | 39 780 | 34 821 | 34 821 | 34 821 | 27 360 | 38 850 | 38 300 |
| *Solid Waste Infrastructure* | 2 972 | 3 085 | 115 | 590 | 1 080 | 1 080 | 4 940 | 2 100 | 3 900 |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | *118 410* | *141 626* | *136 329* | *138 863* | *141 744* | *141 744* | *147 367* | *130 793* | *106 983* |
| Community Facilities | 4 140 | 2 994 | 797 | 3 350 | 2 900 | 2 900 | 10 821 | – | 3 000 |
| Sport and Recreation Facilities | 5 047 | 5 268 | 5 741 | 12 847 | 16 959 | 16 959 | 31 601 | 2 000 | 9 392 |
| **Community Assets** | *9 187* | *8 261* | *6 538* | *16 197* | *19 859* | *19 859* | *42 422* | *2 000* | *12 392* |
| **Heritage Assets** | – | – | – | – | – | – | – | – | – |
| Revenue Generating | – | – | – | – | – | – | – | – | – |
| Non-revenue Generating | – | – | – | – | – | – | – | – | – |
| **Investment properties** | – | – | – | – | – | – | – | – | – |
| Operational Buildings | 1 410 | 2 211 | 6 567 | 2 250 | 3 750 | 3 750 | 2 250 | 1 250 | – |
| Housing | 49 031 | 26 523 | 33 678 | 13 129 | 31 444 | 31 444 | 24 542 | 13 000 | 13 000 |
| **Other Assets** | *50 440* | *28 734* | *40 245* | *15 379* | *35 194* | *35 194* | *26 792* | *14 250* | *13 000* |
| **Biological or Cultivated Assets** | **21** | – | – | **700** | **400** | **400** | **300** | – | – |
| Servitudes | – | – | – | – | – | – | – | – | – |
| Licences and Rights | – | – | 71 | – | – | – | – | – | – |
| **Intangible Assets** | – | – | *71* | – | – | – | – | – | – |
| **Computer Equipment** | **3 240** | **2 212** | **4 550** | **3 250** | **3 250** | **3 250** | **3 130** | **500** | **500** |
| **Furniture and Office Equipment** | **2 910** | **715** | **408** | **865** | **1 396** | **1 396** | **1 345** | – | – |
| **Machinery and Equipment** | **1 363** | **729** | **3 588** | **1 225** | **335** | **335** | **325** | – | – |
| **Transport Assets** | **6 806** | **7 043** | **1 787** | **8 150** | **22 816** | **22 816** | **24 150** | – | – |
| **Land** | – | – | – | – | – | – | – | – | – |
| **Zoo's, Marine and Non-biological Animals** | – | – | – | – | – | – | – | – | – |
| Mature | – | - | - | - | - | - | - | - | - |
| Immature | – | - | - | - | - | - | - | - | - |
| **Living Resources** | - | - | - | - | - | - | - | - | - |
| **TOTAL CAPITAL EXPENDITURE - Asset class** | **192 377** | **189 321** | **193 518** | **184 628** | **224 994** | **224 994** | **245 831** | **147 543** | **132 875** |
| **ASSET REGISTER SUMMARY - PPE (WDV)** | 3 886 411 | 3 944 784 | 3 996 213 | 4 153 247 | 4 191 393 | 4 191 393 | 4 145 174 | 4 118 469 | 4 068 097 |
| *Roads Infrastructure* | 1 029 544 | 1 030 337 | 1 025 787 | 875 222 | 877 520 | 877 520 | 914 446 | 870 175 | 814 211 |
| *Storm water Infrastructure* | 247 600 | 247 788 | 246 502 | 246 734 | 250 419 | 250 419 | 255 828 | 246 750 | 237 491 |
| *Electrical Infrastructure* | 485 064 | 533 170 | 555 186 | 603 240 | 600 810 | 600 810 | 535 259 | 537 050 | 546 698 |
| *Water Supply Infrastructure* | 500 923 | 512 678 | 520 541 | 554 132 | 553 332 | 553 332 | 606 144 | 628 942 | 624 564 |
| *Sanitation Infrastructure* | 427 473 | 468 023 | 487 367 | 503 640 | 503 640 | 503 640 | 507 626 | 531 249 | 553 560 |
| *Solid Waste Infrastructure* | 40 054 | 39 649 | 37 096 | 44 240 | 44 240 | 44 240 | 37 547 | 36 274 | 36 833 |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | *2 730 657* | *2 831 644* | *2 872 478* | *2 827 209* | *2 829 962* | *2 829 962* | *2 856 851* | *2 850 441* | *2 813 358* |
| **Community Assets** | 226 208 | 233 953 | 229 978 | – | – | – | 278 763 | 264 045 | 258 046 |
| **Heritage Assets** | 112 126 | 109 625 | 109 625 | 114 055 | 114 055 | 114 055 | 109 625 | 109 625 | 109 625 |
| Revenue Generating | – | – | – | – | – | – | – | – | – |
| Non-revenue Generating | – | – | – | – | – | – | – | – | – |
| **Investment properties** | 127 088 | 151 589 | 164 436 | 150 336 | 150 336 | 150 336 | 168 225 | 170 585 | 173 956 |
| Operational Buildings | – | – | – | – | – | – | | – | – |
| Housing | – | – | – | – | – | – | | – | – |
| **Other Assets** | 157 525 | 81 149 | 80 885 | 923 673 | 939 337 | 939 337 | 137 872 | 148 584 | 158 046 |
| **Biological or Cultivated Assets** | – | – | – | – | 5 231 | 5 231 | – | – | – |
| Servitudes | – | – | – | – | – | – | | – | – |
| Licences and Rights | – | – | – | – | – | – | | – | – |
| **Intangible Assets** | 8 940 | 8 687 | 8 050 | 7 709 | 7 709 | 7 709 | 7 488 | 7 177 | 6 845 |
| **Computer Equipment** | 10 483 | 10 578 | 11 355 | – | – | – | 17 735 | 18 235 | 18 735 |
| **Furniture and Office Equipment** | 1 818 | 1 682 | 3 353 | 20 289 | 20 420 | 20 420 | 2 627 | (175) | (3 257) |
| **Machinery and Equipment** | 9 473 | 10 500 | 10 142 | 7 577 | 7 577 | 7 577 | 7 699 | 5 907 | 3 935 |

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited | Audited | Audited | Original | Adjusted | Full Year | Budget Year | Budget Year +1 | Budget Year +2 |
| **Transport Assets** | 97 940 | 99 145 | 95 012 | 101 294 | 115 960 | 115 960 | 146 824 | 132 649 | 117 481 |
| **Land** | 403 543 | 405 689 | 410 484 | – | – | – | 410 484 | 410 484 | 410 484 |
| **Zoo's, Marine and Non-biological Animals** | – | – | – | – | – | – | – | – | – |
| **Living Resources** | 610 | 542 | 415 | 1 106 | 806 | 806 | 980 | 912 | 844 |
| **TOTAL ASSET REGISTER SUMMARY - PPE (WDV)** | **3 886 411** | **3 944 784** | **3 996 213** | **4 153 247** | **4 191 393** | **4 191 393** | **4 145 174** | **4 118 469** | **4 068 097** |
| **EXPENDITURE OTHER ITEMS** | | | | | | | | | |
| **Depreciation** | 147 004 | 148 321 | 153 664 | 158 373 | 158 373 | 158 373 | 167 143 | 176 541 | 186 550 |
| **Repairs and Maintenance by Asset Class** | **245 386** | **249 505** | **280 465** | **295 774** | **317 124** | **317 124** | **326 900** | **346 983** | **367 554** |
| *Roads Infrastructure* | 64 340 | 54 418 | 74 585 | 78 769 | 79 784 | 79 784 | 85 143 | 92 661 | 100 377 |
| *Storm water Infrastructure* | 6 870 | 6 157 | 5 588 | 6 361 | 11 679 | 11 679 | 13 747 | 14 479 | 15 222 |
| *Electrical Infrastructure* | 30 721 | 35 380 | 38 864 | 40 144 | 45 567 | 45 567 | 49 278 | 51 502 | 54 259 |
| *Water Supply Infrastructure* | 21 088 | 20 432 | 19 038 | 24 954 | 19 116 | 19 116 | 20 985 | 22 129 | 23 336 |
| *Sanitation Infrastructure* | 11 710 | 12 634 | 12 280 | 14 322 | 15 602 | 15 602 | 12 419 | 16 948 | 17 872 |
| *Solid Waste Infrastructure* | 6 351 | 8 650 | 9 310 | 8 620 | 10 658 | 10 658 | 11 483 | 12 129 | 12 810 |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | ***141 079*** | ***137 671*** | ***159 666*** | ***173 170*** | ***182 405*** | ***182 405*** | ***193 055*** | ***209 848*** | ***223 876*** |
| Community Facilities | 37 455 | 40 568 | 43 765 | 49 396 | 47 317 | 47 317 | 48 317 | 50 789 | 53 442 |
| Sport and Recreation Facilities | 12 921 | 12 919 | 12 021 | 17 042 | 15 081 | 15 081 | 15 438 | 16 141 | 16 894 |
| **Community Assets** | ***50 376*** | ***53 486*** | ***55 786*** | ***66 438*** | ***62 398*** | ***62 398*** | ***63 754*** | ***66 930*** | ***70 336*** |
| **Heritage Assets** | – | – | – | – | – | – | – | – | – |
| Revenue Generating | – | – | – | – | – | – | – | – | – |
| Non-revenue Generating | – | – | – | – | – | – | – | – | – |
| **Investment properties** | – | – | – | – | – | – | – | – | – |
| Operational Buildings | 15 056 | 16 833 | 12 818 | 13 758 | 20 223 | 20 223 | 18 955 | 13 511 | 13 784 |
| Housing | – | – | – | – | – | – | – | – | – |
| **Other Assets** | ***15 056*** | ***16 833*** | ***12 818*** | ***13 758*** | ***20 223*** | ***20 223*** | ***18 955*** | ***13 511*** | ***13 784*** |
| **Biological or Cultivated Assets** | – | – | – | – | – | – | – | – | – |
| Servitudes | – | – | – | – | – | – | – | – | – |
| Licences and Rights | 5 915 | 6 829 | 7 777 | 8 967 | 9 317 | 9 317 | 10 661 | 10 591 | 10 884 |
| **Intangible Assets** | ***5 915*** | ***6 829*** | ***7 777*** | ***8 967*** | ***9 317*** | ***9 317*** | ***10 661*** | ***10 591*** | ***10 884*** |
| **Computer Equipment** | **2 490** | **2 157** | **1 898** | **2 566** | **3 026** | **3 026** | **2 546** | **2 546** | **2 546** |
| **Furniture and Office Equipment** | **5 004** | **8 206** | **12 316** | **7 747** | **1 606** | **1 606** | **1 704** | **1 721** | **1 783** |
| **Machinery and Equipment** | **4 059** | **4 163** | **6 749** | **5 983** | **7 111** | **7 111** | **5 807** | **9 633** | **10 253** |
| **Transport Assets** | **21 406** | **20 160** | **23 455** | **17 145** | **31 037** | **31 037** | **30 419** | **32 202** | **34 093** |
| **Libraries** | – | – | – | – | – | – | – | – | – |
| **Zoo's, Marine and Non-biological Animals** | – | – | – | – | – | – | – | – | – |
| Mature | – | - | - | - | - | - | - | - | - |
| Immature | – | - | - | - | - | - | - | - | - |
| **Living Resources** | - | - | - | - | - | - | - | - | - |
| **TOTAL EXPENDITURE OTHER ITEMS** | **392 390** | **397 826** | **434 129** | **454 148** | **475 497** | **475 497** | **494 044** | **523 524** | **554 104** |
| ***Renewal and upgrading of Existing Assets as % of total capex*** | *37.8%* | *29.9%* | *26.5%* | *38.4%* | *32.5%* | *32.5%* | *44.5%* | *63.3%* | *58.1%* |
| ***Renewal and upgrading of Existing Assets as % of deprecn*** | *49.4%* | *38.1%* | *33.4%* | *44.8%* | *46.2%* | *46.2%* | *65.4%* | *52.9%* | *41.4%* |
| ***R&M as a % of PPE & Investment Property*** | *6.4%* | *6.3%* | *7.0%* | *7.1%* | *7.6%* | *7.6%* | *7.9%* | *8.4%* | *9.0%* |
| ***Renewal and upgrading and R&M as a % of PPE and Investment Prop*** | *8.3%* | *7.8%* | *8.4%* | *8.9%* | *9.4%* | *9.4%* | *10.6%* | *10.7%* | *11.0%* |

*References*

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

## WC032 Overstrand - Table A10 Basic service delivery measurement

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| | Outcome | Outcome | Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Household service targets** | | | | | | | | | |
| ***Water:*** | | | | | | | | | |
| Piped water inside dwelling | 30 990 | 31 829 | 31 324 | 32 466 | 32 466 | 32 466 | 32 888 | 33 217 | 33 549 |
| Piped water inside yard (but not in dwelling) | – | – | – | – | – | – | – | – | – |
| Using public tap (at least min.service level) | 3 536 | 3 242 | 3 242 | 3 536 | 3 137 | 3 536 | 3 220 | 4 229 | 4 374 |
| Other water supply (at least min.service level) | – | – | – | – | – | – | – | – | – |
| *Minimum Service Level and Above sub-total* | 34 526 | 35 071 | 34 566 | 36 002 | 35 603 | 36 002 | 36 108 | 37 446 | 37 923 |
| Using public tap (< min.service level) | – | – | – | – | – | – | – | – | – |
| Other water supply (< min.service level) | – | – | – | – | – | – | – | – | – |
| No water supply | – | – | – | – | – | – | – | – | – |
| *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| **Total number of households** | **34 526** | **35 071** | **34 566** | **36 002** | **35 603** | **36 002** | **36 108** | **37 446** | **37 923** |
| ***Sanitation/sewerage:*** | | | | | | | | | |
| Flush toilet (connected to sewerage) | 31 394 | 32 323 | 31 646 | 32 969 | 32 969 | 32 969 | 33 562 | 33 898 | 34 237 |
| Flush toilet (with septic tank) | – | – | – | – | – | – | – | – | – |
| Chemical toilet | – | – | – | – | – | – | – | – | – |
| Pit toilet (ventilated) | – | – | – | – | – | – | – | – | – |
| Other toilet provisions (> min.service level) | 3 536 | 3 242 | 3 242 | 3 536 | 3 137 | 3 536 | 3 220 | 4 229 | 4 374 |
| *Minimum Service Level and Above sub-total* | 34 930 | 35 565 | 34 888 | 36 505 | 36 106 | 36 505 | 36 782 | 38 127 | 38 611 |
| Bucket toilet | – | – | – | – | – | – | – | – | – |
| Other toilet provisions (< min.service level) | – | – | – | – | – | – | – | – | – |
| No toilet provisions | – | – | – | – | – | – | – | – | – |
| *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| **Total number of households** | **34 930** | **35 565** | **34 888** | **36 505** | **36 106** | **36 505** | **36 782** | **38 127** | **38 611** |
| ***Energy:*** | | | | | | | | | |
| Electricity (at least min.service level) | 5 618 | 5 502 | 5 174 | 5 060 | 5 060 | 5 060 | 4 946 | 4 832 | 4 718 |
| Electricity - prepaid (min.service level) | 20 821 | 21 854 | 22 381 | 23 149 | 23 149 | 23 149 | 23 363 | 23 597 | 23 811 |
| *Minimum Service Level and Above sub-total* | 26 439 | 27 356 | 27 555 | 28 209 | 28 209 | 28 209 | 28 309 | 28 429 | 28 529 |
| Electricity (< min.service level) | – | – | – | – | – | – | – | – | – |
| Electricity - prepaid (< min. service level) | – | – | – | – | – | – | – | – | – |
| Other energy sources | – | – | – | – | – | – | – | – | – |
| *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| **Total number of households** | **26 439** | **27 356** | **27 555** | **28 209** | **28 209** | **28 209** | **28 309** | **28 429** | **28 529** |
| ***Refuse:*** | | | | | | | | | |
| Removed at least once a week | 34 819 | 35 601 | 35 261 | 36 313 | 36 313 | 36 313 | 36 676 | 37 043 | 37 413 |
| *Minimum Service Level and Above sub-total* | 34 819 | 35 601 | 35 261 | 36 313 | 36 313 | 36 313 | 36 676 | 37 043 | 37 413 |
| Removed less frequently than once a week | – | – | – | – | – | – | – | – | – |
| Using communal refuse dump | – | – | – | – | – | – | – | – | – |
| Using own refuse dump | – | – | – | – | – | – | – | – | – |
| Other rubbish disposal | – | – | – | – | – | – | – | – | – |
| No rubbish disposal | – | – | – | – | – | – | – | – | – |

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| | Outcome | Outcome | Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| **Total number of households** | **34 819** | **35 601** | **35 261** | **36 313** | **36 313** | **36 313** | **36 676** | **37 043** | **37 413** |
| **Households receiving Free Basic Service** | | | | | | | | | |
| Water (6 kilolitres per household per month) | 7 595 | 7 278 | 7 400 | 4 800 | 4 800 | 4 800 | 5 800 | 5 800 | 5 800 |
| Sanitation (free minimum level service) | 7 400 | 7 400 | 7 400 | 4 800 | 4 800 | 4 800 | 5 800 | 5 800 | 5 800 |
| Electricity/other energy (50kwh per household per month) | 7 400 | 7 400 | 7 400 | 4 800 | 4 800 | 4 800 | 5 800 | 5 800 | 5 800 |
| Refuse (removed at least once a week) | 7 400 | 7 400 | 7 400 | 4 800 | 4 800 | 4 800 | 5 800 | 5 800 | 5 800 |
| Informal Settlements | – | – | – | – | – | – | – | – | – |
| **Cost of Free Basic Services provided - Formal Settlements (R'000)** | | | | | | | | | |
| Water (6 kilolitres per **indigent** household per month) | 3 065 | 3 214 | 5 224 | 3 432 | 3 432 | 3 432 | 3 638 | 3 856 | 4 088 |
| Sanitation (free sanitation service to **indigent households**) | 5 253 | 6 729 | 9 814 | 7 330 | 7 330 | 7 330 | 7 770 | 8 236 | 8 730 |
| Electricity/other energy (50kwh per **indigent** household per month) | 5 513 | 7 509 | 7 509 | 8 077 | 8 077 | 8 077 | 8 562 | 9 076 | 9 620 |
| Refuse (removed once a week **for indigent households**) | 16 929 | 14 861 | 19 152 | 14 577 | 14 577 | 14 577 | 15 452 | 16 379 | 17 362 |
| **Cost of Free Basic Services provided - Informal Formal Settlements (R'000)** | – | – | – | – | – | – | – | – | – |
| **Total cost of FBS provided** | **30 760** | **32 314** | **41 699** | **33 417** | **33 417** | **33 417** | **35 422** | **37 547** | **39 800** |
| **Highest level of free service provided per household** | | | | | | | | | |
| Property rates (R value threshold) | 220 000 | | | 300 000 | 300 000 | 300 000 | 350 000 | 350 000 | 350 000 |
| Water (kilolitres per household per month) | 6 | 6 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| Sanitation (kilolitres per household per month) | 4 | 4 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| Sanitation (Rand per household per month) | 132 | 138 | 148 | 155 | 155 | 155 | 164 | 174 | 185 |
| Electricity (kwh per household per month) | 50 | 50 | 50 | 70 | 70 | 70 | 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)** ( **impermissable values per section 17 of MPRA**) | – | – | – | – | – | – | – | – | – |
| Property rates exemptions, reductions and rebates **and impermissable values in excess of** | – | – | – | – | – | – | – | – | – |
| Water **(in excess of 6 kilolitres per indigent household per month)** | – | – | – | – | – | – | – | – | – |
| Sanitation **(in excess of free sanitation service to indigent households)** | – | – | – | – | – | – | – | – | – |
| Electricity/other energy **(in excess of 50 kwh per indigent household per month)** | – | – | – | – | – | – | – | – | – |
| Refuse **(in excess of one removal a week for indigent households)** | – | – | – | – | – | – | – | – | – |
| Municipal Housing - rental rebates | – | – | – | – | – | – | – | – | – |
| Housing - top structure subsidies | – | – | – | – | – | – | – | – | – |
| Other | – | – | – | – | – | – | – | – | – |
| **Total revenue cost of subsidised services provided** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |

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

| Description<br>R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|---|---|
| **REVENUE ITEMS:** | | | | | | | | | |
| **Non-exchange revenue by source** | | | | | | | | | |
| **Property rates** | | | | | | | | | |
| Total Property Rates | 280 176 | 297 101 | 339 596 | 361 957 | 367 000 | 367 000 | 383 977 | 407 016 | 431 437 |
| *less Revenue Foregone* ***(exemptions, reductions and rebates and*** | – | – | – | – | – | – | – | – | – |
| **Net Property Rates** | **280 176** | **297 101** | **339 596** | **361 957** | **367 000** | **367 000** | **383 977** | **407 016** | **431 437** |
| **Exchange revenue service charges** | | | | | | | | | |
| **Service charges - Electricity** | | | | | | | | | |
| Total Service charges - Electricity | 518 304 | 503 509 | 615 226 | 644 825 | 687 077 | 687 077 | 754 102 | 800 229 | 848 243 |
| *less Revenue Foregone* ***(in excess of 50 kwh per indigent household per*** | – | – | – | – | – | – | – | – | – |
| ***month)*** | 5 513 | 7 509 | 7 509 | 8 077 | 8 077 | 8 077 | 8 562 | 9 076 | 9 620 |
| **Net Service charges - Electricity** | **512 791** | **495 999** | **607 716** | **636 747** | **679 000** | **679 000** | **745 540** | **791 153** | **838 623** |
| **Service charges - Water** | | | | | | | | | |
| Total Service charges - Water | 145 550 | 161 284 | 187 506 | 180 150 | 200 432 | 200 432 | 212 747 | 224 882 | 238 375 |
| *less Revenue Foregone* ***(in excess of 6 kilolitres per indigent household per*** | – | – | – | – | – | – | – | – | – |
| ***month)*** | 3 065 | 3 214 | 5 224 | 3 432 | 3 432 | 3 432 | 3 638 | 3 856 | 4 088 |
| **Net Service charges - Water** | **142 484** | **158 070** | **182 282** | **176 718** | **197 000** | **197 000** | **209 109** | **221 026** | **234 288** |
| **Service charges - Waste Water Management** | | | | | | | | | |
| Total Service charges - Waste Water Management | 98 489 | 107 385 | 124 007 | 125 809 | 133 930 | 133 930 | 137 303 | 149 216 | 158 169 |
| *less Revenue Foregone* ***(in excess of free sanitation service to indigent*** | – | – | – | – | – | – | – | – | – |
| ***households)*** | 5 253 | 6 729 | 9 814 | 7 330 | 7 330 | 7 330 | 7 770 | 8 236 | 8 730 |
| **Net Service charges - Waste Water Management** | **93 237** | **100 655** | **114 193** | **118 479** | **126 600** | **126 600** | **129 533** | **140 980** | **149 439** |
| **Service charges - Waste Management** | | | | | | | | | |
| Total refuse removal revenue | 93 894 | 100 785 | 116 883 | 123 523 | 123 523 | 123 523 | 130 896 | 138 931 | 147 267 |
| Total landfill revenue | – | – | – | – | – | – | – | – | – |
| *less Revenue Foregone* ***(in excess of one removal a week to indigent*** | – | – | – | – | – | – | – | – | – |
| ***households)*** | 16 929 | 14 861 | 19 152 | 14 577 | 14 577 | 14 577 | 15 452 | 16 379 | 17 362 |
| **Net Service charges - Waste Management** | **76 964** | **85 923** | **97 731** | **108 946** | **108 946** | **108 946** | **115 444** | **122 552** | **129 905** |
| **EXPENDITURE ITEMS:** | | | | | | | | | |
| **Employee related costs** | | | | | | | | | |
| Basic Salaries and Wages | 281 218 | 295 585 | 321 972 | 365 690 | 380 280 | 380 280 | 395 106 | 414 484 | 434 369 |
| Pension and UIF Contributions | 49 835 | 47 755 | 56 004 | 67 580 | 58 426 | 58 426 | 62 922 | 64 822 | 68 006 |
| Medical Aid Contributions | 14 510 | 15 638 | 16 959 | 19 652 | 17 925 | 17 925 | 19 278 | 19 691 | 20 659 |
| Overtime | 35 197 | 42 829 | 43 751 | 35 012 | 41 624 | 41 624 | 42 318 | 47 268 | 49 631 |
| Performance Bonus | 20 628 | 21 923 | 23 469 | 27 721 | 23 955 | 23 955 | 25 974 | 26 564 | 27 861 |
| Motor Vehicle Allowance | 8 136 | 7 976 | 7 726 | 8 869 | 7 736 | 7 736 | 8 438 | 8 849 | 9 283 |
| Cellphone Allowance | 2 185 | 2 155 | 2 492 | 2 586 | 2 467 | 2 467 | 2 645 | 2 770 | 2 895 |
| Housing Allowances | 1 707 | 1 774 | 1 825 | 1 996 | 1 967 | 1 967 | 2 116 | 2 214 | 2 323 |
| Other benefits and allowances | 19 421 | 29 364 | 25 261 | 23 219 | 25 813 | 25 813 | 26 329 | 27 652 | 29 026 |
| Payments in lieu of leave | – | – | – | – | – | – | – | – | – |
| Long service awards | 3 689 | 3 283 | 4 010 | 4 604 | 4 604 | 4 604 | 4 831 | 4 144 | 4 310 |
| Post-retirement benefit obligations | 12 613 | 7 079 | 13 780 | 22 636 | 22 636 | 22 636 | 23 841 | 18 241 | 19 043 |
| Entertainment | – | – | – | – | – | – | – | – | – |
| Scarcity | 3 575 | 3 796 | 4 103 | 4 367 | 3 990 | 3 990 | 4 295 | 4 513 | 4 737 |
| Acting and post related allowance | 2 074 | 1 781 | 1 334 | 2 329 | 1 050 | 1 050 | 1 101 | 1 158 | 1 215 |
| In kind benefits | – | – | – | – | – | – | – | – | – |
| ***sub-total*** | **454 787** | **480 939** | **522 688** | **586 260** | **592 474** | **592 474** | **619 194** | **642 369** | **673 354** |
| Less: Employees costs capitalised to PPE | – | – | – | – | – | – | – | – | – |
| **Total Employee related costs** | **454 787** | **480 939** | **522 688** | **586 260** | **592 474** | **592 474** | **619 194** | **642 369** | **673 354** |
| **Depreciation and amortisation** | | | | | | | | | |
| Depreciation of Property, Plant & Equipment | 141 928 | 146 163 | 149 263 | 158 170 | 158 170 | 158 170 | 166 921 | 176 298 | 186 285 |
| Lease amortisation | 290 | 253 | 708 | 271 | 271 | 271 | 290 | 311 | 332 |
| Capital asset impairment | 6 101 | 1 904 | 3 819 | – | – | – | – | – | – |
| **Total Depreciation and amortisation** | **148 319** | **148 321** | **153 790** | **158 441** | **158 441** | **158 441** | **167 211** | **176 609** | **186 617** |
| **Bulk purchases - electricity** | | | | | | | | | |
| Electricity Bulk Purchases | 351 600 | 346 418 | 444 223 | 484 477 | 499 605 | 499 605 | 556 160 | 585 970 | 622 242 |
| **Total bulk purchases** | **351 600** | **346 418** | **444 223** | **484 477** | **499 605** | **499 605** | **556 160** | **585 970** | **622 242** |
| **Transfers and grants** | | | | | | | | | |
| Cash transfers and grants | 12 813 | 14 786 | 16 512 | 17 417 | 16 717 | 16 717 | 16 770 | 17 487 | 18 128 |
| Non-cash transfers and grants | – | 1 300 | – | – | – | – | – | – | – |
| **Total transfers and grants** | **12 813** | **16 086** | **16 512** | **17 417** | **16 717** | **16 717** | **16 770** | **17 487** | **18 128** |
| **Contracted services** | | | | | | | | | |
| *Outsourced Services* | 104 229 | 125 768 | 144 038 | 154 567 | 164 107 | 164 107 | 177 462 | 188 490 | 199 717 |
| *Consultants and Professional Services* | 32 365 | 38 390 | 33 142 | 40 437 | 38 189 | 38 189 | 40 095 | 39 303 | 49 039 |
| *Contractors* | 100 622 | 92 930 | 116 090 | 121 344 | 140 800 | 140 800 | 136 741 | 146 157 | 151 907 |
| ***sub-total*** | **237 215** | **257 088** | **293 270** | **316 348** | **343 096** | **343 096** | **354 297** | **373 949** | **400 663** |
| **Operational Costs** | | | | | | | | | |
| Collection costs | 5 363 | 4 915 | 5 787 | 7 809 | 7 809 | 7 809 | 9 610 | 10 187 | 10 798 |
| Contributions to 'other' provisions | 13 315 | 13 315 | 1 140 | 15 629 | 15 629 | 15 629 | 10 575 | 7 707 | 8 798 |
| Audit fees | 3 810 | 5 257 | 4 609 | 5 500 | 6 030 | 6 030 | 5 775 | 6 065 | 6 370 |
| *Other Operational Costs* | | | | | | | | | |
| *Operating Leases* | 96 | 136 | 97 | 287 | 282 | 282 | 8 370 | 8 850 | 9 361 |
| *Operational Cost* | 93 661 | 118 486 | 170 216 | 163 121 | 159 988 | 159 988 | 129 854 | 109 048 | 94 459 |
| *Statutory Payments other than Income Taxes* | – | – | – | – | – | – | – | – | – |
| *Discontinued Operations* | – | – | – | – | – | – | – | – | – |
| **Total Operational Costs** | **116 245** | **142 111** | **181 848** | **192 346** | **189 738** | **189 738** | **164 183** | **141 857** | **129 786** |
| **Repairs and Maintenance by Expenditure Item** | | | | | | | | | |

| Description<br>R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|---|---|
| Employee related costs | 113 771 | 116 569 | 122 183 | 132 398 | 140 089 | 140 089 | 150 241 | 158 326 | 166 165 |
| Inventory Consumed (Project Maintenance) | 22 089 | 23 186 | 28 196 | 25 845 | 22 170 | 22 170 | 27 016 | 31 092 | 35 254 |
| Contracted Services | 99 098 | 97 410 | 114 352 | 123 054 | 139 714 | 139 714 | 125 509 | 133 261 | 140 675 |
| Other Expenditure | 10 428 | 12 340 | 15 734 | 14 477 | 15 152 | 15 152 | 24 134 | 24 303 | 25 460 |
| **Total Repairs and Maintenance Expenditure** | 245 386 | 249 505 | 280 465 | 295 774 | 317 124 | 317 124 | 326 900 | 346 983 | 367 554 |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Inventory Consumed** | | | | | | | | | |
| Inventory Consumed - Water | – | – | – | 9 460 | 9 460 | 9 460 | 9 697 | 9 939 | 10 188 |
| Inventory Consumed - Other | 14 310 | 20 373 | 16 158 | 15 903 | 15 903 | 15 903 | 15 903 | 15 903 | 15 903 |
| **Total Inventory Consumed & Other Material** | **14 310** | **20 373** | **16 158** | **25 364** | **25 364** | **25 364** | **25 600** | **25 843** | **26 091** |

**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 - Community Services | Vote 7 - Municipal Public Safety | Vote 8 - Planning and Development | 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 | | – | – | – | 1 000 | 744 540 | – | – | – | – | – | – | – | – | – | – | **745 540** |
| Service charges - Water | | – | – | – | 12 | 209 097 | – | – | – | – | – | – | – | – | – | – | **209 109** |
| Service charges - Waste Water Management | | – | – | – | – | 129 533 | – | 0 | – | – | – | – | – | – | – | – | **129 533** |
| Service charges - Waste Management | | – | – | – | – | 115 444 | – | – | – | – | – | – | – | – | – | – | **115 444** |
| Sale of Goods and Rendering of Services | | – | 15 | 270 | 1 122 | 42 796 | 8 791 | 115 | 10 617 | – | – | – | – | – | – | – | **63 725** |
| Agency services | | – | – | – | – | – | 0 | 7 500 | – | – | – | – | – | – | – | – | **7 500** |
| Interest | | – | – | – | 0 | – | – | – | – | – | – | – | – | – | – | – | **0** |
| Interest earned from Receivables | | – | – | – | 12 500 | – | 0 | – | – | – | – | – | – | – | – | – | **12 500** |
| Interest earned from Current and Non Current Assets | | – | – | – | 55 000 | – | – | – | – | – | – | – | – | – | – | – | **55 000** |
| Dividends | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | **–** |
| Rent on Land | | – | 450 | – | – | – | 2 | – | 0 | – | – | – | – | – | – | – | **452** |
| Rental from Fixed Assets | | – | – | – | – | – | 7 543 | – | 0 | – | – | – | – | – | – | – | **7 544** |
| Licence and permits | | – | 50 | – | – | – | 500 | 230 | – | – | – | – | – | – | – | – | **780** |
| Special rating levies | | – | | – | 15 420 | – | | | – | – | – | – | – | – | – | – | **15 420** |
| Operational Revenue | | 15 | – | 1 004 | 1 152 | 2 450 | 15 | 880 | 37 | – | – | – | – | – | – | – | **5 554** |
| **Non-Exchange Revenue** | | | | | | | | | | | | | | | | | |
| Property rates | | – | – | – | 383 977 | – | – | – | – | – | – | – | – | – | – | – | **383 977** |
| Surcharges and Taxes | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | **–** |
| Fines, penalties and forfeits | | 0 | – | – | 0 | 560 | 18 | 51 120 | 838 | – | – | – | – | – | – | – | **52 537** |
| Licences or permits | | – | – | – | – | – | – | 2 000 | – | – | – | – | – | – | – | – | **2 000** |
| Transfer and subsidies - Operational | | 78 893 | – | – | 2 472 | 100 715 | 8 997 | 9 167 | 3 363 | – | – | – | – | – | – | – | **203 607** |
| Interest | | – | – | – | 2 300 | – | – | – | – | – | – | – | – | – | – | – | **2 300** |
| Fuel Levy | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | **–** |
| Service charges | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | **–** |
| Gains on disposal of Assets | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | **–** |
| Other Gains | | – | – | – | 2 711 | – | – | – | 289 | – | – | – | – | – | – | – | **3 000** |
| Discontinued Operations | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | **–** |
| **Total Revenue (excluding capital transfers and contributions** | | **78 908** | **515** | **1 274** | **477 666** | **1 345 136** | **25 867** | **71 012** | **15 145** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **2 015 522** |
| **Expenditure** | | | | | | | | | | | | | | | | | |
| Employee related costs | | 29 153 | 26 821 | 47 085 | 72 514 | 156 010 | 119 052 | 116 307 | 52 250 | – | – | – | – | – | – | – | **619 194** |
| Remuneration of councillors | | 14 012 | – | – | – | – | – | – | – | – | – | – | – | – | – | – | **14 012** |
| Bulk purchases - electricity | | – | – | – | – | 556 160 | – | – | – | – | – | – | – | – | – | – | **556 160** |
| Inventory consumed | | 30 | 220 | 2 693 | 2 068 | 41 999 | 14 569 | 12 958 | 1 630 | – | – | – | – | – | – | – | **76 168** |
| Debt impairment | | – | – | – | 6 885 | 19 238 | – | 44 588 | 127 | – | – | – | – | – | – | – | **70 838** |
| Depreciation and amortisation | | 1 | 55 | 2 042 | 1 573 | 138 848 | 22 224 | 2 139 | 262 | – | – | – | – | – | – | – | **167 143** |
| Interest | | – | – | – | – | 51 227 | – | – | – | – | – | – | – | – | – | – | **51 227** |
| Contracted services | | 181 | 4 345 | 6 474 | 33 713 | 237 515 | 42 410 | 18 138 | 11 523 | – | – | – | – | – | – | – | **354 297** |
| Transfers and subsidies | | 1 350 | – | – | 15 420 | – | – | – | – | – | – | – | – | – | – | – | **16 770** |
| Irrecoverable debts written off | | – | – | – | 981 | 18 853 | – | – | 166 | – | – | – | – | – | – | – | **20 000** |
| Operational costs | | 10 789 | 2 260 | 24 295 | 38 314 | 73 671 | 4 860 | 7 426 | 2 568 | – | – | – | – | – | – | – | **164 183** |
| Losses on disposal of Assets | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | **–** |
| Other Losses | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | **–** |
| **Total Expenditure** | | **55 516** | **33 702** | **82 589** | **171 468** | **1 293 520** | **203 116** | **201 555** | **68 526** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **2 109 991** |
| **Surplus/(Deficit)** | | **23 391** | **(33 187)** | **(81 315)** | **306 198** | **51 616** | **(177 249)** | **(130 542)** | **(53 381)** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **(94 469)** |
| Transfers and subsidies - capital (monetary allocations) | | – | – | – | – | **74 477** | **27 072** | – | – | – | – | – | – | – | – | – | **101 549** |
| Transfers and subsidies - capital (in-kind) | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | **–** |
| Surplus/(Deficit) after capital transfers & contributions | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | **–** |
| **Income Tax** | | **23 391** | **(33 187)** | **(81 315)** | **306 198** | **126 093** | **(150 177)** | **(130 542)** | **(53 381)** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **7 080** |

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

| Description | Ref | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | | | | | | | | | |
| **ASSETS** | | | | | | | | | | |
| **Trade and other receivables from exchange transactions** | | | | | | | | | | |
| Electricity | | 32 657 | 40 919 | 57 672 | 63 977 | 84 122 | 84 122 | 89 220 | 94 990 | 101 458 |
| Water | | 27 720 | 32 760 | 47 065 | 29 386 | 38 414 | 38 414 | 32 955 | 28 649 | 24 571 |
| Waste | | 12 784 | 16 166 | 22 663 | 9 746 | 20 819 | 20 819 | 20 882 | 21 068 | 21 380 |
| Waste Water | | 17 140 | 21 258 | 28 887 | 15 299 | 26 674 | 26 674 | 26 887 | 27 298 | 27 854 |
| Other trade receivables from exchange transactions | | 35 654 | 37 081 | 55 083 | 11 304 | 17 304 | 17 304 | 18 633 | 17 748 | 16 894 |
| **Gross: Trade and other receivables from exchange transactions** | | **125 954** | **148 184** | **211 370** | **129 712** | **187 333** | **187 333** | **188 577** | **189 753** | **192 157** |
| **Less: Impairment for debt** | | **(29 532)** | **(38 107)** | **(57 772)** | **(52 965)** | **(63 351)** | **(63 351)** | **(82 817)** | **(103 256)** | **(124 717)** |
| Impairment for Electricity | | (10 450) | (13 688) | (21 151) | (15 905) | (19 745) | (19 745) | (26 943) | (34 501) | (42 437) |
| Impairment for Water | | (9 087) | (11 167) | (17 261) | (10 182) | (12 648) | (12 648) | (17 272) | (22 127) | (27 224) |
| Impairment for Waste | | (4 089) | (5 692) | (8 312) | (9 303) | (11 205) | (11 205) | (14 768) | (18 510) | (22 439) |
| Impairment for Waste Water | | (5 452) | (7 186) | (10 594) | (9 303) | (11 359) | (11 359) | (15 213) | (19 259) | (23 507) |
| Impairment for other trade receivalbes from exchange transactions | | (454) | (374) | (455) | (8 271) | (8 393) | (8 393) | (8 621) | (8 860) | (9 111) |
| **Total net Trade and other receivables from Exchange Trx** | | **96 422** | **110 076** | **153 598** | **76 747** | **123 982** | **123 982** | **105 760** | **86 497** | **67 440** |
| - | | | | | | | | | | |
| **Receivables from non-exchange transactions** | | | | | | | | | | |
| Property rates | | 37 188 | 41 355 | 47 159 | 43 897 | 47 219 | 47 219 | 52 809 | 58 445 | 64 457 |
| Less: Impairment of Property rates | | (11 359) | (14 012) | (17 295) | (14 660) | (18 280) | (18 280) | (25 064) | (32 187) | (39 666) |
| **Net Property rates** | | **25 829** | **27 342** | **29 864** | **29 237** | **28 939** | **28 939** | **27 745** | **26 258** | **24 791** |
| Other receivables from non-exchange transactions | | 96 819 | 141 267 | 108 977 | 162 421 | 169 992 | 169 992 | 173 985 | 217 865 | 264 745 |
| Impairment for other receivalbes from non-exchange transactions | | (69 970) | (118 130) | (85 882) | (157 827) | (157 827) | (157 827) | (166 187) | (212 933) | (262 016) |
| **Net other receivables from non-exchange transactions** | | **26 848** | **23 137** | **23 095** | **4 595** | **12 166** | **12 166** | **7 798** | **4 932** | **2 729** |
| **Total net Receivables from non-exchange transactions** | | **52 678** | **50 479** | **52 959** | **33 832** | **41 105** | **41 105** | **35 543** | **31 190** | **27 520** |
| **Inventory** | | | | | | | | | | |
| **Water** | | | | | | | | | | |
| **Opening Balance** | | 206 | **248** | **314** | **253** | **253** | **253** | 302 | **370** | **409** |
| **System Input Volume** | | **42** | **66** | **54** | **11 973** | **11 973** | **11 973** | **12 272** | **12 579** | **12 893** |
| Water Treatment Works | | 42 | 66 | 54 | (1) | (1) | (1) | (1) | (1) | (1) |
| Bulk Purchases | | – | – | – | – | – | – | – | – | – |
| Natural Sources | | – | – | – | 11 974 | 11 974 | 11 974 | 12 273 | 12 580 | 12 894 |
| **Authorised Consumption** | 6 | – | – | – | **(9 460)** | **(9 460)** | **(9 460)** | **(9 697)** | **(9 939)** | **(10 188)** |
| **Billed Authorised Consumption** | | – | – | – | **(9 254)** | **(9 254)** | **(9 254)** | **(9 485)** | **(9 722)** | **(9 965)** |
| **Billed Metered Consumption** | | – | – | – | **(9 254)** | **(9 254)** | **(9 254)** | **(9 485)** | **(9 722)** | **(9 965)** |
| Free Basic Water | | – | – | – | – | – | – | – | – | – |
| Subsidised Water | | – | – | – | – | – | – | – | – | – |
| Revenue Water | | – | – | – | (9 254) | (9 254) | (9 254) | (9 485) | (9 722) | (9 965) |
| **Billed Unmetered Consumption** | | – | – | – | – | – | – | – | – | – |
| Free Basic Water | | – | – | – | – | – | – | – | – | – |
| Subsidised Water | | – | – | – | – | – | – | – | – | – |
| Revenue Water | | – | – | – | – | – | – | – | – | – |
| **UnBilled Authorised Consumption** | | – | – | – | **(207)** | **(207)** | **(207)** | **(212)** | **(217)** | **(223)** |
| Unbilled Metered Consumption | | – | – | – | – | – | – | – | – | – |
| Unbilled Unmetered Consumption | | – | – | – | (207) | (207) | (207) | (212) | (217) | (223) |
| **Water Losses** | | – | – | – | **(2 463)** | **(2 463)** | **(2 463)** | **(2 506)** | **(2 601)** | **(2 677)** |
| **Apparent losses** | | – | – | – | **(2 513)** | **(2 513)** | **(2 513)** | **(2 576)** | **(2 641)** | **(2 707)** |
| Unauthorised Consumption | | – | – | – | (2 513) | (2 513) | (2 513) | (2 576) | (2 641) | (2 707) |
| Customer Meter Inaccuracies | | – | – | – | – | – | – | – | – | – |
| **Real losses** | | – | – | – | **50** | **50** | **50** | **70** | **40** | **30** |
| Leakage on Transmission and Distribution Mains | | – | – | – | – | – | – | – | – | – |
| Leakage and Overflows at Storage Tanks/Reservoirs | | – | – | – | – | – | – | – | – | – |
| Leakage on Service Connections up to the point of Customer Met | | – | – | – | – | – | – | – | – | – |
| Data Transfer and Management Errors | | – | – | – | 50 | 50 | 50 | 70 | 40 | 30 |
| Unavoidable Annual Real Losses | | – | – | – | – | – | – | – | – | – |
| **Non-revenue Water** | | – | – | – | **(2 670)** | **(2 670)** | **(2 670)** | **(2 718)** | **(2 818)** | **(2 899)** |
| Correction of Prior period errors | | – | – | – | – | – | – | – | – | – |
| **Closing Balance Water** | | **248** | **314** | **368** | **302** | **302** | **302** | **370** | **409** | **438** |
| **Agricultural** | | | | | | | | | | |
| **Opening Balance** | | – | – | – | – | – | – | – | – | – |
| Acquisitions | | – | – | – | – | – | – | – | – | – |
| Issues | 7 | – | – | – | – | – | – | – | – | – |
| Adjustments | 8 | – | – | – | – | – | – | – | – | – |
| Write-offs | 9 | – | – | – | – | – | – | – | – | – |
| Correction of Prior period errors | | – | – | – | – | – | – | – | – | – |
| **Closing balance - Agricultural** | | – | – | – | – | – | – | – | – | – |
| **Consumables** | | | | | | | | | | |
| **Standard Rated** | | | | | | | | | | |
| **Opening Balance** | | 9 374 | **8 918** | **10 113** | **8 284** | **8 284** | **8 284** | 8 381 | **14 498** | **14 594** |
| Acquisitions | | 13 854 | 21 568 | 20 564 | 16 000 | 16 000 | 16 000 | 21 600 | 16 000 | 16 000 |
| Issues | 7 | (14 310) | (20 373) | (16 158) | (15 903) | (15 903) | (15 903) | (15 903) | (15 903) | (15 903) |
| Adjustments | 8 | – | – | – | – | – | – | 420 | – | – |
| Write-offs | 9 | – | – | – | – | – | – | – | – | – |
| Correction of Prior period errors | | – | – | – | – | – | – | – | – | – |
| **Closing balance - Consumables Standard Rated** | | **8 918** | **10 113** | **14 519** | **8 381** | **8 381** | **8 381** | **14 498** | **14 594** | **14 691** |
| **Zero Rated** | | | | | | | | | | |
| **Opening Balance** | | – | – | – | – | – | – | – | – | – |

| Description | Ref | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | | | | | | | | | |
| Acquisitions | | – | – | – | – | – | – | – | – | – |
| Issues | 7 | – | – | – | – | – | – | – | – | – |
| Adjustments | 8 | – | – | – | – | – | – | – | – | – |
| Write-offs | 9 | – | – | – | – | – | – | – | – | – |
| Correction of Prior period errors | | – | – | – | – | – | – | – | – | – |
| **Closing balance - Consumables Zero Rated** | | – | – | – | – | – | – | – | – | – |
| **Finished Goods** | | | | | | | | | | |
| **Opening Balance** | | – | – | – | – | – | – | – | – | – |
| Acquisitions | | – | – | – | – | – | – | – | – | – |
| Issues | 7 | – | – | – | – | – | – | – | – | – |
| Adjustments | 8 | – | – | – | – | – | – | – | – | – |
| Write-offs | 9 | – | – | – | – | – | – | – | – | – |
| Correction of Prior period errors | | – | – | – | – | – | – | – | – | – |
| **Closing balance - Finished Goods** | | – | – | – | – | – | – | – | – | – |
| **Materials and Supplies** | | | | | | | | | | |
| **Opening Balance** | | – | – | – | – | – | – | – | – | – |
| Acquisitions | | – | – | – | – | – | – | – | – | – |
| Issues | 7 | – | – | – | – | – | – | – | – | – |
| Adjustments | 8 | – | – | – | – | – | – | – | – | – |
| Write-offs | 9 | – | – | – | – | – | – | – | – | – |
| Correction of Prior period errors | | – | – | – | – | – | – | – | – | – |
| **Closing balance - Materials and Supplies** | | – | – | – | – | – | – | – | – | – |
| **Work-in-progress** | | | | | | | | | | |
| **Opening Balance** | | – | – | – | – | – | – | – | – | – |
| Materials | | – | – | – | – | – | – | – | – | – |
| Transfers | | – | – | – | – | – | – | – | – | – |
| **Closing balance - Work-in-progress** | | – | – | – | – | – | – | – | – | – |
| **Housing Stock** | | | | | | | | | | |
| **Opening Balance** | | 3 157 | **1 766** | **1 167** | **2 517** | **2 517** | **2 517** | 820 | **720** | **620** |
| Acquisitions | | 273 | – | – | – | – | – | – | – | – |
| Transfers | | 32 972 | (67) | (343) | – | – | – | (100) | (100) | (100) |
| Sales | | (34 635) | (531) | – | – | – | – | – | – | – |
| Correction of Prior period errors | | – | – | – | – | – | – | – | – | – |
| **Closing Balance - Housing Stock** | | **1 766** | **1 167** | **824** | **2 517** | **2 517** | **2 517** | **720** | **620** | **520** |
| **Land** | | | | | | | | | | |
| Opening Balance | | – | – | – | – | – | – | – | – | – |
| Acquisitions | | – | – | – | – | – | – | – | – | – |
| Sales | | – | – | – | – | – | – | – | – | – |
| Adjustments | | – | – | – | – | – | – | – | – | – |
| Correction of Prior period errors | | – | – | – | – | – | – | – | – | – |
| Transfers | | – | – | – | – | – | – | – | – | – |
| **Closing Balance - Land** | | – | – | – | – | – | – | – | – | – |
| **Closing Balance - Inventory & Consumables** | | **10 932** | **11 594** | **15 711** | **11 199** | **11 199** | **11 199** | **15 588** | **15 624** | **15 649** |
| **Property, plant and equipment (PPE)** | | | | | | | | | | |
| PPE at cost/valuation (excl. finance leases) | | 6 291 976 | 6 465 649 | 6 648 434 | 6 790 595 | 6 829 042 | 6 829 042 | 7 116 694 | 7 264 237 | 7 397 112 |
| Leases recognised as PPE | 3 | – | – | – | – | – | – | – | – | – |
| Less: Accumulated depreciation | | (2 658 488) | (2 791 307) | (2 934 747) | (2 910 483) | (2 910 483) | (2 910 483) | (3 257 837) | (3 434 067) | (3 620 285) |
| **Total Property, plant and equipment (PPE)** | 2 | **3 633 488** | **3 674 341** | **3 713 687** | **3 880 112** | **3 918 559** | **3 918 559** | **3 858 857** | **3 830 170** | **3 776 828** |
| **LIABILITIES** | | | | | | | | | | |
| **Current liabilities - Financial liabilities** | | | | | | | | | | |
| Short term loans (other than bank overdraft) | | – | – | – | – | – | – | – | – | – |
| Current portion of long-term liabilities | | 50 494 | 57 949 | 50 444 | 154 566 | 154 566 | 154 566 | 61 383 | 72 116 | 80 828 |
| **Total Current liabilities - Financial liabilities** | | **50 494** | **57 949** | **50 444** | **154 566** | **154 566** | **154 566** | **61 383** | **72 116** | **80 828** |
| **Trade and other payables** | | | | | | | | | | |
| Trade and other payables from exchange transactions | | 120 787 | 127 465 | 133 784 | 158 403 | 158 403 | 158 403 | 133 297 | 133 581 | 133 874 |
| Other trade payables from exchange transactions | | – | – | – | – | – | – | – | – | – |
| Trade payables from Non-exchange transactions: Unspent conditional | | 26 309 | 6 206 | 5 342 | – | – | – | – | – | – |
| Trade payables from Non-exchange transactions: Other | | – | – | – | – | – | – | – | – | – |
| VAT | | – | – | – | 3 365 | 3 365 | 3 365 | 4 201 | 5 095 | 6 044 |
| **Total Trade and other payables** | 2 | **147 096** | **133 672** | **139 126** | **161 768** | **161 768** | **161 768** | **137 498** | **138 676** | **139 917** |
| **Non current liabilities - Financial liabilities** | | | | | | | | | | |
| Borrowing | 4 | 429 906 | 421 957 | 421 513 | 331 786 | 331 786 | 331 786 | 360 476 | 358 360 | 357 532 |
| Other financial liabilities | | – | – | – | – | – | – | – | – | – |
| **Total Non current liabilities - Financial liabilities** | | **429 906** | **421 957** | **421 513** | **331 786** | **331 786** | **331 786** | **360 476** | **358 360** | **357 532** |
| **Non current liabilities - Long Term portion of trade payables** | | | | | | | | | | |
| Elelctricty Bulk Purchases | | – | – | – | – | – | – | – | – | – |
| Payables and Accruals - General | | – | – | – | – | – | – | – | – | – |
| Water Bulk Purchases | | – | – | – | – | – | – | – | – | – |
| Municipal Debt Relief | | – | – | – | – | – | – | – | – | – |
| **Total Non current liabilities - Long Term portion of trade payables** | | – | – | – | – | – | – | – | – | – |
| **Provisions** | | | | | | | | | | |

| Description<br>R thousand | Ref | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|---|---|---|
| Retirement benefits | | – | – | – | – | – | – | – | – | – |
| *List other major provision items* | | | | | | | | | | |
| Refuse landfill site rehabilitation | | 137 226 | 150 133 | 151 340 | 165 880 | 165 880 | 165 880 | 162 088 | 160 554 | 159 649 |
| Other | | 19 799 | 20 707 | 21 179 | 22 360 | 22 360 | 22 360 | 24 841 | 25 827 | 26 853 |
| **Total Provisions** | | **157 026** | **170 841** | **172 518** | **188 240** | **188 240** | **188 240** | **186 928** | **186 381** | **186 502** |
| **CHANGES IN NET ASSETS** | | | | | | | | | | |
| **Accumulated surplus/(deficit)** | | | | | | | | | | |
| Accumulated surplus/(deficit) - opening balance | | 3 698 334 | 3 720 952 | 3 829 562 | 3 998 825 | 3 974 632 | 3 974 632 | 4 057 127 | 4 076 664 | 4 085 262 |
| GRAP adjustments | | 1 671 | (1 078) | – | – | – | – | – | – | – |
| Restated balance | | 3 700 005 | 3 719 873 | 3 829 562 | 3 998 825 | 3 974 632 | 3 974 632 | 4 057 127 | 4 076 664 | 4 085 262 |
| Surplus/(Deficit) | | 20 390 | 111 298 | 129 040 | (41 415) | (3 557) | (3 557) | 7 080 | 3 358 | (26 040) |
| Transfers to/from Reserves | | (0) | (0) | (0) | 10 119 | 105 122 | 105 122 | 12 457 | 5 241 | 4 883 |
| Depreciation offsets | | – | – | – | – | – | – | – | – | – |
| Other adjustments | | 557 | (1 609) | – | 10 | 10 | 10 | – | – | – |
| **Accumulated Surplus/(Deficit)** | 1 | **3 720 953** | **3 829 562** | **3 958 602** | **3 967 539** | **4 076 207** | **4 076 207** | **4 076 664** | **4 085 262** | **4 064 105** |
| **Reserves** | | | | | | | | | | |
| Housing Development Fund | | 3 228 | 3 228 | 3 228 | 3 230 | 3 230 | 3 230 | 3 231 | 3 232 | 3 233 |
| Capital replacement | | – | – | – | – | – | – | – | – | – |
| Self-insurance | | – | – | – | – | – | – | – | – | – |
| Other reserves | | – | – | – | – | – | – | – | – | – |
| Revaluation | | – | – | – | – | – | – | – | – | – |
| **Total Reserves** | 2 | **3 228** | **3 228** | **3 228** | **3 230** | **3 230** | **3 230** | **3 231** | **3 232** | **3 233** |
| **TOTAL COMMUNITY WEALTH/EQUITY** | 2 | **3 724 180** | **3 832 790** | **3 961 830** | **3 970 769** | **4 079 436** | **4 079 436** | **4 079 894** | **4 088 493** | **4 067 337** |

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

| R thousand | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| The provision of democratic, | Good Governance | 1 | 393 138 | 462 263 | 564 280 | 534 699 | 546 469 | 546 469 | 558 698 | 590 604 | 624 556 |
| The provision and maintenance of | Basic Service Delivery | 2 | 936 098 | 1 002 939 | 1 121 669 | 1 160 336 | 1 247 841 | 1 247 841 | 1 344 840 | 1 435 825 | 1 489 571 |
| The encouragement of structured | Good Governance | 3 | | | | | | | | | |
| The creation and maintenance of | Safe and Healthy Environment | 4 | 73 510 | 100 266 | 20 796 | 95 510 | 107 360 | 107 360 | 123 123 | 90 670 | 100 177 |
| The promotion of tourism, | Economic Development and | 5 | 115 685 | 116 248 | 175 096 | 112 250 | 137 508 | 137 508 | 90 411 | 54 062 | 32 335 |
| **Allocations to other priorities** | | | | | | | | | | | |
| **Total Revenue (excluding capital transfers and contributions)** | | | **1 518 431** | **1 681 715** | **1 881 841** | **1 902 794** | **2 039 177** | **2 039 177** | **2 117 071** | **2 171 162** | **2 246 640** |

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

| R thousand | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| The provision of democratic, | Good Governance | 1 | 296 466 | 279 682 | 290 570 | 246 423 | 237 618 | 237 618 | 362 529 | 365 981 | 390 981 |
| The provision and maintenance of | Basic Service Delivery | 2 | 767 390 | 810 879 | 958 821 | 1 120 638 | 1 196 161 | 1 196 161 | 1 127 966 | 1 177 962 | 1 243 520 |
| The encouragement of structured | Good Governance | 3 | 374 | 393 | 256 | 758 | 758 | 758 | 758 | 758 | 758 |
| The creation and maintenance of | Safe and Healthy Environment | 4 | 200 470 | 237 750 | 186 507 | 261 888 | 292 603 | 292 603 | 320 562 | 340 955 | 356 124 |
| The promotion of tourism, | Economic Development and | 5 | 232 784 | 243 322 | 316 647 | 314 501 | 315 594 | 315 594 | 298 176 | 282 148 | 281 297 |
| **Allocations to other priorities** | | | | | | | | | | | |
| **Total Expenditure** | | | **1 497 483** | **1 572 027** | **1 752 801** | **1 944 209** | **2 042 734** | **2 042 734** | **2 109 991** | **2 167 804** | **2 272 680** |

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

| R thousand | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| The provision of democratic, | Good Governance | 1 | 3 761 | 2 228 | 6 967 | 3 490 | 3 155 | 3 155 | 3 429 | 500 | 500 |
| The provision and maintenance of | Basic Service Delivery | 2 | 113 677 | 125 737 | 125 525 | 145 151 | 157 410 | 157 410 | 149 517 | 122 643 | 104 983 |
| The encouragement of structured | Good Governance | 3 | | | | | | | 5 371 | | |
| The creation and maintenance of a | Safe and Healthy Environment | 4 | 14 504 | 12 215 | 9 422 | 19 582 | 25 510 | 25 510 | 46 018 | 2 000 | 9 392 |
| The promotion of tourism, | Economic Development and Social | 5 | 60 435 | 49 141 | 51 604 | 16 406 | 38 919 | 38 919 | 41 496 | 22 400 | 18 000 |
| **Allocations to other priorities** | | | | | | | | | | | |
| **Total Capital Expenditure** | | | **192 377** | **189 321** | **193 518** | **184 628** | **224 994** | **224 994** | **245 831** | **147 543** | **132 875** |

## 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 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Council and Municipal Municipal** | | | | | | | | | | |
| **Office of the Municipal Manager** | | | | | | | | | | |
| **Municipal Manager** | | | | | | | | | | |
| *top 10 risks as a corrective action to the Top* | Number of progress reports | 4 | 3 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Sign section 56 performance agreements with all | Number of agreements | 6 | 5 | 5 | 5 | 5 | 5 | 3 | 6 | 6 |
| **Monitor the implementation of the action plan** | Number of progress reports | 4 | 3 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| *section 56 appointees for the previous financial* | Number of appraisals | 12 | 11 | 9 | 10 | 10 | 10 | 6 | 12 | 12 |
| Draft the annual report and submit to the Auditor- | Draft Annual Report | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| **Percentage of a municipality's capital budget** | % of the capital budget spent | 80.9% | 89.2% | 89.91% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% |
| *consistent and regular communication with residents* | No of ward committee | 83 | 112 | 70 | 56 | 56 | 56 | 56 | 56 | 56 |
| *the end of May* | Final IDP submitted | no target | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| *Submit the Final MTREF Budget by the end of May* | Final Budget submitted | no target | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| *Executive Mayor by 30 June 2023* | Approved tourism strategy | no target | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| *portal on Collaborator by 30 March 2023* | Functional Business service | no target | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| *Mayor by 30 June 2023* | Approved Communication | no target | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Corporate Services | | | | | | | | | | |
| **Director: Corporate Services** | | | | | | | | | | |
| **Human Resources** | | | | | | | | | | |
| *{(actual number of posts filled dived by the funded* | % filled | 91.4% | 91.0% | 90.50% | 92.0% | 92.0% | 92.0% | 92.0% | 92.0% | 92.0% |
| The percentage of a municipality's budget (training | % of the training budget | 98.7% | 99.99% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| **The number of people from employment** | The number of people from | 70 | 69 | 67 | 75 | 75 | 75 | 75 | 75 | 75 |
| *Community Services* | | | | | | | | | | |
| Director: Community Services | | | | | | | | | | |
| **Operational Conditional Grant** | | | | | | | | | | |
| *CDW) spent (Actual expenditure divided by the total* | % of total conditional | 100.0% | 92.29% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| Refuse removal | | | | | | | | | | |
| **Provision of refuse removal, refuse dumps and** | Number of formal households | 34 819 | 35 601 | 36 662 | 36 313 | 36 313 | 36 313 | 36 676 | 37 043 | 37 413 |
| **Provision of refuse removal, refuse dumps and** | Number of weekly removal of | 52 | 52 | 52 | 52 | 52 | 52 | 52 | 52 | 52 |
| **Infrastructure Services** | | | | | | | | | | |
| *Chief Engineer: Infrastructure Services* | | | | | | | | | | |
| Roads maintenance | | | | | | | | | | |
| **m² of roads patched and resealed according** | m² of roads patched and | 94 665 | 77 662 | 128 419 | 110 000 | 110 000 | 110 000 | 120 000 | 130 000 | 130 000 |
| *Water treatment* | | | | | | | | | | |
| Quality of effluent comply 75% with license and/or | % compliance | 80.1% | 75.5% | 77.81% | 75.0% | 75.0% | 75.0% | 75.0% | 75.0% | 75.0% |
| **Quality of potable water comply 95% with** | % compliance with SANS | 97.83% | 96.99% | 97.03% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% |
| *of kiloliter water purified - Number of kiloliter water* | % of water unaccounted for | 24.04% | 24.48% | 30.59% | 25.0% | 25.0% | 25.0% | 25.0% | 25.0% | 25.0% |
| Report on the implementation of the Water Service | Report submitted | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| **Electricity** | | | | | | | | | | |
| **Limit electricity losses to 7.5% or less {(Number** | % of electricity unaccounted | 7.2% | 6.4% | 7.61% | 7.5% | 7.5% | 7.5% | 7.5% | 7.5% | 7.5% |
| **Provision of Electricity: Number of metered** | Number of formal households | 22 475 | 23 163 | 22 500 | 22 500 | 22 500 | 22 500 | 22 500 | 22 500 | 22 500 |
| **MIG** | | | | | | | | | | |
| **100% of the Municipal Infrastructure Grant (MIG)** | % Expenditure of allocated | 100.0% | 100.0% | 86.57% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| **Water provision** | | | | | | | | | | |
| **Provision of cleaned piped water to all formal** | No of formal households that | 30 990 | 31 829 | 32 887 | 32 466 | 32 466 | 32 466 | 32 888 | 33 217 | 33 549 |
| **Provision of water to informal households** | The number of taps installed | 464 | 658 | 718 | 262 | 262 | 262 | 262 | 262 | 262 |
| **Provision of water to informal households on** | The number of taps installed | 82 | 99 | 81 | 80 | 80 | 80 | 80 | 80 | 80 |
| **Sanitation provision** | | | | | | | | | | |
| **Provision of sanitation services to formal** | No of formal residential | 31 394 | 32 323 | 33 539 | 32 969 | 32 969 | 32 969 | 33 562 | 33 898 | 34 237 |
| **The provision of sanitation services to informal** | The number of toilets | 983 | 1 107 | 1 112 | 785 | 785 | 785 | 785 | 785 | 785 |
| **The provision of sanitation services to informal** | The number of toilets | 143 | 171 | 133 | 105 | 105 | 105 | 105 | 105 | 105 |
| **Municipal Public Safety** | | | | | | | | | | |
| **Director: Municipal Public Safety** | | | | | | | | | | |
| **Municipal Public Safety** | | | | | | | | | | |
| **Annually arrange public awareness sessions on** | Number of sessions held | 123 | 132 | 164 | 130 | 130 | 130 | 130 | 130 | 130 |
| **Collect R20 000 000 Public Safety Income by 30** | R-value of public safety | 15 882 634 | 17 614 623 | 20 313 411 | 20 000 000 | 20 000 000 | 20 000 000 | 20 000 000 | 20 000 000 | 20 000 000 |
| **Review Community Safety Plan in three year** | Plan reviewed | 0 | 0 | 0 | 1 | 1 | 1 | 0 | 0 | 0 |
| **Disaster and Fire Management** | | | | | | | | | | |
| **Annually review and submit draft Disaster** | 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** | Ratio achieved | 5.73 | 5.70 | 5.75 | 4.6 | 4.6 | 4.6 | 4.6 | 4.6 | 4.6 |
| **Financial viability measured in terms of the** | Ratio achieved | 27.78 | 28.63 | 32.45 | 16.00 | 16.00 | 16.00 | 16.00 | 16.00 | 16.00 |
| **Financial viability measured in terms of the** | % achieved | 11.4% | 13.61% | 15.17% | 11.0% | 11.0% | 11.0% | 14.0% | 14.0% | 14.0% |
| **Submit a reviewed long term financial plan to the** | Reviewed long term financial | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| **Financial statements submitted to the Auditor** | Financial statements | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| **Provision of free basic electricity, refuse** | Number of indgent | 7 367 | 1 491 | 4 715 | 4 800 | 4 800 | 4 800 | 5 800 | 5 800 | 5 800 |
| **Achieve a debt recovery rate not less than 98%** | % Recovered | 98.98% | 98.96% | 96.13% | 98.0% | 98.0% | 98.0% | 98.0% | 98.0% | 98.0% |
| **Planning and Development** | | | | | | | | | | |
| **Director: Planning and Development** | | | | | | | | | | |
| **Local Economic Development** | | | | | | | | | | |
| **Support 180 SMME's in terms of the SMME** | Number of SMME's | 134 | 185 | 185 | 180 | 180 | 180 | 180 | 180 | 180 |
| **EPWP** | | | | | | | | | | |
| **The number of job opportunities created through** | Number of temporary jobs | 837 | 1 059 | 902 | 1 079 | 1 079 | 1 079 | 1 079 | 1 079 | 1 079 |
| **And so on for the rest of the Votes** | | | | | | | | | | |
| **And so on for the rest of the Votes** | | | | | | | | | | |

**WC032 Overstrand - Supporting Table SA8 Performance indicators and benc**

| Description of financial indicator | Basis of calculation | 2021/22 Audited Outcome | 2022/23 Audited Outcome | 2023/24 Audited Outcome | 2024/25 Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Borrowing Management** | | | | | | | | | | |
| Credit Rating | | | | | | | | | | |
| Capital Charges to Operating Expenditure | Interest & Principal Paid /Operating Expenditure | 6.8% | 6.3% | 6.1% | 5.2% | 4.9% | 4.9% | 9.8% | 4.9% | 5.2% |
| Capital Charges to Own Revenue | Finance charges & Repayment of borrowing /Own Revenue | 7.1% | 6.4% | 6.0% | 5.5% | 5.2% | 5.2% | 10.2% | 5.1% | 5.4% |
| Borrowed funding of 'own' capital expenditure | Borrowing/Capital expenditure excl. transfers and grants and contributions | 139.8% | 118.5% | 392.3% | 249.2% | 150.4% | 150.4% | 178.9% | 14000.0% | 16000.0% |
| **Safety of Capital** | | | | | | | | | | |
| Gearing | Long Term Borrowing/ Funds & Reserves | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| **Liquidity** | | | | | | | | | | |
| Current Ratio | Current assets/current liabilities | 2.6 | 2.7 | 2.9 | 1.9 | 2.1 | 2.1 | 2.9 | 2.9 | 3.0 |
| Current Ratio adjusted for aged debtors | Current assets less debtors > 90 days/current liabilities | 2.6 | 2.7 | 2.9 | 1.9 | 2.1 | 2.1 | 2.9 | 2.9 | 3.0 |
| Liquidity Ratio | Monetary Assets/Current Liabilities | 2.3 | 2.5 | 2.7 | 1.7 | 1.8 | 1.8 | 2.6 | 2.6 | 2.7 |
| **Revenue Management** | | | | | | | | | | |
| Annual Debtors Collection Rate (Payment Level %) | Last 12 Mths Receipts/Last 12 Mths Billing | 99.0% | 99.0% | 96.1% | 98.0% | 98.0% | 98.0% | 98.5% | 98.5% | 98.5% |
| Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue) | | 121.9% | 119.9% | 111.7% | 121.6% | 121.1% | 121.1% | 125.8% | 128.3% | 130.0% |
| Outstanding Debtors to Revenue | Total Outstanding Debtors to Annual Revenue | 14.5% | 14.7% | 14.0% | 10.7% | 10.5% | 10.5% | 11.0% | 10.5% | 10.0% |
| 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)) | 98.2% | 99.0% | 99.8% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| Creditors to Cash and Investments | | 19.6% | 19.7% | 19.8% | 24.0% | 23.4% | 23.4% | 18.3% | 16.3% | 15.1% |
| **Other Indicators** | | | | | | | | | | |
| Electricity Distribution Losses (2) | Total Volume Losses (kW) technical | 18 502 897 | 14 272 642 | 13 227 018 | 14 834 382 | 14 834 382 | 14 834 382 | 14 734 382 | 14 634 382 | 14 634 382 |
| | Total Volume Losses (kW) non technical | | | | | | | | | |
| | Total Cost of Losses (Rand '000) | 19 835 602 | 16 846 054 | 13 623 571 | 20 484 237 | 20 484 237 | 20 484 237 | 20 346 151 | 20 208 065 | 20 208 065 |
| | % Volume (units purchased and generated less units sold)/units purchased and generated | 7.20% | 6.43% | 7.60% | 6.49% | 6.49% | 6.49% | 6.30% | 6.20% | 6.20% |
| Water Volumes :System input | Bulk Purchase | | | | | | | | | |
| | Water treatment works | | | | | | | | | |
| | Natural sources | | | | | | | | | |
| Water Distribution Losses (2) | Total Volume Losses (kℓ) | 1 768 177 | 1 840 996 | 1 662 086 | 1 761 812 | 1 761 812 | 1 761 812 | 1 691 812 | 1 641 812 | 1 641 812 |
| | Total Cost of Losses (Rand '000) | 3 062 156 | 4 637 635 | 3 245 885 | 4 404 529 | 4 404 529 | 4 404 529 | 4 229 529 | 4 104 529 | 4104528.91 |
| | % Volume (units purchased and generated less units sold)/units purchased and generated | 24.04% | 24.47% | 24.00% | 25.04% | 25.04% | 25.04% | 24.75% | 24.30% | 24.30% |
| Employee costs | Employee costs/(Total Revenue - capital revenue) | 31.8% | 31.0% | 29.6% | 31.9% | 30.4% | 30.4% | 30.7% | 30.7% | 30.7% |
| Remuneration | Total remuneration/(Total Revenue - capital revenue) | 32.5% | 31.8% | 30.3% | 32.7% | 31.1% | 31.1% | 31.4% | 31.4% | 31.4% |
| Repairs & Maintenance | R&M/(Total Revenue excluding capital revenue) | 17.2% | 16.1% | 15.9% | 16.1% | 16.3% | 16.3% | 16.2% | 16.6% | 16.8% |
| Finance charges & Depreciation | FC&D/(Total Revenue - capital revenue) | 13.7% | 12.7% | 11.4% | 11.3% | 10.7% | 10.7% | 10.8% | 10.6% | 10.6% |
| **IDP regulation financial viability indicators** | | | | | | | | | | |
| i. Debt coverage | (Total Operating Revenue - Operating Grants)/Debt service payments due within financial year) | – | – | – | – | – | – | – | – | – |
| ii.O/S Service Debtors to Revenue | Total outstanding service debtors/annual revenue received for services | 8.4% | 8.2% | 7.3% | 4.1% | 4.4% | 4.4% | 4.2% | 3.7% | 3.3% |
| iii. Cost coverage | (Available cash + Investments)/monthly fixed operational expenditure | 5.9 | 5.7 | 5.4 | 4.6 | 4.5 | 4.5 | 5.0 | 5.1 | 5.4 |
| Calculation data | | | | | | | | | | |
| Debtors > 90 days | | | | | | | | | | |
| Monthly fixed operational expenditure | | 104 898 | 113 470 | 125 800 | 143 704 | 148 832 | 148 832 | 147 344 | 159 151 | 166 162 |
| Fixed operational expenditure % assumption | | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| Own capex | | 35 775 | 42 197 | 12 745 | 26 085 | 43 209 | 43 209 | 50 300 | 500 | 500 |
| Borrowing | | 50 000 | 50 000 | 50 000 | 65 000 | 65 000 | 65 000 | 90 000 | 70 000 | 80 000 |

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

| Description of economic indicator | Basis of calculation | 2001 Census | 2007 Survey | 2011 Census | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Demographics** | | | | | | | | | | | |
| Population | 0 | 55 735 | 74 547 | 80 432 | 111 | 132 | 135 | 137 | 140 | 142 | 145 |
| Females aged 5 - 14 | 0 | 4 050 | 5 843 | 5 228 | 7 | 8 | 8 | 8 | 8 | 8 | 8 |
| Males aged 5 - 14 | 0 | 4 055 | 5 894 | 5 278 | 7 | 8 | 8 | 8 | 8 | 8 | 8 |
| Females aged 15 - 34 | 0 | 9 473 | 11 567 | 13 141 | 18 | 20 | 21 | 21 | 21 | 22 | 22 |
| Males aged 15 - 34 | 0 | 9 520 | 11 230 | 13 648 | 19 | 20 | 20 | 21 | 21 | 21 | 22 |
| Unemployment | 0 | 5 165 | 8 099 | 4 237 | 6 | 27 | 25 | 25 | 26 | 26 | 26 |
| **Monthly household income (no. of households)** | | | | | | | | | | | |
| No income | 0 | 2 214 | 2 551 | 3 251 | 3 | 7 | 7 | 7 | 7 | 7 | 8 |
| R1 - R1 600 | 0 | 6 098 | 7 025 | 8 955 | 8 | 19 | 20 | 20 | 20 | 21 | 21 |
| R1 601 - R3 200 | 0 | 3 766 | 4 339 | 5 530 | 5 | 12 | 12 | 12 | 12 | 13 | 13 |
| R3 201 - R6 400 | 0 | 3 383 | 3 897 | 4 968 | 5 | 11 | 11 | 11 | 11 | 11 | 12 |
| R6 401 - R12 800 | 0 | 2 306 | 2 657 | 3 386 | 3 | 7 | 7 | 8 | 8 | 8 | 8 |
| R12 801 - R25 600 | 0 | 917 | 1 056 | 1 347 | 1 | 3 | 3 | 3 | 3 | 3 | 3 |
| R25 601 - R51 200 | 0 | 209 | 241 | 307 | 0 | 1 | 1 | 1 | 1 | 1 | 1 |
| R52 201 - R102 400 | 0 | 83 | 96 | 122 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| R102 401 - R204 800 | 0 | 44 | 51 | 65 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| R204 801 - R409 600 | 0 | 36 | 41 | 53 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| R409 601 - R819 200 | 0 | – | – | – | – | – | – | – | – | – | – |
| > R819 200 | 0 | – | – | – | – | – | – | – | – | – | – |
| **Poverty profiles (no. of households)** | | | | | | | | | | | |
| < R2 060 per household per month | 0 | 9 393 | 10 821 | 9 393 | 12 947 | 29 565 | 30 074 | 30 615 | 31 166 | 31 727 | 32 298 |
| | 0 | – | – | – | – | – | – | – | – | – | – |
| **Household/demographics (000)** | | | | | | | | | | | |
| Number of people in municipal area | 0 | 55 735 | 75 014 | 80 358 | 111 | 132 | 135 | 137 | 140 | 142 | 145 |
| Number of poor people in municipal area | 0 | | | | | | | | | | |
| Number of households in municipal area | 0 | 19 056 | 21 953 | 27 983 | 26 | 60 | 61 | 62 | 63 | 64 | 66 |
| Number of poor households in municipal area | 0 | – | – | – | – | – | – | – | – | – | – |
| Definition of poor household (R per month) | 0 | – | – | – | - | - | - | - | - | - | - |
| **Housing statistics** | | | | | | | | | | | |
| Formal | 0 | 15 593 | 17 964 | 22 436 | 23 691 | 54 103 | 55 035 | 56 026 | 57 035 | 58 061 | 59 106 |
| Informal | 0 | 2 | 3 | 4 | 3 779 | 3 536 | 3 242 | 3 137 | 3 220 | 4 229 | 4 374 |
| **Total number of households** | | 18 034 | 21 271 | 26 004 | 27 470 | 57 639 | 58 277 | 59 163 | 60 255 | 62 290 | 63 480 |
| Dwellings provided by municipality | 0 | – | – | – | 350 | 250 | 486 | 382 | 139 | | - |

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Dwellings provided by province/s | 0 | – | – | – | - | - | - | - | - | - | - |
| Dwellings provided by private sector | 0 | – | – | – | - | - | - | - | - | - | - |
| **Total new housing dwellings** | | - | - | - | 350 | 250 | 486 | 382 | 139 | - | - |
| | | | | | | | | | | | |
| **Economic** | | | | | | | | | | | |
| Inflation/inflation outlook (CPIX) | | | | | 4.5% | 4.5% | 5.3% | 4.4% | 4.3% | 4.6% | 4.4% |
| Interest rate - borrowing | | | | | 9.8% | 11.4% | 10.5% | 10.6% | 10.5% | 10.5% | 10.5% |
| Interest rate - investment | | | | | 4.8% | 7.3% | 9.0% | 8.3% | 7.4% | 7.4% | 7.4% |
| Remuneration increases | | | | | 3.5% | 4.9% | 5.4% | 6.0% | 5.1% | 5.0% | 5.0% |
| Consumption growth (electricity) | | | | | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% |
| Consumption growth (water) | | | | | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% |
| | | | | | | | | | | | |
| **Collection rates** | | | | | | | | | | | |
| Property tax/service charges | | | | | 99.4% | 99.5% | 100.0% | 99.0% | 99.0% | 99.0% | 99.0% |
| Rental of facilities & equipment | | | | | 3.5% | 4.9% | 5.4% | 6.0% | 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% | 98.7% | 98.7% | 98.7% | 98.7% |
| 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 | | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Outcome | Outcome | Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| | **Household service targets (000)** | | | | | | | | | |
| | ***Water:*** | | | | | | | | | |
| | Piped water inside dwelling | 30 990 | 31 829 | 31 324 | 32 466 | 32 466 | 32 466 | 32 888 | 33 217 | 33 549 |
| | Piped water inside yard (but not in dwelling) | – | – | – | – | – | – | – | – | – |
| | Using public tap (at least min.service level) | 3 536 | 3 242 | 3 242 | 3 536 | 3 137 | 3 536 | 3 220 | 4 229 | 4 374 |
| | Other water supply (at least min.service level) | – | – | – | – | – | – | – | – | – |
| | *Minimum Service Level and Above sub-total* | 34 526 | 35 071 | 34 566 | 36 002 | 35 603 | 36 002 | 36 108 | 37 446 | 37 923 |
| | Using public tap (< min.service level) | – | – | – | – | – | – | – | – | – |
| | Other water supply (< min.service level) | – | – | – | – | – | – | – | – | – |
| | No water supply | – | – | – | – | – | – | – | – | – |
| | *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| | **Total number of households** | **34 526** | **35 071** | **34 566** | **36 002** | **35 603** | **36 002** | **36 108** | **37 446** | **37 923** |
| | ***Sanitation/sewerage:*** | | | | | | | | | |
| | Flush toilet (connected to sewerage) | 31 394 | 32 323 | 31 646 | 32 969 | 32 969 | 32 969 | 33 562 | 33 898 | 34 237 |
| | Flush toilet (with septic tank) | – | – | – | – | – | – | – | – | – |
| | Chemical toilet | – | – | – | – | – | – | – | – | – |
| | Pit toilet (ventilated) | – | – | – | – | – | – | – | – | – |
| | Other toilet provisions (> min.service level) | 3 536 | 3 242 | 3 242 | 3 536 | 3 137 | 3 536 | 3 220 | 4 229 | 4 374 |
| | *Minimum Service Level and Above sub-total* | 34 930 | 35 565 | 34 888 | 36 505 | 36 106 | 36 505 | 36 782 | 38 127 | 38 611 |
| | Bucket toilet | – | – | – | – | – | – | – | – | – |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Other toilet provisions (< min.service level) | – | – | – | – | – | – | – | – | – |
| No toilet provisions | – | – | – | – | – | – | – | – | – |
| *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| **Total number of households** | **34 930** | **35 565** | **34 888** | **36 505** | **36 106** | **36 505** | **36 782** | **38 127** | **38 611** |
| ***Energy:*** | | | | | | | | | |
| Electricity (at least min.service level) | 5 618 | 5 502 | 5 174 | 5 060 | 5 060 | 5 060 | 4 946 | 4 832 | 4 718 |
| Electricity - prepaid (min.service level) | 20 821 | 21 854 | 22 381 | 23 149 | 23 149 | 23 149 | 23 363 | 23 597 | 23 811 |
| *Minimum Service Level and Above sub-total* | 26 439 | 27 356 | 27 555 | 28 209 | 28 209 | 28 209 | 28 309 | 28 429 | 28 529 |
| Electricity (< min.service level) | – | – | – | – | – | – | – | – | – |
| Electricity - prepaid (< min. service level) | – | – | – | – | – | – | – | – | – |
| Other energy sources | – | – | – | – | – | – | – | – | – |
| *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| **Total number of households** | **26 439** | **27 356** | **27 555** | **28 209** | **28 209** | **28 209** | **28 309** | **28 429** | **28 529** |
| ***Refuse:*** | | | | | | | | | |
| Removed at least once a week | 34 819 | 35 601 | 35 261 | 36 313 | 36 313 | 36 313 | 36 676 | 37 043 | 37 413 |
| *Minimum Service Level and Above sub-total* | 34 819 | 35 601 | 35 261 | 36 313 | 36 313 | 36 313 | 36 676 | 37 043 | 37 413 |
| Removed less frequently than once a week | – | – | – | – | – | – | – | – | – |
| Using communal refuse dump | – | – | – | – | – | – | – | – | – |
| Using own refuse dump | – | – | – | – | – | – | – | – | – |
| Other rubbish disposal | – | – | – | – | – | – | – | – | – |
| No rubbish disposal | – | – | – | – | – | – | – | – | – |
| *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| **Total number of households** | **34 819** | **35 601** | **35 261** | **36 313** | **36 313** | **36 313** | **36 676** | **37 043** | **37 413** |

| **Municipal in-house services** | | **2021/22** | **2022/23** | **2023/24** | **Current Year 2024/25** | | | **2025/26 Medium Term Revenue & Expenditure Framework** | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | **Outcome** | **Outcome** | **Outcome** | **Original Budget** | **Adjusted Budget** | **Full Year Forecast** | **Budget Year 2025/26** | **Budget Year +1 2026/27** | **Budget Year +2 2027/28** |
| | **Household service targets (000)** | | | | | | | | | |
| | ***Water:*** | | | | | | | | | |
| | Piped water inside dwelling | 30 990 | 31 829 | 31 324 | 32 466 | 32 466 | 32 466 | 32 888 | 33 217 | 33 549 |
| | Piped water inside yard (but not in dwelling) | – | – | – | – | – | – | – | – | – |
| | Using public tap (at least min.service level) | 3 536 | 3 242 | 3 242 | 3 536 | 3 137 | 3 536 | 3 220 | 4 229 | 4 374 |
| | Other water supply (at least min.service level) | – | – | – | – | – | – | – | – | – |
| | *Minimum Service Level and Above sub-total* | 34 526 | 35 071 | 34 566 | 36 002 | 35 603 | 36 002 | 36 108 | 37 446 | 37 923 |
| | Using public tap (< min.service level) | – | – | – | – | – | – | – | – | – |
| | Other water supply (< min.service level) | – | – | – | – | – | – | – | – | – |
| | No water supply | – | – | – | – | – | – | – | – | – |
| | *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| | **Total number of households** | **34 526** | **35 071** | **34 566** | **36 002** | **35 603** | **36 002** | **36 108** | **37 446** | **37 923** |
| | ***Sanitation/sewerage:*** | | | | | | | | | |
| | Flush toilet (connected to sewerage) | 31 394 | 32 323 | 31 646 | 32 969 | 32 969 | 32 969 | 33 562 | 33 898 | 34 237 |
| | Flush toilet (with septic tank) | – | – | – | – | – | – | – | – | – |
| | Chemical toilet | – | – | – | – | – | – | – | – | – |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Pit toilet (ventilated) | – | – | – | – | – | – | – | – | – |
| | Other toilet provisions (> min.service level) | 3 536 | 3 242 | 3 242 | 3 536 | 3 137 | 3 536 | 3 220 | 4 229 | 4 374 |
| | *Minimum Service Level and Above sub-total* | 34 930 | 35 565 | 34 888 | 36 505 | 36 106 | 36 505 | 36 782 | 38 127 | 38 611 |
| | Bucket toilet | – | – | – | – | – | – | – | – | – |
| | Other toilet provisions (< min.service level) | – | – | – | – | – | – | – | – | – |
| | No toilet provisions | – | – | – | – | – | – | – | – | – |
| | *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| | **Total number of households** | **34 930** | **35 565** | **34 888** | **36 505** | **36 106** | **36 505** | **36 782** | **38 127** | **38 611** |
| | ***Energy:*** | | | | | | | | | |
| | Electricity (at least min.service level) | 5 618 | 5 502 | 5 174 | 5 060 | 5 060 | 5 060 | 4 946 | 4 832 | 4 718 |
| | Electricity - prepaid (min.service level) | 20 821 | 21 854 | 22 381 | 23 149 | 23 149 | 23 149 | 23 363 | 23 597 | 23 811 |
| | *Minimum Service Level and Above sub-total* | 26 439 | 27 356 | 27 555 | 28 209 | 28 209 | 28 209 | 28 309 | 28 429 | 28 529 |
| | Electricity (< min.service level) | – | – | – | – | – | – | – | – | – |
| | Electricity - prepaid (< min. service level) | – | – | – | – | – | – | – | – | – |
| | Other energy sources | – | – | – | – | – | – | – | – | – |
| | *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| | **Total number of households** | **26 439** | **27 356** | **27 555** | **28 209** | **28 209** | **28 209** | **28 309** | **28 429** | **28 529** |
| | ***Refuse:*** | | | | | | | | | |
| | Removed at least once a week | 34 819 | 35 601 | 35 261 | 36 313 | 36 313 | 36 313 | 36 676 | 37 043 | 37 413 |
| | *Minimum Service Level and Above sub-total* | 34 819 | 35 601 | 35 261 | 36 313 | 36 313 | 36 313 | 36 676 | 37 043 | 37 413 |
| | Removed less frequently than once a week | – | – | – | – | – | – | – | – | – |
| | Using communal refuse dump | – | – | – | – | – | – | – | – | – |
| | Using own refuse dump | – | – | – | – | – | – | – | – | – |
| | Other rubbish disposal | – | – | – | – | – | – | – | – | – |
| | No rubbish disposal | – | – | – | – | – | – | – | – | – |
| | *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| | **Total number of households** | **34 819** | **35 601** | **35 261** | **36 313** | **36 313** | **36 313** | **36 676** | **37 043** | **37 413** |

| **Municipal entity services** | | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | **Outcome** | **Outcome** | **Outcome** | **Original Budget** | **Adjusted Budget** | **Full Year Forecast** | **Budget Year 2025/26** | **Budget Year +1 2026/27** | **Budget Year +2 2027/28** |
| | **Household service targets (000)** | | | | | | | | | |
| **Name of municipal entity** | ***Water:*** | | | | | | | | | |
| | Piped water inside dwelling | – | – | – | – | – | – | – | – | – |
| | Piped water inside yard (but not in dwelling) | – | – | – | – | – | – | – | – | – |
| | Using public tap (at least min.service level) | – | – | – | – | – | – | – | – | – |
| | Other water supply (at least min.service level) | – | – | – | – | – | – | – | – | – |
| | *Minimum Service Level and Above sub-total* | – | – | – | – | – | – | – | – | – |
| | Using public tap (< min.service level) | – | – | – | – | – | – | – | – | – |
| | Other water supply (< min.service level) | – | – | – | – | – | – | – | – | – |
| | No water supply | – | – | – | – | – | – | – | – | – |
| | *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| | **Total number of households** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Name of municipal entity** | ***Sanitation/sewerage:*** | | | | | | | | | |

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Flush toilet (connected to sewerage) | – | – | – | – | – | – | – | – | – |
| | Flush toilet (with septic tank) | – | – | – | – | – | – | – | – | – |
| | Chemical toilet | – | – | – | – | – | – | – | – | – |
| | Pit toilet (ventilated) | – | – | – | – | – | – | – | – | – |
| | Other toilet provisions (> min.service level) | – | – | – | – | – | – | – | – | – |
| | *Minimum Service Level and Above sub-total* | – | – | – | – | – | – | – | – | – |
| | Bucket toilet | – | – | – | – | – | – | – | – | – |
| | Other toilet provisions (< min.service level) | – | – | – | – | – | – | – | – | – |
| | No toilet provisions | – | – | – | – | – | – | – | – | – |
| | *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| | **Total number of households** | – | – | – | – | – | – | – | – | – |
| **Name of municipal entity** | ***Energy:*** | | | | | | | | | |
| | Electricity (at least min.service level) | – | – | – | – | – | – | – | – | – |
| | Electricity - prepaid (min.service level) | – | – | – | – | – | – | – | – | – |
| | *Minimum Service Level and Above sub-total* | – | – | – | – | – | – | – | – | – |
| | Electricity (< min.service level) | – | – | – | – | – | – | – | – | – |
| | Electricity - prepaid (< min. service level) | – | – | – | – | – | – | – | – | – |
| | Other energy sources | – | – | – | – | – | – | – | – | – |
| | *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| | **Total number of households** | – | – | – | – | – | – | – | – | – |
| **Name of municipal entity** | ***Refuse:*** | | | | | | | | | |
| | Removed at least once a week | – | – | – | – | – | – | – | – | – |
| | *Minimum Service Level and Above sub-total* | – | – | – | – | – | – | – | – | – |
| | Removed less frequently than once a week | – | – | – | – | – | – | – | – | – |
| | Using communal refuse dump | – | – | – | – | – | – | – | – | – |
| | Using own refuse dump | – | – | – | – | – | – | – | – | – |
| | Other rubbish disposal | – | – | – | – | – | – | – | – | – |
| | No rubbish disposal | – | – | – | – | – | – | – | – | – |
| | *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| | **Total number of households** | – | – | – | – | – | – | – | – | – |

| **Services provided by 'external mechanisms'** | | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Outcome | Outcome | Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| | **Household service targets (000)** | | | | | | | | | |
| **Names of service providers** | ***Water:*** | | | | | | | | | |
| | Piped water inside dwelling | – | – | – | – | – | – | – | – | – |
| | Piped water inside yard (but not in dwelling) | – | – | – | – | – | – | – | – | – |
| | Using public tap (at least min.service level) | – | – | – | – | – | – | – | – | – |
| | Other water supply (at least min.service level) | – | – | – | – | – | – | – | – | – |
| | *um Service Level and Above sub-total* | – | – | – | – | – | – | – | – | – |
| | Using public tap (< min.service level) | – | – | – | – | – | – | – | – | – |
| | Other water supply (< min.service level) | – | – | – | – | – | – | – | – | – |
| | No water supply | – | – | – | – | – | – | – | – | – |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| | **Total number of households** | – | – | – | – | – | – | – | – | – |
| **Names of service providers** | ***Sanitation/sewerage:*** | | | | | | | | | |
| | Flush toilet (connected to sewerage) | – | – | – | – | – | – | – | – | – |
| | Flush toilet (with septic tank) | – | – | – | – | – | – | – | – | – |
| | Chemical toilet | – | – | – | – | – | – | – | – | – |
| | Pit toilet (ventilated) | – | – | – | – | – | – | – | – | – |
| | Other toilet provisions (> min.service level) | – | – | – | – | – | – | – | – | – |
| | *um Service Level and Above sub-total* | – | – | – | – | – | – | – | – | – |
| | Bucket toilet | – | – | – | – | – | – | – | – | – |
| | Other toilet provisions (< min.service level) | – | – | – | – | – | – | – | – | – |
| | No toilet provisions | – | – | – | – | – | – | – | – | – |
| | *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| | **Total number of households** | – | – | – | – | – | – | – | – | – |
| **Names of service providers** | ***Energy:*** | | | | | | | | | |
| | Electricity (at least min.service level) | – | – | – | – | – | – | – | – | – |
| | Electricity - prepaid (min.service level) | – | – | – | – | – | – | – | – | – |
| | *um Service Level and Above sub-total* | – | – | – | – | – | – | – | – | – |
| | Electricity (< min.service level) | – | – | – | – | – | – | – | – | – |
| | Electricity - prepaid (< min. service level) | – | – | – | – | – | – | – | – | – |
| | Other energy sources | – | – | – | – | – | – | – | – | – |
| | *elow Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| | **Total number of households** | – | – | – | – | – | – | – | – | – |
| **Names of service providers** | ***Refuse:*** | | | | | | | | | |
| | Removed at least once a week | – | – | – | – | – | – | – | – | – |
| | *um Service Level and Above sub-total* | – | – | – | – | – | – | – | – | – |
| | Removed less frequently than once a week | – | – | – | – | – | – | – | – | – |
| | Using communal refuse dump | – | – | – | – | – | – | – | – | – |
| | Using own refuse dump | – | – | – | – | – | – | – | – | – |
| | Other rubbish disposal | – | – | – | – | – | – | – | – | – |
| | No rubbish disposal | – | – | – | – | – | – | – | – | – |
| | *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| | **Total number of households** | – | – | – | – | – | – | – | – | – |

| **Detail of Free Basic Services (FBS) provided** | | **2021/22** | **2022/23** | **2023/24** | **Current Year 2024/25** | | | **2025/26 Medium Term Revenue & Expenditure Framework** | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | **Outcome** | **Outcome** | **Outcome** | **Original Budget** | **Adjusted Budget** | **Full Year Forecast** | **Budget Year 2025/26** | **Budget Year +1 2026/27** | **Budget Year +2 2027/28** |
| **Electricity** | ***Location of households for each type of FBS*** | | | | | | | | | |
| **List type of FBS service** | **Formal settlements - (50 kwh per indigent household per month Rands)** | 5 512 648 | 7 509 180 | 7 509 180 | 8 077 306 | 8 077 308 | 8 077 308 | 8 561 946 | 9 075 663 | 9 620 203 |
| | *Number of HH receiving this type of FBS* | 7 400 | 7 400 | 7 400 | 4 800 | 4 800 | 4 800 | 5 800 | 5 800 | 5 800 |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **Informal settlements (Rands)** | – | – | – | – | – | – | – | – | – |
| | *Number of HH receiving this type of* | – | – | – | – | – | – | – | – | – |
| | **Informal settlements targeted for upgrading (Rands)** | – | – | – | – | – | – | – | – | – |
| | *Number of HH receiving this type of* | – | – | – | – | – | – | – | – | – |
| | **Living in informal backyard rental agreement (Rands)** | – | – | – | – | – | – | – | – | – |
| | *Number of HH receiving this type of* | – | – | – | – | – | – | – | – | – |
| | **Other (Rands)** | – | – | – | – | – | – | – | – | – |
| | *Number of HH receiving this type of* | – | – | – | – | – | – | – | – | – |
| | **Total cost of FBS - Electricity for informal settlements** | – | – | – | – | – | – | – | – | – |
| **Water** | ***Location of households for each type of FBS*** | | | | | | | | | |
| **List type of FBS service** | **Formal settlements - (6 kilolitre per indigent household per month Rands)** | 3 065 494 | 3 214 472 | 5 223 960 | 3 432 240 | 3 432 240 | 3 432 240 | 3 638 174 | 3 856 465 | 4 087 853 |
| | *Number of HH receiving this type of* | | | | | | | | | |
| | *FBS* | 7 595 | 7 278 | 7 400 | 4 800 | 4 800 | 4 800 | 5 800 | 5 800 | 5 800 |
| | **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** | ***Location of households for each type of FBS*** | | | | | | | | | |
| **List type of FBS service** | **Formal settlements - (free sanitation service to indigent households)** | 5 252 736 | 6 729 408 | 9 813 720 | 7 330 176 | 7 330 176 | 7 330 176 | 7 769 987 | 8 236 186 | 8 730 357 |
| | *Number of HH receiving this type of* | | | | | | | | | |
| | *FBS* | 7 400 | 7 400 | 7 400 | 4 800 | 4 800 | 4 800 | 5 800 | 5 800 | 5 800 |
| | **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** | ***Location of households for each type of FBS*** | | | | | | | | | |
| **List type of FBS service** | **Formal settlements - (removed once a week to indigent households)** | 16 929 210 | 14 861 414 | 19 152 000 | 14 577 408 | 14 577 408 | 14 577 408 | 15 452 052 | 16 379 176 | 17 361 926 |
| | *Number of HH receiving this type of FBS* | 7 400 | 7 400 | 7 400 | 4 800 | 4 800 | 4 800 | 5 800 | 5 800 | 5 800 |
| | **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** | – | – | – | – | – | – | – | – | – |

## WC032 Overstrand Supporting Table SA10 Funding measurement

| Description | MFMA section | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Funding measures** | | | | | | | | | | |
| Cash/cash equivalents at the year end - R'000 | 18(1)b | 616 280 | 646 535 | 676 658 | 660 378 | 676 391 | 676 391 | 729 941 | 818 816 | 889 398 |
| Cash + investments at the yr end less applications - R'000 | 18(1)b | 564 693 | 580 871 | 644 461 | 637 592 | 655 803 | 655 803 | 635 816 | 715 876 | 782 544 |
| Cash year end/monthly employee/supplier payments | 18(1)b | 5.9 | 5.7 | 5.4 | 4.6 | 4.5 | 4.5 | 5.0 | 5.1 | 5.4 |
| Surplus/(Deficit) excluding depreciation offsets: R'000 | 18(1) | 20 948 | 109 688 | 129 040 | (41 415) | (3 557) | (3 557) | 7 080 | 3 358 | (26 040) |
| Service charge rev % change - macro CPIX target exclusive | 18(1)a,(2) | N.A. | (3.1%) | 11.9% | (1.4%) | (0.6%) | (6.0%) | 1.1% | 0.3% | (0.0%) |
| Cash receipts % of Ratepayer & Other revenue | 18(1)a,(2) | 96.1% | 93.9% | 96.2% | 96.3% | 96.2% | 96.2% | 98.2% | 98.2% | 98.2% |
| Debt impairment expense as a % of total billable revenue | 18(1)a,(2) | 2.6% | 4.6% | (0.9%) | 3.8% | 4.6% | 4.6% | 4.5% | 4.4% | 4.4% |
| Capital payments % of capital expenditure | 18(1)c;19 | 99.0% | 96.8% | 89.0% | 100.0% | 99.0% | 99.0% | 100.0% | 100.0% | 100.0% |
| Borrowing receipts % of capital expenditure (excl. transfers) | 18(1)c | 49.5% | 65.4% | 63.1% | 54.6% | 49.0% | 49.0% | 62.4% | 99.3% | 99.4% |
| Grants % of Govt. legislated/gazetted allocations | 18(1)a | | | | | | | 87.9% | 91.1% | 96.4% |
| Current consumer debtors % change - incr(decr) | 18(1)a | N.A. | 7.7% | 28.7% | (46.5%) | 49.3% | 0.0% | (14.4%) | (16.7%) | (19.3%) |
| Long term receivables % change - incr(decr) | 18(1)a | N.A. | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| R&M % of Property Plant & Equipment | 20(1)(vi) | 6.4% | 6.3% | 7.0% | 7.1% | 7.6% | 7.6% | 8.4% | 9.0% | 0.0% |
| Asset renewal % of capital budget | 20(1)(vi) | 16.1% | 9.2% | 7.9% | 10.5% | 8.6% | 8.6% | 18.6% | 30.6% | 12.6% |
| **Total Operating Revenue** | | 1 429 101 | 1 550 312 | 1 767 584 | 1 837 261 | 1 946 903 | 1 946 903 | 2 015 522 | 2 094 119 | 2 194 265 |
| **Total Operating Expenditure** | | 1 497 483 | 1 572 027 | 1 752 801 | 1 944 209 | 2 042 734 | 2 042 734 | 2 109 991 | 2 167 804 | 2 272 680 |
| **Operating Performance Surplus/(Deficit)** | | (68 383) | (21 715) | 14 783 | (106 948) | (95 831) | (95 831) | (94 469) | (73 685) | (78 415) |
| **Cash and Cash Equivalents (30 June 2012)** | | | | | | | | – | | |
| **Revenue** | | | | | | | | | | |
| % Increase in Total Operating Revenue | | | 8.5% | 14.0% | 3.9% | 6.0% | 0.0% | 3.5% | 3.9% | 4.8% |
| % Increase in Property Rates Revenue | | | 6.0% | 14.3% | 6.6% | 1.4% | 0.0% | 39.2% | 6.0% | 6.0% |
| % Increase in Electricity Revenue | | | (3.3%) | 22.5% | 4.8% | 6.6% | 0.0% | 9.8% | 6.1% | 6.0% |
| % Increase in Property Rates & Services Charges | | | 2.9% | 17.9% | 4.6% | 5.4% | 0.0% | 7.1% | 6.3% | 6.0% |
| **Expenditure** | | | | | | | | | | |
| % Increase in Total Operating Expenditure | | | 5.0% | 11.5% | 10.9% | 5.1% | 0.0% | 3.3% | 2.7% | 4.8% |
| % Increase in Employee Costs | | | 5.8% | 8.7% | 12.2% | 1.1% | 0.0% | 4.5% | 3.7% | 4.8% |
| % Increase in Electricity Bulk Purchases | | | (1.5%) | 28.2% | 9.1% | 3.1% | 0.0% | 11.3% | 5.4% | 6.2% |
| Average Cost Per Budgeted Employee Position (Remuneration) | | | | 473878.4888 | 1382689.149 | | | 1450102.021 | | |
| Average Cost Per Councillor (Remuneration) | | | | 0 | 0 | | | 0 | | |
| R&M % of PPE | | 6.4% | 6.3% | 7.0% | 7.1% | 7.6% | 7.6% | 7.9% | 8.4% | 9.0% |
| Asset Renewal and R&M as a % of PPE | | 8.3% | 7.8% | 8.4% | 8.9% | 9.4% | 9.4% | 10.6% | 10.7% | 11.0% |
| Debt Impairment % of Total Billable Revenue | | 2.6% | 4.6% | (0.9%) | 3.8% | 4.6% | 4.6% | 4.5% | 4.4% | 4.4% |
| **Capital Revenue** | | | | | | | | | | |
| Internally Funded & Other (R'000) | | 65 237 | 34 249 | 66 513 | 93 010 | 89 511 | 89 511 | 93 982 | 70 000 | 80 000 |
| Borrowing (R'000) | | 91 365 | 112 876 | 114 260 | 65 533 | 92 274 | 92 274 | 101 549 | 77 043 | 52 375 |
| Grant Funding and Other (R'000) | | – | – | – | – | – | – | – | – | – |
| Internally Generated funds % of Non Grant Funding | | 720.1% | 942.2% | 2040.3% | 1064.4% | 727.9% | 727.9% | 675.6% | 43508.6% | 42575.0% |
| Borrowing % of Non Grant Funding | | 255.4% | 475.7% | 896.5% | 251.2% | 213.6% | 213.6% | 201.9% | 15408.6% | 10475.0% |
| Grant Funding % of Total Funding | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| **Capital Expenditure** | | | | | | | | | | |
| Total Capital Programme (R'000) | | – | – | – | – | – | – | – | – | – |

| Description | MFMA section | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|---|---|---|
| Asset Renewal | | – | – | – | – | – | – | – | – | – |
| Asset Renewal % of Total Capital Expenditure | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| **Cash** | | | | | | | | | | |
| Cash Receipts % of Rate Payer & Other | | 96.1% | 93.9% | 96.2% | 96.3% | 96.2% | 96.2% | 98.2% | 98.2% | 98.2% |
| Cash Coverage Ratio | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Borrowing** | | | | | | | | | | |
| Credit Rating (2009/10) | | | | | | | | 0 | | |
| Capital Charges to Operating | | 6.8% | 6.3% | 6.1% | 5.2% | 4.9% | 4.9% | 9.8% | 4.9% | 5.2% |
| Borrowing Receipts % of Capital Expenditure | | 49.5% | 65.4% | 63.1% | 54.6% | 49.0% | 49.0% | 62.4% | 99.3% | 99.4% |
| **Reserves** | | | | | | | | | | |
| Surplus/(Deficit) | | 564 693 | 580 871 | 644 461 | 637 592 | 655 803 | 655 803 | 635 816 | 715 876 | 782 544 |
| **Free Services** | | | | | | | | | | |
| Free Basic Services as a % of Equitable Share | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Free Services as a % of Operating Revenue (excl operational transfers) | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Total Operating Revenue | | 1 429 101 | 1 550 312 | 1 767 584 | 1 837 261 | 1 946 903 | 1 946 903 | 2 015 522 | 2 094 119 | 2 194 265 |
| Total Operating Expenditure | | 1 497 483 | 1 572 027 | 1 752 801 | 1 944 209 | 2 042 734 | 2 042 734 | 2 109 991 | 2 167 804 | 2 272 680 |
| Surplus/(Deficit) Budgeted Operating Statement | | (68 383) | (21 715) | 14 783 | (106 948) | (95 831) | (95 831) | (94 469) | (73 685) | (78 415) |
| Surplus/(Deficit) Considering Reserves and Cash Backing | | 564 693 | 580 871 | 644 461 | 637 592 | 655 803 | 655 803 | 635 816 | 715 876 | 782 544 |
| **MTREF Funded (1) / Unfunded (0)** | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| **MTREF Funded ✓ / Unfunded ✗** | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

## WC032 Overstrand - Supporting Table SA11 Property rates summary

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Valuation:** | | | | | | | | | |
| Date of valuation: | 02/07/2015 | 02/07/2015 | 02/07/2022 | 02/07/2022 | | | | | |
| Financial year valuation used | **2016/2017** | **2016/2017** | **2022/2023** | **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) | 60 | 60 | 12 | 24 | | | 36 | | |
| No. of properties | 43 655 | 43 655 | 44 983 | 45 476 | | | 48 067 | | |
| No. of sectional title values | 2 752 | 2 752 | 702 | 2 423 | | | 2 568 | | |
| No. of unreasonably difficult properties s7(2) | - | - | - | - | | | - | | |
| No. of supplementary valuations | 1 | 1 | 1 | 1 | | | 1 | | |
| No. of valuation roll amendments | 15 | 15 | - | - | | | - | | |
| No. of objections by rate payers | - | - | 1 888 | - | | | - | | |
| No. of appeals by rate payers | - | - | 170 | - | | | - | | |
| No. of successful objections | - | - | 1 203 | - | | | - | | |
| No. of successful objections > 10% | - | - | 360 | - | | | - | | |
| Supplementary valuation | 2 552 | 2 552 | 657 | - | | | - | | |
| Public service infrastructure value (Rm) | 306 | 306 | 96 | 96 | | | 102 | | |
| Municipality owned property value (Rm) | 928 | 928 | 1 160 | 1 142 | | | 1 211 | | |
| **Valuation reductions:** | | | | | | | | | |
| Valuation reductions-public infrastructure (Rm) | 306 | 306 | 96 | 96 | 96 | 96 | 102 | 108 | 115 |
| Valuation reductions-nature reserves/park (Rm) | 436 | 436 | 680 | 583 | 583 | 583 | 618 | 655 | 695 |
| Valuation reductions-mineral rights (Rm) | - | - | - | - | - | - | - | - | - |
| Valuation reductions-R15,000 threshold (Rm) | 505 | 505 | 511 | 533 | 533 | 533 | 565 | 599 | 635 |
| Valuation reductions-public worship (Rm) | 194 | 194 | 270 | 177 | 177 | 177 | 188 | 199 | 211 |
| Valuation reductions-other (Rm) | 1 169 | 1 169 | 1 185 | 2 137 | 2 137 | 2 137 | | | |
| **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) | 53 082 | 53 082 | 90 339 | 90 318 | 90 318 | 90 318 | 95 737 | 101 481 | 107 570 |
| Total land value (Rm) | 24 419 | 24 419 | 32 974 | 34 126 | 34 126 | 34 126 | 36 173 | 38 344 | 40 644 |
| Total value of improvements (Rm) | 31 099 | 31 099 | 57 365 | 59 719 | 59 719 | 59 719 | 63 302 | 67 100 | 71 126 |
| Total market value (Rm) | 53 458 | 53 458 | 92 914 | 93 845 | 93 845 | 93 845 | 99 475 | 105 444 | 111 771 |
| **Rating:** | | | | | | | | | |
| Residential rate used to determine rate for other categories? (Y/N) | Yes | Yes | Yes | YES | | | | | |
| Differential rates used? (Y/N) | Yes | Yes | Yes | YES | | | | | |
| Limit on annual rate increase (s20)? (Y/N) | No | No | No | NO | NO | NO | | | |
| Special rating area used? (Y/N) | Yes | Yes | Yes | YES | | | | | |
| Phasing-in properties s21 (number) | No | No | No | NO | NO | NO | – | – | – |
| Rates policy accompanying budget? (Y/N) | Yes | Yes | Yes | YES | | | | | |
| Fixed amount minimum value (R'000) | – | – | – | – | | | – | | |
| Non-residential prescribed ratio s19? (%) | 0.0% | 0.0% | 0.0% | 0.0% | | | 0.0% | | |
| **Rate revenue:** | | | | | | | | | |
| Rate revenue budget (R '000) | 263 562 | 275 384 | 409 443 | 439 026 | 439 026 | 439 026 | 481 611 | 510 508 | 541 138 |
| Rate revenue expected to collect (R'000) | 263 562 | 275 384 | 409 443 | 439 026 | 439 026 | 439 026 | 481 611 | 510 508 | 541 138 |
| Expected cash collection rate (%) | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| Special rating areas (R'000) | 12 074 | 12 590 | 13 345 | 14 443 | 14 443 | 14 443 | 15 020 | 15 621 | 16 246 |
| Rebates, exemptions - indigent (R'000) | – | – | – | – | – | – | | | |
| Rebates, exemptions - pensioners (R'000) | – | – | 1 178 | 1 273 | 1 273 | 1 273 | 1 396 | 1 480 | 1 569 |
| Rebates, exemptions - bona fide farm. (R'000) | – | – | | | | | | | |
| Rebates, exemptions - other (R'000) | – | – | 67 758 | 75 796 | 75 796 | 75 796 | 82 617 | 87 575 | 92 829 |
| Phase-in reductions/discounts (R'000) | – | – | – | – | – | – | | | |

## 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 2024/25** | | | | | | | | | | | | | |
| **Valuation:** | | | | | | | | | | | | | |
| No. of properties | | 1 022 | - | - | 33 133 | 183 | 157 | - | 780 | 4 282 | - | - | 40 |
| No. of sectional title property values | | 461 | - | - | 2 423 | - | - | - | - | - | - | - | 3 |
| No. of unreasonably difficult properties s7(2) | | - | - | - | - | | - | - | - | - | - | - | – |
| No. of supplementary valuations | | NOT RECEIVE | NOT RECEIVE | NOT RECEIVE | NOT RECEIVE | NOT RECEIVE | NOT RECEIVE | NOT RECEIVE | NOT RECEIVE | NOT RECEIVE | NOT RECEIVE | NOT RECEIVE | – |
| 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 | | 1 | - | - | 100 | - | - | - | - | - | - | - | 0 |
| Years since last valuation **(select)** | | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | |
| Frequency of valuation **(select)** | | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | |
| Method of valuation used **(select)** | | Market | Market | Market | Market | Market | Market | Market | Market | Market | Market | Market | |
| Base of valuation **(select)** | | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | |
| 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 | - | - | - | - | - | - | - | - | - | - | 96 207 |
| Valuation reductions-nature reserves/park (Rm) | | 583 | - | - | - | - | - | | - | - | - | - | 583 151 |
| Valuation reductions-mineral rights (Rm) | | - | - | - | - | - | - | - | - | - | - | - | – |
| Valuation reductions-R15,000 threshold (Rm) | | - | - | - | 53 | - | - | - | - | - | | - | 53 090 |
| Valuation reductions-public worship (Rm) | | 177 | - | - | - | - | - | - | - | - | - | - | 177 072 |
| Valuation reductions-other (Rm) | 2 | - | - | - | 2 137 | - | - | - | - | - | - | - | 2 137 409 |
| **Total valuation reductions:** | | | | | | | | | | | | | |
| Total value used for rating (Rm) | 6 | 4 847 | - | - | 80 094 | 1 000 | 515 | - | 96 | 3 522 | - | - | 90 074 710 |
| Total land value (Rm) | 6 | 201 | - | - | 26 290 | 752 | 176 | - | 81 | 3 522 | - | - | 31 022 525 |
| Total value of improvements (Rm) | 6 | 4 645 | - | - | 53 804 | 285 | 339 | - | 15 | - | - | - | 59 088 585 |
| Total market value (Rm) | 6 | 4 847 | - | - | 80 094 | 1 000 | 515 | - | 96 | 3 522 | - | - | 90 074 710 |
| **Rating:** | | | | | | | | | | | | | |
| Average rate | 3 | | | | | | | | | | | | |
| Rate revenue budget (R '000) | | 48 260 | | | 360 771 | 1 129 | | 4 289 | | 24 576 | | | 439 026 |
| Rate revenue expected to collect (R'000) | | 48 260 | | | 360 771 | 1 129 | | 4 289 | | 24 576 | | | 439 026 |

| 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 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 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) | | | | | 14 443 | | | | | | | | 14 443 |
| 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) | | – | – | – | 75 796 | – | – | – | – | – | – | – | 75 796 |
| Phase-in reductions/discounts (R'000) | | – | – | – | – | – | – | – | – | – | – | – | – |
| **Total rebates,exemptns,reductns,discs (R'000)** | | | | | | | | | | | | | **–** |

*References*

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

## 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 2025/26** | | | | | | | | | | | | | |
| **Valuation:** | | | | | | | | | | | | | |
| No. of properties | | 1 022 | - | - | 33 133 | 183 | 157 | - | 780 | 4 282 | - | - | 40 |
| No. of sectional title property values | | 461 | - | - | 2 423 | - | - | - | - | - | - | - | 3 |
| No. of unreasonably difficult properties s7(2) | | - | - | - | - | | - | - | - | - | - | - | – |
| No. of supplementary valuations | | NOT RECEIVE | NOT RECEIVE | NOT RECEIVE | NOT RECEIVE | NOT RECEIVE | NOT RECEIVE | NOT RECEIVE | NOT RECEIVE | NOT RECEIVE | NOT RECEIVE | NOT RECEIVE | – |
| 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 | | 1 | - | - | 100 | - | - | - | - | - | - | - | 0 |
| Years since last valuation **(select)** | | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | |
| Frequency of valuation **(select)** | | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | |
| Method of valuation used **(select)** | | Market | Market | Market | Market | Market | Market | Market | Market | Market | Market | Market | |
| Base of valuation **(select)** | | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | |
| 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 | - | - | - | - | - | - | - | - | - | - | 101 979 |
| Valuation reductions-nature reserves/park (Rm) | | 62 | - | - | - | - | - | | - | - | - | - | 61 840 |
| Valuation reductions-mineral rights (Rm) | | - | - | - | - | - | - | - | - | - | - | - | – |
| Valuation reductions-R15,000 threshold (Rm) | | - | - | - | 56 | - | - | - | - | - | | - | 56 275 |
| Valuation reductions-public worship (Rm) | | 188 | - | - | - | - | - | - | - | - | - | - | 187 696 |
| Valuation reductions-other (Rm) | 2 | - | - | - | 2 266 | - | - | - | - | - | - | - | 2 265 653 |
| **Total valuation reductions:** | | | | | | | | | | | | | |
| Total value used for rating (Rm) | 6 | 5 137 | - | - | 84 900 | 1 060 | 546 | - | 102 | 3 734 | - | - | 95 479 192 |
| Total land value (Rm) | 6 | 214 | - | - | 27 867 | 797 | 187 | - | 86 | 3 734 | - | - | 32 883 876 |
| Total value of improvements (Rm) | 6 | 4 924 | - | - | 57 032 | 302 | 360 | - | 16 | - | - | - | 62 633 900 |
| Total market value (Rm) | 6 | 5 137 | - | - | 84 900 | 1 060 | 546 | - | 102 | 3 734 | - | - | 95 479 192 |
| **Rating:** | | | | | | | | | | | | | |
| Average rate | 3 | | | | | | | | | | | | |
| Rate revenue budget (R '000) | | 60 893 | | | 378 066 | 1 043 | | 5 211 | | 36 397 | | | 481 611 |
| Rate revenue expected to collect (R'000) | | 60 893 | | | 378 066 | 1 043 | | 5 211 | | 36 397 | | | 481 611 |

| 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 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Expected cash collection rate (%) | 4 | 100.0% | | | 100.0% | 100.0% | | 100.0% | | | | | 0 |
| Special rating areas (R'000) | | | | | 15 020 | | | | | | | | 15 020 |
| Rebates, exemptions - indigent (R'000) | | | | | | | | | | | | | – |
| Rebates, exemptions - pensioners (R'000) | | | | | 1 396 | | | | | | | | 1 396 |
| Rebates, exemptions - bona fide farm. (R'000) | | | | | | | | | | | | | – |
| Rebates, exemptions - other (R'000) | | | | | 82 617 | | | | | | | | 82 617 |
| Phase-in reductions/discounts (R'000) | | | | | | | | | | | | | – |
| **Total rebates,exemptns,reductns,discs (R'000)** | | – | – | – | 84 014 | – | – | – | – | – | – | – | 84 014 |

*References*

*1. Land & Assistance Act, Restitution of Land Rights, Communual Property Associations*

*2. Include value of additional reductions is 'free' value greater than MPRA minimum.*

*3. Average rate - cents in the Rand. Eg 10.26 cents in the Rand is 0.1026, expressed to 6 decimal places maximum*

*4. Include arrears collections*

*5. In favour of the rate-payer*

*6. Provide relevant information for historical comparisons.*

## WC032 Overstrand - Supporting Table SA13a Service Tariffs by category

| Description | Provide description of tariff structure where appropriate | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Property rates** *(rate in the Rand)* | | | | | | | | |
| Residential properties | | | | | | | | |
| Residential properties - vacant land | | | | | | | | |
| Formal/informal settlements | | | | | | | | |
| Small holdings | | | | | | | | |
| Farm properties - used | | | | | | | | |
| Farm properties - not used | | | | | | | | |
| Industrial properties | | | | | | | | |
| Business and commercial properties | | | | | | | | |
| Communal land - residential | | | | | | | | |
| Communal land - small holdings | | | | | | | | |
| Communal land - farm property | | | | | | | | |
| Communal land - business and commercial | | | | | | | | |
| Communal land - other | | | | | | | | |
| State-owned properties | | | | | | | | |
| Municipal properties | | | | | | | | |
| Public service infrastructure | | | | | | | | |
| 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 | | | | | | | | |
| 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) | | | | | | | | |
| **Exemptions, reductions and rebates** *(Rands)* | | | | | | | | |
| ***Residential properties*** | | | | | | | | |
| R15 000 threshhold rebate | | 15 000 | 15 000 | 15 000 | 15 000 | 15 000 | 15 000 | 15 000 |
| General residential rebate | | | | | | | | |
| Indigent rebate or exemption | | | | | | | | |
| Pensioners/social grants rebate or exemption | | | | | | | | |
| Temporary relief rebate or exemption | | | | | | | | |
| Bona fide farmers rebate or exemption | | | | | | | | |
| ***Other rebates or exemptions*** | | | | | | | | |
| **Water tariffs** | | | | | | | | |
| ***Domestic*** | | | | | | | | |
| Basic charge/fixed fee *(Rands/month)* | | 148 | 156 | 166 | 176 | 187 | 198 | 210 |
| Service point - vacant land *(Rands/month)* | | 148 | 156 | 166 | 176 | 187 | 198 | 210 |
| Water usage - flat rate tariff *(c/kl)* | | | | | | | | |
| Water usage - life line tariff | (describe structure) | | | | | | | |
| Water usage - Block 1 (c/kl) | 0 - 6 kl | 6 | 6 | 7 | 7 | 8 | 8 | 9 |
| Water usage - Block 2 (c/kl) | 7 - 18 kl | 12 | 13 | 12 | 15 | 16 | 17 | 18 |
| Water usage - Block 3 (c/kl) | 19 - 30 kl | 19 | 20 | 21 | - | - | - | - |
| Water usage - Block 4 (c/kl) | 31 - 45 kl | 31 | 33 | - | - | - | - | - |
| Water usage - Block 5 (c/kl) | 19 - 45 kl | - | - | 19 | 31 | 33 | 35 | 37 |
| Water usage - Block 6 (c/kl) | 45 - 60 kl | 53 | 55 | 59 | 62 | 66 | 70 | 74 |
| ***Other*** | >60 kl | 70 | 74 | 78 | 83 | 88 | 93 | 99 |
| **Waste water tariffs** | | | | | | | | |
| ***Domestic*** | | | | | | | | |
| Basic charge/fixed fee *(Rands/month)* | | 132 | 138 | 148 | 161 | 170 | 180 | 191 |
| Service point - vacant land *(Rands/month)* | | 132 | 138 | 147 | 161 | 170 | 180 | 191 |

| Description | Provide description of tariff structure where appropriate | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| Waste water - flat rate tariff *(c/kl)* | | 1 489 | 1 556 | 1 669 | 1 818 | 1 927 | 2 043 | 2 165 |
| Volumetric charge - Block 1 (c/kl) | Basic charge pumps | 89 | 93 | 99 | 108 | 115 | 122 | 129 |
| Volumetric charge - Block 2 (c/kl) | Service per pump | 608 | 636 | 677 | 738 | 782 | 829 | 879 |
| Volumetric charge - Block 3 (c/kl) | | | | | | | | |
| Volumetric charge - Block 4 (c/kl) | | | | | | | | |
| ***Other*** | | | | | | | | |
| **Electricity tariffs** | | | | | | | | |
| ***Domestic*** | | | | | | | | |
| Basic charge/fixed fee *(Rands/month)* | | 408 | 439 | 504 | 466 | 414 | 439 | 465 |
| Service point - vacant land *(Rands/month)* | | 408 | 439 | 504 | 466 | 414 | 439 | 465 |
| FBE | | - | - | - | 2 | 5 | 6 | 6 |
| Life-line tariff - meter | Household income threshold | | | | | | | |
| Life-line tariff - prepaid | (describe structure) | 146 | 157 | 157 | 49 | | | |
| Flat rate tariff - meter *(c/kwh)* | | - | - | - | 2 | 5 | 6 | 6 |
| Flat rate tariff - prepaid *(c/kwh)* | one-part | | | | | | | |
| Meter - IBT Block 1 (c/kwh) | | | | | | | | |
| Meter - IBT Block 2 (c/kwh) | | | | | | | | |
| Meter - IBT Block 3 (c/kwh) | Credit Meter | | | | | | | |
| Meter - IBT Block 4 (c/kwh) | 0 - 350 kWh | 157 | 168 | 194 | 213 | 233 | 247 | 262 |
| Meter - IBT Block 5 (c/kwh) | 351 - 600 kWh | 230 | 247 | 285 | 274 | 288 | 305 | 323 |
| Prepaid - IBT Block 1 (c/kwh) | > 600 kWh | 283 | 304 | 350 | 385 | 327 | 347 | 368 |
| Prepaid - IBT Block 2 (c/kwh) | Prepaid Meter | | | | | | | |
| Prepaid - IBT Block 3 (c/kwh) | 0 - 350 kWh | 145 | 155 | 179 | 200 | 224 | 237 | 252 |
| Prepaid - IBT Block 4 (c/kwh) | 351 - 600 kWh | 217 | 233 | 268 | 280 | 278 | 295 | 312 |
| Prepaid - IBT Block 5 (c/kwh) | > 600 kWh | 272 | 292 | 336 | 370 | 319 | 338 | 358 |
| ***Other*** | | | | | | | | |
| **Waste management tariffs** | | | | | | | | |
| ***Domestic*** | | | | | | | | |
| Street cleaning charge | | | | | | | | |
| Basic charge/fixed fee | | 202 | 213 | 228 | 253 | 268 | 284 | 301 |
| 80l bin - once a week | | | | | | | | |
| 250l bin - once a week | | 202 | 213 | 228 | 253 | 268 | 284 | 301 |

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

| Description | Provide description of tariff structure where appropriate | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Exemptions, reductions and rebates** *(Rands)* | | | | | | | | |
| R15 000 threshhold rebate | | 15 000 | 15 000 | 15 000 | | | | |
| *General residential rebate* | | 35 000 | 35 000 | 35 000 | | | | |
| *Indigent rebate or exemption* | | | 0 | 0 | | | | |
| *Pensioners/social grants rebate or exemption* | | 220 000 | 220 000 | | | | | |
| *Residential Properties exemption (Residential Properties* | | | | 40 - 100% | | | | |
| *Bona fide farmers rebate or exemption* | | | | | | | | |
| *Other rebates or exemptions* | | 75% | 75% | 75% | | | | |
| | | 1 | 1 | 1 | | | | |
| **Water tariffs** | | | | | | | | |
| | | 148 | 156 | 166 | 176 | 187 | 198 | 210 |
| | | 148 | 156 | 166 | 176 | 187 | 198 | 210 |
| | 0 - 6 kl | 6 | 6 | 7 | 7 | 8 | 8 | 9 |
| | 7 - 18 kl | 12 | 13 | 14 | 15 | 16 | 17 | 18 |
| | 19 - 30 kl | 20 | 21 | | | | | |
| | 31 - 45 kl | 31 | 33 | | | | | |
| | 19 - 45 kl | | | 19 | 31 | 33 | 35 | 37 |
| | 46 - 60 kl | 53 | 55 | 59 | 62 | 66 | 70 | 74 |
| | > 60 kl | 70 | 74 | 78 | 83 | 88 | 93 | 99 |
| **Waste water tariffs** | | | | | | | | |
| | Basic charge | 132 | 138 | 148 | 161 | 170 | 180 | 191 |
| | | 132 | 138 | 148 | 161 | 170 | 180 | 191 |
| | 70% of water usage | 15 | 16 | 17 | 18 | 19 | 20 | 22 |
| | Basic charge pumps | 89 | 93 | 99 | 108 | 115 | 122 | 129 |
| | Service per pump | 608 | 636 | 677 | 738 | 782 | 829 | 879 |
| **Electricity tariffs** | | | | | | | | |
| | Basic | 408 | 439 | 504 | 466 | 414 | 439 | 465 |
| | | 408 | 439 | 504 | 466 | 414 | 439 | 465 |
| | FBE based on household income | | | | | | | |
| | one-part (cents) | 146 | 157 | 157 | 199 | 224 | 237 | 252 |
| | Credit Meter | | | | | | | |
| | 0 - 350 kWh (cents) | 157 | 168 | 194 | 213 | 233 | 247 | 262 |
| | 351 - 600 kWh (cents) | 230 | 247 | 285 | 274 | 288 | 305 | 323 |
| | > 600 kWh (cents) | 283 | 304 | 350 | 385 | 327 | 347 | 368 |
| | Prepaid Meter | | | | | | - | - |
| | 0 - 350 kWh (cents) | 145 | 155 | 179 | 200 | 224 | 237 | 252 |
| | 351 - 600 kWh (cents) | 217 | 233 | 268 | 274 | 278 | 295 | 312 |
| | > 600 kWh (cents) | 272 | 292 | 336 | 370 | 319 | 338 | 358 |

## WC032 Overstrand - Supporting Table SA14 Household bills

| Description | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Rand/cent | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 % incr. | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Monthly Account for Household - 'Middle Income Range'** | 1 | | | | | | | | | | |
| **Rates and services charges:** | | | | | | | | | | | |
| Property rates | | 268.67 | 284.70 | 182.43 | 197.03 | 197.03 | 197.03 | 9.7% | 216.14 | 229.11 | 242.85 |
| Electricity: Basic levy | | 408.17 | 438.66 | 504.46 | 466.10 | 466.10 | 466.10 | (11.2%) | 413.97 | 543.27 | 575.87 |
| Electricity: Capacity Charge (New) | | – | – | – | 74.70 | 74.70 | 74.70 | 340.2% | 328.80 | 87.07 | 92.29 |
| Electricity: Consumption | | 2 134.79 | 2 294.26 | 2 638.39 | 2 865.02 | 2 865.02 | 2 865.02 | (3.9%) | 2 754.52 | 2 919.79 | 3 094.98 |
| Water: Basic levy | | 148.35 | 155.62 | 165.74 | 175.68 | 175.68 | 175.68 | 6.2% | 186.58 | 197.77 | 209.64 |
| Water: Consumption | | 435.81 | 449.88 | 559.86 | 593.52 | 593.52 | 593.52 | 6.2% | 630.30 | 668.12 | 708.21 |
| Sanitation | | 444.89 | 464.01 | 497.89 | 542.30 | 542.30 | 542.30 | 6.0% | 574.82 | 609.31 | 645.87 |
| Refuse removal | | 201.59 | 213.48 | 228.00 | 253.08 | 253.08 | 253.08 | 6.0% | 268.26 | 284.36 | 301.42 |
| Other | | 53.54 | 53.54 | 53.54 | 53.54 | 53.54 | 53.54 | – | 53.54 | 53.54 | 53.54 |
| **sub-total** | | **4 095.81** | **4 354.15** | **4 830.31** | **5 220.97** | **5 220.97** | **5 220.97** | **3.59** | **5 426.93** | **5 592.34** | **5 924.66** |
| VAT on Services | | 574.07 | 610.42 | 697.18 | | | | | | | |
| **Total large household bill:** | | **4 669.88** | **4 964.57** | **5 527.49** | **5 220.97** | **5 220.97** | **5 220.97** | **3.9%** | **5 426.93** | **5 592.34** | **5 924.66** |
| **% increase/-decrease** | | | **6.3%** | **11.3%** | **(5.5%)** | **–** | **–** | | **3.9%** | **3.0%** | **5.9%** |
| **Monthly Account for Household - 'Affordable Range'** | 2 | | | | | | | | | | |
| **Rates and services charges:** | | | | | | | | | | | |
| Property rates | | 186.00 | 197.10 | 126.30 | 136.40 | 136.40 | 136.40 | 9.7% | 149.64 | 149.64 | 149.64 |
| Electricity: Basic levy | | 408.17 | 438.66 | 504.46 | 466.10 | 466.10 | 466.10 | (11.2%) | 413.97 | 543.27 | 575.87 |
| Electricity: Capacity Charge (New) | | – | – | – | 74.70 | 74.70 | 74.70 | 120.1% | 164.40 | 87.07 | 92.29 |
| Electricity: Consumption | | 831.44 | 893.56 | 1 104.80 | 1 249.01 | 1 249.01 | 1 249.01 | 7.3% | 1 339.70 | 1 420.08 | 1 505.29 |
| Water: Basic levy | | 148.35 | 155.62 | 165.74 | 175.68 | 175.68 | 175.68 | 6.2% | 186.58 | 197.77 | 209.64 |
| Water: Consumption | | 330.17 | 343.78 | 413.46 | 438.32 | 438.32 | 438.32 | 6.2% | 465.50 | 493.43 | 523.04 |
| Sanitation | | 392.78 | 409.66 | 440.29 | 478.58 | 478.58 | 478.58 | 6.0% | 507.37 | 537.81 | 570.08 |
| Refuse removal | | 201.59 | 213.48 | 228.00 | 253.08 | 253.08 | 253.04 | 6.0% | 268.26 | 284.36 | 301.42 |
| Other | | 53.54 | 53.54 | 53.54 | 53.54 | 53.54 | 53.54 | – | 53.54 | 53.54 | 53.54 |
| **sub-total** | | **2 552.04** | **2 705.40** | **3 036.59** | **3 325.41** | **3 325.41** | **3 325.37** | **6.7%** | **3 548.96** | **3 766.97** | **3 980.80** |
| VAT on Services | | 354.91 | 376.25 | 436.54 | | | | | | | |
| **Total small household bill:** | | **2 906.95** | **3 081.65** | **3 473.13** | **3 325.41** | **3 325.41** | **3 325.37** | **6.7%** | **3 548.96** | **3 766.97** | **3 980.80** |
| **% increase/-decrease** | | | **6.0%** | **12.7%** | **(4.3%)** | **–** | **(0.0%)** | | **6.7%** | **6.1%** | **5.7%** |
| **Monthly Account for Household - 'Indigent' Household receiving free basic services** | 3 | | | | | | | | | | |
| **Rates and services charges:** | | | | | | | | | | | |
| Property rates | | 103.34 | 109.50 | 70.17 | – | – | – | – | – | – | – |
| Electricity: Basic levy | | 408.17 | 438.66 | 504.46 | 466.10 | 466.10 | 466.10 | (11.2%) | 413.97 | 543.27 | 575.87 |
| Electricity: Capacity Charge (New) | | – | – | – | 74.70 | 74.70 | 74.70 | 120.1% | 164.40 | 87.07 | 92.29 |
| Electricity: Consumption | | 506.31 | 544.15 | 678.02 | 701.15 | 701.15 | 701.15 | 11.8% | 783.90 | 830.93 | 880.79 |
| Water: Basic levy | | 148.35 | 155.62 | 165.74 | 175.68 | 175.68 | 175.68 | 6.2% | 186.58 | 197.77 | 209.64 |
| Water: Consumption | | 229.02 | 210.88 | 267.06 | 283.12 | 283.12 | 283.12 | 6.2% | 300.70 | 318.74 | 337.87 |
| Sanitation | | 340.66 | 355.99 | 381.06 | 415.02 | 415.02 | 415.02 | 6.0% | 439.93 | 466.33 | 494.31 |
| Refuse removal | | 201.59 | 213.48 | 228.00 | 253.08 | 253.08 | 253.08 | 6.0% | 268.26 | 284.36 | 301.42 |
| Other | | (1 016.56) | (1 154.19) | (1 356.85) | (1 467.05) | (1 467.05) | (1 467.05) | 7.4% | (1 575.46) | (1 669.99) | (1 770.19) |
| **sub-total** | | **920.88** | **874.09** | **937.66** | **901.80** | **901.80** | **901.80** | **8.9%** | **982.28** | **1 058.48** | **1 121.99** |
| VAT on Services | | | | | | | | | | | |
| **Total small household bill:** | | **920.88** | **874.09** | **937.66** | **901.80** | **901.80** | **901.80** | **8.9%** | **982.28** | **1 058.48** | **1 121.99** |
| **% increase/-decrease** | | | **(5.1%)** | **7.3%** | **(3.8%)** | **–** | **–** | | **8.9%** | **7.8%** | **6.0%** |

## WC032 Overstrand - Supporting Table SA15 Investment particulars by type

| Investment type | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Parent municipality** | | | | | | | | | | |
| Securities - National Government | | – | – | – | – | – | – | – | – | – |
| Listed Corporate Bonds | | – | – | – | – | – | – | – | – | – |
| Deposits - Bank | | 410 251 | 410 280 | 410 281 | 400 000 | 400 000 | 400 000 | 460 000 | 460 000 | 460 000 |
| Deposits - Public Investment Commissioners | | | | | | | | | | |
| Deposits - Corporation for Public Deposits | | | | | | | | | | |
| Bankers Acceptance Certificates | | | | | | | | | | |
| Negotiable Certificates of Deposit - Banks | | | | | | | | | | |
| Guaranteed Endowment Policies (sinking) | | 60 512 | 68 211 | 77 045 | 84 471 | 84 471 | 84 471 | 8 400 | – | – |
| Repurchase Agreements - Banks | | – | – | – | – | – | – | – | – | – |
| Municipal Bonds | | – | – | – | – | – | – | – | – | – |
| **Municipality sub-total** | 1 | **470 763** | **478 491** | **487 326** | **484 471** | **484 471** | **484 471** | **468 400** | **460 000** | **460 000** |
| **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:** | | **470 763** | **478 491** | **487 326** | **484 471** | **484 471** | **484 471** | **468 400** | **460 000** | **460 000** |

**WC032 Overstrand - Supporting Table SA16 Investment particulars by maturity**

| Investments by Maturity<br>Name of institution & investment ID | Ref<br>1 | Period of Investment<br>Yrs/Months | Type of Investment | Capital Guarantee (Yes/ No) | Variable or Fixed interest rate | Interest Rate [3] | Commission Paid (Rands) | Commission Recipient | Expiry date of investment | Opening balance | Interest to be realised | Partial / Premature Withdrawal (4) | Investment Top Up | Closing Balance |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Parent municipality** | | | | | | | | | | | | | | |
| LIBERTY 15934476 | | 15 Years | Policy | Yes | Variable | Fair Value Adjustment | | | 01/09/2025 | 25 699 475 | 1 433 537 | | 1 500 000 | **28 633 011.28** |
| LIBERTY 21196964 | | 14 Years | Policy | Yes | Variable | Fair Value Adjustment | | | 30/06/2025 | 45 271 208 | 1 672 239 | | 3 120 000 | **50 063 446.28** |
| MOMENTUM 3853776 | | 15 Years | Policy | Yes | Variable | Fair Value Adjustment | | | 01/07/2026 | 5 366 041 | 48 229 | | 360 000 | **5 774 270.70** |
| Deposits - Bank | | | Bank investments | Yes | Fixed | | | | 30/06/2024 | 410 280 517 | 48 635 253 | -958 915 770 | 900 000 000 | **400 000 000.00** |
| - | | | | | | | | | | | | | | |
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| - | | | | | | | | | | | | | | |
| **Municipality sub-total** | | | | | | | | | | **486 617 241** | | **-958 915 770** | **904 980 000** | **484 470 728** |
| **Entities** | | | | | | | | | | | | | | |
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| - | | | | | | | | | | | | | | |
| **Entities sub-total** | | | | | | | | | | | | | | |
| **TOTAL INVESTMENTS AND INTEREST** | 1 | | | | | | | | | **486 617 241** | | **-958 915 770** | **904 980 000** | **484 470 728** |

## WC032 Overstrand - Supporting Table SA17 Borrowing

| Borrowing - Categorised by type | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Parent municipality** | | | | | | | | | | |
| Annuity and Bullet Loans | | 329 906 | 321 957 | 321 513 | 231 786 | 231 786 | 231 786 | 260 476 | 358 360 | 357 532 |
| 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 | **429 906** | **421 957** | **421 513** | **331 786** | **331 786** | **331 786** | **360 476** | **358 360** | **357 532** |
| **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 | **429 906** | **421 957** | **421 513** | **331 786** | **331 786** | **331 786** | **360 476** | **358 360** | **357 532** |
| **Unspent Borrowing - Categorised by type** | | | | | | | | | | |
| **Parent municipality** | | | | | | | | | | |
| Long-Term Loans (annuity/reducing balance) | | – | 30 175 | 56 641 | 27 610 | 27 610 | 27 610 | 3 982 | – | – |
| 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 | **–** | **30 175** | **56 641** | **27 610** | **27 610** | **27 610** | **3 982** | **–** | **–** |
| **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 | **–** | **30 175** | **56 641** | **27 610** | **27 610** | **27 610** | **3 982** | **–** | **–** |

## WC032 Overstrand - Supporting Table SA18 Transfers and grant receipts

| Description | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **RECEIPTS:** | 1, 2 | | | | | | | | | |
| **Operating Transfers and Grants** | | | | | | | | | | |
| **National Government:** | | **128 977** | **150 183** | **169 423** | **172 592** | **172 592** | **172 592** | **183 866** | **190 617** | **199 318** |
| Operational Revenue:General Revenue:Equitable Share | | 123 897 | 141 896 | 157 935 | 168 794 | 168 794 | 168 794 | 179 268 | 188 717 | 197 218 |
| 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 | – | – | – | – | – | – |
| Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B] | | 2 530 | 2 593 | 3 366 | 1 898 | 1 898 | 1 898 | 2 588 | – | – |
| 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 | 1 700 | 1 700 | 1 700 | 1 800 | 1 900 | 2 100 |
| Mitchell's Plain Urban Renewal | | – | – | – | – | – | – | – | – | – |
| Municipal Demarcation and Transition Grant [Schedule 5B] | | – | – | – | – | – | – | – | – | – |
| Municipal Disaster Grant [Schedule 5B] | | – | – | 1 719 | | | | – | – | – |
| 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 | 200 | 200 | 200 | 210 | – | – |
| Water Services Infrastructure Grant | | – | | – | – | – | – | – | – | – |
| Public Transport Network Grant [Schedule 5B] | | – | – | – | – | – | – | – | – | – |
| Smart Connect Grant | | – | – | – | – | – | – | – | – | – |
| Urban Settlement Development Grant | | – | – | – | – | – | – | – | – | – |
| WiFi Grant [Department of Telecommunications and Postal Services | | – | – | – | – | – | – | – | – | – |
| Street Lighting | | – | – | – | – | – | – | – | – | – |
| Traditional Leaders - Imbizion | | – | – | – | – | – | – | – | – | – |
| Department of Water and Sanitation Smart Living Handbook | | – | – | – | – | – | – | – | – | – |
| Integrated National Electrification Programme Grant | | – | – | – | – | – | – | – | – | – |
| Municipal Restructuring Grant | | – | – | – | – | – | – | – | – | – |
| Regional Bulk Infrastructure Grant | | – | – | – | – | – | – | – | – | – |
| Municipal Emergency Housing Grant | | – | – | – | – | – | – | – | – | – |
| Metro Informal Settlements Partnership Grant | | – | – | – | – | – | – | – | – | – |
| Integrated Urban Development Grant | | – | – | – | – | – | – | – | – | – |
| Programme and Project Preparation Support Grant | | – | – | – | – | – | – | – | – | – |
| **Provincial Government:** | | **58 632** | **81 340** | **126 129** | **101 886** | **104 409** | **104 409** | **61 906** | **36 403** | **19 505** |
| Community Library Services Grant | | 6 580 | 8 258 | 8 398 | 8 608 | 8 608 | 8 608 | 8 824 | 8 912 | 9 748 |
| Library Support Grant | | 2 222 | | | | | | | | |
| Thusong Services Centres Grant | | | 150 | | | | | 150 | 150 | 150 |
| Resource funding for the establish & support of K9 Unit | | 2 420 | 2 420 | 3 345 | 3 772 | 4 172 | 4 172 | 4 350 | 4 473 | 4 666 |
| Municipal Electricity Masterplan Grant | | 1 000 | | | | | | | | |
| Financial Management Capacity Building Grant | | 400 | | | | | | | | |
| Community Development Workers | | 76 | 75 | 76 | 76 | 76 | 76 | 76 | 76 | 76 |
| Municipal Energy Resilience Grant | | 650 | – | – | | | | – | – | – |
| LG Public Employment Grant | | 1 300 | – | – | | | | – | – | – |
| Maintenance & Construction of Transport Infrastructure | | 145 | 140 | 400 | 450 | 7 440 | 7 440 | 130 | 130 | 146 |
| Financial Management Capability Grant | | | 450 | 200 | 160 | 260 | 260 | 672 | – | – |
| Municipal Service Delivery & Capacity Building Grant | | 244 | 1 550 | 500 | – | – | – | – | – | – |
| Municipal Intervention Grant | | | 450 | – | – | – | – | – | – | – |
| Resource funding for the est of Law Enforcement Rural Safety Unit | | 6 307 | 2 958 | 4 065 | 4 223 | 4 223 | 4 223 | 4 317 | 4 516 | 4 719 |
| Emergency Municipal Load-shedding relief grant | | | 6 700 | – | – | – | – | – | – | – |
| Human Settlements Dev & Informal Settlement Upgrading Partnership Grant | | 37 288 | 58 189 | 108 411 | 84 410 | 79 443 | 79 443 | 42 790 | 18 146 | – |
| Title Deeds Restoration Grant | | – | – | 362 | 187 | 187 | 187 | 97 | – | – |
| Library Service Replacement Funding | | – | – | 372 | – | – | – | – | – | – |
| Municipal Fire Service Capacity Support Grant | | | | | | | | 500 | | |
| **District Municipality:** | | **90** | **35** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| *All Grants* | | 90 | 35 | – | – | – | – | – | – | – |
| **Other Grant Providers:** | | **–** | **–** | **–** | **–** | **692** | **692** | **–** | **–** | **–** |
| *Departmental Agencies and Accounts* | | – | – | – | – | – | – | – | – | – |
| *Foreign Government and International Organisations* | | – | – | – | – | 692 | 692 | | – | – |
| *Households* | | – | – | – | – | – | – | – | – | – |
| *Non-profit Institutions* | | – | – | – | – | – | – | – | – | – |
| *Private Enterprises* | | – | – | – | – | – | – | – | – | – |
| *Public Corporations* | | – | – | – | – | – | – | – | – | – |
| *Higher Educational Institutions* | | – | – | – | – | – | – | – | – | – |
| *Parent Municipality / Entity* | | – | – | – | – | – | – | – | – | – |
| **Total Operating Transfers and Grants** | 5 | **187 699** | **231 558** | **295 551** | **274 478** | **277 693** | **277 693** | **245 772** | **227 020** | **218 823** |

| Description | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Capital Transfers and Grants** | | | | | | | | | | |
| **National Government:** | | **43 754** | **78 254** | **62 835** | **52 299** | **52 266** | **52 266** | **76 207** | **64 043** | **39 375** |
| Integrated National Electrification Programme (Municipal Grant) [Schedule 5B] | | 18 519 | 27 331 | 24 380 | 19 334 | 19 334 | 19 334 | 13 908 | 9 551 | 9 983 |
| Municipal Infrastructure Grant [Schedule 5B] | | 20 053 | 23 484 | 23 203 | 24 965 | 24 932 | 24 932 | 33 872 | 28 250 | 29 392 |
| 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 | 27 439 | 4 500 | 8 000 | 8 000 | 8 000 | 28 427 | 26 242 | – |
| 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 | | – | – | 10 753 | – | – | – | – | – | – |
| Municipal Emergency Housing Grant | | – | – | – | – | – | – | – | – | – |
| Metro Informal Settlements Partnership Grant | | – | – | – | – | – | – | – | – | – |
| Integrated Urban Development Grant | | – | – | – | – | – | – | – | – | – |
| **Provincial Government:** | | **47 754** | **27 266** | **33 650** | **13 129** | **32 544** | **32 544** | **25 342** | **13 000** | **13 000** |
| Capacity Building | | – | – | – | – | – | – | – | – | – |
| Capacity Building and Other | | – | | – | – | | | – | – | – |
| Disaster and Emergency Services | | – | – | – | – | – | – | – | – | – |
| Health | | 47 154 | 26 666 | 33 650 | 13 129 | 31 444 | 31 444 | 24 542 | 13 000 | 13 000 |
| Housing | | – | | – | | | | – | – | – |
| Infrastructure | | – | – | – | | | | – | – | – |
| Libraries, Archives and Museums | | – | – | – | – | – | – | – | – | – |
| Other | | | – | – | – | – | – | – | – | – |
| Public Transport | | | – | – | – | – | – | – | – | – |
| Road Infrastructure | | – | – | – | – | – | – | – | – | – |
| Sports and Recreation | | – | – | – | – | 1 100 | 1 100 | – | – | – |
| Waste Water Infrastructure | | 600 | 600 | – | – | – | – | – | – | – |
| Water Supply Infrastructure | | | | | | | | 800 | | |
| **District Municipality:** | | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| *All Grants* | | – | – | – | – | – | – | – | – | – |
| **Other Grant Providers:** | | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| *Departmental Agencies and Accounts* | | – | – | – | – | – | – | – | – | – |
| *Foreign Government and International Organisations* | | – | – | – | – | – | – | – | – | – |
| *Households* | | – | – | – | – | – | – | – | – | – |
| *Non-Profit Institutions* | | – | – | – | – | – | – | – | – | – |
| *Private Enterprises* | | – | – | – | – | – | – | – | – | – |
| *Public Corporations* | | – | – | – | – | – | – | – | – | – |
| *Higher Educational Institutions* | | – | – | – | – | – | – | – | – | – |
| *Parent Municipality / Entity* | | – | – | – | – | – | – | – | – | – |
| *Transfer from Operational Revenue* | | – | – | – | – | – | – | – | – | – |
| **Total Capital Transfers and Grants** | 5 | **91 508** | **105 520** | **96 485** | **65 428** | **84 810** | **84 810** | **101 549** | **77 043** | **52 375** |
| | | | | | | | | | | |
| **TOTAL RECEIPTS OF TRANSFERS & GRANTS** | | **279 207** | **337 078** | **392 037** | **339 906** | **362 503** | **362 503** | **347 321** | **304 063** | **271 198** |

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

| Description | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **EXPENDITURE:** | 1 | | | | | | | | | |
| **Operating expenditure of Transfers and Grants** | | | | | | | | | | |
| **National Government:** | | **11 627** | **11 665** | **11 261** | **4 098** | **4 226** | **4 226** | **4 598** | **1 900** | **2 100** |
| Operational Revenue:General Revenue:Equitable Share | | 6 547 | – | – | – | – | – | | | |
| 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 | 4 401 | – | – | – | – | – | – |
| Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B] | | 2 530 | 2 593 | 3 366 | 1 898 | 1 898 | 1 898 | 2 588 | – | – |
| 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 | 1 700 | 1 700 | 1 700 | 1 800 | 1 900 | 2 100 |
| Mitchell's Plain Urban Renewal | | – | – | – | – | – | – | – | – | – |
| Municipal Demarcation and Transition Grant [Schedule 5B] | | – | – | – | – | – | – | – | – | – |
| Municipal Disaster Grant [Schedule 5B] | | – | – | 1 292 | 300 | 428 | 428 | – | – | – |
| 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 | 200 | 200 | 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:** | | **57 002** | **73 992** | **126 439** | **101 886** | **105 032** | **105 032** | **61 906** | **36 403** | **19 235** |
| Community Library Services Grant | | 6 580 | 8 258 | 8 398 | 8 608 | 8 608 | 8 608 | 8 824 | 8 912 | 9 478 |
| Library Support Grant | | 2 222 | – | – | – | – | – | – | – | – |
| Thusong Services Centres Grant | | | 60 | 90 | – | – | – | 150 | 150 | 150 |
| Resource funding for the establish & support of K9 Unit | | 3 059 | 2 420 | 3 345 | 3 772 | 4 172 | 4 172 | 4 350 | 4 473 | 4 666 |
| Municipal Electricity Masterplan Grant | | 1 000 | – | – | | | | | | |
| Financial Management Capacity Building Grant | | – | 24 | – | – | – | – | – | – | – |
| Community Development Workers | | 76 | 75 | 76 | 76 | 76 | 76 | 76 | 76 | 76 |
| Municipal Energy Resilience Grant | | 650 | – | – | – | – | – | – | – | – |
| LG Public Employment Grant | | 1 300 | – | – | – | – | – | – | – | – |
| Maintenance & Construction of Transport Infrastructure | | 145 | 140 | 400 | 450 | 7 440 | 7 440 | 130 | 130 | 146 |
| Financial Management Capability Grant | | 676 | 450 | 139 | 160 | 260 | 260 | 672 | | |
| Municipal Service Delivery & Capacity Building Grant | | 181 | 121 | 179 | | 500 | 500 | | | |
| Municipal Intervention Grant | | | 200 | | | | | | | |
| Resource funding for the est of Law Enforcement Rural Safety Unit | | 400 | 4 745 | 4 282 | 4 223 | 4 223 | 4 223 | 4 317 | 4 516 | 4 719 |
| Emergency Municipal Load-shedding relief grant | | | 2 042 | 4 658 | | | | | | |
| Human Settlements Dev & Informal Settlement Upgrading Partnership Grant | | 40 713 | 55 457 | 104 289 | 84 410 | 79 443 | 79 443 | 42 790 | 18 146 | |
| Title Deeds Restoration Grant | | – | – | 362 | 187 | 187 | 187 | 97 | – | – |
| Library Service Replacement Funding | | – | – | 219 | – | 123 | 123 | – | – | – |
| Municipal Fire Service Capacity Support Grant | | – | – | – | – | – | – | 500 | – | – |
| **District Municipality:** | | **90** | **35** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| *All Grants* | | 90 | 35 | – | – | – | – | – | – | – |
| **Other Grant Providers:** | | **–** | **–** | **–** | **–** | **692** | **692** | **625** | **–** | **–** |
| *Departmental Agencies and Accounts* | | – | – | – | – | – | – | – | – | – |
| *Foreign Government and International Organisations* | | – | – | – | – | 692 | 692 | 625 | – | – |
| *Households* | | | | | | | | | | – |
| *Non-profit Institutions* | | | | | – | – | – | – | – | – |
| *Private Enterprises* | | | | | – | – | – | – | – | – |
| *Public Corporations* | | – | – | – | – | – | – | – | – | – |
| *Higher Educational Institutions* | | | | | | | | | | |
| *Parent Municipality / Entity* | | – | – | – | – | – | – | – | – | – |
| **Total operating expenditure of Transfers and Grants:** | | **68 719** | **85 692** | **137 699** | **105 984** | **109 949** | **109 949** | **67 129** | **38 303** | **21 335** |
| **Capital expenditure of Transfers and Grants** | | | | | | | | | | |
| **National Government:** | | **36 688** | **81 741** | **59 150** | **52 299** | **55 951** | **55 951** | **76 207** | **64 043** | **39 375** |

| Description | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| Integrated National Electrification Programme (Municipal Grant) [Schedule 5B] | | 11 453 | 34 397 | 24 380 | 19 334 | 19 334 | 19 334 | 13 908 | 9 551 | 9 983 |
| Municipal Infrastructure Grant [Schedule 5B] | | 20 053 | 23 484 | 19 518 | 24 965 | 28 617 | 28 617 | 33 872 | 28 250 | 29 392 |
| 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 | 4 500 | 8 000 | 8 000 | 8 000 | 28 427 | 26 242 | – |
| 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 | | – | – | 10 753 | – | – | – | – | – | – |
| Municipal Emergency Housing Grant | | – | – | – | – | – | – | – | – | – |
| Metro Informal Settlements Partnership Grant | | – | – | – | – | – | – | – | – | – |
| Integrated Urban Development Grant | | – | – | – | – | – | – | – | – | – |
| **Provincial Government:** | | **50 581** | **31 195** | **33 827** | **13 129** | **32 576** | **32 576** | **25 342** | **13 000** | **13 000** |
| Capacity Building | | – | – | – | – | – | – | – | – | – |
| Capacity Building and Other | | 63 | 1 194 | 56 | – | – | – | – | – | – |
| Disaster and Emergency Services | | – | – | – | – | – | – | – | – | – |
| Health | | 49 292 | 26 098 | 33 678 | 13 129 | 32 560 | 32 560 | 24 542 | 13 000 | 13 000 |
| Housing | | – | – | – | | | | | | |
| Infrastructure | | – | – | 14 | | 16 | 16 | | | |
| Libraries, Archives and Museums | | – | 171 | 79 | – | – | – | – | – | – |
| Other | | 624 | – | – | – | – | – | – | – | – |
| Public Transport | | 603 | 3 132 | – | – | – | – | – | – | – |
| Road Infrastructure | | – | – | – | – | – | – | – | – | – |
| Sports and Recreation | | – | – | – | – | – | – | – | – | – |
| Waste Water Infrastructure | | – | 600 | – | – | – | – | – | – | – |
| Water Supply Infrastructure | | | | | | | | 800 | | |
| **District Municipality:** | | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| *All Grants* | | – | – | – | – | – | – | – | – | – |
| **Other Grant Providers:** | | **–** | **–** | **–** | **–** | **105** | **105** | **–** | **–** | **–** |
| *Departmental Agencies and Accounts* | | – | – | – | – | – | – | – | – | – |
| *Foreign Government and International Organisations* | | – | – | – | – | – | – | – | – | – |
| *Households* | | – | – | – | – | – | – | – | – | – |
| *Non-Profit Institutions* | | – | – | – | – | – | – | – | – | – |
| *Private Enterprises* | | – | – | – | – | – | – | – | – | – |
| *Public Corporations* | | – | – | – | – | 105 | 105 | – | – | – |
| *Higher Educational Institutions* | | – | – | – | – | – | – | – | – | – |
| *Parent Municipality / Entity* | | – | – | – | – | – | – | – | – | – |
| *Transfer from Operational Revenue* | | – | – | – | – | – | – | – | – | – |
| **Total capital expenditure of Transfers and Grants** | | **87 270** | **112 936** | **92 977** | **65 428** | **88 632** | **88 632** | **101 549** | **77 043** | **52 375** |
| **TOTAL EXPENDITURE OF TRANSFERS AND GRANTS** | | **155 989** | **198 628** | **230 677** | **171 412** | **198 582** | **198 582** | **168 678** | **115 346** | **73 710** |

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

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Operating transfers and grants:** | | | | | | | | | |
| **National Government:** | | | | | | | | | |
| Balance unspent at beginning of the year | (6 870) | (4 017) | (201) | – | – | – | – | – | – |
| Current year receipts | 128 977 | 150 183 | 169 423 | 172 592 | 172 592 | 172 592 | 183 866 | 190 617 | 199 318 |
| Conditions met - transferred to revenue | 10 627 | (15 774) | 9 969 | – | – | – | | | |
| Conditions still to be met - transferred to liabilities | – | 323 | – | – | – | – | – | – | – |
| **Closing Balance** | 132 734 | 130 715 | 179 191 | 172 592 | 172 592 | 172 592 | 183 866 | 190 617 | 199 318 |
| **Provincial Government:** | | | | | | | | | |
| Balance unspent at beginning of the year | (2 235) | (5 552) | (4 745) | – | – | – | – | – | – |
| Current year receipts | 58 632 | 81 340 | 126 129 | 101 886 | 104 409 | 104 409 | 61 906 | 36 403 | 19 505 |
| Conditions met - transferred to revenue | – | – | 21 750 | – | – | – | | | |
| Conditions still to be met - transferred to liabilities | 309 | 3 663 | – | – | – | – | – | – | – |
| **Closing Balance** | 56 706 | 79 452 | 143 133 | 101 886 | 104 409 | 104 409 | 61 906 | 36 403 | 19 505 |
| **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** | **10 627** | **(15 739)** | **31 719** | **274 478** | **277 001** | **277 001** | **245 772** | **227 020** | **218 823** |
| **Total operating transfers and grants - CTBM** | **–** | **–** | **–** | **274 478** | **277 001** | **277 001** | **245 772** | **227 020** | **218 823** |
| **Capital transfers and grants:** | | | | | | | | | |
| **National Government:** | | | | | | | | | |
| Balance unspent at beginning of the year | – | (7 066) | – | – | – | – | – | – | – |
| Current year receipts | 43 754 | 78 254 | 62 835 | 52 299 | 52 266 | 52 266 | 76 207 | 64 043 | 39 375 |
| Conditions met - transferred to revenue | 37 688 | 109 180 | 48 398 | – | – | – | – | – | – |
| Conditions still to be met - transferred to liabilities | – | – | – | – | – | – | – | – | – |
| **Closing Balance** | 81 442 | 180 369 | 111 233 | 52 299 | 52 266 | 52 266 | 76 207 | 64 043 | 39 375 |
| **Provincial Government:** | | | | | | | | | |
| Balance unspent at beginning of the year | – | (600) | (569) | – | – | – | – | – | – |
| Current year receipts | 47 754 | 27 266 | 33 650 | 13 129 | 32 544 | 32 544 | 25 342 | 13 000 | 13 000 |
| Conditions met - transferred to revenue | – | – | 33 827 | – | – | – | – | – | – |
| Conditions still to be met - transferred to liabilities | – | (3 300) | 168 | – | – | – | – | – | – |
| **Closing Balance** | 47 754 | 23 366 | 67 076 | 13 129 | 32 544 | 32 544 | 25 342 | 13 000 | 13 000 |
| **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 | (14 738) | (12 442) | (105) | (105) | (105) | (105) | – | – | – |
| Current year receipts | – | – | – | – | – | – | – | – | – |
| Conditions met - transferred to revenue | 2 296 | 12 337 | – | – | – | – | – | – | – |
| Conditions still to be met - transferred to liabilities | – | – | – | – | – | – | – | – | – |
| **Closing Balance** | (12 442) | (105) | (105) | (105) | (105) | (105) | – | – | – |
| **Total capital transfers and grants revenue** | **39 984** | **121 517** | **82 225** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Total capital transfers and grants - CTBM** | **116 754** | **203 630** | **178 204** | **65 323** | **84 705** | **84 705** | **101 549** | **77 043** | **52 375** |
| **TOTAL TRANSFERS AND GRANTS REVENUE** | **50 611** | **105 778** | **113 943** | **274 478** | **277 001** | **277 001** | **245 772** | **227 020** | **218 823** |
| **TOTAL TRANSFERS AND GRANTS - CTBM** | **116 754** | **203 630** | **178 204** | **339 801** | **361 706** | **361 706** | **347 321** | **304 063** | **271 198** |

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

| Description | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **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 | 530 | 800 | – | – | – | – | – |
| *Capital* | | – | – | – | – | – | – | – | – | – |
| **Total Cash Transfers To Organisations** | | – | 500 | 530 | 800 | – | – | – | – | – |
| **Cash Transfers to Groups of Individuals** | | | | | | | | | | |
| *Operational* | | 12 813 | 14 286 | 15 982 | 16 617 | 16 717 | 16 717 | 16 770 | 17 487 | 18 128 |
| *Capital* | | – | – | – | – | – | – | – | – | – |
| **Total Cash Transfers To Groups Of Individuals:** | | 12 813 | 14 286 | 15 982 | 16 617 | 16 717 | 16 717 | 16 770 | 17 487 | 18 128 |
| **TOTAL CASH TRANSFERS AND GRANTS** | 6 | 12 813 | 14 786 | 16 512 | 17 417 | 16 717 | 16 717 | 16 770 | 17 487 | 18 128 |
| **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 | 12 813 | 16 086 | 16 512 | 17 417 | 16 717 | 16 717 | 16 770 | 17 487 | 18 128 |

## WC032 Overstrand - Supporting Table SA22 Summary councillor and staff benefits

| Summary of Employee and Councillor remuneration | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| | 1 | A | B | C | D | E | F | G | H | I |
| **Councillors (Political Office Bearers plus Other)** | | | | | | | | | | |
| Basic Salaries and Wages | | 10 454 | 10 979 | 11 461 | 12 643 | 12 237 | 12 237 | 12 742 | 13 793 | 14 882 |
| Pension and UIF Contributions | | – | – | – | – | – | – | – | – | – |
| Medical Aid Contributions | | – | – | – | – | – | – | – | – | – |
| Motor Vehicle Allowance | | – | – | – | – | – | – | – | – | – |
| Cellphone Allowance | | 1 085 | 1 336 | 1 269 | 1 269 | 1 269 | 1 269 | 1 269 | 1 269 | 1 269 |
| Housing Allowances | | – | – | – | – | – | – | – | – | – |
| Other benefits and allowances | | – | – | – | – | – | – | – | – | – |
| **Sub Total - Councillors** | | **11 538** | **12 315** | **12 730** | **13 912** | **13 506** | **13 506** | **14 012** | **15 062** | **16 151** |
| **% increase** | 4 | | **6.7%** | **3.4%** | **9.3%** | **(2.9%)** | **–** | **3.7%** | **7.5%** | **7.2%** |
| **Senior Managers of the Municipality** | 2 | | | | | | | | | |
| Basic Salaries and Wages | | 12 317 | 12 034 | 12 340 | 13 713 | 11 808 | 11 808 | 12 377 | 12 977 | 13 608 |
| Pension and UIF Contributions | | – | – | – | – | – | – | – | – | – |
| Medical Aid Contributions | | – | – | – | – | – | – | – | – | – |
| Overtime | | – | – | – | – | – | – | – | – | – |
| Performance Bonus | | 96 | 162 | 205 | 167 | – | – | 229 | 240 | 252 |
| Motor Vehicle Allowance | 3 | – | – | – | – | – | – | – | – | – |
| Cellphone Allowance | 3 | 182 | 179 | 201 | 212 | 187 | 187 | 221 | 221 | 221 |
| 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** | | **12 595** | **12 376** | **12 746** | **14 092** | **11 996** | **11 996** | **12 827** | **13 438** | **14 080** |
| **% increase** | 4 | | **(1.7%)** | **3.0%** | **10.6%** | **(14.9%)** | **–** | **6.9%** | **4.8%** | **4.8%** |
| **Other Municipal Staff** | | | | | | | | | | |
| Basic Salaries and Wages | | 266 765 | 283 550 | 309 632 | 351 978 | 368 472 | 368 472 | 382 729 | 401 507 | 420 761 |
| Pension and UIF Contributions | | 45 123 | 47 755 | 50 672 | 60 983 | 52 923 | 52 923 | 57 015 | 58 726 | 61 610 |
| Medical Aid Contributions | | 14 510 | 15 638 | 16 959 | 19 652 | 17 925 | 17 925 | 19 278 | 19 691 | 20 659 |
| Overtime | | 35 197 | 42 829 | 43 751 | 35 012 | 41 624 | 41 624 | 42 318 | 47 268 | 49 631 |
| Performance Bonus | | 20 532 | 21 761 | 23 263 | 27 554 | 23 955 | 23 955 | 25 746 | 26 324 | 27 609 |
| Motor Vehicle Allowance | 3 | 8 136 | 7 976 | 7 726 | 8 869 | 7 736 | 7 736 | 8 438 | 8 849 | 9 283 |
| Cellphone Allowance | 3 | 2 003 | 1 976 | 2 291 | 2 374 | 2 280 | 2 280 | 2 424 | 2 549 | 2 674 |
| Housing Allowances | 3 | 1 707 | 1 774 | 1 825 | 1 996 | 1 967 | 1 967 | 2 116 | 2 214 | 2 323 |
| Other benefits and allowances | 3 | 24 133 | 29 364 | 30 593 | 29 815 | 31 317 | 31 317 | 32 237 | 33 747 | 35 421 |
| Payments in lieu of leave | | – | – | – | – | – | – | – | – | – |
| Long service awards | | – | – | – | – | – | – | – | – | – |
| Post-retirement benefit obligations | 6 | 16 302 | 10 362 | 17 791 | 27 240 | 27 240 | 27 240 | 28 672 | 22 385 | 23 352 |
| Entertainment | | – | – | – | – | – | – | – | – | – |
| Scarcity | | 3 575 | 3 796 | 4 103 | 4 367 | 3 990 | 3 990 | 4 295 | 4 513 | 4 737 |
| Acting and post related allowance | | 2 074 | 1 781 | 1 334 | 2 329 | 1 050 | 1 050 | 1 101 | 1 158 | 1 215 |
| In kind benefits | | – | – | – | – | – | – | – | – | – |
| **Sub Total - Other Municipal Staff** | | **440 056** | **468 563** | **509 942** | **572 169** | **580 478** | **580 478** | **606 367** | **628 931** | **659 274** |
| **% increase** | 4 | | **6.5%** | **8.8%** | **12.2%** | **1.5%** | **–** | **4.5%** | **3.7%** | **4.8%** |
| **Total Parent Municipality** | | **464 190** | **493 254** | **535 418** | **600 172** | **605 980** | **605 980** | **633 205** | **657 431** | **689 506** |
| | | | **6.3%** | **8.5%** | **12.1%** | **1.0%** | **–** | **4.5%** | **3.8%** | **4.9%** |
| **TOTAL SALARY, ALLOWANCES & BENEFITS** | | **464 190** | **493 254** | **535 418** | **600 172** | **605 980** | **605 980** | **633 205** | **657 431** | **689 506** |
| **% increase** | 4 | | **6.3%** | **8.5%** | **12.1%** | **1.0%** | **–** | **4.5%** | **3.8%** | **4.9%** |
| **TOTAL MANAGERS AND STAFF** | 5,7 | **452 651** | **480 939** | **522 688** | **586 260** | **592 474** | **592 474** | **619 194** | **642 369** | **673 354** |

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

| Disclosure of Salaries, Allowances & Benefits 1.<br>Rand per annum | Ref | No. | Salary | Contributions<br>1. | Allowances | Performance Bonuses | In-kind benefits | Total Package<br>2. |
|---|---|---|---|---|---|---|---|---|
| **Councillors** | 3 | | | | | | | |
| Speaker | 4 | 1 | 848 062 | – | 47 004 | – | – | 895 066 |
| Chief Whip | | – | – | – | – | – | – | – |
| Executive Mayor | | 1 | 1 060 070 | – | 47 004 | – | – | 1 107 074 |
| Deputy Executive Mayor | | 1 | 848 062 | – | 47 004 | – | – | 895 066 |
| Executive Committee | | 4 | 3 181 668 | – | 188 016 | – | – | 3 369 684 |
| Total for all other councillors | | 20 | 6 804 571 | – | 940 080 | – | – | 7 744 651 |
| **Total Councillors** | 8 | **27** | **12 742 433** | **–** | **1 269 108** | | | **14 011 541** |
| **Senior Managers of the Municipality** | 5 | | | | | | | |
| Municipal Manager (MM) | | 1 | 2 285 177 | – | 47 004 | 228 518 | – | 2 560 699 |
| Chief Finance Officer | | 1 | 1 147 814 | – | 28 980 | – | – | 1 176 794 |
| Corporate Services | | 1 | 2 138 565 | – | 28 980 | – | – | 2 167 545 |
| Infrastructure Services | | 1 | 2 255 614 | – | 28 980 | – | – | 2 284 594 |
| Public Safety | | 1 | 2 061 594 | – | 28 980 | – | – | 2 090 574 |
| Planning & development | | 1 | 1 147 812 | – | 28 980 | – | – | 1 176 792 |
| *List of each offical with packages >= senior manager* | | | | | | | | |
| Community Services | | 1 | 1 340 562 | – | 28 980 | – | – | 1 369 542 |
| | | – | – | – | – | – | – | – |
| | | – | – | – | – | – | – | – |
| | | – | – | – | – | – | – | – |
| | | – | – | – | – | – | – | – |
| | | – | – | – | – | – | – | – |
| | | – | – | – | – | – | – | – |
| | | – | – | – | – | – | – | – |
| | | – | – | – | – | – | – | – |
| | | – | – | – | – | – | – | – |
| | | – | – | – | – | – | – | – |
| **Total Senior Managers of the Municipality** | 8,10 | **7** | **12 377 138** | **–** | **220 884** | **228 518** | | **12 826 540** |
| **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** | **25 119 571** | **–** | **1 489 992** | **228 518** | | **26 838 081** |

*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 | 2023/24 | | | Current Year 2024/25 | | | Budget Year 2025/26 | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Number | 1,2 | Positions | Permanent employees | Contract employees | Positions | Permanent employees | Contract employees | Positions | Permanent employees | Contract employees |
| **Municipal Council and Boards of Municipal Entities** | | | | | | | | | | |
| Councillors (Political Office Bearers plus Other Councillors) | | 27 | 8 | | 27 | 8 | | 27 | 8 | |
| Board Members of municipal entities | 4 | | | | | | | | | |
| **Municipal employees** | 5 | | | | | | | | | |
| Municipal Manager and Senior Managers | 3 | 7 | 6 | | 7 | 6 | | 7 | 5 | |
| Other Managers | 7 | 53 | 47 | | 53 | 47 | | 52 | 44 | |
| Professionals | | *30* | *25* | – | *30* | *25* | – | *27* | *19* | – |
| *Finance* | | 24 | 21 | | 24 | 21 | | 20 | 15 | |
| *Spatial/town planning* | | 2 | 2 | | 2 | 2 | | 2 | 2 | |
| *Information Technology* | | 1 | 1 | | 1 | 1 | | 2 | 1 | |
| *Roads* | | | | | | | | | | |
| *Electricity* | | | | | | | | | | |
| *Water* | | | | | | | | | | |
| *Sanitation* | | | | | | | | | | |
| *Refuse* | | | | | | | | | | |
| *Other* | | 3 | 1 | | 3 | 1 | | 3 | 1 | |
| Technicians | | *197* | *181* | – | *197* | *181* | – | *218* | *170* | – |
| *Finance* | | | | | | | | | | |
| *Spatial/town planning* | | 11 | 11 | | 11 | 11 | | 13 | 11 | |
| *Information Technology* | | 6 | 4 | | 6 | 4 | | 7 | 6 | |
| *Roads* | | 10 | 10 | | 10 | 10 | | 11 | 10 | |
| *Electricity* | | 30 | 28 | | 30 | 28 | | 34 | 29 | |
| *Water* | | 20 | 18 | | 20 | 18 | | 20 | 15 | |
| *Sanitation* | | 1 | 1 | | 1 | 1 | | 1 | 1 | |
| *Refuse* | | 5 | 5 | | 5 | 5 | | 6 | 5 | |
| *Other* | | 114 | 104 | | 114 | 104 | | 126 | 93 | |
| Clerks (Clerical and administrative) | | 279 | 250 | | 279 | 250 | | 295 | 235 | |
| Service and sales workers | | 148 | 128 | | 148 | 128 | | 153 | 122 | |
| Skilled agricultural and fishery workers | | | | | | | | | | |
| Craft and related trades | | | | | | | | | | |
| Plant and Machine Operators | | 62 | 56 | | 62 | 56 | | 78 | 73 | |
| Elementary Occupations | | 424 | 402 | | 424 | 402 | | 427 | 385 | |
| **TOTAL PERSONNEL NUMBERS** | 9 | **1 227** | **1 103** | **–** | **1 227** | **1 103** | **–** | **1 284** | **1 061** | **–** |
| **% increase** | | | | | – | – | – | 4.6% | (3.8%) | – |
| **Total municipal employees headcount** | 6, 10 | **1 200** | **1 095** | | **1 200** | **1 095** | | **1 257** | **1 053** | |
| Finance personnel headcount | 8, 10 | 114 | **103** | | **114** | **103** | | **137** | **105** | |
| Human Resources personnel headcount | 8, 10 | **20** | **19** | | **20** | **19** | | **19** | **23** | |

## WC032 Overstrand - Supporting Table SA25 Budgeted monthly revenue and expenditure

| Description | Ref | Budget Year 2025/26 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Revenue** | | | | | | | | | | | | | | | | |
| **Exchange Revenue** | | | | | | | | | | | | | | | | |
| Service charges - Electricity | | 62 128 | 62 128 | 62 128 | 62 128 | 62 128 | 62 128 | 62 128 | 62 128 | 62 128 | 62 128 | 62 128 | 62 128 | 745 540 | 791 153 | 838 623 |
| Service charges - Water | | 17 426 | 17 426 | 17 426 | 17 426 | 17 426 | 17 426 | 17 426 | 17 426 | 17 426 | 17 426 | 17 426 | 17 426 | 209 109 | 221 026 | 234 288 |
| Service charges - Waste Water Management | | 10 794 | 10 794 | 10 794 | 10 794 | 10 794 | 10 794 | 10 794 | 10 794 | 10 794 | 10 794 | 10 794 | 10 794 | 129 533 | 140 980 | 149 439 |
| Service charges - Waste Management | | 9 620 | 9 620 | 9 620 | 9 620 | 9 620 | 9 620 | 9 620 | 9 620 | 9 620 | 9 620 | 9 620 | 9 620 | 115 444 | 122 552 | 129 905 |
| Sale of Goods and Rendering of Services | | 5 310 | 5 310 | 5 310 | 5 310 | 5 310 | 5 310 | 5 310 | 5 310 | 5 310 | 5 310 | 5 310 | 5 311 | 63 725 | 40 330 | 23 509 |
| Agency services | | 625 | 625 | 625 | 625 | 625 | 625 | 625 | 625 | 625 | 625 | 625 | 625 | 7 500 | 7 950 | 8 427 |
| Interest | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Interest earned from Receivables | | 1 042 | 1 042 | 1 042 | 1 042 | 1 042 | 1 042 | 1 042 | 1 042 | 1 042 | 1 042 | 1 042 | 1 042 | 12 500 | 13 250 | 14 045 |
| Interest earned from Current and Non Current Assets | | 4 583 | 4 583 | 4 583 | 4 583 | 4 583 | 4 583 | 4 583 | 4 583 | 4 583 | 4 583 | 4 583 | 4 583 | 55 000 | 58 300 | 61 798 |
| Dividends | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Rent on Land | | 38 | 38 | 38 | 38 | 38 | 38 | 38 | 38 | 38 | 38 | 38 | 38 | 452 | 479 | 508 |
| Rental from Fixed Assets | | 629 | 629 | 629 | 629 | 629 | 629 | 629 | 629 | 629 | 629 | 629 | 629 | 7 544 | 7 996 | 8 475 |
| Licence and permits | | 65 | 65 | 65 | 65 | 65 | 65 | 65 | 65 | 65 | 65 | 65 | 65 | 780 | 827 | 876 |
| Special rating levies | | 1 285 | 1 285 | 1 285 | 1 285 | 1 285 | 1 285 | 1 285 | 1 285 | 1 285 | 1 285 | 1 285 | 1 285 | 15 420 | 16 037 | 16 678 |
| Operational Revenue | | 463 | 463 | 463 | 463 | 463 | 463 | 463 | 463 | 463 | 463 | 463 | 463 | 5 554 | 5 886 | 6 238 |
| **Non-Exchange Revenue** | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Property rates | | 31 998 | 31 998 | 31 998 | 31 998 | 31 998 | 31 998 | 31 998 | 31 998 | 31 998 | 31 998 | 31 998 | 31 998 | 383 977 | 407 016 | 431 437 |
| Surcharges and Taxes | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Fines, penalties and forfeits | | 4 378 | 4 378 | 4 378 | 4 378 | 4 378 | 4 378 | 4 378 | 4 378 | 4 378 | 4 378 | 4 378 | 4 378 | 52 537 | 52 636 | 52 741 |
| 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 | | 16 967 | 16 967 | 16 967 | 16 967 | 16 967 | 16 967 | 16 967 | 16 967 | 16 967 | 16 967 | 16 967 | 16 967 | 203 607 | 199 962 | 209 075 |
| Interest | | 192 | 192 | 192 | 192 | 192 | 192 | 192 | 192 | 192 | 192 | 192 | 192 | 2 300 | 2 438 | 2 584 |
| Fuel Levy | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Operational Revenue | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Gains on disposal of Assets | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Other Gains | | – | – | – | – | – | – | – | – | – | – | – | 3 000 | 3 000 | 3 180 | 3 371 |
| Discontinued Operations | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Total Revenue (excluding capital transfers and contributions)** | | **167 710** | **167 710** | **167 710** | **167 710** | **167 710** | **167 710** | **167 710** | **167 710** | **167 710** | **167 710** | **167 710** | **170 711** | **2 015 522** | **2 094 119** | **2 194 265** |
| **Expenditure** | | | | | | | | | | | | | | | | |
| Employee related costs | | 51 599 | 51 599 | 51 599 | 51 599 | 51 599 | 51 599 | 51 599 | 51 599 | 51 599 | 51 599 | 51 599 | 51 600 | 619 194 | 642 369 | 673 354 |
| Remuneration of councillors | | 1 168 | 1 168 | 1 168 | 1 168 | 1 168 | 1 168 | 1 168 | 1 168 | 1 168 | 1 168 | 1 168 | 1 168 | 14 012 | 15 062 | 16 151 |
| Bulk purchases - electricity | | 46 347 | 46 347 | 46 347 | 46 347 | 46 347 | 46 347 | 46 347 | 46 347 | 46 347 | 46 347 | 46 347 | 46 347 | 556 160 | 585 970 | 622 242 |
| Inventory consumed | | 6 347 | 6 347 | 6 347 | 6 347 | 6 347 | 6 347 | 6 347 | 6 347 | 6 347 | 6 347 | 6 347 | 6 348 | 76 168 | 75 536 | 82 188 |
| Debt impairment | | – | – | – | – | – | – | – | – | – | – | – | 70 770 | 70 770 | 74 309 | 78 024 |
| Depreciation and amortisation | | 13 934 | 13 934 | 13 934 | 13 934 | 13 934 | 13 934 | 13 934 | 13 934 | 13 934 | 13 934 | 13 934 | 13 935 | 167 211 | 176 609 | 186 617 |
| Interest | | 4 269 | 4 269 | 4 269 | 4 269 | 4 269 | 4 269 | 4 269 | 4 269 | 4 269 | 4 269 | 4 269 | 4 269 | 51 227 | 44 657 | 45 526 |
| Contracted services | | 29 525 | 29 525 | 29 525 | 29 525 | 29 525 | 29 525 | 29 525 | 29 525 | 29 525 | 29 525 | 29 525 | 29 526 | 354 297 | 373 949 | 400 663 |
| Transfers and subsidies | | 1 397 | 1 397 | 1 397 | 1 397 | 1 397 | 1 397 | 1 397 | 1 397 | 1 397 | 1 397 | 1 397 | 1 397 | 16 770 | 17 487 | 18 128 |
| Irrecoverable debts written off | | 1 667 | 1 667 | 1 667 | 1 667 | 1 667 | 1 667 | 1 667 | 1 667 | 1 667 | 1 667 | 1 667 | 1 667 | 20 000 | 20 000 | 20 000 |
| Operational costs | | 13 682 | 13 682 | 13 682 | 13 682 | 13 682 | 13 682 | 13 682 | 13 682 | 13 682 | 13 682 | 13 682 | 13 683 | 164 183 | 141 857 | 129 786 |

| Description | Ref | Budget Year 2025/26 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| Losses on disposal of Assets | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Other Losses | | 5 647 | 5 647 | 5 647 | 5 647 | 5 647 | 5 647 | 5 647 | 5 647 | 5 647 | 5 647 | 5 647 | (62 122) | – | – | – |
| **Total Expenditure** | | **175 582** | **175 582** | **175 582** | **175 582** | **175 582** | **175 582** | **175 582** | **175 582** | **175 582** | **175 582** | **175 582** | **178 587** | **2 109 991** | **2 167 804** | **2 272 680** |
| **Surplus/(Deficit)** | | **(7 872)** | **(7 872)** | **(7 872)** | **(7 872)** | **(7 872)** | **(7 872)** | **(7 872)** | **(7 872)** | **(7 872)** | **(7 872)** | **(7 872)** | **(7 876)** | **(94 469)** | **(73 685)** | **(78 415)** |
| Transfers and subsidies - capital (monetary allocations) | | 8 462 | 8 462 | 8 462 | 8 462 | 8 462 | 8 462 | 8 462 | 8 462 | 8 462 | 8 462 | 8 462 | 8 462 | 101 549 | 77 043 | 52 375 |
| Transfers and subsidies - capital (in-kind) | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) after capital transfers & contributions** | | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **587** | **7 080** | **3 358** | **(26 040)** |
| Income Tax | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) after income tax** | | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **587** | **7 080** | **3 358** | **(26 040)** |
| Share of Surplus/Deficit attributable to Joint Venture | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Share of Surplus/Deficit attributable to Minorities | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) attributable to municipality** | | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **587** | **7 080** | **3 358** | **(26 040)** |
| Share of Surplus/Deficit attributable to Associate | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Intercompany/Parent subsidiary transactions | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit)** | 1 | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **587** | **7 080** | **3 358** | **(26 040)** |

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

| Description | Ref | Budget Year 2025/26 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Revenue by Vote** | | | | | | | | | | | | | | | | |
| Vote 1 - Municipal Council | | 6 576 | 6 576 | 6 576 | 6 576 | 6 576 | 6 576 | 6 576 | 6 576 | 6 576 | 6 576 | 6 576 | 6 576 | 78 908 | 83 068 | 86 815 |
| Vote 2 - Office of the Municipal Manager | | 43 | 43 | 43 | 43 | 43 | 43 | 43 | 43 | 43 | 43 | 43 | 43 | 515 | 546 | 579 |
| Vote 3 - Corporate Services | | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 1 274 | 1 345 | 1 419 |
| Vote 4 - Financial Services | | 39 805 | 39 805 | 39 805 | 39 805 | 39 805 | 39 805 | 39 805 | 39 805 | 39 805 | 39 805 | 39 805 | 39 806 | 477 666 | 503 242 | 532 331 |
| Vote 5 - Infrastructure Services | | 118 301 | 118 301 | 118 301 | 118 301 | 118 301 | 118 301 | 118 301 | 118 301 | 118 301 | 118 301 | 118 301 | 118 301 | 1 419 613 | 1 476 820 | 1 508 055 |
| Vote 6 - Community Services | | 4 412 | 4 412 | 4 412 | 4 412 | 4 412 | 4 412 | 4 412 | 4 412 | 4 412 | 4 412 | 4 412 | 4 412 | 52 939 | 19 957 | 28 422 |
| Vote 7 - Municipal Public Safety | | 5 918 | 5 918 | 5 918 | 5 918 | 5 918 | 5 918 | 5 918 | 5 918 | 5 918 | 5 918 | 5 918 | 5 918 | 71 012 | 71 492 | 72 585 |
| Vote 8 - Planning and Development | | 1 262 | 1 262 | 1 262 | 1 262 | 1 262 | 1 262 | 1 262 | 1 262 | 1 262 | 1 262 | 1 262 | 1 262 | 15 145 | 14 692 | 16 433 |
| Vote 9 - Costing Services | | 10 983 | 10 983 | 10 983 | 10 983 | 10 983 | 10 983 | 10 983 | 10 983 | 10 983 | 10 983 | 10 983 | 10 983 | 131 796 | 137 635 | 145 338 |
| 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** | | **187 405** | **187 405** | **187 405** | **187 405** | **187 405** | **187 405** | **187 405** | **187 405** | **187 405** | **187 405** | **187 405** | **187 406** | **2 248 867** | **2 308 796** | **2 391 977** |
| **Expenditure by Vote to be appropriated** | | | | | | | | | | | | | | | | |
| Vote 1 - Municipal Council | | 4 626 | 4 626 | 4 626 | 4 626 | 4 626 | 4 626 | 4 626 | 4 626 | 4 626 | 4 626 | 4 626 | 4 626 | 55 516 | 51 174 | 53 459 |
| Vote 2 - Office of the Municipal Manager | | 2 809 | 2 809 | 2 809 | 2 809 | 2 809 | 2 809 | 2 809 | 2 809 | 2 809 | 2 809 | 2 809 | 2 808 | 33 702 | 35 365 | 36 868 |
| Vote 3 - Corporate Services | | 6 882 | 6 882 | 6 882 | 6 882 | 6 882 | 6 882 | 6 882 | 6 882 | 6 882 | 6 882 | 6 882 | 6 882 | 82 589 | 85 570 | 88 975 |
| Vote 4 - Financial Services | | 14 289 | 14 289 | 14 289 | 14 289 | 14 289 | 14 289 | 14 289 | 14 289 | 14 289 | 14 289 | 14 289 | 14 289 | 171 468 | 180 629 | 197 884 |
| Vote 5 - Infrastructure Services | | 107 793 | 107 793 | 107 793 | 107 793 | 107 793 | 107 793 | 107 793 | 107 793 | 107 793 | 107 793 | 107 793 | 107 795 | 1 293 520 | 1 327 940 | 1 386 612 |
| Vote 6 - Community Services | | 16 926 | 16 926 | 16 926 | 16 926 | 16 926 | 16 926 | 16 926 | 16 926 | 16 926 | 16 926 | 16 926 | 16 928 | 203 116 | 203 744 | 213 945 |
| Vote 7 - Municipal Public Safety | | 16 796 | 16 796 | 16 796 | 16 796 | 16 796 | 16 796 | 16 796 | 16 796 | 16 796 | 16 796 | 16 796 | 16 797 | 201 555 | 216 833 | 225 625 |
| Vote 8 - Planning and Development | | 5 710 | 5 710 | 5 710 | 5 710 | 5 710 | 5 710 | 5 710 | 5 710 | 5 710 | 5 710 | 5 710 | 5 711 | 68 526 | 66 549 | 69 312 |
| Vote 9 - Costing Services | | 10 983 | 10 983 | 10 983 | 10 983 | 10 983 | 10 983 | 10 983 | 10 983 | 10 983 | 10 983 | 10 983 | 10 983 | 131 796 | 137 635 | 145 338 |
| 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** | | **186 815** | **186 815** | **186 815** | **186 815** | **186 815** | **186 815** | **186 815** | **186 815** | **186 815** | **186 815** | **186 815** | **186 820** | **2 241 787** | **2 305 439** | **2 418 018** |
| **Surplus/(Deficit) before assoc.** | | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **587** | **7 080** | **3 358** | **(26 040)** |
| Surplus/(Deficit) after income tax | | – | – | – | – | – | – | – | – | – | – | – | 7 080 | 7 080 | 3 358 | (26 040) |
| Share of Surplus/Deficit attributable to Associate | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Intercompany/Parent subsidiary transactions | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit)** | 1 | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **590** | **587** | **7 080** | **3 358** | **(26 040)** |

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

| Description | Ref | Budget Year 2025/26 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Revenue - Functional** | | | | | | | | | | | | | | | | |
| ***Governance and administration*** | | **46 558** | **46 558** | **46 558** | **46 558** | **46 558** | **46 558** | **46 558** | **46 558** | **46 558** | **46 558** | **46 558** | **170 089** | **682 229** | **719 608** | **760 780** |
| Executive and council | | 6 576 | 6 576 | 6 576 | 6 576 | 6 576 | 6 576 | 6 576 | 6 576 | 6 576 | 6 576 | 6 576 | 25 480 | 97 812 | 102 810 | 107 662 |
| Finance and administration | | 39 982 | 39 982 | 39 982 | 39 982 | 39 982 | 39 982 | 39 982 | 39 982 | 39 982 | 39 982 | 39 982 | 144 609 | 584 416 | 616 798 | 653 118 |
| Internal audit | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| ***Community and public safety*** | | **15 906** | **15 906** | **15 906** | **15 906** | **15 906** | **15 906** | **15 906** | **15 906** | **15 906** | **15 906** | **15 906** | **18 874** | **193 840** | **125 256** | **116 810** |
| Community and social services | | 806 | 806 | 806 | 806 | 806 | 806 | 806 | 806 | 806 | 806 | 806 | 806 | 9 667 | 885 | 929 |
| Sport and recreation | | 3 537 | 3 537 | 3 537 | 3 537 | 3 537 | 3 537 | 3 537 | 3 537 | 3 537 | 3 537 | 3 537 | 3 537 | 42 443 | 18 294 | 26 663 |
| Public safety | | 5 918 | 5 918 | 5 918 | 5 918 | 5 918 | 5 918 | 5 918 | 5 918 | 5 918 | 5 918 | 5 918 | 8 886 | 73 980 | 74 592 | 75 859 |
| Housing | | 5 646 | 5 646 | 5 646 | 5 646 | 5 646 | 5 646 | 5 646 | 5 646 | 5 646 | 5 646 | 5 646 | 5 646 | 67 750 | 31 486 | 13 360 |
| Health | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| ***Economic and environmental services*** | | **1 888** | **1 888** | **1 888** | **1 888** | **1 888** | **1 888** | **1 888** | **1 888** | **1 888** | **1 888** | **1 888** | **7 185** | **27 958** | **28 107** | **24 815** |
| Planning and development | | 1 300 | 1 300 | 1 300 | 1 300 | 1 300 | 1 300 | 1 300 | 1 300 | 1 300 | 1 300 | 1 300 | 6 597 | 20 901 | 18 258 | 19 332 |
| Road transport | | 536 | 536 | 536 | 536 | 536 | 536 | 536 | 536 | 536 | 536 | 536 | 536 | 6 430 | 9 848 | 5 483 |
| Environmental protection | | 52 | 52 | 52 | 52 | 52 | 52 | 52 | 52 | 52 | 52 | 52 | 52 | 626 | 0 | 0 |
| ***Trading services*** | | **112 070** | **112 070** | **112 070** | **112 070** | **112 070** | **112 070** | **112 070** | **112 070** | **112 070** | **112 070** | **112 070** | **112 070** | **1 344 840** | **1 435 825** | **1 489 571** |
| Energy sources | | 66 982 | 66 982 | 66 982 | 66 982 | 66 982 | 66 982 | 66 982 | 66 982 | 66 982 | 66 982 | 66 982 | 66 982 | 803 779 | 847 370 | 897 368 |
| Water management | | 21 249 | 21 249 | 21 249 | 21 249 | 21 249 | 21 249 | 21 249 | 21 249 | 21 249 | 21 249 | 21 249 | 21 249 | 254 990 | 264 806 | 252 630 |
| Waste water management | | 12 658 | 12 658 | 12 658 | 12 658 | 12 658 | 12 658 | 12 658 | 12 658 | 12 658 | 12 658 | 12 658 | 12 658 | 151 900 | 181 383 | 189 066 |
| Waste management | | 11 181 | 11 181 | 11 181 | 11 181 | 11 181 | 11 181 | 11 181 | 11 181 | 11 181 | 11 181 | 11 181 | 11 181 | 134 170 | 142 266 | 150 507 |
| ***Other*** | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Total Revenue - Functional** | | **176 423** | **176 423** | **176 423** | **176 423** | **176 423** | **176 423** | **176 423** | **176 423** | **176 423** | **176 423** | **176 423** | **308 219** | **2 248 867** | **2 308 796** | **2 391 977** |
| **Expenditure - Functional** | | | | | | | | | | | | | | | | |
| ***Governance and administration*** | | **30 274** | **30 274** | **30 274** | **30 274** | **30 274** | **30 274** | **30 274** | **30 274** | **30 274** | **30 274** | **30 274** | **30 274** | **363 287** | **366 740** | **391 739** |
| Executive and council | | 6 147 | 6 147 | 6 147 | 6 147 | 6 147 | 6 147 | 6 147 | 6 147 | 6 147 | 6 147 | 6 147 | 6 147 | 73 767 | 66 698 | 69 726 |
| Finance and administration | | 23 721 | 23 721 | 23 721 | 23 721 | 23 721 | 23 721 | 23 721 | 23 721 | 23 721 | 23 721 | 23 721 | 23 722 | 284 657 | 295 023 | 316 782 |
| Internal audit | | 405 | 405 | 405 | 405 | 405 | 405 | 405 | 405 | 405 | 405 | 405 | 405 | 4 863 | 5 019 | 5 230 |
| ***Community and public safety*** | | **30 899** | **30 899** | **30 899** | **30 899** | **30 899** | **30 899** | **30 899** | **30 899** | **30 899** | **30 899** | **30 899** | **30 901** | **370 794** | **366 759** | **364 101** |
| Community and social services | | 2 397 | 2 397 | 2 397 | 2 397 | 2 397 | 2 397 | 2 397 | 2 397 | 2 397 | 2 397 | 2 397 | 2 397 | 28 762 | 29 798 | 31 171 |
| Sport and recreation | | 6 635 | 6 635 | 6 635 | 6 635 | 6 635 | 6 635 | 6 635 | 6 635 | 6 635 | 6 635 | 6 635 | 6 636 | 79 622 | 83 511 | 87 667 |
| Public safety | | 17 681 | 17 681 | 17 681 | 17 681 | 17 681 | 17 681 | 17 681 | 17 681 | 17 681 | 17 681 | 17 681 | 17 682 | 212 178 | 227 645 | 237 286 |
| Housing | | 4 186 | 4 186 | 4 186 | 4 186 | 4 186 | 4 186 | 4 186 | 4 186 | 4 186 | 4 186 | 4 186 | 4 186 | 50 232 | 25 804 | 7 977 |
| Health | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| ***Economic and environmental services*** | | **20 085** | **20 085** | **20 085** | **20 085** | **20 085** | **20 085** | **20 085** | **20 085** | **20 085** | **20 085** | **20 085** | **20 086** | **241 023** | **249 107** | **265 753** |
| Planning and development | | 5 299 | 5 299 | 5 299 | 5 299 | 5 299 | 5 299 | 5 299 | 5 299 | 5 299 | 5 299 | 5 299 | 5 300 | 63 589 | 62 307 | 65 205 |
| Road transport | | 12 575 | 12 575 | 12 575 | 12 575 | 12 575 | 12 575 | 12 575 | 12 575 | 12 575 | 12 575 | 12 575 | 12 576 | 150 904 | 161 508 | 174 428 |
| Environmental protection | | 2 211 | 2 211 | 2 211 | 2 211 | 2 211 | 2 211 | 2 211 | 2 211 | 2 211 | 2 211 | 2 211 | 2 211 | 26 530 | 25 292 | 26 120 |
| ***Trading services*** | | **93 997** | **93 997** | **93 997** | **93 997** | **93 997** | **93 997** | **93 997** | **93 997** | **93 997** | **93 997** | **93 997** | **225 794** | **1 259 762** | **1 315 596** | **1 388 858** |
| Energy sources | | 56 232 | 56 232 | 56 232 | 56 232 | 56 232 | 56 232 | 56 232 | 56 232 | 56 232 | 56 232 | 56 232 | 136 921 | 755 473 | 789 896 | 836 301 |
| Water management | | 15 129 | 15 129 | 15 129 | 15 129 | 15 129 | 15 129 | 15 129 | 15 129 | 15 129 | 15 129 | 15 129 | 36 915 | 203 332 | 207 498 | 216 740 |
| Waste water management | | 13 080 | 13 080 | 13 080 | 13 080 | 13 080 | 13 080 | 13 080 | 13 080 | 13 080 | 13 080 | 13 080 | 28 642 | 172 526 | 186 104 | 195 274 |
| Waste management | | 9 556 | 9 556 | 9 556 | 9 556 | 9 556 | 9 556 | 9 556 | 9 556 | 9 556 | 9 556 | 9 556 | 23 317 | 128 430 | 132 099 | 140 543 |
| ***Other*** | | **577** | **577** | **577** | **577** | **577** | **577** | 577 | 577 | 577 | 577 | 577 | 577 | 6 921 | 7 237 | 7 567 |

| Description | Ref | Budget Year 2025/26 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Total Expenditure - Functional** | | 175 832 | 175 832 | 175 832 | 175 832 | 175 832 | 175 832 | 175 832 | 175 832 | 175 832 | 175 832 | 175 832 | 307 632 | 2 241 787 | 2 305 439 | 2 418 018 |
| **Surplus/(Deficit) before assoc.** | | 590 | 590 | 590 | 590 | 590 | 590 | 590 | 590 | 590 | 590 | 590 | 587 | 7 080 | 3 358 | (26 040) |
| Intercompany/Parent subsidiary transactions | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit)** | 1 | 590 | 590 | 590 | 590 | 590 | 590 | 590 | 590 | 590 | 590 | 590 | 587 | 7 080 | 3 358 | (26 040) |

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

| Description | Ref | Budget Year 2025/26 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | July | August | Sept. | October | Nov. | Dec. | January | Feb. | March | April | May | June | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Multi-year expenditure *to be appropriated*** | 1 | | | | | | | | | | | | | | | |
| Vote 1 - Municipal Council | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Vote 2 - Office of the Municipal Manager | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Vote 3 - Corporate Services | | – | – | 783 | – | – | 840 | – | – | 783 | – | – | 840 | 3 244 | 500 | 500 |
| Vote 4 - Financial Services | | – | – | – | – | – | 4 210 | – | – | – | – | – | 4 210 | 8 420 | – | – |
| Vote 5 - Infrastructure Services | | 277 | 127 | 14 323 | 537 | 6 077 | 57 505 | 1 027 | 7 227 | 17 023 | 16 327 | 7 127 | 72 405 | 199 985 | 147 043 | 132 375 |
| Vote 6 - Community Services | | – | – | 81 | – | – | 581 | – | – | 81 | – | – | 581 | 1 325 | – | – |
| Vote 7 - Municipal Public Safety | | – | – | 73 | – | – | 1 573 | – | – | 73 | – | – | 1 573 | 3 292 | – | – |
| Vote 8 - Planning and Development | | – | – | – | – | – | 15 | – | – | – | – | – | 15 | 29 | – | – |
| 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 | **277** | **127** | **15 260** | **537** | **6 077** | **64 723** | **1 027** | **7 227** | **17 960** | **16 327** | **7 127** | **79 623** | **216 295** | **147 543** | **132 875** |
| **Single-year expenditure *to be appropriated*** | | | | | | | | | | | | | | | | |
| Vote 1 - Municipal Council | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Vote 2 - Office of the Municipal Manager | | 100 | 100 | 104 | 100 | – | 4 | – | – | 1 004 | 1 000 | 2 971 | 4 | 5 386 | – | – |
| Vote 3 - Corporate Services | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Vote 4 - Financial Services | | – | – | – | 1 000 | – | 2 750 | – | – | – | 2 000 | – | 10 150 | 15 900 | – | – |
| Vote 5 - Infrastructure Services | | – | – | 200 | 50 | 250 | 3 200 | 450 | – | 400 | – | 200 | 3 200 | 7 950 | – | – |
| Vote 6 - Community Services | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Vote 7 - Municipal Public Safety | | – | – | – | – | – | 150 | – | – | – | – | – | 150 | 300 | – | – |
| Vote 8 - Planning and Development | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| 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 | **100** | **100** | **304** | **1 150** | **250** | **6 104** | **450** | **–** | **1 404** | **3 000** | **3 171** | **13 504** | **29 536** | **–** | **–** |
| **Total Capital Expenditure** | 2 | **377** | **227** | **15 563** | **1 687** | **6 327** | **70 827** | **1 477** | **7 227** | **19 363** | **19 327** | **10 298** | **93 127** | **245 831** | **147 543** | **132 875** |

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

| Description | Ref | Budget Year 2025/26 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | July | August | Sept. | October | Nov. | Dec. | January | Feb. | March | April | May | June | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| Capital Expenditure - Functional | 1 | | | | | | | | | | | | | | | |
| ***Governance and administration*** | | **100** | **100** | **886** | **100** | **–** | **928** | **–** | **–** | **1 786** | **1 000** | **2 971** | **928** | **8 800** | **500** | **500** |
| Executive and council | | 100 | 100 | 104 | 100 | – | 31 | – | – | 1 004 | 1 000 | 2 971 | 31 | 5 441 | – | – |
| Finance and administration | | – | – | 783 | – | – | 897 | – | – | 783 | – | – | 897 | 3 359 | 500 | 500 |
| Internal audit | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| ***Community and public safety*** | | **77** | **77** | **5 707** | **77** | **5 077** | **13 043** | **977** | **5 077** | **6 207** | **10 077** | **77** | **24 085** | **70 560** | **15 000** | **22 392** |
| Community and social services | | – | – | 81 | – | – | 81 | – | – | 81 | – | – | 6 081 | 6 325 | – | – |
| Sport and recreation | | 77 | 77 | 5 552 | 77 | 77 | 9 488 | 977 | 77 | 6 052 | 77 | 77 | 9 988 | 32 601 | 2 000 | 9 392 |
| Public safety | | – | – | 73 | – | – | 3 473 | – | – | 73 | – | – | 3 473 | 7 092 | – | – |
| Housing | | – | – | – | – | 5 000 | – | – | 5 000 | – | 10 000 | – | 4 542 | 24 542 | 13 000 | 13 000 |
| Health | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| ***Economic and environmental services*** | | **–** | **–** | **–** | **50** | **250** | **7 902** | **450** | **–** | **200** | **–** | **200** | **7 902** | **16 954** | **9 400** | **5 000** |
| Planning and development | | – | – | – | – | – | 777 | – | – | – | – | – | 777 | 1 554 | – | – |
| Road transport | | – | – | – | 50 | 250 | 7 125 | 450 | – | 200 | – | 200 | 7 125 | 15 400 | 9 400 | 5 000 |
| Environmental protection | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| ***Trading services*** | | **200** | **50** | **8 970** | **1 460** | **1 000** | **48 954** | **50** | **2 150** | **11 170** | **8 250** | **7 050** | **60 212** | **149 517** | **122 643** | **104 983** |
| Energy sources | | – | – | 4 245 | 1 000 | – | 12 895 | – | – | 4 245 | 7 000 | 5 000 | 18 903 | 53 290 | 30 551 | 38 983 |
| Water management | | 150 | – | 3 175 | 100 | 700 | 23 139 | – | 600 | 2 875 | 200 | 500 | 26 489 | 57 927 | 51 142 | 23 800 |
| Waste water management | | 50 | 50 | 1 550 | 360 | 300 | 10 450 | 50 | 1 550 | 4 050 | 1 050 | 1 550 | 12 350 | 33 360 | 38 850 | 38 300 |
| Waste management | | – | – | – | – | – | 2 470 | – | – | – | – | – | 2 470 | 4 940 | 2 100 | 3 900 |
| ***Other*** | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Total Capital Expenditure - Functional** | 2 | **377** | **227** | **15 563** | **1 687** | **6 327** | **70 827** | **1 477** | **7 227** | **19 363** | **19 327** | **10 298** | **93 127** | **245 831** | **147 543** | **132 875** |
| Funded by: | | | | | | | | | | | | | | | | |
| National Government | | – | – | 5 250 | – | – | 25 900 | – | – | 5 250 | 5 000 | 5 000 | **29 808** | **76 207** | **64 043** | **39 375** |
| Provincial Government | | – | – | – | – | 5 000 | 400 | – | 5 000 | – | 10 000 | – | 4 942 | 25 342 | 13 000 | 13 000 |
| District Municipality | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Other transfers and grants | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Transfers recognised - capital** | | **–** | **–** | **5 250** | **–** | **5 000** | **26 300** | **–** | **5 000** | **5 250** | **15 000** | **5 000** | **34 750** | **101 549** | **77 043** | **52 375** |
| **Public contributions & donations** | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Borrowing** | | 200 | 50 | 8 770 | 460 | 1 000 | 33 540 | 50 | 1 150 | 9 470 | 250 | 550 | 38 490 | 93 982 | 70 000 | 80 000 |
| **Internally generated funds** | | 177 | 177 | 1 543 | 1 227 | 327 | 10 987 | 1 427 | 1 077 | 4 643 | 4 077 | 4 748 | 19 887 | 50 300 | 500 | 500 |
| **Total Capital Funding** | | **377** | **227** | **15 563** | **1 687** | **6 327** | **70 827** | **1 477** | **7 227** | **19 363** | **19 327** | 10 298 | 93 127 | 245 831 | 147 543 | 132 875 |

**WC032 Overstrand - NOT REQUIRED - municipality does not have entities**

| Description<br>R million | Ref | 2021/22<br>Audited Outcome | 2022/23<br>Audited Outcome | 2023/24<br>Audited Outcome | Current Year 2024/25<br>Original Budget | <br>Adjusted Budget | <br>Full Year Forecast | 2025/26 Medium Term Revenue & Expenditure Framework<br>Budget Year 2025/26 | <br>Budget Year +1 2026/27 | <br>Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Financial Performance** | | | | | | | | | | |
| Property rates | | – | – | – | – | – | – | – | – | – |
| Service charges | | – | – | – | – | – | – | – | – | – |
| Investment revenue | | – | – | – | – | – | – | – | – | – |
| Transfer and subsidies - Operational | | – | – | – | – | – | – | – | – | – |
| ` | | – | – | – | – | – | – | – | – | – |
| **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<br>Name of organisation | Yrs/ Mths | Period of agreement 1.<br>Number | Service provided | Expiry date of service delivery agreement or contract | Monetary value of agreement 2.<br>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 | 1 370 804 |
| Outsourcing of sub function operation of landfil site | Yrs | 13 | Outsourcing of sub function operation of landfil 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 | | | | | |

## WC032 Overstrand - Supporting Table SA33 Contracts having future budgetary implications

| Description | Preceding Years | Current Year 2024/25 | 2025/26 Medium Term Revenue & Expenditure Framework | | | Forecast 2028/29 | Forecast 2029/30 | Forecast 2030/31 | Forecast 2031/32 | Forecast 2032/33 | Forecast 2033/34 | Forecast 2034/35 | Total Contract Value |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | Total | Original Budget | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate |
| **Parent Municipality:** | | | | | | | | | | | | | |
| **Revenue Obligation By Contract** | | | | | | | | | | | | | |
| *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** | | | | | | | | | | | | | |
| *Contract 1: SC1890/2018: WATER & WASTE WATER TREATMENT OPERATIONS MANAGEMENT CONTRACT.* | 219 396 | 105 692 | 114 552 | 124 171 | 127 881 | 135 289 | 143 137 | 151 451 | 16 026 | 169 593 | 63 615 | | 1 370 804 |
| *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* | 27 303 | 7 708 | 8 196 | 8 726 | 9 276 | 9 863 | 10 390 | 10 872 | 11 419 | 4 834 | | | 108 587 |
| *Contract 3* | | | | | | | | | | | | | – |
| *Contract 4* | | | | | | | | | | | | | – |
| *Contract 5* | | | | | | | | | | | | | – |
| *Contract 6* | | | | | | | | | | | | | – |
| *Contract 7* | | | | | | | | | | | | | – |
| *Contract 8* | | | | | | | | | | | | | – |
| *Contract 9* | | | | | | | | | | | | | – |

| Description | Preceding Years | Current Year 2024/25 | 2025/26 Medium Term Revenue & Expenditure Framework | | | Forecast 2028/29 | Forecast 2029/30 | Forecast 2030/31 | Forecast 2031/32 | Forecast 2032/33 | Forecast 2033/34 | Forecast 2034/35 | Total Contract Value |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | Total | Original Budget | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate |
| *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** | 246 698 | 113 401 | 122 748 | 132 898 | 137 157 | 145 152 | 153 527 | 162 323 | 27 445 | 174 427 | 63 615 | – | 1 479 391 |
| **Capital Expenditure Obligation By Contract** | | | | | | | | | | | | | |
| *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** | **246 698** | **113 401** | **122 748** | **132 898** | **137 157** | **145 152** | **153 527** | **162 323** | **27 445** | **174 427** | **63 615** | **–** | 1 479 391 |

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

| Description | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Capital expenditure on new assets by Asset Class/Sub-class** | | | | | | | | | | |
| **Infrastructure** | | **45 748** | **85 627** | **87 369** | **77 878** | **78 759** | **78 759** | **64 830** | **39 451** | **34 183** |
| Roads Infrastructure | | 7 714 | 16 799 | 11 795 | 952 | 3 250 | 3 250 | 6 500 | 9 400 | 2 000 |
| *Roads* | | 7 714 | 16 799 | 4 760 | 952 | 3 250 | 3 250 | 6 500 | 9 400 | 2 000 |
| *Road Structures* | | – | – | 7 035 | – | – | – | – | – | – |
| *Road Furniture* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Storm water Infrastructure | | 4 724 | 1 113 | 5 968 | 10 213 | 13 536 | 13 536 | 5 000 | – | – |
| *Drainage Collection* | | – | – | 2 280 | – | – | – | – | – | – |
| *Storm water Conveyance* | | 4 724 | 1 113 | 3 687 | 10 213 | 13 536 | 13 536 | 5 000 | – | – |
| *Attenuation* | | – | – | – | – | – | – | – | – | – |
| Electrical Infrastructure | | 18 244 | 53 049 | 45 316 | 32 748 | 30 317 | 30 317 | 27 590 | 20 451 | 17 483 |
| *Power Plants* | | – | – | – | – | – | – | – | – | – |
| *HV Substations* | | – | – | – | – | – | – | – | – | – |
| *HV Switching Station* | | – | – | – | – | – | – | – | – | – |
| *HV Transmission Conductors* | | – | – | – | – | – | – | – | – | – |
| *MV Substations* | | 16 453 | 32 685 | 17 417 | 7 414 | 4 983 | 4 983 | 8 982 | – | 900 |
| *MV Switching Stations* | | – | – | 519 | – | – | – | – | – | – |
| *MV Networks* | | 1 791 | 20 365 | 27 380 | 25 334 | 25 334 | 25 334 | 18 608 | 20 451 | 16 583 |
| *LV Networks* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Water Supply Infrastructure | | 3 171 | 9 484 | 16 099 | 24 900 | 24 100 | 24 100 | 13 050 | 7 000 | 9 800 |
| *Dams and Weirs* | | – | – | – | – | – | – | – | – | – |
| *Boreholes* | | 2 180 | 3 961 | 7 027 | 10 100 | 12 600 | 12 600 | 2 000 | 3 000 | – |
| *Reservoirs* | | – | – | 360 | – | – | – | – | 1 000 | 4 500 |
| *Pump Stations* | | – | 5 431 | – | – | – | – | – | – | 2 000 |
| *Water Treatment Works* | | – | – | 2 775 | 8 000 | 5 500 | 5 500 | 7 500 | – | – |
| *Bulk Mains* | | – | – | – | – | – | – | – | – | – |
| *Distribution* | | 991 | 92 | 5 937 | 6 800 | 6 000 | 6 000 | 3 550 | 3 000 | 3 300 |
| *Distribution Points* | | – | – | – | – | – | – | – | – | – |
| *PRV Stations* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Sanitation Infrastructure | | 8 923 | 3 956 | 8 141 | 8 500 | 6 500 | 6 500 | 7 750 | 500 | 1 000 |
| *Pump Station* | | – | – | – | – | – | – | – | – | – |
| *Reticulation* | | 8 923 | 3 956 | 7 094 | 500 | 500 | 500 | 950 | 200 | 1 000 |
| *Waste Water Treatment Works* | | – | – | 1 047 | 8 000 | 6 000 | 6 000 | 6 800 | 300 | – |
| *Outfall Sewers* | | – | – | | – | – | – | – | – | – |
| *Toilet Facilities* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Solid Waste Infrastructure | | 2 972 | 1 226 | 50 | 565 | 1 055 | 1 055 | 4 940 | 2 100 | 3 900 |
| *Landfill Sites* | | – | – | – | – | – | – | – | – | – |
| *Waste Transfer Stations* | | 2 972 | 1 226 | 50 | 505 | 995 | 995 | 3 300 | 500 | 2 500 |
| *Waste Processing Facilities* | | – | – | – | – | – | – | 840 | – | – |
| *Waste Drop-off Points* | | – | – | – | – | – | – | 800 | – | – |
| *Waste Separation Facilities* | | – | – | – | – | – | – | – | 1 600 | 1 400 |
| *Electricity Generation Facilities* | | – | – | – | 60 | 60 | 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** | | **9 187** | **7 742** | **4 248** | **6 297** | **9 669** | **9 669** | **15 593** | **–** | **8 000** |
| Community Facilities | | 4 140 | 2 674 | 797 | 3 350 | 2 900 | 2 900 | 6 821 | – | 3 000 |

| Description | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| *Halls* | | 1 564 | – | – | 1 450 | 1 000 | 1 000 | 5 371 | – | – |
| *Centres* | | – | – | – | – | – | – | – | – | – |
| *Crèches* | | – | – | – | – | – | – | – | – | – |
| *Clinics/Care Centres* | | – | – | – | – | – | – | – | – | – |
| *Fire/Ambulance Stations* | | – | – | – | – | – | – | – | – | – |
| *Testing Stations* | | 1 046 | – | – | – | – | – | – | – | – |
| *Museums* | | – | – | – | – | – | – | – | – | – |
| *Galleries* | | – | – | – | – | – | – | – | – | – |
| *Theatres* | | – | – | – | – | – | – | – | – | – |
| *Libraries* | | – | 914 | 96 | – | – | – | – | – | – |
| *Cemeteries/Crematoria* | | – | – | – | – | – | – | – | – | – |
| *Police* | | – | – | – | – | – | – | – | – | – |
| *Parks* | | – | 86 | 106 | 550 | 550 | 550 | – | – | – |
| *Public Open Space* | | 206 | 1 079 | – | – | – | – | – | – | – |
| *Nature Reserves* | | – | – | | – | – | – | – | – | – |
| *Public Ablution Facilities* | | 918 | 595 | 595 | – | – | – | – | – | – |
| *Markets* | | – | – | – | – | – | – | – | – | – |
| *Stalls* | | – | – | – | – | – | – | 800 | – | – |
| *Abattoirs* | | – | – | – | – | – | – | – | – | – |
| *Airports* | | – | – | – | – | – | – | – | – | – |
| *Taxi Ranks/Bus Terminals* | | 406 | – | – | 1 350 | 1 350 | 1 350 | 650 | – | 3 000 |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Sport and Recreation Facilities | | 5 047 | 5 068 | 3 451 | 2 947 | 6 769 | 6 769 | 8 772 | – | 5 000 |
| *Indoor Facilities* | | – | – | – | – | – | – | – | – | – |
| *Outdoor Facilities* | | 5 047 | 5 068 | 3 451 | 2 947 | 6 769 | 6 769 | 8 772 | – | 5 000 |
| *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** | | **50 440** | **28 734** | **40 245** | **15 379** | **35 194** | **35 194** | **26 792** | **14 250** | **13 000** |
| Operational Buildings | | 1 410 | 2 211 | 6 567 | 2 250 | 3 750 | 3 750 | 2 250 | 1 250 | – |
| *Municipal Offices* | | 1 410 | 2 211 | 934 | 750 | 2 250 | 2 250 | – | – | – |
| *Pay/Enquiry Points* | | – | – | | – | – | – | – | – | – |
| *Building Plan Offices* | | – | – | – | – | – | – | – | – | – |
| *Workshops* | | – | – | 5 633 | 1 500 | 1 500 | 1 500 | 2 250 | 1 250 | – |
| *Yards* | | – | – | – | – | – | – | – | – | – |
| *Stores* | | – | – | – | – | – | – | – | – | – |
| *Laboratories* | | – | – | – | – | – | – | – | – | – |
| *Training Centres* | | – | – | – | – | – | – | – | – | – |
| *Manufacturing Plant* | | – | – | – | – | – | – | – | – | – |
| *Depots* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Housing | | 49 031 | 26 523 | 33 678 | 13 129 | 31 444 | 31 444 | 24 542 | 13 000 | 13 000 |
| *Staff Housing* | | – | – | – | – | – | – | – | – | – |
| *Social Housing* | | 49 031 | 26 523 | 33 678 | 13 129 | 31 444 | 31 444 | 24 542 | 13 000 | 13 000 |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| **Biological or Cultivated Assets** | | 21 | – | – | 700 | 400 | 400 | 300 | – | – |
| Biological or Cultivated Assets | | 21 | – | – | 700 | 400 | 400 | 300 | – | – |
| **Intangible Assets** | | – | – | 71 | – | – | – | – | – | – |
| Servitudes | | – | – | – | – | – | – | – | – | – |
| Licences and Rights | | – | – | 71 | – | – | – | – | – | – |
| *Water Rights* | | – | – | – | – | – | – | – | – | – |
| *Effluent Licenses* | | – | – | – | – | – | – | – | – | – |
| *Solid Waste Licenses* | | – | – | – | – | – | – | – | – | – |
| *Computer Software and Applications* | | – | – | 71 | – | – | – | – | – | – |
| *Load Settlement Software Applications* | | – | – | – | – | – | – | – | – | – |
| *Unspecified* | | – | – | – | – | – | – | – | – | – |

| Description | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Computer Equipment** | | 3 240 | 2 212 | 4 550 | 3 250 | 3 250 | 3 250 | 3 130 | 500 | 500 |
| Computer Equipment | | 3 240 | 2 212 | 4 550 | 3 250 | 3 250 | 3 250 | 3 130 | 500 | 500 |
| **Furniture and Office Equipment** | | 2 910 | 715 | 408 | 865 | 1 396 | 1 396 | 1 345 | – | – |
| Furniture and Office Equipment | | 2 910 | 715 | 408 | 865 | 1 396 | 1 396 | 1 345 | – | – |
| **Machinery and Equipment** | | 1 363 | 729 | 3 588 | 1 225 | 335 | 335 | 325 | – | – |
| Machinery and Equipment | | 1 363 | 729 | 3 588 | 1 225 | 335 | 335 | 325 | – | – |
| **Transport Assets** | | 6 806 | 7 043 | 1 787 | 8 150 | 22 816 | 22 816 | 24 150 | – | – |
| Transport Assets | | 6 806 | 7 043 | 1 787 | 8 150 | 22 816 | 22 816 | 24 150 | – | – |
| **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 | **119 714** | **132 803** | **142 268** | **113 744** | **151 819** | **151 819** | **136 465** | **54 201** | **55 683** |

*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 | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Capital expenditure on renewal of existing assets by Asset Class/Sub-class** | | | | | | | | | | |
| **Infrastructure** | | **30 964** | **17 393** | **15 235** | **19 375** | **19 375** | **19 375** | **45 827** | **45 092** | **16 700** |
| Roads Infrastructure | | – | – | – | – | – | – | – | – | – |
| *Roads* | | – | – | – | – | – | – | – | – | – |
| *Road Structures* | | – | – | – | – | – | – | – | – | – |
| *Road Furniture* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Storm water Infrastructure | | – | – | – | – | – | – | – | – | – |
| *Drainage Collection* | | – | – | – | – | – | – | – | – | – |
| *Storm water Conveyance* | | – | – | – | – | – | – | – | – | – |
| *Attenuation* | | – | – | – | – | – | – | – | – | – |
| Electrical Infrastructure | | 1 000 | 1 042 | 1 500 | 1 500 | 1 500 | 1 500 | 1 500 | 2 000 | 2 500 |
| *Power Plants* | | – | – | – | – | – | – | – | – | – |
| *HV Substations* | | – | – | – | – | – | – | – | – | – |
| *HV Switching Station* | | – | – | – | – | – | – | – | – | – |
| *HV Transmission Conductors* | | – | – | – | – | – | – | – | – | – |
| *MV Substations* | | – | – | – | – | – | – | – | – | – |
| *MV Switching Stations* | | 1 000 | 1 042 | 1 500 | 1 500 | 1 500 | 1 500 | 1 500 | 2 000 | 2 500 |
| *MV Networks* | | – | – | – | – | – | – | – | – | – |
| *LV Networks* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Water Supply Infrastructure | | 29 964 | 15 725 | 12 448 | 17 175 | 17 175 | 17 175 | 43 627 | 42 392 | 13 500 |
| *Dams and Weirs* | | – | – | – | – | – | – | – | – | – |
| *Boreholes* | | – | – | – | – | – | – | – | – | – |
| *Reservoirs* | | – | – | – | – | – | – | – | – | – |
| *Pump Stations* | | – | 1 262 | 403 | 500 | 500 | 500 | 500 | 500 | 500 |
| *Water Treatment Works* | | 9 309 | – | – | – | – | – | – | – | – |
| *Bulk Mains* | | – | – | – | – | – | – | – | – | – |
| *Distribution* | | 20 655 | 14 462 | 12 045 | 16 675 | 16 675 | 16 675 | 43 127 | 41 892 | 13 000 |
| *Distribution Points* | | – | – | – | – | – | – | – | – | – |
| *PRV Stations* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Sanitation Infrastructure | | – | 626 | 1 287 | 700 | 700 | 700 | 700 | 700 | 700 |
| *Pump Station* | | – | 626 | 1 287 | 700 | 700 | 700 | 700 | 700 | 700 |
| *Reticulation* | | – | – | – | – | – | – | – | – | – |
| *Waste Water Treatment Works* | | – | – | – | – | – | – | – | – | – |
| *Outfall Sewers* | | – | – | – | – | – | – | – | – | – |
| *Toilet Facilities* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Solid Waste Infrastructure | | – | – | – | – | – | – | – | – | – |
| *Landfill Sites* | | – | – | – | – | – | – | – | – | – |
| *Waste Transfer Stations* | | – | – | – | – | – | – | – | – | – |
| *Waste Processing Facilities* | | – | – | – | – | – | – | – | – | – |
| *Waste Drop-off Points* | | – | – | – | – | – | – | – | – | – |
| *Waste Separation Facilities* | | – | – | – | – | – | – | – | – | – |
| *Electricity Generation Facilities* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Rail Infrastructure | | – | – | – | – | – | – | – | – | – |
| *Rail Lines* | | – | – | – | – | – | – | – | – | – |
| *Rail Structures* | | – | – | – | – | – | – | – | – | – |
| *Rail Furniture* | | – | – | – | – | – | – | – | – | – |
| *Drainage Collection* | | – | – | – | – | – | – | – | – | – |
| *Storm water Conveyance* | | – | – | – | – | – | – | – | – | – |
| *Attenuation* | | – | – | – | – | – | – | – | – | – |
| *MV Substations* | | – | – | – | – | – | – | – | – | – |
| *LV Networks* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Coastal Infrastructure | | – | – | – | – | – | – | – | – | – |
| *Sand Pumps* | | – | – | – | – | – | – | – | – | – |
| *Piers* | | – | – | – | – | – | – | – | – | – |
| *Revetments* | | – | – | – | – | – | – | – | – | – |
| *Promenades* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Information and Communication Infrastructure | | – | – | – | – | – | – | – | – | – |
| *Data Centres* | | – | – | – | – | – | – | – | – | – |
| *Core Layers* | | – | – | – | – | – | – | – | – | – |
| *Distribution Layers* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| **Community Assets** | | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Community Facilities | | – | – | – | – | – | – | – | – | – |

| Description | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| *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 | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **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 | **30 964** | **17 393** | **15 235** | **19 375** | **19 375** | **19 375** | **45 827** | **45 092** | **16 700** |
| | | | | | | | | | | |
| ***Renewal of Existing Assets as % of total capex*** | | *74.3%* | *9.2%* | *7.9%* | *10.5%* | *8.6%* | *8.6%* | *18.6%* | *30.6%* | *12.6%* |
| ***Renewal of Existing Assets as % of deprecn"*** | | *21.1%* | *11.7%* | *9.9%* | *12.2%* | *12.2%* | *12.2%* | *27.4%* | *25.5%* | *9.0%* |

*References*

*1. Total Capital Expenditure on renewal of existing assets (SA34b) plus Total Capital Expenditure on new assets (SA34a) plus Total Capital Expenditure on upgrading of existing assets (SA34e) must reconcile to total capital expenditure*

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

| Description | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Repairs and maintenance expenditure by Asset Class/Sub-class** | | | | | | | | | | |
| **Infrastructure** | | **141 079** | **137 671** | **159 666** | **173 170** | **182 405** | **182 405** | **193 055** | **209 848** | **223 876** |
| Roads Infrastructure | | 64 340 | 54 418 | 74 585 | 78 769 | 79 784 | 79 784 | 85 143 | 92 661 | 100 377 |
| *Roads* | | 64 340 | 54 418 | 74 585 | 78 769 | 79 784 | 79 784 | 85 143 | 92 661 | 100 377 |
| *Road Structures* | | – | – | – | – | – | – | – | – | – |
| *Road Furniture* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Storm water Infrastructure | | 6 870 | 6 157 | 5 588 | 6 361 | 11 679 | 11 679 | 13 747 | 14 479 | 15 222 |
| *Drainage Collection* | | – | – | – | – | – | – | – | – | – |
| *Storm water Conveyance* | | 6 870 | 6 157 | 5 588 | 6 361 | 11 679 | 11 679 | 13 747 | 14 479 | 15 222 |
| *Attenuation* | | – | – | – | – | – | – | – | – | – |
| Electrical Infrastructure | | 30 721 | 35 380 | 38 864 | 40 144 | 45 567 | 45 567 | 49 278 | 51 502 | 54 259 |
| *Power Plants* | | – | – | – | – | – | – | – | – | – |
| *HV Substations* | | – | – | – | – | – | – | – | – | – |
| *HV Switching Station* | | – | – | – | – | – | – | – | – | – |
| *HV Transmission Conductors* | | – | – | – | – | – | – | – | – | – |
| *MV Substations* | | – | – | – | – | – | – | – | – | – |
| *MV Switching Stations* | | – | – | – | – | – | – | – | – | – |
| *MV Networks* | | – | – | – | – | – | – | – | – | – |
| *LV Networks* | | 30 721 | 35 380 | 38 864 | 40 144 | 45 567 | 45 567 | 49 278 | 51 502 | 54 259 |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Water Supply Infrastructure | | 21 088 | 20 432 | 19 038 | 24 954 | 19 116 | 19 116 | 20 985 | 22 129 | 23 336 |
| *Dams and Weirs* | | – | – | – | – | – | – | – | – | – |
| *Boreholes* | | – | – | – | – | – | – | – | – | – |
| *Reservoirs* | | – | – | – | – | – | – | – | – | – |
| *Pump Stations* | | – | – | – | – | – | – | – | – | – |
| *Water Treatment Works* | | 272 | 33 | – | 331 | – | – | – | – | – |
| *Bulk Mains* | | – | – | – | – | – | – | – | – | – |
| *Distribution* | | 18 916 | 18 708 | 17 457 | 21 542 | 18 075 | 18 075 | 19 901 | 20 981 | 22 119 |
| *Distribution Points* | | 1 900 | 1 691 | 1 581 | 3 081 | 1 042 | 1 042 | 1 083 | 1 148 | 1 217 |
| *PRV Stations* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Sanitation Infrastructure | | 11 710 | 12 634 | 12 280 | 14 322 | 15 602 | 15 602 | 12 419 | 16 948 | 17 872 |
| *Pump Station* | | – | – | – | – | – | – | – | – | – |
| *Reticulation* | | 6 507 | 6 759 | 6 576 | 8 338 | 8 522 | 8 522 | 8 521 | 9 361 | 9 829 |
| *Waste Water Treatment Works* | | 5 203 | 5 875 | 5 703 | 5 984 | 7 080 | 7 080 | 3 898 | 7 587 | 8 043 |
| *Outfall Sewers* | | – | – | – | – | – | – | – | – | – |
| *Toilet Facilities* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Solid Waste Infrastructure | | 6 351 | 8 650 | 9 310 | 8 620 | 10 658 | 10 658 | 11 483 | 12 129 | 12 810 |
| *Landfill Sites* | | – | – | – | – | – | – | – | – | – |
| *Waste Transfer Stations* | | – | – | – | – | – | – | – | – | – |
| *Waste Processing Facilities* | | 1 574 | 2 662 | 3 003 | 3 100 | 3 100 | 3 100 | 3 100 | 3 317 | 3 549 |
| *Waste Drop-off Points* | | 4 777 | 5 988 | 6 307 | 5 520 | 7 558 | 7 558 | 8 383 | 8 812 | 9 261 |
| *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** | | **50 376** | **53 486** | **55 786** | **66 438** | **62 398** | **62 398** | **63 754** | **66 930** | **70 336** |
| Community Facilities | | 37 455 | 40 568 | 43 765 | 49 396 | 47 317 | 47 317 | 48 317 | 50 789 | 53 442 |

| Description | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| *Halls* | | 4 464 | 5 950 | 5 954 | 7 405 | 5 027 | 5 027 | 5 464 | 5 737 | 6 172 |
| *Centres* | | – | – | – | – | – | – | – | – | – |
| *Crèches* | | – | – | – | – | – | – | – | – | – |
| *Clinics/Care Centres* | | – | – | – | – | – | – | – | – | – |
| *Fire/Ambulance Stations* | | – | – | – | – | – | – | – | – | – |
| *Testing Stations* | | – | – | – | – | – | – | – | – | – |
| *Museums* | | – | – | – | – | – | – | – | – | – |
| *Galleries* | | – | – | – | – | – | – | – | – | – |
| *Theatres* | | – | – | – | – | – | – | – | – | – |
| *Libraries* | | – | 14 | 72 | 1 800 | – | – | – | – | – |
| *Cemeteries/Crematoria* | | 1 037 | 943 | 978 | 994 | 2 869 | 2 869 | 3 111 | 3 257 | 3 402 |
| *Police* | | – | – | – | – | – | – | – | – | – |
| *Parks* | | 27 586 | 28 619 | 31 644 | 33 755 | 31 445 | 31 445 | 31 742 | 33 423 | 35 121 |
| *Public Open Space* | | 3 886 | 4 553 | 4 667 | 4 401 | 4 667 | 4 667 | 4 186 | 4 361 | 4 538 |
| *Nature Reserves* | | – | – | – | – | – | – | – | – | – |
| *Public Ablution Facilities* | | 482 | 488 | 450 | 1 041 | 3 308 | 3 308 | 3 812 | 4 011 | 4 210 |
| *Markets* | | – | – | – | – | – | – | – | – | – |
| *Stalls* | | – | – | – | – | – | – | – | – | – |
| *Abattoirs* | | – | – | – | – | – | – | – | – | – |
| *Airports* | | – | – | – | – | – | – | – | – | – |
| *Taxi Ranks/Bus Terminals* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Sport and Recreation Facilities | | 12 921 | 12 919 | 12 021 | 17 042 | 15 081 | 15 081 | 15 438 | 16 141 | 16 894 |
| *Indoor Facilities* | | – | – | – | – | – | – | – | – | – |
| *Outdoor Facilities* | | 12 921 | 12 919 | 12 021 | 17 042 | 15 081 | 15 081 | 15 438 | 16 141 | 16 894 |
| *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** | | **15 056** | **16 833** | **12 818** | **13 758** | **20 223** | **20 223** | **18 955** | **13 511** | **13 784** |
| Operational Buildings | | 15 056 | 16 833 | 12 818 | 13 758 | 20 223 | 20 223 | 18 955 | 13 511 | 13 784 |
| *Municipal Offices* | | 15 048 | 16 773 | 12 726 | 13 720 | 20 223 | 20 223 | 18 955 | 13 511 | 13 784 |
| *Pay/Enquiry Points* | | – | – | – | – | – | – | – | – | – |
| *Building Plan Offices* | | – | 25 | 59 | – | – | – | – | – | – |
| *Workshops* | | – | – | – | – | – | – | – | – | – |
| *Yards* | | – | – | – | – | – | – | – | – | – |
| *Stores* | | – | – | – | – | – | – | – | – | – |
| *Laboratories* | | – | – | – | – | – | – | – | – | – |
| *Training Centres* | | – | – | – | – | – | – | – | – | – |
| *Manufacturing Plant* | | – | – | – | – | – | – | – | – | – |
| *Depots* | | 8 | 34 | 33 | 38 | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Housing | | – | – | – | – | – | – | – | – | – |
| *Staff Housing* | | – | – | – | – | – | – | – | – | – |
| *Social Housing* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| **Biological or Cultivated Assets** | | – | – | – | – | – | – | – | – | – |
| Biological or Cultivated Assets | | – | – | – | – | – | – | – | – | – |
| **Intangible Assets** | | 5 915 | 6 829 | 7 777 | 8 967 | 9 317 | 9 317 | 10 661 | 10 591 | 10 884 |
| Servitudes | | – | – | – | – | – | – | – | – | – |
| Licences and Rights | | 5 915 | 6 829 | 7 777 | 8 967 | 9 317 | 9 317 | 10 661 | 10 591 | 10 884 |
| *Water Rights* | | – | – | – | – | – | – | – | – | – |
| *Effluent Licenses* | | – | – | – | – | – | – | – | – | – |
| *Solid Waste Licenses* | | – | – | – | – | – | – | – | – | – |
| *Computer Software and Applications* | | 5 915 | 6 829 | 7 777 | 8 967 | 9 317 | 9 317 | 10 661 | 10 591 | 10 884 |
| *Load Settlement Software Applications* | | – | – | – | – | – | – | – | – | – |
| *Unspecified* | | – | – | – | – | – | – | – | – | – |

| Description | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Computer Equipment** | | 2 490 | 2 157 | 1 898 | 2 566 | 3 026 | 3 026 | 2 546 | 2 546 | 2 546 |
| Computer Equipment | | 2 490 | 2 157 | 1 898 | 2 566 | 3 026 | 3 026 | 2 546 | 2 546 | 2 546 |
| **Furniture and Office Equipment** | | 5 004 | 8 206 | 12 316 | 7 747 | 1 606 | 1 606 | 1 704 | 1 721 | 1 783 |
| Furniture and Office Equipment | | 5 004 | 8 206 | 12 316 | 7 747 | 1 606 | 1 606 | 1 704 | 1 721 | 1 783 |
| **Machinery and Equipment** | | 4 059 | 4 163 | 6 749 | 5 983 | 7 111 | 7 111 | 5 807 | 9 633 | 10 253 |
| Machinery and Equipment | | 4 059 | 4 163 | 6 749 | 5 983 | 7 111 | 7 111 | 5 807 | 9 633 | 10 253 |
| **Transport Assets** | | 21 406 | 20 160 | 23 455 | 17 145 | 31 037 | 31 037 | 30 419 | 32 202 | 34 093 |
| Transport Assets | | 21 406 | 20 160 | 23 455 | 17 145 | 31 037 | 31 037 | 30 419 | 32 202 | 34 093 |
| **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 | **245 386** | **249 505** | **280 465** | **295 774** | **317 124** | **317 124** | **326 900** | **346 983** | **367 554** |
| ***R&M as a % of PPE*** | | *6.8%* | *6.8%* | *7.6%* | *7.6%* | *8.1%* | *8.1%* | *8.5%* | *9.1%* | *9.7%* |
| ***R&M as % Operating Expenditure*** | | *16.4%* | *15.9%* | *16.0%* | *15.2%* | *15.5%* | *15.5%* | *25.8%* | *16.4%* | *17.0%* |

*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 | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Depreciation by Asset Class/Sub-class** | | | | | | | | | | |
| **Infrastructure** | | **123 129** | **122 707** | **125 238** | **132 242** | **132 242** | **132 242** | **138 760** | **145 682** | **152 968** |
| **Roads Infrastructure** | | **36 312** | **39 206** | **40 379** | **46 014** | **46 014** | **46 014** | **49 695** | **53 671** | **57 965** |
| Roads | | 36 312 | 39 206 | 40 379 | 46 014 | 46 014 | 46 014 | 49 695 | 53 671 | 57 965 |
| *Road Structures* | | – | – | – | – | – | – | – | – | – |
| *Road Furniture* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| *Storm water Infrastructure* | | 7 231 | 8 446 | 8 695 | 8 725 | 8 725 | 8 725 | 8 899 | 9 077 | 9 259 |
| Drainage Collection | | 7 231 | 8 446 | 8 695 | 8 725 | 8 725 | 8 725 | 8 899 | 9 077 | 9 259 |
| *Storm water Conveyance* | | – | – | – | – | – | – | – | – | – |
| *Attenuation* | | – | – | – | – | – | – | – | – | – |
| *Electrical Infrastructure* | | 28 582 | 26 923 | 27 567 | 27 643 | 27 643 | 27 643 | 28 196 | 28 760 | 29 335 |
| Power Plants | | – | – | – | – | – | – | – | – | – |
| *HV Substations* | | – | – | – | – | – | – | – | – | – |
| *HV Switching Station* | | – | – | – | – | – | – | – | – | – |
| *HV Transmission Conductors* | | – | – | – | – | – | – | – | – | – |
| *MV Substations* | | – | – | – | – | – | – | – | – | – |
| *MV Switching Stations* | | – | – | – | – | – | – | – | – | – |
| *MV Networks* | | – | – | – | – | – | – | – | – | – |
| *LV Networks* | | 26 305 | 26 420 | 26 988 | 27 643 | 27 643 | 27 643 | 28 196 | 28 760 | 29 335 |
| *Capital Spares* | | 2 277 | 503 | 579 | – | – | – | – | – | – |
| *Water Supply Infrastructure* | | 28 222 | 24 404 | 23 198 | 25 050 | 25 050 | 25 050 | 26 052 | 27 094 | 28 178 |
| Dams and Weirs | | – | – | – | – | – | – | – | – | – |
| *Boreholes* | | – | – | – | – | – | – | – | – | – |
| *Reservoirs* | | – | – | – | – | – | – | – | – | – |
| *Pump Stations* | | – | – | – | – | – | – | – | – | – |
| *Water Treatment Works* | | – | – | – | – | – | – | – | – | – |
| *Bulk Mains* | | – | – | – | – | – | – | – | – | – |
| *Distribution* | | 27 021 | 24 055 | 22 699 | 25 050 | 25 050 | 25 050 | 26 052 | 27 094 | 28 178 |
| *Distribution Points* | | – | – | – | – | – | – | – | – | – |
| *PRV Stations* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | 1 201 | 349 | 499 | – | – | – | – | – | – |
| *Sanitation Infrastructure* | | 19 712 | 20 394 | 22 730 | 21 502 | 21 502 | 21 502 | 22 577 | 23 706 | 24 891 |
| Pump Station | | – | – | – | – | – | – | – | – | – |
| *Reticulation* | | – | – | – | – | – | – | – | – | – |
| *Waste Water Treatment Works* | | 19 448 | 20 389 | 21 049 | 21 502 | 21 502 | 21 502 | 22 577 | 23 706 | 24 891 |
| *Outfall Sewers* | | – | – | – | – | – | – | – | – | – |
| *Toilet Facilities* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | 264 | 5 | 1 680 | – | – | – | – | – | – |
| *Solid Waste Infrastructure* | | 3 070 | 3 334 | 2 668 | 3 307 | 3 307 | 3 307 | 3 340 | 3 374 | 3 340 |
| Landfill Sites | | 2 898 | 3 280 | 2 661 | 3 307 | 3 307 | 3 307 | 3 340 | 3 374 | 3 340 |
| *Waste Transfer Stations* | | – | – | – | – | – | – | – | – | – |
| *Waste Processing Facilities* | | – | – | – | – | – | – | – | – | – |
| *Waste Drop-off Points* | | – | – | – | – | – | – | – | – | – |
| *Waste Separation Facilities* | | – | – | – | – | – | – | – | – | – |
| *Electricity Generation Facilities* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | 172 | 54 | 8 | – | – | – | – | – | – |
| *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 | | 10 888 | 13 075 | 14 232 | 13 817 | 13 817 | 13 817 | 15 199 | 16 719 | 18 391 |
| **Community Facilities** | | **10 888** | **13 075** | **14 232** | **13 817** | **13 817** | **13 817** | **15 199** | **16 719** | **18 391** |

| Description | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| Halls | | 10 888 | 13 075 | 14 232 | 13 817 | 13 817 | 13 817 | 15 199 | 16 719 | 18 391 |
| *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 | | 3 567 | 3 526 | 3 526 | 3 538 | 3 538 | 3 538 | 3 538 | 3 538 | 3 538 |
| **Operational Buildings** | | **3 567** | **3 526** | **3 526** | **3 538** | **3 538** | **3 538** | **3 538** | **3 538** | **3 538** |
| Municipal Offices | | 3 567 | 3 526 | 3 526 | 3 538 | 3 538 | 3 538 | 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 | | 290 | 253 | 708 | 271 | 271 | 271 | 290 | 311 | 332 |
| **Servitudes** | | – | – | – | – | – | – | – | – | – |
| Licences and Rights | | 290 | 253 | 708 | 271 | 271 | 271 | 290 | 311 | 332 |
| Water Rights | | – | – | – | – | – | – | – | – | – |
| *Effluent Licenses* | | – | – | – | – | – | – | – | – | – |
| *Solid Waste Licenses* | | – | – | – | – | – | – | – | – | – |
| *Computer Software and Applications* | | 290 | 253 | 708 | 271 | 271 | 271 | 290 | 311 | 332 |
| *Load Settlement Software Applications* | | – | – | – | – | – | – | – | – | – |
| *Unspecified* | | – | – | – | – | – | – | – | – | – |

| Description | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| Computer Equipment | | **22** | **100** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Computer Equipment** | | 22 | 100 | – | – | – | – | – | – | – |
| Furniture and Office Equipment | | 2 067 | 2 207 | 2 388 | 2 316 | 2 316 | 2 316 | 2 547 | 2 802 | 3 082 |
| **Furniture and Office Equipment** | | 2 067 | 2 207 | 2 388 | 2 316 | 2 316 | 2 316 | 2 547 | 2 802 | 3 082 |
| Machinery and Equipment | | 925 | 1 314 | 1 452 | 1 473 | 1 473 | 1 473 | 1 621 | 1 783 | 1 961 |
| **Machinery and Equipment** | | 925 | 1 314 | 1 452 | 1 473 | 1 473 | 1 473 | 1 621 | 1 783 | 1 961 |
| Transport Assets | | 6 048 | 5 071 | 6 120 | 4 716 | 4 716 | 4 716 | 5 188 | 5 706 | 6 277 |
| **Transport Assets** | | 6 048 | 5 071 | 6 120 | 4 716 | 4 716 | 4 716 | 5 188 | 5 706 | 6 277 |
| Land | | – | – | – | – | – | – | – | – | – |
| **Land** | | – | – | – | – | – | – | – | – | – |
| Zoo's, Marine and Non-biological Animals | | – | – | – | – | – | – | – | – | – |
| **Zoo's, Marine and Non-biological Animals** | | – | – | – | – | – | – | – | – | – |
| Living resources | | – | – | 127 | 68 | 68 | 68 | 68 | 68 | 68 |
| **Mature** | | **-** | **-** | **127** | **68** | **68** | **68** | **68** | **68** | **68** |
| Policing and Protection | | - | - | 127 | 68 | 68 | 68 | 68 | 68 | 68 |
| *Zoological plants and animals* | | – | – | – | – | – | – | – | – | – |
| *Immature* | | – | – | – | – | – | – | – | – | – |
| Policing and Protection | | - | - | - | - | - | - | - | - | - |
| *Zoological plants and animals* | | – | – | – | – | – | – | – | – | – |
| Total Depreciation | 1 | 147 004 | 148 321 | 153 664 | 158 373 | 158 373 | 158 373 | 167 143 | 176 541 | 186 550 |

*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 | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Capital expenditure on upgrading of existing assets by Asset Class/Sub-class** | | | | | | | | | | |
| **Infrastructure** | | **41 698** | **38 606** | **33 725** | **41 609** | **43 609** | **43 609** | **36 710** | **46 250** | **56 100** |
| Roads Infrastructure | | – | – | – | – | – | – | – | – | – |
| *Roads* | | – | – | – | – | – | – | – | – | – |
| *Road Structures* | | – | – | – | – | – | – | – | – | – |
| *Road Furniture* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Storm water Infrastructure | | – | – | – | – | – | – | 1 000 | – | – |
| *Drainage Collection* | | – | – | – | – | – | – | – | – | – |
| *Storm water Conveyance* | | – | – | – | – | – | – | 1 000 | – | – |
| *Attenuation* | | – | – | – | – | – | – | – | – | – |
| Electrical Infrastructure | | 7 173 | 1 600 | 2 767 | 15 464 | 15 464 | 15 464 | 16 300 | 8 100 | 19 000 |
| *Power Plants* | | – | – | – | – | – | – | – | – | – |
| *HV Substations* | | – | – | – | – | – | – | – | – | – |
| *HV Switching Station* | | – | – | – | – | – | – | – | – | – |
| *HV Transmission Conductors* | | – | – | – | – | – | – | – | – | – |
| *MV Substations* | | – | – | – | – | – | – | – | – | – |
| *MV Switching Stations* | | – | – | 2 767 | – | – | – | – | – | – |
| *MV Networks* | | 7 173 | 1 600 | – | 15 464 | 15 464 | 15 464 | 16 300 | 8 100 | 19 000 |
| *LV Networks* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Water Supply Infrastructure | | 3 586 | 6 928 | 541 | 500 | 500 | 500 | 500 | 500 | 500 |
| *Dams and Weirs* | | – | – | – | – | – | – | – | – | – |
| *Boreholes* | | – | – | – | – | – | – | – | – | – |
| *Reservoirs* | | – | – | – | – | – | – | – | – | – |
| *Pump Stations* | | – | 1 000 | – | – | – | – | – | – | – |
| *Water Treatment Works* | | – | – | – | – | – | – | – | – | – |
| *Bulk Mains* | | – | – | – | – | – | – | – | – | – |
| *Distribution* | | 3 586 | 5 928 | 541 | 500 | 500 | 500 | 500 | 500 | 500 |
| *Distribution Points* | | – | – | – | – | – | – | – | – | – |
| *PRV Stations* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Sanitation Infrastructure | | 30 939 | 28 219 | 30 351 | 25 621 | 27 621 | 27 621 | 18 910 | 37 650 | 36 600 |
| *Pump Station* | | 23 626 | 17 291 | 1 059 | 11 026 | 13 026 | 13 026 | 13 000 | 3 000 | 10 000 |
| *Reticulation* | | 4 790 | 350 | 117 | 600 | 600 | 600 | 600 | 800 | 600 |
| *Waste Water Treatment Works* | | 2 524 | 10 578 | 29 176 | 13 995 | 13 995 | 13 995 | 5 310 | 33 850 | 26 000 |
| *Outfall Sewers* | | – | – | – | – | – | – | – | – | – |
| *Toilet Facilities* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Solid Waste Infrastructure | | – | 1 859 | 65 | 25 | 25 | 25 | – | – | – |
| *Landfill Sites* | | – | – | – | – | – | – | – | – | – |
| *Waste Transfer Stations* | | – | 1 859 | – | – | – | – | – | – | – |
| *Waste Processing Facilities* | | – | – | – | – | – | – | – | – | – |
| *Waste Drop-off Points* | | – | – | 65 | 25 | 25 | 25 | – | – | – |
| *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** | | **–** | **519** | **2 290** | **9 900** | **10 190** | **10 190** | **26 829** | **2 000** | **4 392** |
| Community Facilities | | – | 319 | – | – | – | – | 4 000 | – | – |

| Description | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| *Halls* | | – | – | – | – | – | – | – | – | – |
| *Centres* | | – | – | – | – | – | – | – | – | – |
| *Crèches* | | – | – | – | – | – | – | – | – | – |
| *Clinics/Care Centres* | | – | – | – | – | – | – | – | – | – |
| *Fire/Ambulance Stations* | | – | – | – | – | – | – | 3 000 | – | – |
| *Testing Stations* | | – | – | – | – | – | – | – | – | – |
| *Museums* | | – | – | – | – | – | – | – | – | – |
| *Galleries* | | – | – | – | – | – | – | – | – | – |
| *Theatres* | | – | – | – | – | – | – | – | – | – |
| *Libraries* | | – | – | – | – | – | – | – | – | – |
| *Cemeteries/Crematoria* | | – | – | – | – | – | – | – | – | – |
| *Police* | | – | – | – | – | – | – | – | – | – |
| *Parks* | | – | – | – | – | – | – | – | – | – |
| *Public Open Space* | | – | – | – | – | – | – | 1 000 | – | – |
| *Nature Reserves* | | – | – | – | – | – | – | – | – | – |
| *Public Ablution Facilities* | | – | – | – | – | – | – | – | – | – |
| *Markets* | | – | – | – | – | – | – | – | – | – |
| *Stalls* | | – | – | – | – | – | – | – | – | – |
| *Abattoirs* | | – | – | – | – | – | – | – | – | – |
| *Airports* | | – | – | – | – | – | – | – | – | – |
| *Taxi Ranks/Bus Terminals* | | – | 319 | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Sport and Recreation Facilities | | – | 200 | 2 290 | 9 900 | 10 190 | 10 190 | 22 829 | 2 000 | 4 392 |
| *Indoor Facilities* | | – | – | – | – | – | – | – | – | – |
| *Outdoor Facilities* | | – | 200 | 2 290 | 9 900 | 10 190 | 10 190 | 22 829 | 2 000 | 4 392 |
| *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 | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **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 | **41 698** | **39 125** | **36 015** | **51 509** | **53 800** | **53 800** | **63 539** | **48 250** | **60 492** |
| | | | | | | | | | | |
| ***Upgrading of Existing Assets as % of total capex*** | | *0.0%* | *20.7%* | *18.6%* | *27.9%* | *23.9%* | *23.9%* | *25.8%* | *32.7%* | *45.5%* |
| ***Upgrading of Existing Assets as % of deprecn"*** | | *28.4%* | *26.4%* | *23.4%* | *32.5%* | *34.0%* | *34.0%* | *38.0%* | *27.3%* | *32.4%* |

*References*

*1. Total Capital Expenditure on upgrading of existing assets (SA34e) plus Total Capital Expenditure on new assets (SA34a) plus Total Capital Expenditure on renewal of existing assets (SA34b) must reconcile to total capital expenditu*

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

| Vote Description | Ref | 2025/26 Medium Term Revenue & Expenditure Framework | | | Forecasts | | | |
|---|---|---|---|---|---|---|---|---|
| R thousand | | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 | Forecast 2028/29 | Forecast 2029/30 | Forecast 2030/31 | Present value |
| **Capital expenditure** | 1 | | | | | | | |
| Vote 1 - Municipal Council | | – | – | – | | | | |
| Vote 2 - Office of the Municipal Manager | | 5 386 | – | – | | | | |
| Vote 3 - Corporate Services | | 3 244 | 500 | 500 | 530 | 562 | 596 | 631 |
| Vote 4 - Financial Services | | 24 320 | – | – | | | | |
| Vote 5 - Infrastructure Services | | 207 935 | 147 043 | 132 375 | 140 318 | 148 737 | 157 661 | 167 120 |
| Vote 6 - Community Services | | 1 325 | – | – | | | | |
| Vote 7 - Municipal Public Safety | | 3 592 | – | – | | | | |
| Vote 8 - Planning and Development | | 29 | – | – | | | | |
| 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] | | – | – | – | | | | |
| *List entity summary if applicable* | | | | | | | | |
| **Total Capital Expenditure** | | **245 831** | **147 543** | **132 875** | **140 848** | **149 298** | **158 256** | **167 752** |
| **Future operational costs by vote** | 2 | | | | | | | |
| Vote 1 - Municipal Council | | 55 516 | 51 174 | 53 459 | 56 666 | 60 066 | 63 670 | 67 490 |
| Vote 2 - Office of the Municipal Manager | | 28 316 | 35 365 | 36 868 | 39 080 | 41 424 | 43 910 | 46 544 |
| Vote 3 - Corporate Services | | 79 345 | 85 070 | 88 475 | 93 784 | 99 411 | 105 375 | 111 698 |
| Vote 4 - Financial Services | | 147 148 | 180 629 | 197 884 | 209 757 | 222 342 | 235 683 | 249 824 |
| Vote 5 - Infrastructure Services | | 1 085 585 | 1 180 897 | 1 254 237 | 1 329 492 | 1 409 261 | 1 493 817 | 1 583 446 |
| Vote 6 - Community Services | | 201 791 | 203 744 | 213 945 | 226 782 | 240 389 | 254 812 | 270 101 |
| Vote 7 - Municipal Public Safety | | 197 963 | 216 833 | 225 625 | 239 162 | 253 512 | 268 723 | 284 846 |
| Vote 8 - Planning and Development | | 68 497 | 66 549 | 69 312 | 73 471 | 77 879 | 82 552 | 87 505 |
| Vote 9 - Costing Services | | 131 796 | 137 635 | 145 338 | 154 058 | 163 302 | 173 100 | 183 486 |
| 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] | | – | – | – | | | | |
| *List entity summary if applicable* | | | | | | | | |
| **Total future operational costs** | | 1 995 956 | 2 157 896 | 2 285 143 | 2 422 251 | 2 567 586 | 2 721 642 | 2 884 940 |
| **Future revenue by source** | 3 | | | | | | | |
| Exchange Revenue | | 119 343 | 791 153 | 838 623 | 888 940 | 942 276 | 998 813 | 1 058 742 |
| Service charges - Electricity | | 745 540 | 791 153 | 838 623 | 920 808 | 1 011 047 | 1 110 129 | 1 218 922 |
| Service charges - Water | | 209 109 | 221 026 | 234 288 | 248 696 | 263 991 | 280 227 | 297 460 |
| Service charges - Waste Water Management | | 129 533 | 140 980 | 149 439 | 152 906 | 156 454 | 160 083 | 163 797 |
| Service charges - Waste Management | | 115 444 | 122 552 | 129 905 | 137 648 | 145 851 | 154 544 | 163 755 |
| Agency services | | 7 500 | 7 950 | 8 427 | 8 898 | 9 396 | 9 921 | 10 475 |
| *List other revenues sources if applicable* | | | | | | | | |
| *List entity summary if applicable* | | | | | | | | |
| **Total future revenue** | | 1 326 469 | 2 074 815 | 2 199 304 | 2 357 896 | 2 529 015 | 2 713 717 | 2 913 152 |
| **Net Financial Implications** | | **915 317** | **230 623** | **218 714** | **205 203** | **187 870** | **166 181** | **139 540** |

## WC032 Overstrand - Supporting Table SA36 Detailed capital budget

| R thousand | | | | | | | | | | | | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Function | Project Description | Project Number | Type | MTSF Service Outcome | IUDF | Own Strategic Objectives | Asset Class | Asset Sub-Class | Ward Location | GPS Longitude | GPS Lattitude | Audited Outcome 2023/24 | Current Year 2024/25 Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Parent municipality:** *List all capital projects grouped by Function* | | | | | | | | | | | | | | | | |
| **EXECUTIVE & COUNCIL** | | | | | | | | | | | | 7 | 70 | | | |
| | 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* | | | 5 371 | | |
| | MINOR ASSETS-OFFICE OF THE MUNICIF | | New | *A capable, ethical and developmental state* | *Governance* | 1 | *Furniture and Office Equipment* | *Other* | **Overstrand** | Overstrand | *Overstrand* | | | 15 | | |
| **FINANCE AND ADMINISTRATION** | | | | | | | | | | | | 6 960 | 3 085 | | | |
| | UPS REPLACEMENT | | New | *A capable, ethical and developmental state* | *Governance* | 1 | *Computer Equipment* | *Other* | **Overstrand** | Overstrand | *Overstrand* | | | 500 | 500 | 500 |
| | DATA CENTRE SERVER END OF LIFE REI | | New | *A capable, ethical and developmental state* | *Governance* | 1 | *Computer Equipment* | *Other* | **Overstrand** | Overstrand | *Overstrand* | | | 2 000 | | |
| | MINOR ASSETS FINANCIAL SERVICES | | New | *A capable, ethical and developmental state* | *Governance* | 1 | *Furniture and Office Equipment* | *Other* | **Overstrand** | Overstrand | *Overstrand* | | | 170 | | |
| | MINOR ASSETS CORPORATE SERVICES | | New | *A capable, ethical and developmental state* | *Governance* | 1 | *Furniture and Office Equipment* | *Other* | **Overstrand** | Overstrand | *Overstrand* | | | 59 | | |
| | MINOR ASSETS ICT ORGANIZATION WIDI | | New | *A capable, ethical and developmental state* | *Governance* | 1 | *Computer Equipment* | *Other* | **Overstrand** | Overstrand | *Overstrand* | | | 630 | | |
| **PUBLIC SAFETY** | | | | | | | | | | | | 2 310 | 6 650 | | | |
| | PURCHASE OF DOGS -EXPLOSIVE & ROA | | New | *Social cohesion and safe communities* | *Governance* | 4 | *Biological or Cultivated Assets* | *Police* | **Overstrand** | Overstrand | *Overstrand* | | | 300 | | |
| | UPGRADING OF FIRE STATION BUILDINGS | | Upgrading | *Social cohesion and safe communities* | *Governance* | 4 | *Operational Buildings* | *Fire/Ambulance Stations* | **Overstrand** | Overstrand | *Overstrand* | | | 3 000 | | |
| | VEHICLES-PUBLIC SAFETY | | New | *Social cohesion and safe communities* | *Governance* | 4 | *Transport Assets* | *Other* | **Overstrand** | Overstrand | *Overstrand* | | | 3 500 | | |
| | MINOR ASSETS PROTECTION SERVICES | | New | *Social cohesion and safe communities* | *Governance* | 4 | *Furniture and Office Equipment* | *Other* | **Overstrand** | Overstrand | *Overstrand* | | | 292 | | |
| **PLANNING & DEVELOPMENT** | | | | | | | | | | | | 6 170 | 2 875 | | | |
| | MINOR ASSETS PLANNING AND DEVELOI | | New | *A capable, ethical and developmental state* | *Inclusion and access* | 5 | *Furniture and Office Equipment* | *Other* | **Overstrand** | Overstrand | *Overstrand* | | | 29 | | |
| | ZWELIHLE BUSINESS HUB | | | *A capable, ethical and developmental state* | *Inclusion and access* | 5 | *Community Facilities* | *Public Open Space* | **Ward 12** | 34. 424 19. 212 Degrees | *34. 424 19. 212 Degrees* | | | 800 | | |
| | MINOR ASSETS INFRASTRUCTURE SERV | | New | *A capable, ethical and developmental state* | *Inclusion and access* | 5 | *Furniture and Office Equipment* | *Other* | **Overstrand** | Overstrand | *Overstrand* | | | 725 | | |
| **COMMUNITY SERVICES** | | | | | | | | | | | | 1 371 | 1 351 | | | |
| | VEHICLES-COMMUNITY SERVICES | | New | *A capable, ethical and developmental state* | *Inclusion and access* | 3 | *Transport Assets* | *Other* | **Overstrand** | Overstrand | *Overstrand* | | | 6 000 | | |
| | MINOR ASSETS COMMUNITY SERVICES | | New | *A capable, ethical and developmental state* | *Inclusion and access* | 3 | *Furniture and Office Equipment* | *Other* | **Overstrand** | Overstrand | *Overstrand* | | | 325 | | |
| **SPORT & RECREATION** | | | | | | | | | | | | 5 741 | 17 509 | | | |
| | UPGRADE HAWSTON SPORT COMPLEX ( | | Upgrading | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Outdoor Facilities* | **Ward 08** | 19.219 Degrees | *34.419 Degrees* | | | 929 | | 4 392 |
| | UPGRADE HAWSTON SPORT COMPLEX(I | | Upgrading | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Outdoor Facilities* | **Ward 08** | 19.219 Degrees | *34.419 Degrees* | | | 9 700 | | |
| | UPGRADE MOUNT PLEASANT SPORT GR | | Upgrading | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Outdoor Facilities* | **Ward 04** | 19º07'56.01"E Degrees | *34º23'09.91"S Degrees* | | | 1 700 | 2 000 | |
| | UPGRADE MOUNT PLEASANT SPORT GR | | Upgrading | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Outdoor Facilities* | **Ward 04** | 19º07'56.01"E Degrees | *34º23'09.91"S Degrees* | | | 10 500 | | |
| | TOE OF SLIPWAY TO REPAIR | | Upgrading | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 4 | *Community Facilities* | *Piers* | **Ward 09** | 34º20'18.35"S Degrees | *19º01'35.31"E Degrees* | | | 1 000 | | |
| | UPGRADE OF KLEINMOND SPORT FACIL | | Upgrading | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Outdoor Facilities* | **Ward 09** | 34°20'31" S 19°01'17"E | *34°20'31" S 19°01'17"E* | | | 1 900 | | |
| | UPGRADE OF KLEINMOND SPORT FACIL | | Upgrading | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Outdoor Facilities* | **Ward 09** | 34°20'31" S 19°01'17"E | *34°20'31" S 19°01'17"E* | | | 6 872 | | |
| | UPGRADE SPORTGROUNDS | | Upgrading | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Outdoor Facilities* | **Ward 06** | 19.212, Degrees | *34.427 Degrees* | | | | | 5 000 |
| **HOUSING** | | | | | | | | | | | | 33 678 | 31 444 | | | |
| | LCH SERVICES CONSTRUCTION CONTRA | | New | *al integration, human settlements and local govern* | *Spatial integration* | 4 | *Housing* | *Social Housing* | **Overstrand** | Overstrand | *Overstrand* | | | 24 542 | 13 000 | 13 000 |
| **ROADS** | | | | | | | | | | | | 11 755 | 4 600 | | | |
| | REHABILITATE ROADS AND SIDEWALKS | | Upgrading | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | **Ward 02** | 19°21'39"E Degrees | *34°35'30"S Degrees* | | | | 2 400 | 2 000 |
| | REHABILITATE ROADS & STORMWATER | | Upgrading | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | **Ward 06** | 19.212 Degrees | *34.429 Degrees* | | | 6 000 | | |
| | REHABILITATE ROADS | | Upgrading | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | **Ward 04** | 19.219 Degrees | *34.419 Degrees* | | | | 4 000 | |
| | REHABILITATE ROADS PROTEADORP | | Upgrading | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | **Ward 09** | 19.209,-34.423 | *19.209,-34.423* | | | | 3 000 | |
| | HERMANUS TAXI RANK | | Upgrading | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | **Ward 03** | 34º25'16.83"S Degrees | *19º13'00.62"E Degrees* | | | | | 3 000 |
| | VEHICLES-ROADS | | New | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 5 | *Transport Assets* | *Other* | **Overstrand** | Overstrand | *Overstrand* | | | 8 250 | | |
| | HAWSTON ALMAR CIRCLE | | New | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | **Ward 08** | 34º23'09.91"S Degrees | *19º07'56.01"E Degrees* | | | 500 | | |
| | TAXI HOLDING FACILTY | | New | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | **Ward 04** | 19.219 Degrees | *34.419 Degrees* | | | 650 | | |
| **ELECTRICITY** | | | | | | | | | | | | 49 583 | 51 031 | | | |
| | GANSBAAI STANFORD MV LV UPGRADE ( | | Upgrading | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 2 | *Electrical Infrastructure* | *MV Substations* | **Multi-ward Gansbaai Area** | 34°35'54.86"S Degrees | *19°20'49.51"E Degrees* | | | 4 000 | 6 800 | 3 500 |
| | FKRAAL KBAAI MV/LV UPGRADE AS PER | | New | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 2 | *Electrical Infrastructure* | *MV Substations* | **Multi-ward Gansbaai Area** | 34°37'5.14"S Degrees | *19°20'3.08"E Degrees* | | | | 3 000 | 2 000 |
| | ELECTRIFICATION OF LOW COST HOUSI | | New | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 2 | *Electrical Infrastructure* | *MV Substations* | **Overstrand** | Overstrand | *Overstrand* | | | 13 908 | 9 551 | 9 983 |
| | HERMANUS MV/LV UPGRADE REPLACEM | | Upgrading | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 2 | *Electrical Infrastructure* | *MV Substations* | **Ward 03** | 34º25'16.83"S Degrees | *19º13'00.62"E Degrees* | | | 9 000 | 4 000 | 12 000 |
| | KLEINMOND MV/LV NETWORK UPGRADE | | Upgrading | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 2 | *Electrical Infrastructure* | *MV Networks* | **Ward 09** | 34º20'18.35"S Degrees | *19º01'35.31"E Degrees* | | | 4 000 | 2 000 | 4 000 |
| | HAWSTON MV/LV UPGRADE REPLACEME | | Upgrading | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 2 | *Electrical Infrastructure* | *MV Networks* | **Ward 08** | 34º23'09.91"S Degrees | *19º07'56.01"E Degrees* | | | 3 300 | 2 100 | 3 000 |
| | ADDITIONAL WORKSPACE AT ELECTRICA | | New | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 2 | *Electrical Infrastructure* | *MV Networks* | **Ward 13** | 34º25'16.83"S Degrees | *19º13'00.62"E Degrees* | | | 1 500 | | |
| | NEW STILL STREET 66KV 11KV SUBSTAT | | New | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 2 | *Electrical Infrastructure* | *MV Networks* | **Ward 03** | 34º25'16.83"S Degrees | *19º13'00.62"E Degrees* | | | 5 000 | | 900 |
| | NEW STILL STREET 66KV 11KV SUBSTAT | | New | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 2 | *Electrical Infrastructure* | *MV Networks* | **Ward 03** | 34º25'16.83"S Degrees | *19º13'00.62"E Degrees* | | | 3 982 | | |
| | HIGH MAST LIGHTS REPLACEMENT | | New | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 2 | *Electrical Infrastructure* | *MV Networks* | **Ward 03** | 34º25'16.83"S Degrees | *19º13'00.62"E Degrees* | | | 700 | 1 100 | 1 100 |
| | VEHICLES-ELECTRICITY | | New | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 2 | *Transport Assets* | *Other* | **Overstrand** | Overstrand | *Overstrand* | | | 6 400 | | |
| | ELECTRICITY TRANSFORMERS CAPITAL | | New | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 2 | *Electrical Infrastructure* | *MV Networks* | **Overstrand** | Overstrand | *Overstrand* | | | 1 500 | 2 000 | 2 500 |
| **WATER** | | | | | | | | | | | | 29 092 | 42 775 | | | |
| | REFURBISHMENT OF BULK WATER INFRA | | Upgrading | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 2 | *Water Supply Infrastructure* | *Reticulation* | **Overstrand** | Overstrand | *Overstrand* | | | 1 000 | 1 000 | 1 000 |
| | FENCING AT WATER INSTALLATIONS | | Upgrading | *ng the social wage through reliable and quality bas* | *Inclusion and access* | 2 | *Water Supply Infrastructure* | *Reticulation* | **Overstrand** | Overstrand | *Overstrand* | | | 500 | 500 | 500 |

| Function | Project Description | Project Number | Type | MTSF Service Outcome | IUDF | Own Strategic Objectives | Asset Class | Asset Sub-Class | Ward Location | GPS Longitude | GPS Lattitude | Audited Outcome 2023/24 | Current Year 2024/25 Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | REPLACEMENT OF OVERSTRAND WATEI | | New | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Water Supply Infrastructure | Reticulation | Overstrand | Overstrand | Overstrand | | | 9 500 | 10 000 | 7 000 |
| | WATER FACILITIES CONTINGENCY | | Renewal | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Water Supply Infrastructure | Reticulation | Overstrand | Overstrand | Overstrand | | | 500 | 500 | 500 |
| | REFURBISHMENT OF BUFFELS RIVER W | | Renewal | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Water Supply Infrastructure | Pump Stations | Multi-ward Kleinmond Area | 19.019° E Degrees | 34.329° S Degrees | | | 3 000 | 4 650 | 5 000 |
| | PREEKSTOEL WTW OFFICE SPACE | | Renewal | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Water Supply Infrastructure | Municipal Offices | Multi-ward Hermanus Area | 19.237° E Degrees | 34.376° S Degrees | | | 28 427 | 26 242 | |
| | UPGRADE HERMANUS WELL FIELDS PHA | | Upgrading | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Water Supply Infrastructure | Water Treatment Works | Multi-ward Hermanus Area | 19.237° E Degrees | 34.376° S Degrees | | | 750 | 1 250 | |
| | REPLACEMENT OF WATER PIPES PROTE | | Upgrading | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Water Supply Infrastructure | Distribution | Overstrand | Overstrand | Overstrand | | | 2 000 | 3 000 | |
| | DE KELDERS WTW MEMBRANE REPLACE | | Upgrading | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Water Supply Infrastructure | Distribution | Ward 14 | 19.370° E / -34.556° S | 19.370° E / -34.556° S | | | 800 | | |
| | PEARLY BEACH GROUNDWATER DEVELOPMENT | | Upgrading | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Water Supply Infrastructure | Water Treatment Works | Ward 11 | 19.539° E / -34.663° S | 19.539° E / -34.663° S | | | 1 200 | | |
| | SEA WATER DESALINATION PLANT | | New | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Water Supply Infrastructure | Distribution | Ward 03 | 34°25'16.83"S Degrees | 19°13'00.62"E Degrees | | | 2 750 | | 3 300 |
| | NEW RESERVOIR ONRUS RIVER | | New | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Water Supply Infrastructure | Reservoirs | Ward 13 | 34°25'16.83"S Degrees | 19°13'00.62"E Degrees | | | | 3 000 | 3 500 |
| | NEW RESERVOIR VOORBERG | | New | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Water Supply Infrastructure | Reservoirs | Ward 10 | 18°52'51,6"E | 34°21'16,2"S | | | | 1 000 | 1 000 |
| | NEW DISINFECTION SYSTEM AT PREEKSTOEL WTW | | New | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Water Supply Infrastructure | Water Treatment Works | Multi-ward Hermanus Area | 19.207° E / -34.409° S | 19.207° E / -34.409° S | | | 7 000 | | |
| | BAARDSKEERDERSBOS WTW ADD STORAGE CAPAC | | New | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Water Supply Infrastructure | Water Treatment Works | Ward 11 | 19.570° E / -34.586° S | 19.570° E / -34.586° S | | | 500 | | 2 000 |
| | TELEMETRY SYSTEM UPGRADE-WATER | | Upgrading | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Water Supply Infrastructure | Reticulation | Overstrand | Overstrand | Overstrand | | | 300 | 300 | |
| **SEWERAGE** | | | | | | | | | | | | 40 767 | 44 187 | | | |
| | SEWERAGE FACILITIES CONTINGENCY | | Upgrading | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Sanitation Infrastructure | Waste Water Treatment Works | Overstrand | Overstrand | Overstrand | | | 700 | 700 | 700 |
| | FENCING AT SEWERAGE INSTALLATIONS | | Upgrading | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Sanitation Infrastructure | Waste Water Treatment Works | Overstrand | Overstrand | Overstrand | | | 600 | 800 | 600 |
| | UPGRADING OF PUMPSTATIONS & RISIN | | Upgrading | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Sanitation Infrastructure | Waste Water Treatment Works | Overstrand | Overstrand | Overstrand | | | 13 000 | 3 000 | 10 000 |
| | HERMANUS WWTW UPGRADE SCREENS | | Replacement | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Sanitation Infrastructure | Waste Water Treatment Works | Multi-ward Hermanus Area | 19.209° E Degrees | 34.427° S Degrees | | | 1 310 | | |
| | HAWSTON WWTW REFURBISH AND UPG | | Upgrading | ng the social wage through reliable and quality bas | 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 | 17 000 | 11 000 |
| | HAWSTON WWTW REFURBISH AND UPG | | Upgrading | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Sanitation Infrastructure | Waste Water Treatment Works | Ward 08 | 34°23'09.91"S Degrees | 19°07'56.01"E Degrees | | | | 16 850 | 15 000 |
| | TELEMETRY SYSTEM UPGRADE-SEWER | | Upgrading | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Sanitation Infrastructure | Waste Water Treatment Works | Overstrand | Overstrand | Overstrand | | | 200 | 200 | |
| | HAWSTON SEWER NETWORK EXTENSION | | Upgrading | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Sanitation Infrastructure | Waste Water Treatment Works | Ward 08 | 19.129° E / -34.376° S | 19.129° E / -34.376° S | | | | | 1 000 |
| | ELUXOLWENI WWTW UPGRADE | | Upgrading | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Sanitation Infrastructure | Waste Water Treatment Works | Ward 11 | 19.492° E / -34.650° S | 19.492° E / -34.650° S | | | 500 | | |
| | UPGRADING OF SEWER SYSTEM IN MOOIUITSIG | | Upgrading | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Sanitation Infrastructure | Waste Water Treatment Works | Ward 10 | 34°21'18.0"S 18°52'51.6"E | 34°21'18.0"S 18°52'51.6"E | | | 750 | | |
| | NEW DISINFECTION SYSTEMS AT WASTE | | Upgrading | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Sanitation Infrastructure | Waste Water Treatment Works | Overstrand | Overstrand | Overstrand | | | 6 000 | | |
| **STORMWATER** | | | | | | | | | | | | 5 968 | 14 536 | | | |
| | STORMWATER SYSTEM UPGRADING | | Upgrading | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Storm water Infrastructure | Storm water Conveyance | Ward 08 | 34°23'09.91"S Degrees | 19°07'56.01"E Degrees | | | 1 000 | | |
| | STORMWATER AND SUBSURFACE DRAINAGE SYSTE | | Upgrading | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Storm water Infrastructure | Storm water Conveyance | Ward 11 | 19.395° E / -34.592° S | 19.395° E / -34.592° S | | | 5 000 | | |
| **WASTE MANAGEMENT** | | | | | | | | | | | | | | | | |
| | UPGRADING OF KLEINMOND TRANSFER | | Upgrading | ng the social wage through reliable and quality bas | 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 | 115 | 4 880 | | 500 | |
| | GANSBAAI LANDFILL WEIGHBRIDGE NEW | | New | ng the social wage through reliable and quality bas | 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 | | |
| | HERMANUS TRANSFER STATION PERIMETER WALL | | Upgrading | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Solid Waste Infrastructure | Waste Transfer Stations | Multi-ward HM Area | -34,4247551 19,21763634 | -34,4247551 19,21763634 | | | 3 300 | | |
| | HERMANUS TRANSFER STATION UPGRADE CHIPPIN | | Upgrading | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Solid Waste Infrastructure | Waste Transfer Stations | Multi-ward HM Area | -34,4247551 19,21763634 | -34,4247551 19,21763634 | | | | | 2 500 |
| | HAWSTON DROP OFF FENCE UPGRADE | | Upgrading | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Solid Waste Infrastructure | Waste Drop-off Points | Ward 08 | -34,37733902 19,12819007 | -34,37733902 19,12819007 | | | 600 | | |
| | PRINGLE BAY DROP OFF UPGRADE | | Upgrading | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Solid Waste Infrastructure | Waste Drop-off Points | Ward 10 | -34,34266214 18,84410498 | -34,34266214 18,84410498 | | | 200 | | |
| | ORGANIC WASTE DIVERSION PROJECT | | New | ng the social wage through reliable and quality bas | Inclusion and access | 2 | Solid Waste Infrastructure | Waste Processing Facilities | Overstrand | Overstrand | Overstrand | | | | 1 600 | 1 400 |
| **Entity Capital expenditure** | | | | | | | | | | | | – | – | – | – | – |
| **Total Capital expenditure** | | | | | | | | | | | | **193 518** | **224 994** | **245 831** | **147 543** | **132 875** |

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

| R thousand | | | | | | | | | | | | Previous target year to complete | Current Year 2024/25 | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Function | Project name | Project number | Type | MTSF Service Outcome | IUDF | Own Strategic Objectives | Asset Class | Asset Sub-Class | Ward Location | GPS Longitude | GPS Lattitude | | Original Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| **Parent municipality:** | | | | | | | | | | | | | | | | | |
| *List all capital projects grouped by Function* | | | | | | | | | | | | | | | | | |
| **PUBLIC SAFETY** | | | | | | | | | | | | | | | | | |
| | PURCHASE OF DOGS -EXPLOSIVE & ROAD OPERATIONS | | **New** | *hesion and safe com* | *Governance* | 4 | *Biological or Cultivated Assets* | *Police* | *Overstrand* | *Overstrand* | *Overstrand* | | 350 | | 300 | | |
| **ELECTRICITY** | | | | | | | | | | | | | | | | | |
| | NEW STILL STREET 66KV 11KV SUBSTATION | | **New** | *ge through reliable* | *nclusion and access* | 2 | *Electrical Infrastructure* | *MV Networks* | *Ward 03* | *34°25'16.83"S Degrees* | *19°13'00.62"E Degrees* | | 5 000 | 1 018 | 3 982 | | |

## WC032 Overstrand - Supporting Table SA38 Consolidated detailed operational projects

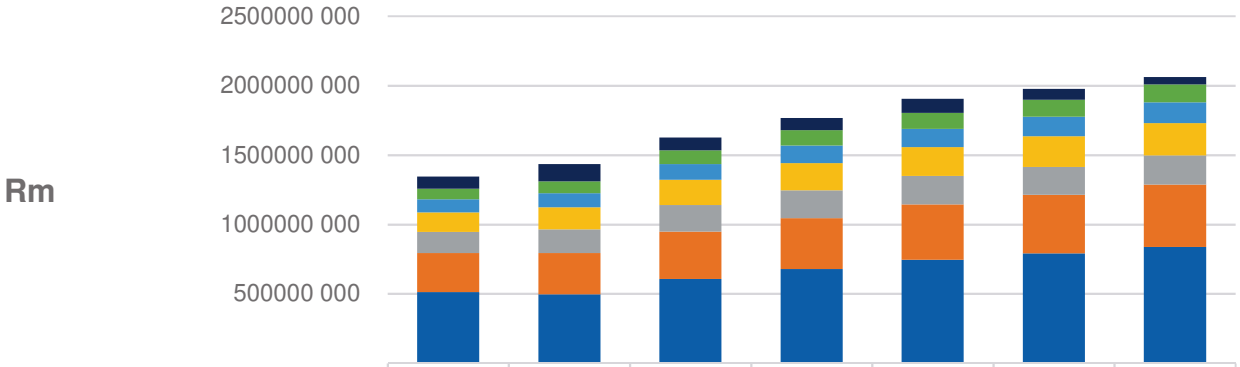
| Municipal Vote/Operational project | Ref | Program/Project description | Prior year outcomes | | 2025/26 Medium Term Revenue & Expenditure Framework | | | Project information |
|---|---|---|---|---|---|---|---|---|
| R thousand | 4 | | Audited Outcome 2023/24 | Current Year 2024/25 Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 | Ward location |
| **Parent municipality:** | | | | | | | | |
| *List all operational projects grouped by Municipal Vote* | | | | | | | | |
| Vote 1 - Municipal Council | | | | | | | | |
| | | Municipal Running Cost | 41 353 | 56 030 | 55 493 | 51 151 | 53 436 | |
| | | Typical Work Streams | | 24 | 23 | 23 | 23 | |
| **Vote 2 - Office of the Municipal Manager** | | | | | | | | |
| | | Municipal Running Cost | 7 442 | 18 836 | 31 936 | 33 525 | 34 939 | |
| | | Repairs & Maintenance | | 36 | 36 | 36 | 37 | |
| | | Typical Work Streams | 9 | 13 | 1 730 | 1 803 | 1 892 | |
| **Vote 3 - Corporate Services** | | | | | | | | |
| | | Municipal Running Cost | 51 374 | 60 059 | 66 792 | 69 535 | 72 446 | |
| | | Repairs & Maintenance | 10 222 | 12 726 | 13 289 | 13 219 | 13 512 | |
| | | Typical Work Streams | 2 117 | 2 370 | 2 509 | 2 817 | 3 017 | |
| **Vote 4 - Financial Services** | | | | | | | | |
| | | Municipal Running Cost | 89 290 | 109 239 | 122 229 | 128 856 | 143 338 | |
| | | Repairs & Maintenance | 692 | 21 384 | 31 274 | 33 059 | 34 951 | |
| | | Typical Work Streams | 16 656 | 18 133 | 17 965 | 18 715 | 19 595 | |
| **Vote 5 - Infrastructure Services** | | | | | | | | |
| | | Municipal Running Cost | 741 526 | 1 113 433 | 1 050 752 | 1 089 263 | 1 151 393 | |
| | | Repairs & Maintenance | 32 452 | 113 657 | 195 793 | 216 132 | 230 601 | |
| | | Typical Work Streams | 112 712 | 50 014 | 46 974 | 22 545 | 4 618 | |
| **Vote 6 - Public Safety** | | | | | | | | |
| | | Municipal Running Cost | 78 818 | 154 967 | 185 237 | 196 607 | 206 723 | |
| | | Repairs & Maintenance | 1 421 | 8 877 | 1 655 | 2 092 | 2 255 | |
| | | Typical Work Streams | 14 707 | 20 501 | 14 663 | 18 134 | 16 646 | |
| **Vote 7 - Planning and Development** | | | | | | | | |
| | | Municipal Running Cost | 9 491 | 57 874 | 51 972 | 54 492 | 57 125 | |
| | | Repairs & Maintenance | 206 | 2 572 | 3 634 | 2 341 | 2 443 | |
| | | Typical Work Streams | 4 472 | 6 566 | 12 920 | 9 717 | 9 744 | |
| **Vote 8 - Community Services** | | | | | | | | |
| | | Municipal Running Cost | 301 672 | 149 950 | 94 893 | 95 664 | 101 045 | |
| | | Repairs & Maintenance | 210 880 | 39 283 | 81 220 | 80 103 | 83 754 | |
| | | Typical Work Streams | 25 288 | 26 192 | 27 003 | 27 977 | 29 146 | |
| **Total Operational expenditure** | | | **1 752 801** | **2 042 734** | **2 109 991** | **2 167 804** | **2 272 680** | |

*References*

*1. Must reconcile with Budgeted Operating Expenditure*

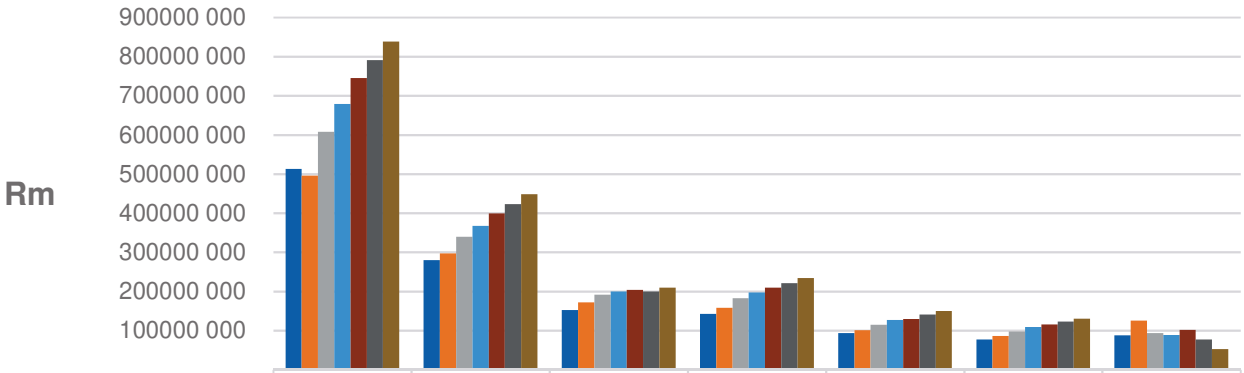
*2. As per Table SA5*

## Revenue by Source - Major - Chart A5(a)



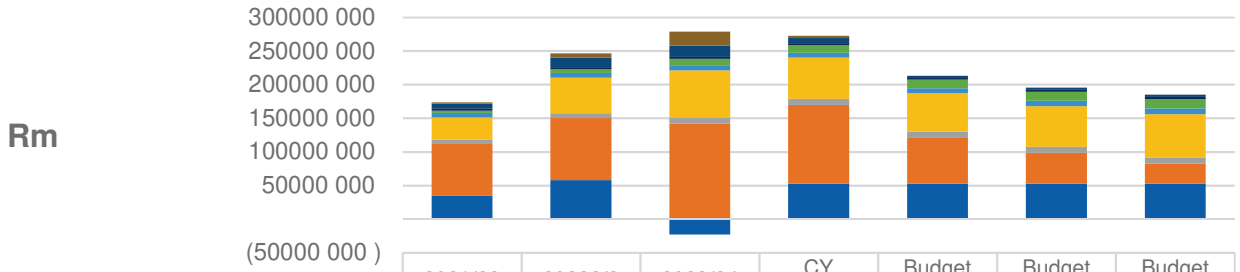

| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| Transfers recognised - capital | 87269 991 | 125273 268 | 92977 360 | 88616 145 | 101549 000 | 77043 000 | 52375 000 |
| Service charges - refuse | 76964 343 | 85923 288 | 97730 601 | 108945 600 | 115443 970 | 122552 100 | 129905 214 |
| Service charges - sanitation revenue | 93236 718 | 100655 126 | 114193 345 | 126600 000 | 129532 897 | 140980 300 | 149439 100 |
| Service charges - water revenue | 142484 346 | 158069 809 | 182281 918 | 197000 000 | 209109 301 | 221026 000 | 234287 554 |
| Transfers recognised - operating | 151902 534 | 172162 413 | 191359 472 | 199300 163 | 203607 374 | 199962 100 | 209075 100 |
| Property rates | 280175 907 | 297101 241 | 339596 228 | 367000 000 | 399396 900 | 423052 300 | 448114 652 |
| Service charges - electricity revenue | 512790 885 | 495999 489 | 607716 395 | 679000 000 | 745540 146 | 791153 460 | 838622 655 |

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



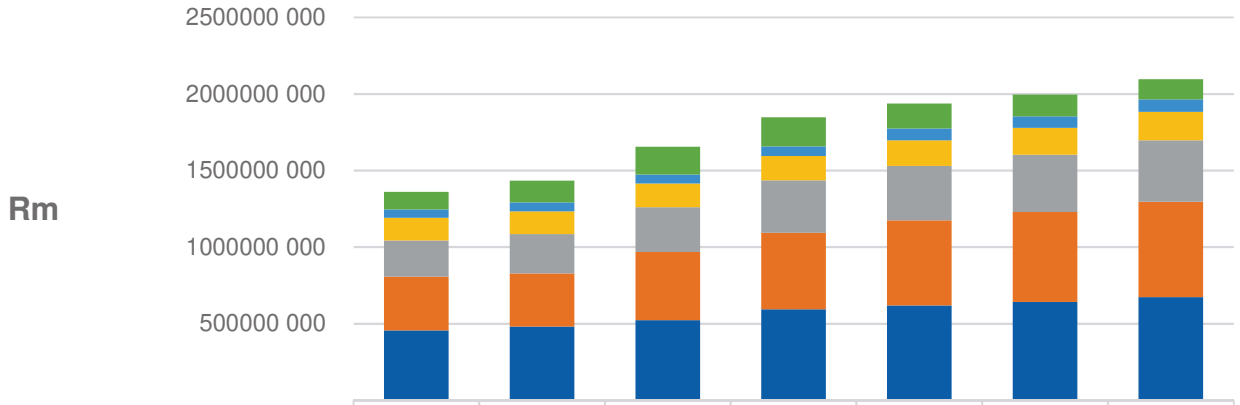

| | Service charges - electricity revenue | Property rates | Transfers recognised - operating | Service charges - water revenue | Service charges - sanitation revenue | Service charges - refuse | Transfers recognised - capital |
|---|---|---|---|---|---|---|---|
| 2021/22 AUD | 512790 885 | 280175 907 | 151902 534 | 142484 346 | 93236 718 | 76964 343 | 87269 991 |
| 20222/23 AUD | 495999 489 | 297101 241 | 172162 413 | 158069 809 | 100655 126 | 85923 288 | 125273 268 |
| 2023/24 AUD | 607716 395 | 339596 228 | 191359 472 | 182281 918 | 114193 345 | 97730 601 | 92977 360 |
| CY 24/25 ADJ | 679000 000 | 367000 000 | 199300 163 | 197000 000 | 126600 000 | 108945 600 | 88616 145 |
| Budget Year 2025/26 | 745540 146 | 399396 900 | 203607 374 | 209109 301 | 129532 897 | 115443 970 | 101549 000 |
| Budget Year +1 2026/27 | 791153 460 | 423052 300 | 199962 100 | 221026 000 | 140980 300 | 122552 100 | 77043 000 |
| Budget Year +2 2027/28 | 838622 655 | 448114 652 | 209075 100 | 234287 554 | 149439 100 | 129905 214 | 52375 000 |

## Revenue by Source - Minor - Chart A6



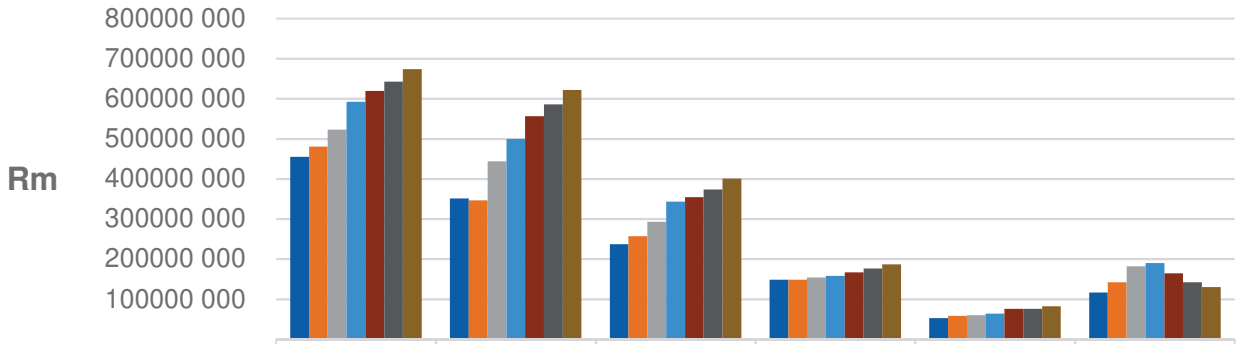

| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| Contributed assets | 2060 388 | 6129 795 | 21280 062 | 3657 800 | | | |
| Dividends received | | | | | | | |
| Service charges - other | | | | | | | |
| Fair value adjustments | 7570 140 | 14278 606 | 16679 308 | 7650 000 | 3000 000 | 3180 000 | 3370 800 |
| Contributions | | | | | | | |
| Licences and permits | 2780 229 | 2977 019 | 2930 727 | 2779 200 | 2780 000 | 2946 800 | 3123 608 |
| Interest earned - outstanding debtors | 3369 823 | 5796 232 | 10299 361 | 11500 300 | 12500 300 | 13250 300 | 14045 300 |
| Agency services | 6879 935 | 7140 496 | 6598 786 | 7103 200 | 7500 100 | 7950 100 | 8427 100 |
| Interest earned - external investments | 32758 610 | 53077 824 | 70819 153 | 61360 100 | 57300 100 | 60738 100 | 64382 380 |
| Rental of facilities and equipment | 6692 388 | 6747 022 | 8287 115 | 9065 401 | 7995 700 | 8475 082 | 8983 227 |
| Operational revenue | 76370 738 | 92340 316 | 142061 150 | 117139 177 | 69278 600 | 46216 104 | 29746 498 |
| Fines | 35123 907 | 58043 459 | (22969 626 ) | 52460 101 | 52536 700 | 52636 060 | 52741 382 |

## Expenditure by Type - Major - Chart A7



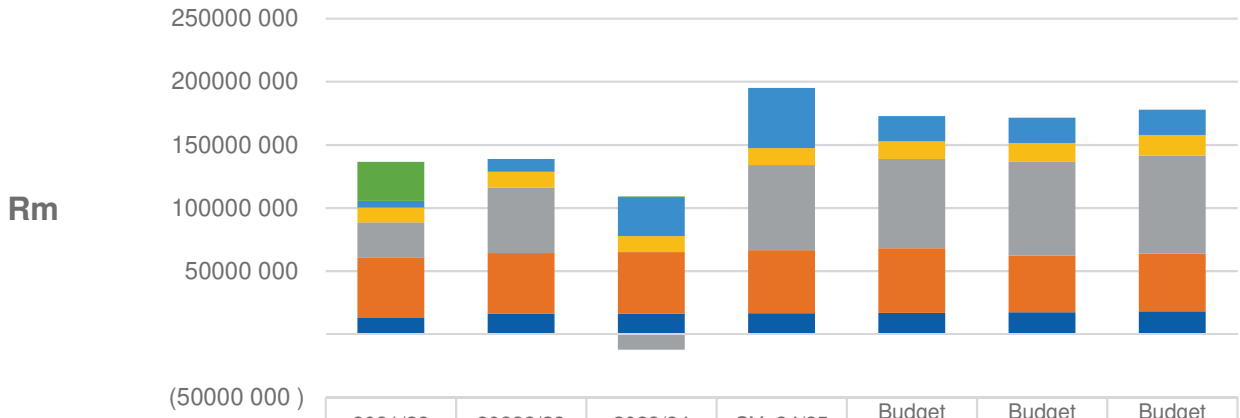

| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| Operating costs | 116244 635 | 142110 640 | 181848 140 | 189737 979 | 164183 031 | 141857 052 | 129786 105 |
| Inventory consumed | 52852 424 | 58292 266 | 59911 619 | 64234 232 | 76167 985 | 75536 278 | 82188 312 |
| Depreciation & asset impairment | 148319 442 | 148320 576 | 153790 428 | 158441 156 | 167211 038 | 176608 671 | 186617 481 |
| Contracted services | 237215 092 | 257087 508 | 293270 297 | 343096 150 | 354297 278 | 373949 450 | 400662 656 |
| Bulk purchases | 351600 047 | 346417 577 | 444223 058 | 499604 615 | 556159 858 | 585970 026 | 622241 571 |
| Employee related costs | 454786 629 | 480938 912 | 522687 973 | 592473 705 | 619193 563 | 642368 661 | 673354 493 |

## Expenditure by Type - Major - Chart A7 - Source trend



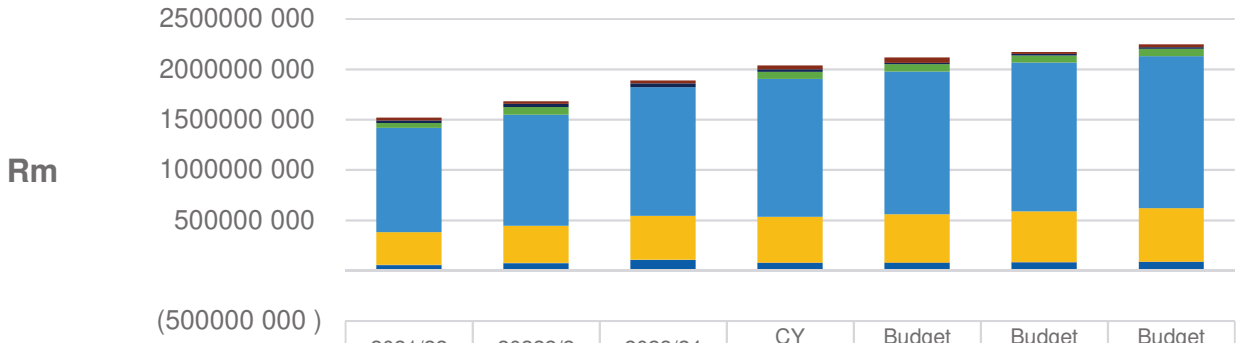

| | Employee related costs | Bulk purchases | Contracted services | Depreciation & asset impairment | Inventory consumed | Operating costs |
|---|---|---|---|---|---|---|
| 2021/22 AUD | 454786 629 | 351600 047 | 237215 092 | 148319 442 | 52852 424 | 116244 635 |
| 20222/23 AUD | 480938 912 | 346417 577 | 257087 508 | 148320 576 | 58292 266 | 142110 640 |
| 2023/24 AUD | 522687 973 | 444223 058 | 293270 297 | 153790 428 | 59911 619 | 181848 140 |
| CY 24/25 ADJ | 592473 705 | 499604 615 | 343096 150 | 158441 156 | 64234 232 | 189737 979 |
| Budget Year 2025/26 | 619193 563 | 556159 858 | 354297 278 | 167211 038 | 76167 985 | 164183 031 |
| Budget Year +1 2026/27 | 642368 661 | 585970 026 | 373949 450 | 176608 671 | 75536 278 | 141857 052 |
| Budget Year +2 2027/28 | 673354 493 | 622241 571 | 400662 656 | 186617 481 | 82188 312 | 129786 105 |

## Expenditure by Type - Minor - Chart A7



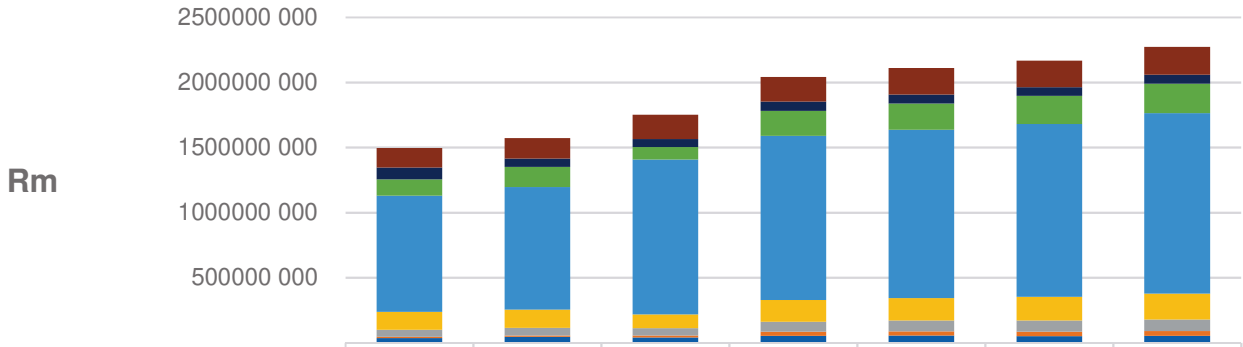

| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| Loss on disposal of PPE | 30979 041 | | 514 417 | | | | |
| Irrecoverable debts written off | 5258 456 | 10206 090 | 30884 043 | 47709 492 | 20000 000 | 20000 000 | 20000 000 |
| Remuneration of councillors | 11581 935 | 12314 714 | 12730 105 | 13506 129 | 14011 541 | 15062 012 | 16151 390 |
| Debt impairment | 28248 033 | 52100 171 | (12141 475 ) | 67400 000 | 70769 999 | 74308 500 | 78023 924 |
| Interest | 47584 050 | 48152 260 | 48570 690 | 49814 200 | 51227 000 | 44657 000 | 45526 000 |
| Transfers and subsidies | 12813 230 | 16086 449 | 16512 068 | 16716 800 | 16769 800 | 17486 600 | 18128 000 |

## Revenue by Municipal Vote classification - Chart A1



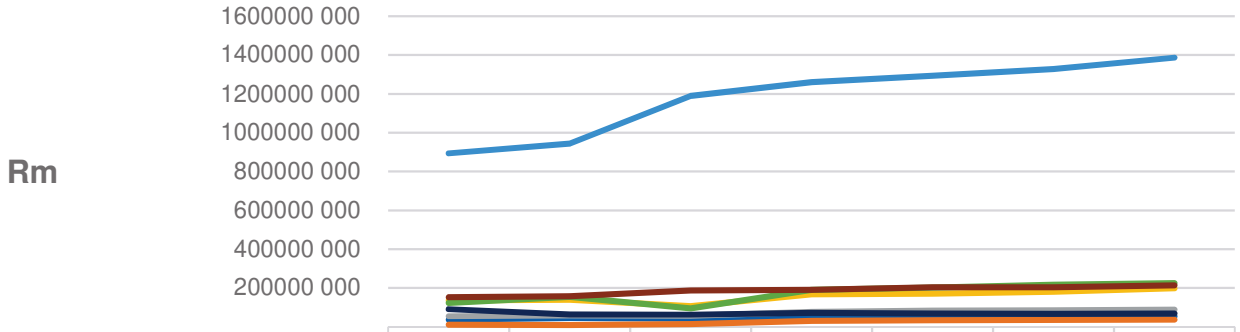

| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| Community Services | 27138 560 | 24794 687 | 29544 999 | 38268 185 | 52938 600 | 19957 354 | 28421 707 |
| Planning and Development | 25228 924 | 32033 051 | 39247 599 | 27206 132 | 15144 832 | 14692 109 | 16433 388 |
| Public Safety | 48857 083 | 76056 257 | (7188 250 ) | 70322 600 | 71012 200 | 71492 100 | 72585 474 |
| Infrastructure Services | 1034384 272 | 1102798 090 | 1275676 923 | 1370155 902 | 1419612 600 | 1476820 114 | 1508055 106 |
| Financial Services | 325948 662 | 370122 126 | 436858 629 | 452207 498 | 477665 842 | 503241 651 | 532330 967 |
| Corporate Services | 3603 236 | 1495 803 | 1492 439 | 1464 100 | 1274 300 | 1344 752 | 1419 431 |
| Office of the Municipal Manager | | | | 1931 000 | 515 000 | 545 900 | 578 655 |
| Municipal Council | 53270 146 | 74415 387 | 106209 016 | 77621 770 | 78907 714 | 83067 826 | 86814 842 |

## Expenditure by Municipal Vote classification - Chart A2a



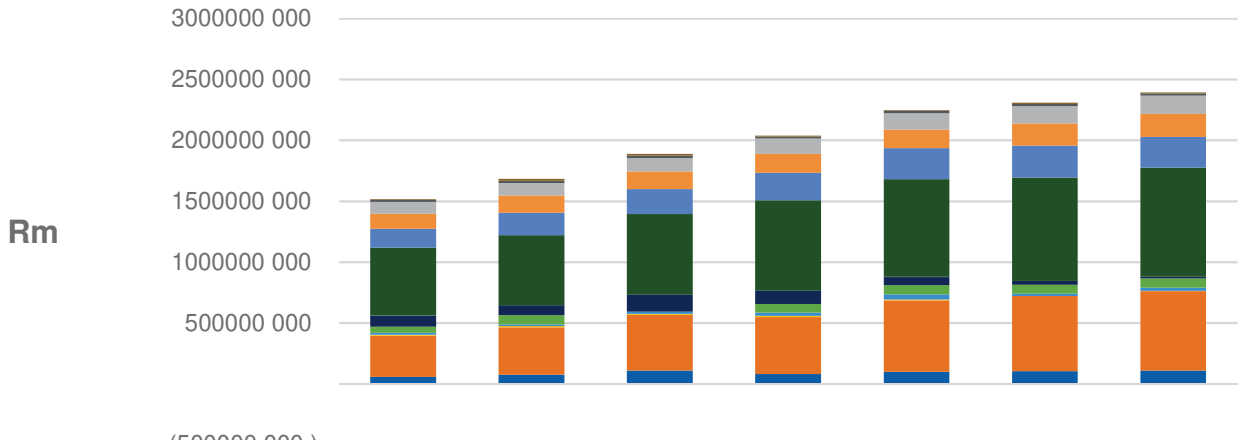

| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| Community Services | 152165 737 | 157827 377 | 186655 867 | 190033 738 | 203115 523 | 203744 133 | 213945 310 |
| Planning and Development | 90848 237 | 63184 543 | 62634 141 | 71184 178 | 68525 556 | 66549 395 | 69312 312 |
| Public Safety | 123167 019 | 153723 226 | 94946 566 | 191120 164 | 201554 581 | 216833 020 | 225624 739 |
| Infrastructure Services | 893615 232 | 943252 737 | 1189409 557 | 1261212 621 | 1293519 952 | 1327939 607 | 1386612 290 |
| Financial Services | 136612 110 | 140077 664 | 106638 182 | 168136 938 | 171468 072 | 180629 337 | 197883 762 |
| Corporate Services | 54553 099 | 58074 959 | 56962 783 | 76577 862 | 82589 240 | 85570 344 | 88975 200 |
| Office of the Municipal Manager | 10117 131 | 9709 352 | 14201 000 | 30558 553 | 33701 794 | 35364 584 | 36867 535 |
| Municipal Council | 36404 448 | 46177 305 | 41353 265 | 53910 404 | 55516 375 | 51173 830 | 53458 784 |

## Expenditure by Municipal Vote classification - Chart A2 (Trend)



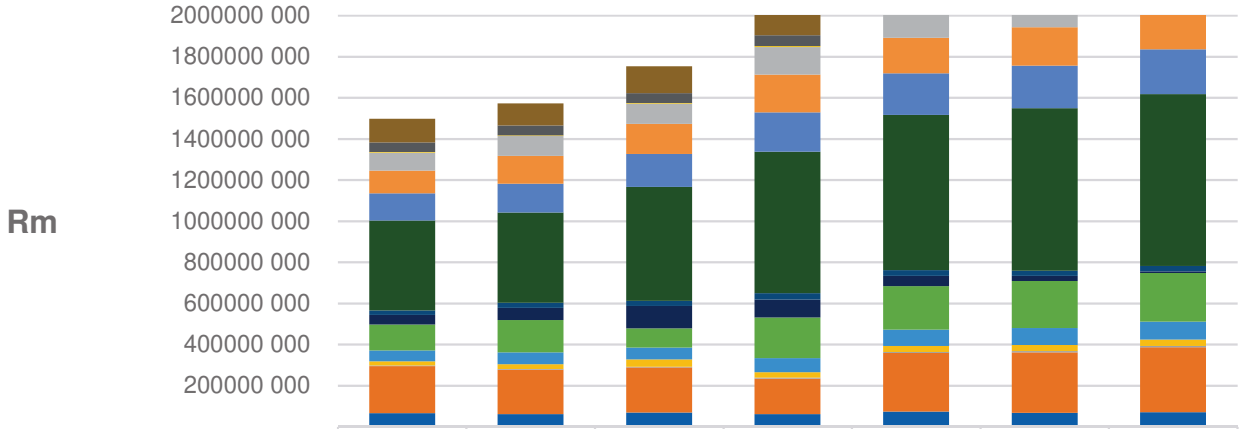

| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| Municipal Council | 36404 448 | 46177 305 | 41353 265 | 53910 404 | 55516 375 | 51173 830 | 53458 784 |
| Office of the Municipal Manager | 10117 131 | 9709 352 | 14201 000 | 30558 553 | 33701 794 | 35364 584 | 36867 535 |
| Corporate Services | 54553 099 | 58074 959 | 56962 783 | 76577 862 | 82589 240 | 85570 344 | 88975 200 |
| Financial Services | 136612 110 | 140077 664 | 106638 182 | 168136 938 | 171468 072 | 180629 337 | 197883 762 |
| Infrastructure Services | 893615 232 | 943252 737 | 1189409 557 | 1261212 621 | 1293519 952 | 1327939 607 | 1386612 290 |
| Public Safety | 123167 019 | 153723 226 | 94946 566 | 191120 164 | 201554 581 | 216833 020 | 225624 739 |
| Planning and Development | 90848 237 | 63184 543 | 62634 141 | 71184 178 | 68525 556 | 66549 395 | 69312 312 |
| Community Services | 152165 737 | 157827 377 | 186655 867 | 190033 738 | 203115 523 | 203744 133 | 213945 310 |

## Revenue by Standard classification - Chart A3



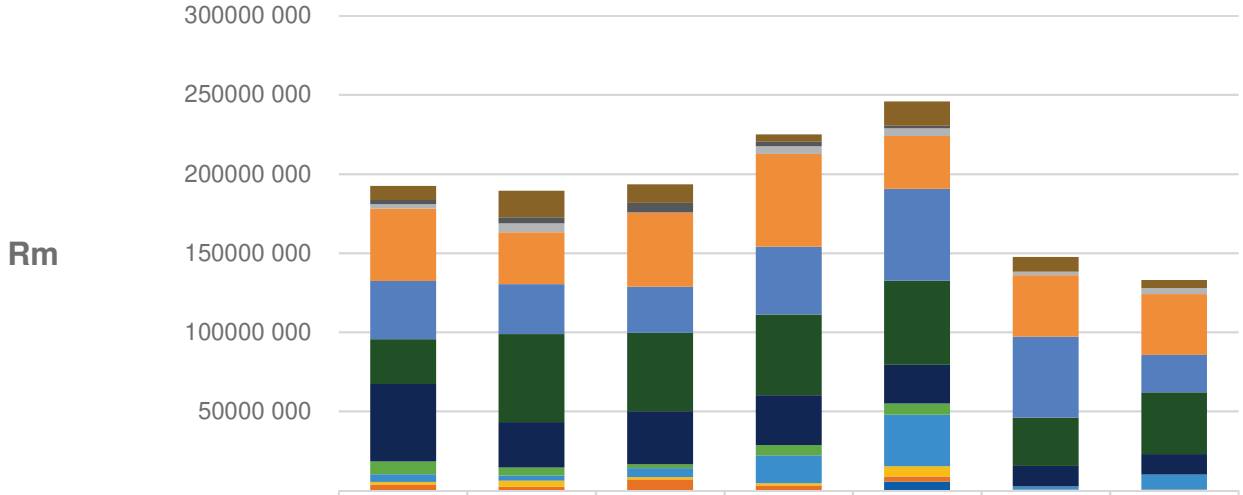

| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| Road transport | 6341 793 | 14876 922 | 15248 468 | 9990 300 | 6430 300 | 9848 300 | 5483 380 |
| Planning and development | 17461 266 | 19181 369 | 21179 477 | 15389 000 | 20901 480 | 18258 496 | 19331 657 |
| Health | | | | | | | |
| Waste management | 97853 940 | 102584 951 | 108719 388 | 126677 887 | 134170 200 | 142265 604 | 150506 700 |
| Waste water management | 123924 177 | 141829 184 | 145523 722 | 154475 683 | 151900 300 | 181383 035 | 189066 018 |
| Water management | 156425 649 | 182255 492 | 206016 785 | 227241 577 | 254990 200 | 264806 474 | 252630 329 |
| Energy sources | 557894 194 | 576269 405 | 661408 933 | 739445 355 | 803779 200 | 847370 301 | 897368 279 |
| Environmental protection | 498 399 | 39 790 | 40 459 | 737 832 | 625 774 | 400 | 400 |
| Housing | 91383 329 | 82149 986 | 138627 897 | 111391 000 | 67749 600 | 31485 800 | 13360 152 |
| Public safety | 48216 067 | 76056 257 | (7188 216 ) | 70322 600 | 73980 349 | 74591 748 | 75858 606 |
| Sport and recreation | 15568 412 | 14939 134 | 18509 902 | 27743 867 | 42443 300 | 18293 612 | 26663 156 |
| Community and social services | 9725 744 | 9270 124 | 9474 486 | 9293 177 | 9667 200 | 884 642 | 928 571 |
| Internal audit | | | | | | | |
| Finance and administration | 339513 860 | 389170 276 | 457860 338 | 468844 238 | 584416 328 | 616797 918 | 653118 173 |
| Executive and council | 53624 053 | 73092 464 | 106419 692 | 77624 671 | 97812 496 | 102810 127 | 107662 058 |

## Expenditure by Standard classification - Chart A4



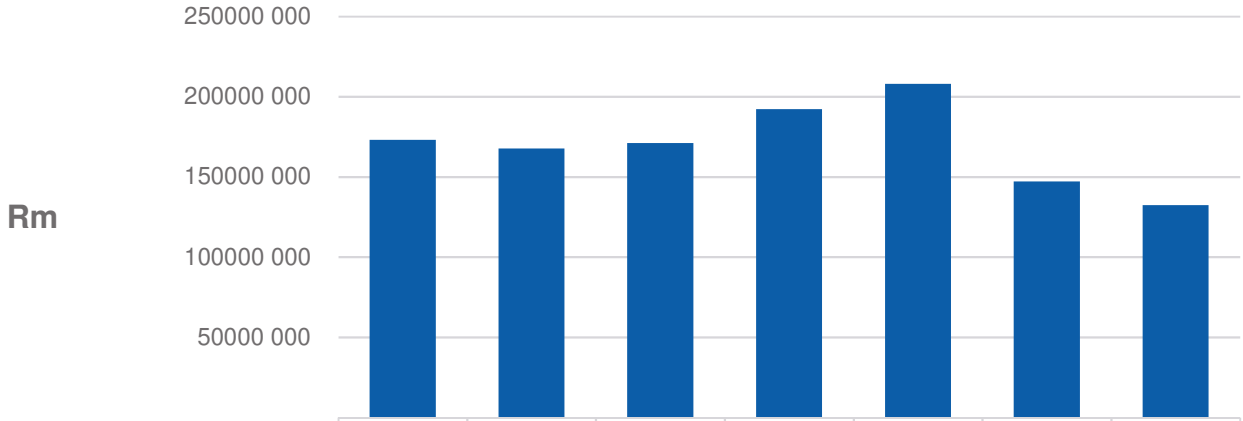

| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| Road transport | 114891 407 | 107693 660 | 131258 244 | 138671 104 | 150904 226 | 161507 979 | 174428 287 |
| Planning and development | 47151 717 | 47424 584 | 48212 462 | 52320 200 | 63589 474 | 62306 772 | 65205 129 |
| Health | | | | | | | |
| Other | 2922 816 | 3721 544 | 2830 401 | 5934 638 | 6921 010 | 7237 097 | 7566 982 |
| Waste management | 86788 219 | 96860 700 | 97058 991 | 133588 487 | 128430 437 | 132098 594 | 140543 187 |
| Waste water management | 110529 008 | 134708 673 | 147196 098 | 183531 009 | 172526 204 | 186103 881 | 195273 784 |
| Water management | 131791 809 | 139628 886 | 160902 486 | 191476 809 | 203331 734 | 207497 902 | 216739 515 |
| Energy sources | 438280 562 | 439681 170 | 553663 757 | 687564 317 | 755473 138 | 789895 878 | 836301 373 |
| Environmental protection | 21089 549 | 24495 534 | 24623 178 | 31882 423 | 26529 526 | 25292 385 | 26119 548 |
| Housing | 46728 520 | 59986 757 | 109722 700 | 86823 606 | 50232 205 | 25804 091 | 7976 962 |
| Public safety | 126920 319 | 156968 700 | 92802 040 | 197558 303 | 212178 122 | 227644 827 | 237285 815 |
| Sport and recreation | 53048 849 | 57811 390 | 57556 301 | 68153 667 | 79621 704 | 83511 229 | 87666 658 |
| Community and social services | 20500 458 | 22970 332 | 36149 001 | 26897 666 | 28762 024 | 29798 464 | 31171 432 |
| Internal audit | 2898 492 | 3150 140 | 3339 057 | 4516 834 | 4862 878 | 5018 786 | 5230 295 |
| Finance and administration | 228680 288 | 216560 938 | 219137 533 | 173523 605 | 284657 198 | 295023 425 | 316782 449 |
| Executive and council | 65261 000 | 60364 155 | 68349 115 | 60291 790 | 73766 852 | 66697 591 | 69726 425 |

## Capital expenditure by Standard classification - Chart A11



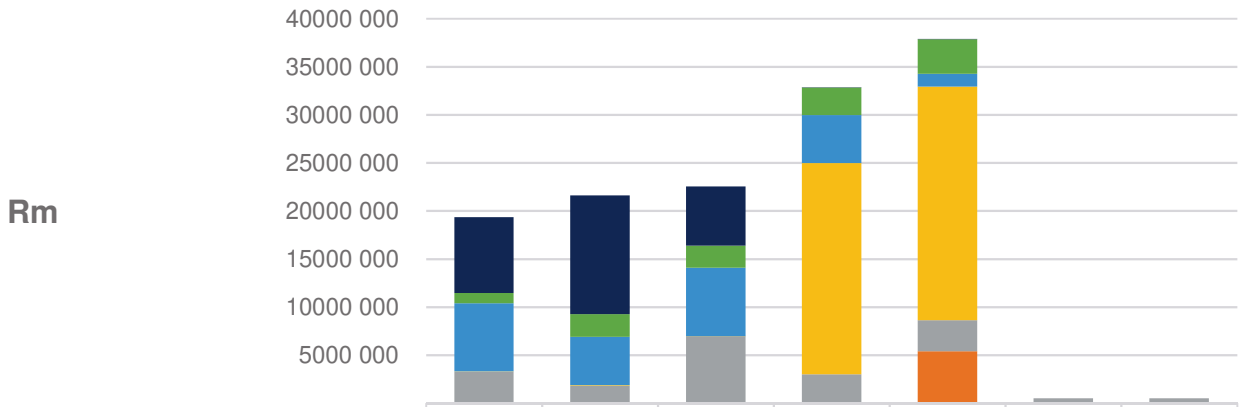

| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| Road transport | 8748 225 | 16798 573 | 11755 142 | 4600 000 | 15400 000 | 9400 000 | 5000 000 |
| Planning and development | 2656 328 | 3718 990 | 6170 473 | 2875 000 | 1554 000 | | |
| Health | | | | | | | |
| Waste management | 2971 588 | 5637 060 | 115 217 | 4879 788 | 4940 000 | 2100 000 | 3900 000 |
| Waste water management | 45731 686 | 32801 081 | 46734 770 | 58723 190 | 33360 000 | 38850 000 | 38300 000 |
| Water management | 36720 698 | 31607 551 | 29091 572 | 42775 470 | 57927 000 | 51142 000 | 23800 000 |
| Energy sources | 28252 701 | 55691 590 | 49583 233 | 51031 236 | 53289 798 | 30551 000 | 38983 000 |
| Environmental protection | | | | | | | |
| Housing | 49030 714 | 28623 403 | 33678 000 | 31443 720 | 24542 000 | 13000 000 | 13000 000 |
| Public safety | 7998 428 | 5007 380 | 2310 424 | 6650 000 | 7092 000 | | |
| Sport and recreation | 5046 868 | 3317 616 | 5741 125 | 17509 148 | 32601 000 | 2000 000 | 9392 000 |
| Community and social services | 1458 393 | 3889 645 | 1370 515 | 1351 170 | 6325 000 | | |
| Internal audit | | | | | | | |
| Finance and administration | 3758 578 | 2223 216 | 6960 107 | 3085 000 | 3359 000 | 500 000 | 500 000 |
| Executive and council | 2 511 | 4 949 | 7 367 | 70 000 | 5441 000 | | |

## Capital expenditure by Municipal Vote (Major) - Chart A9



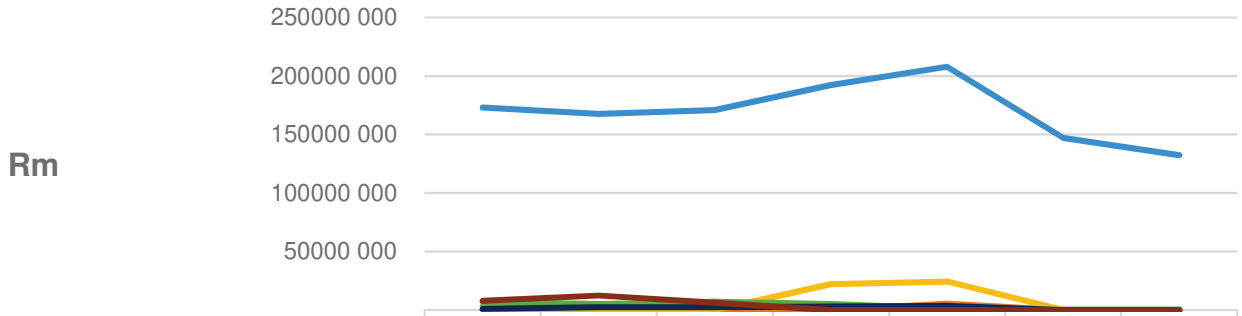

| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| Vote 5 - Infrastructure Services | 173038 021 | 167695 854 | 170957 934 | 192133 752 | 207934 798 | 147043 000 | 132375 000 |

## Capital expenditure by Municipal Vote (Minor) - Chart A10



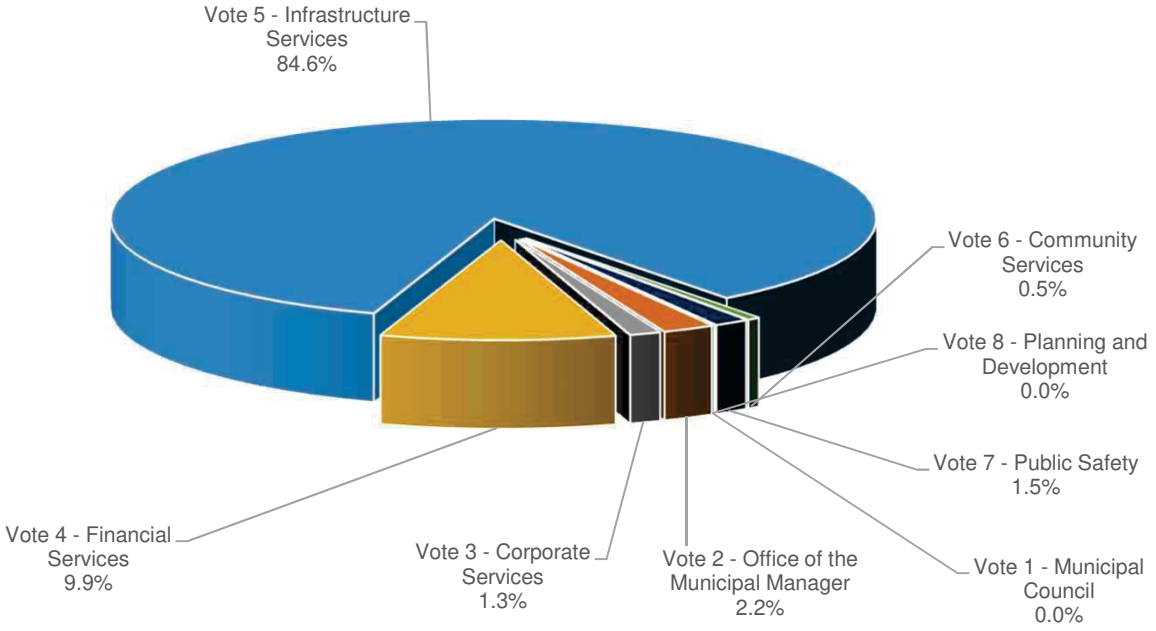

| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| Vote 8 - Planning and Development | 7875 756 | 12383 578 | 6170 473 | 30 000 | 29 000 | | |
| Vote 7 - Public Safety | 1065 634 | 2365 056 | 2310 425 | 2850 000 | 3592 000 | | |
| Vote 6 - Community Services | 7106 029 | 5007 380 | 7111 640 | 5008 970 | 1325 000 | | |
| Vote 4 - Financial Services | 41 677 | 57 215 | 10 290 | 21991 000 | 24320 000 | | |
| Vote 3 - Corporate Services | 3249 603 | 1811 971 | 6949 816 | 2965 000 | 3244 000 | 500 000 | 500 000 |
| Vote 2 - Office of the Municipal Manager | | | 7 367 | 15 000 | 5386 000 | | |
| Vote 1 - Municipal Council | | | | | | | |

## Capital expenditure by Municipal Vote (Trend) - Chart A12

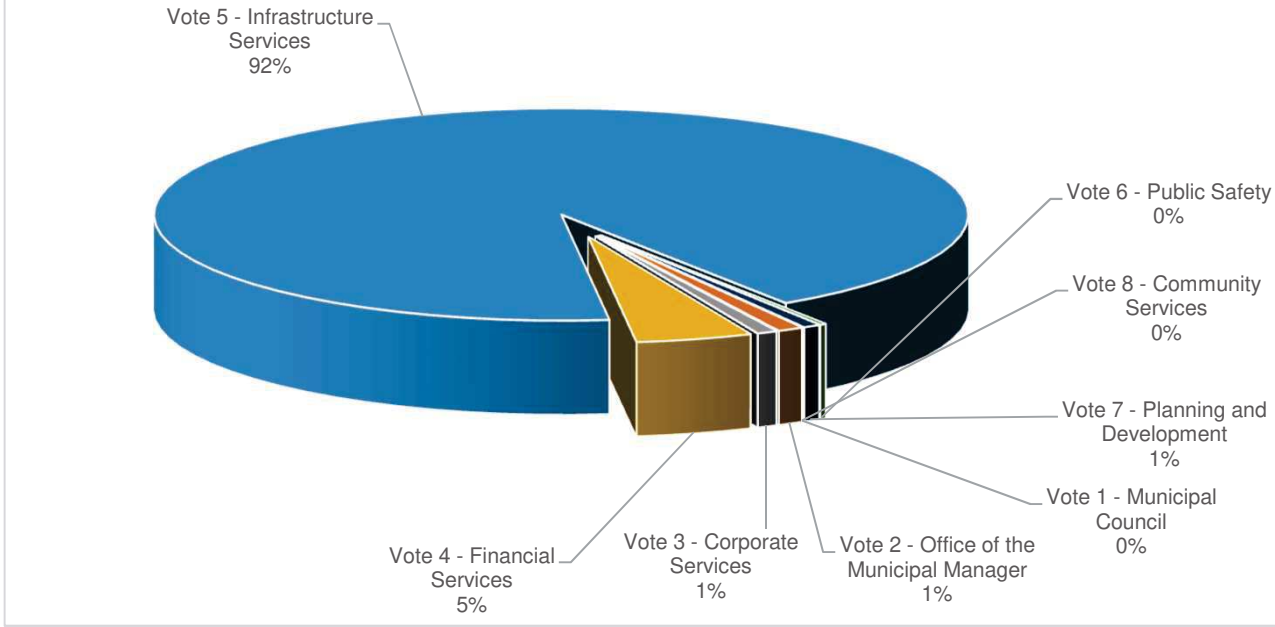



| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| Vote 1 - Municipal Council | | | | | | | |
| Vote 2 - Office of the Municipal Manager | | | 7 367 | 15 000 | 5386 000 | | |
| Vote 3 - Corporate Services | 3249 603 | 1811 971 | 6949 816 | 2965 000 | 3244 000 | 500 000 | 500 000 |
| Vote 4 - Financial Services | 41 677 | 57 215 | 10 290 | 21991 000 | 24320 000 | | |
| Vote 5 - Infrastructure Services | 173038 021 | 167695 854 | 170957 934 | 192133 752 | 207934 798 | 147043 000 | 132375 000 |
| Vote 6 - Community Services | 7106 029 | 5007 380 | 7111 640 | 5008 970 | 1325 000 | | |
| Vote 7 - Public Safety | 1065 634 | 2365 056 | 2310 425 | 2850 000 | 3592 000 | | |
| Vote 8 - Planning and Development | 7875 756 | 12383 578 | 6170 473 | 30 000 | 29 000 | | |

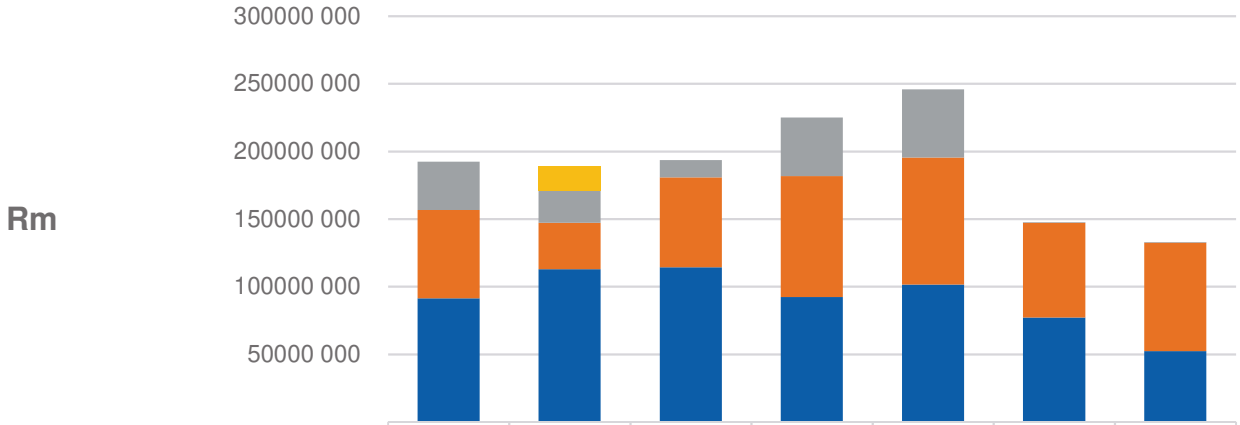
## 2025/26 Budget Year Capital expenditure program per Vote




## 2025/26 MTREF (3 year total) Capital expenditure program per Vote

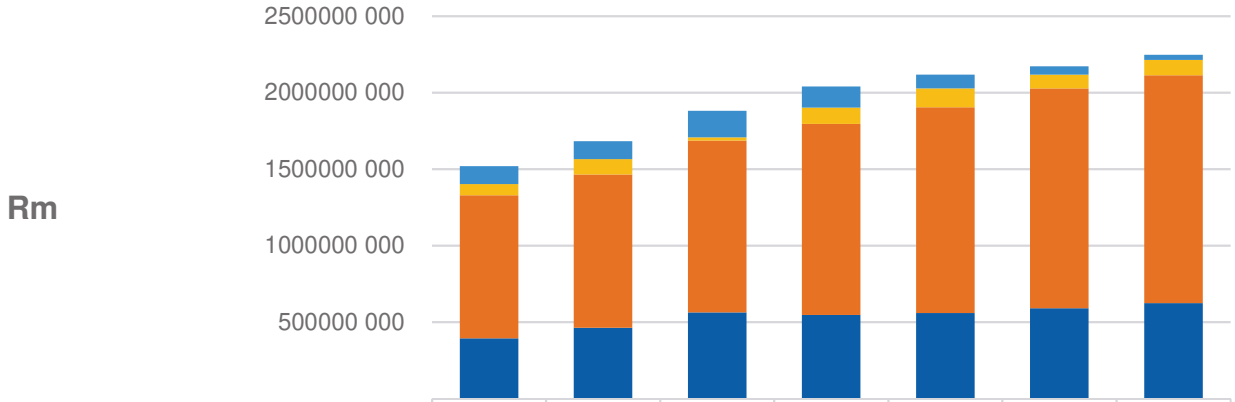


## Capital funding by source - Chart A13



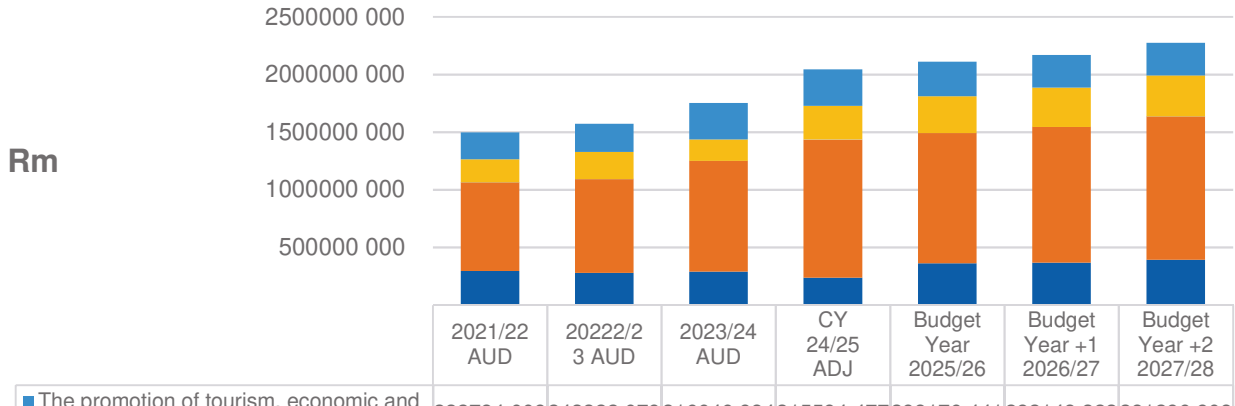

| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| Public contributions & donations | | 18467 089 | | | | | |
| Internally generated funds | 35774 945 | 23729 669 | 12744 874 | 43208 749 | 50300 000 | 500 000 | 500 000 |
| Borrowing | 65236 523 | 34248 771 | 66513 250 | 89511 028 | 93981 798 | 70000 000 | 80000 000 |
| Capital transfers recognised | 91365 252 | 112875 524 | 114259 822 | 92273 945 | 101549 000 | 77043 000 | 52375 000 |

## IDP Strategic Objectives - Revenue - Chart A14



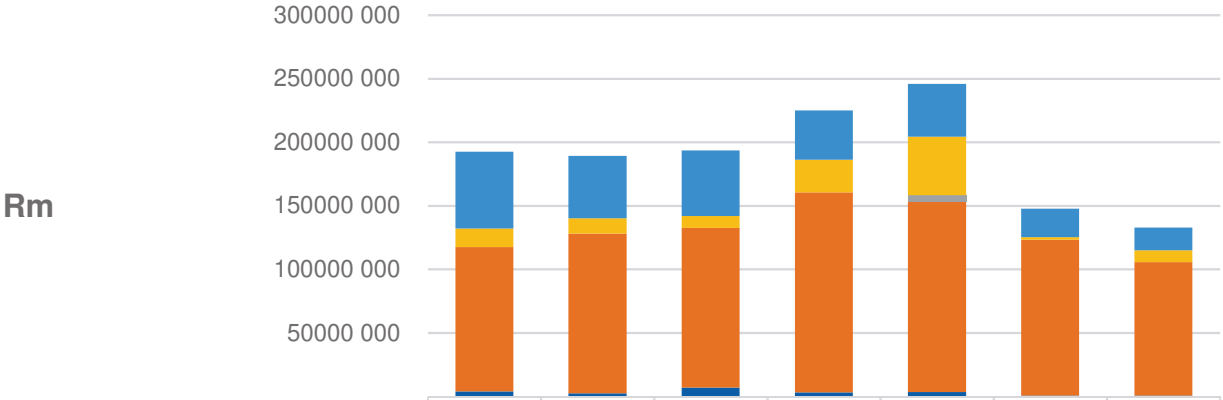

| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| The promotion of tourism, economic and social development | 115684 786 | 116248 067 | 175096 300 | 137508 132 | 90410 574 | 54061 760 | 32334 775 |
| The creation and maintenance of a safe and healthy environment | 73510 223 | 100265 515 | 20796 172 | 107359 644 | 123122 700 | 90670 354 | 100177 201 |
| The encouragement of structured community participation in the matters of the municipality | | | | | | | |
| Provision and maintenance of municipal services | 936097 960 | 1002939 032 | 1121668 828 | 1247840 502 | 2344839 900 | 1435825 414 | 1489571 326 |
| Provision of democratic accountable and ethical governance | 393137 913 | 462262 789 | 564280 053 | 546468 909 | 558697 914 | 590604 278 | 624556 268 |

## IDP Strategic Objectives - Expenditure - Chart A15



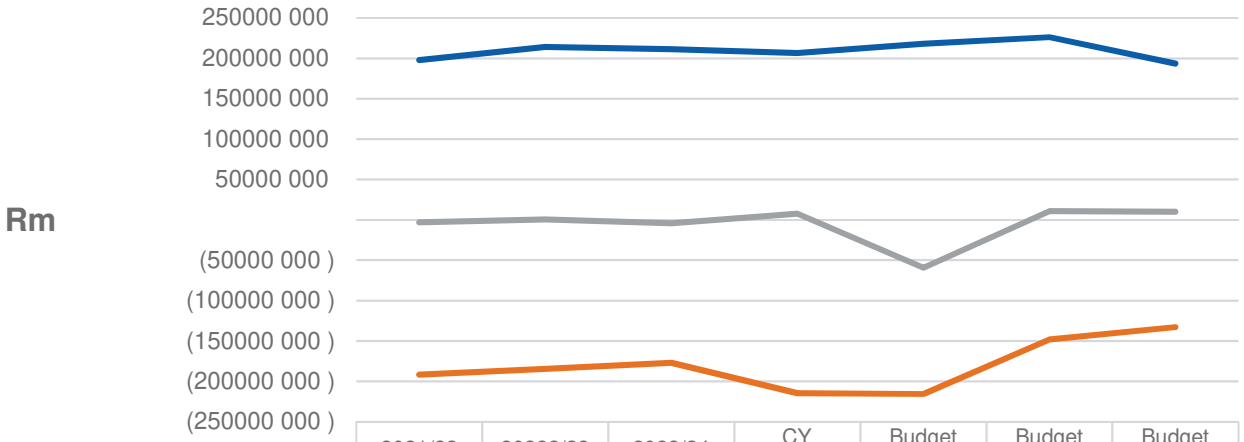

| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| The promotion of tourism, economic and social development | 232784 009 | 243322 079 | 316646 984 | 315594 477 | 298176 441 | 282148 323 | 281296 908 |
| The creation and maintenance of a safe and healthy environment | 200469 626 | 237750 423 | 186507 342 | 292603 067 | 320561 851 | 340954 520 | 356123 905 |
| The encouragement of structured community participation in the matters of the municipality | 374 200 | 392 800 | 255 800 | 758 385 | 758 385 | 758 385 | 758 385 |
| Provision and maintenance of municipal services | 767389 598 | 810879 430 | 958821 332 | 1196160 622 | 1127965 874 | 1177961 604 | 1243519 950 |
| Provision of democratic accountable and ethical governance | 296465 580 | 279682 432 | 290569 905 | 237617 907 | 362528 543 | 365981 418 | 390980 784 |

## IDP Strategic Objectives - Capital Expenditure - Chart A16



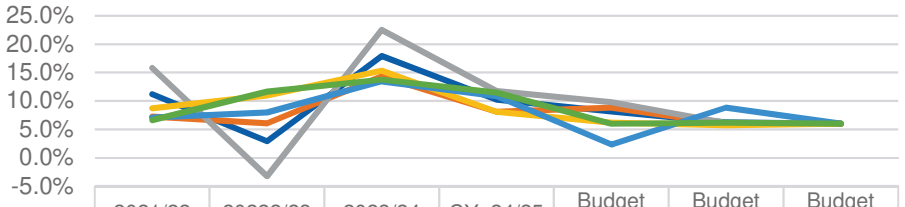

| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| The promotion of tourism, economic and social development | 60434 957 | 49140 605 | 51603 680 | 38919 038 | 41496 000 | 22400 000 | 18000 000 |
| The creation and maintenance of a safe and healthy environment | 14504 000 | 12215 000 | 9422 000 | 25510 000 | 46018 000 | 2000 000 | 9392 000 |
| The encouragement of structured community participation in the matters of the municipality | | | | | 5371 000 | | |
| Provision and maintenance of municipal services | 113676 674 | 125737 282 | 125524 792 | 157409 684 | 149516 798 | 122643 000 | 104983 000 |
| Provision of democratic accountable and ethical governance | 3761 089 | 2228 166 | 6967 474 | 3155 000 | 3429 000 | 500 000 | 500 000 |

## Cash flow trend - Chart A23



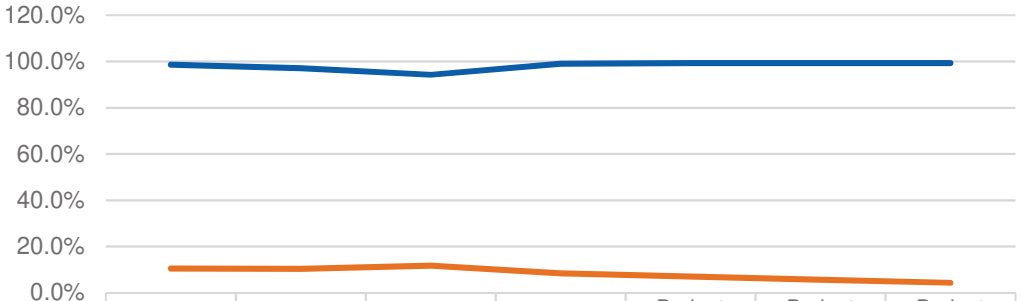

| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| Cash Flow - Op. Activities | 197998 507 | 214122 755 | 211450 035 | 206650 130 | 218058 709 | 226111 493 | 193522 550 |
| Cash Flow - Investing (used) | (191548 809 | (184494 996 | (176913 476 | (214711 644 | (215663 597 | (147903 000 | (132875 000 |
| Cash Flow - Financing | (2892 572 ) | 627 683 | (4414 031 ) | 7794 779 | (59453 875 ) | 10666 626 | 9934 296 |

## Service charges - Revenue % change - Chart A22



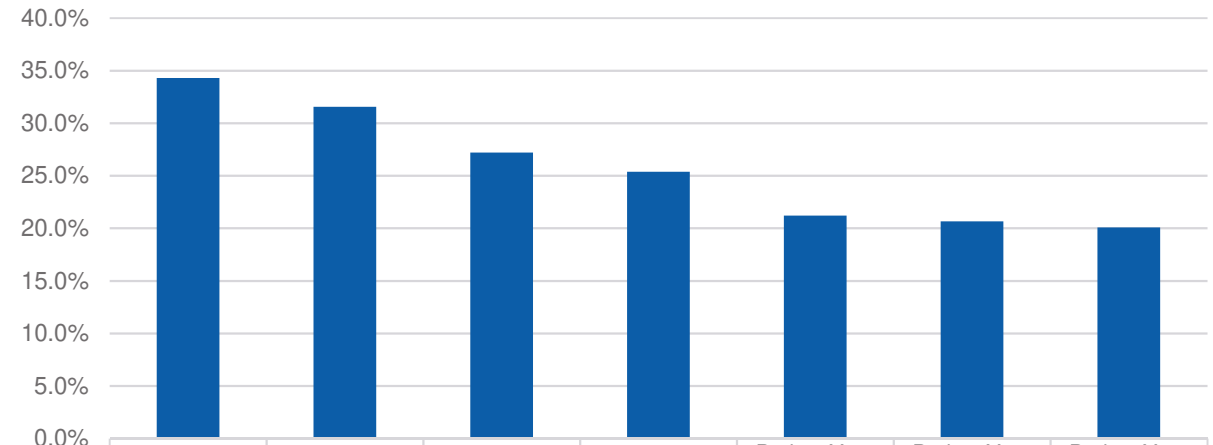

| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| % incr total service charges (incl prop rates) | 11.2% | 2.9% | 17.9% | 10.2% | 8.1% | 6.2% | 6.0% |
| % incr Property Tax | 7.3% | 6.0% | 14.3% | 8.1% | 8.8% | 5.9% | 5.9% |
| % incr Service charges - electricity revenue | 15.8% | -3.3% | 22.5% | 11.7% | 9.8% | 6.1% | 6.0% |
| % incr Service charges - water revenue | 8.7% | 10.9% | 15.3% | 8.1% | 6.1% | 5.7% | 6.0% |
| % incr Service charges - sanitation revenue | 7.1% | 8.0% | 13.5% | 10.9% | 2.3% | 8.8% | 6.0% |
| % incr Service charges - refuse | 6.6% | 11.6% | 13.7% | 11.5% | 6.0% | 6.2% | 6.0% |

## Revenue collection - Chart A18



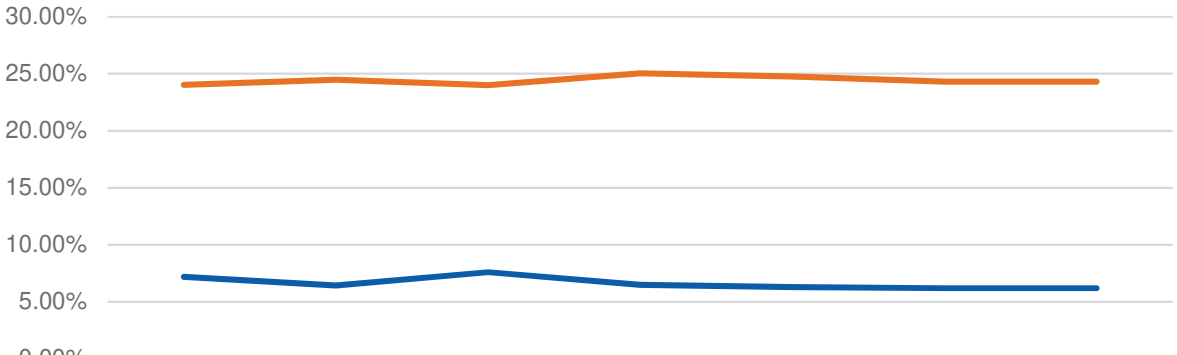

| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| Annual Debtors Collection | 98.6% | 97.1% | 94.3% | 99.1% | 99.4% | 99.4% | 99.4% |
| O/S Debtors to Revenue | 10.4% | 10.4% | 11.7% | 8.5% | 7.0% | 5.6% | 4.3% |

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



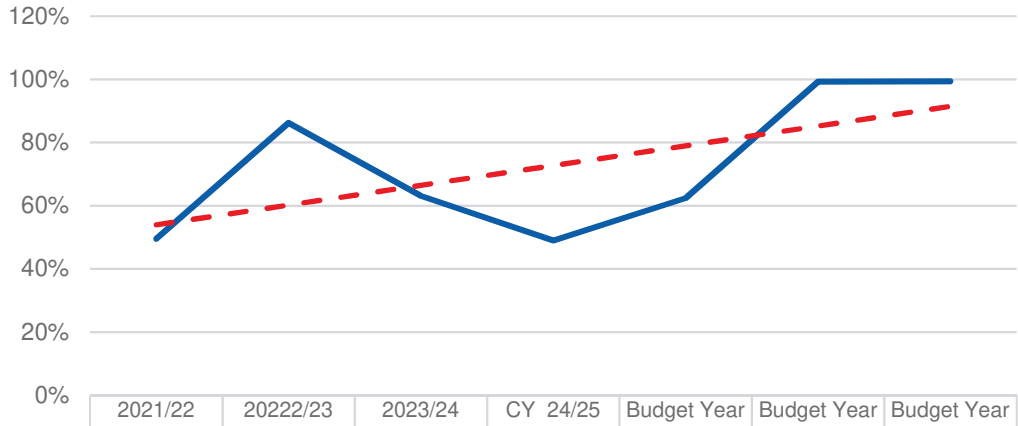

| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| Borrowing | 34.3% | 31.6% | 27.2% | 25.4% | 21.2% | 20.7% | 20.1% |

## Distribution losses - Chart A19



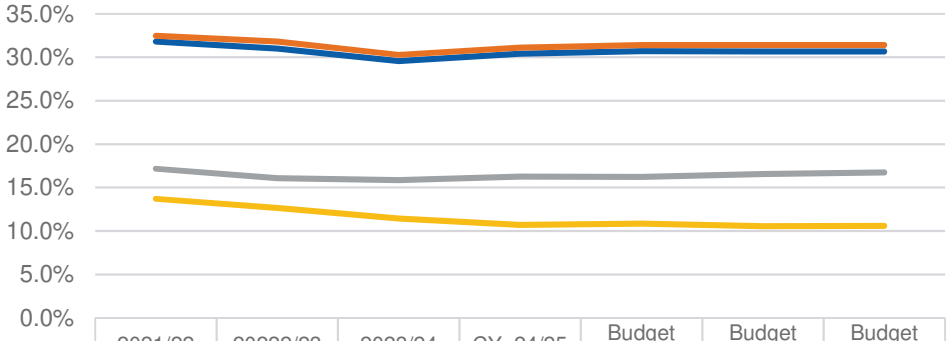

| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| Electricity | 7.20% | 6.43% | 7.60% | 6.49% | 6.30% | 6.20% | 6.20% |
| Water | 24.04% | 24.47% | 24.00% | 25.04% | 24.75% | 24.30% | 24.30% |

## Borrowed capex funding - Chart A20



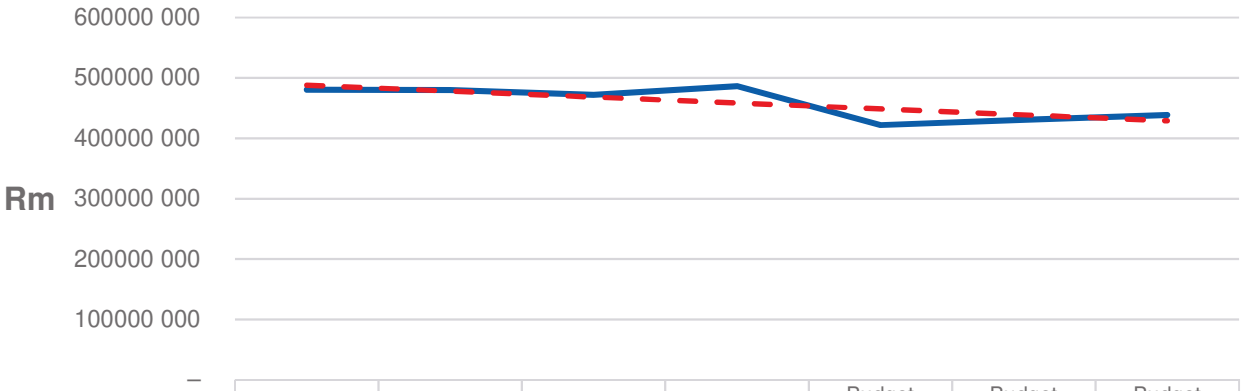

| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| Borrowed capex funding | 49% | 86% | 63% | 49% | 62% | 99% | 99% |

## Expenditure analysis (of Total Revenue) - Chart A21



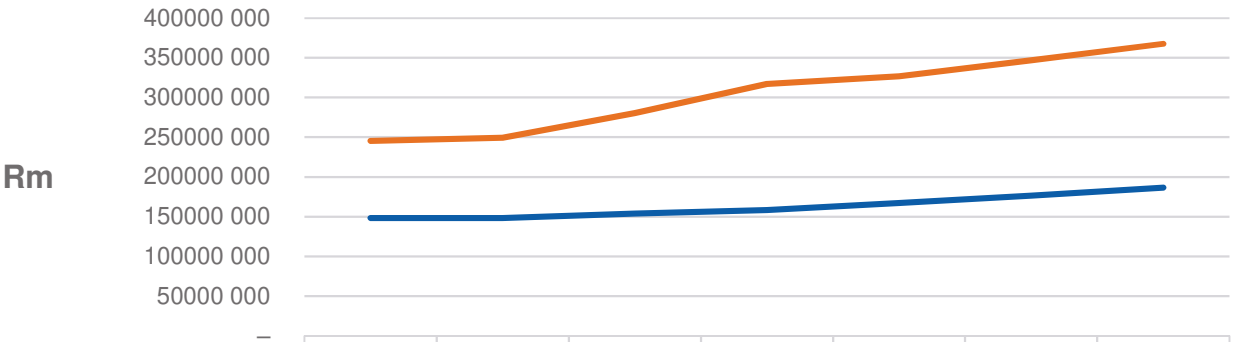

| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| Employee costs | 31.8% | 31.0% | 29.6% | 30.4% | 30.7% | 30.7% | 30.7% |
| Remuneration | 32.5% | 31.8% | 30.3% | 31.1% | 31.4% | 31.4% | 31.4% |
| Repairs & Maintenance | 17.2% | 16.1% | 15.9% | 16.3% | 16.2% | 16.6% | 16.8% |
| Finance charges & Depreciation | 13.7% | 12.7% | 11.4% | 10.7% | 10.8% | 10.6% | 10.6% |

## Borrowings

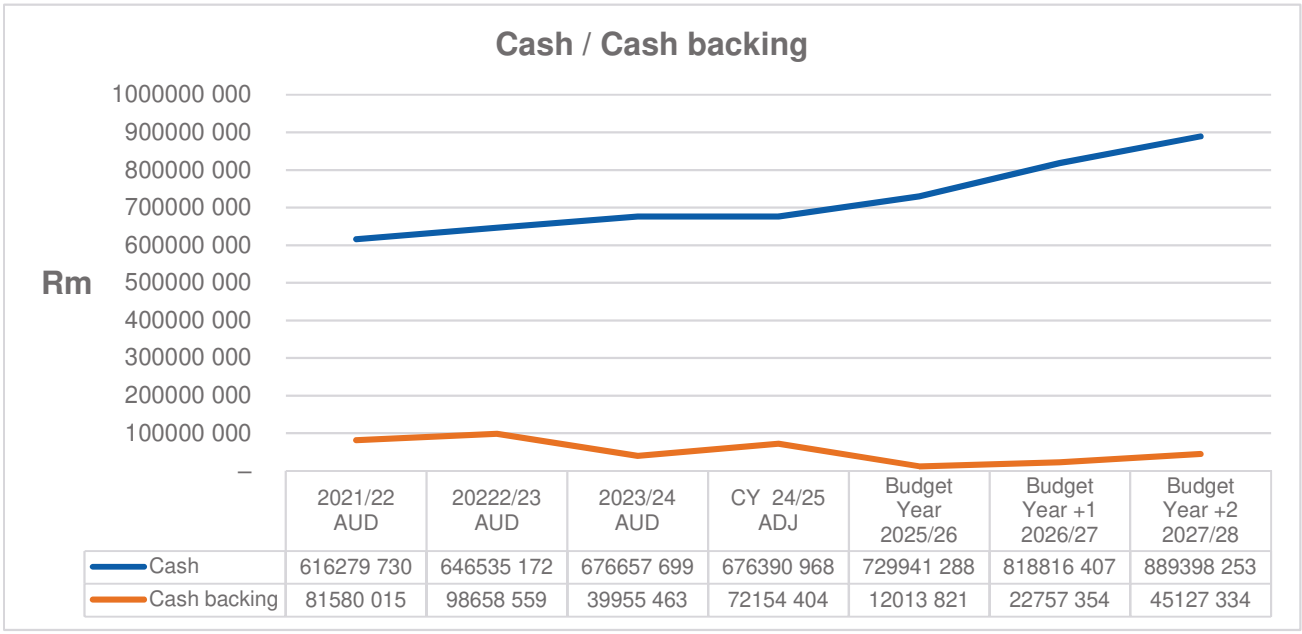



| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| Borrowings | 480400 209 | 479906 215 | 471957 267 | 486352 047 | 421859 233 | 430475 859 | 438360 155 |

## Depreciation vs Repairs & Maintenance




| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| Depreciation | 148319 442 | 148320 576 | 153790 428 | 158441 156 | 167211 038 | 176608 671 | 186617 481 |
| Repairs & maintenance | 245386 034 | 249505 435 | 280464 973 | 317123 980 | 326900 393 | 346982 712 | 367554 188 |




| | 2021/22 AUD | 20222/23 AUD | 2023/24 AUD | CY 24/25 ADJ | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| Cash | 616279 730 | 646535 172 | 676657 699 | 676390 968 | 729941 288 | 818816 407 | 889398 253 |
| Cash backing | 81580 015 | 98658 559 | 39955 463 | 72154 404 | 12013 821 | 22757 354 | 45127 334 |

# ANNEXURE C

# RATES AND TARIFFS

**2025/2026**

| Tariff | 23/10/2024 |
|---|---|
| Rates (% increase on cent in the Rand) | 9.70% |
| Rates SRA | 4.00% |
| Sundry | 6.00% |
| Refuse | 6.00% |
| Sewer: | 6.00% |
| Electricity | 9.96% |
| Water | 6.20% |
| Development | 0.00% |
| Resorts | 6.00% |

## RATES TARIFFS

| Tariff Code | Detail | 2025/2026 | | 2024/2025 | | |
|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT | Exclude VAT | Include VAT | 1.040 |
| | | R | R | R | R | 1.097 |
| | | | | | | |
| **RATES** | **YEAR OF GENERAL VALUATION: 02 JULY 2022** | | | | | |
| | | | | | | |
| **RATE1*** | Commercial Land with Improvements | 0.008729 | 0.008729 | 0.007957 | 0.007957 | 9.70% |
| | | | | | | |
| **RATE2*** | Residential Land with Improvements | 0.004988 | 0.004988 | 0.004547 | 0.004547 | 9.70% |
| | **** See attached schedule of Exemptions and Rebates applicable*** | | | | | |
| | | | | | | |
| **RATE3** | Municipal Properties: Investment Properties | Applicable tariff for Commercial or Residential | Applicable tariff for Commercial or Residential | Applicable tariff for Commercial or Residential | Applicable tariff for Commercial or Residential | |
| **RATE4** | Municipal Properties: Property, Plant and Equipment | 0.000000 | 0.000000 | 0.000000 | 0.000000 | |
| | | | | | | |
| **RATE6** | Building Clause | Equals to tariff for rates on property | Equals to tariff for rates on property | Equals to tariff for rates on property | Equals to tariff for rates on property | |
| | | | | | | |
| **RATE7** | Farm/Agriculture (Bona-fide) | 0.001248 | 0.001248 | 0.001137 | 0.001137 | 9.70% |
| | | | | | | |
| **RATE8** | Undeveloped erven | 0.007482 | 0.007482 | 0.006820 | 0.006820 | 9.70% |
| | | | | | | |
| | **Special Rating Areas** | | | | | |
| **RAT11** | HSRA (Hermanus) | 0.000458 | 0.000458 | 0.000440 | 0.000440 | 4.00% |
| **RAT12** | KSRA (Kleinmond) | 0.000360 | 0.000360 | 0.000346 | 0.000346 | 4.00% |
| **RAT13** | OVSRA (Onrus-Vermont) | 0.000250 | 0.000250 | 0.000240 | 0.000240 | 4.00% |
| | | | | | | |
| **PLEASE NOTE: VAT IS LEVIED AT A RATE OF 0% ON ASSESSMENT RATES** | | | | | | |

**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<br>Bed and Breakfast as well as Guesthouses can apply before 30 June for the following rebate on the difference between Bus and Res rate:<br>3 X lettable room : 75%<br>4 X lettable room : 50%<br>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 (excluding vacant properties) is exempted from property tax as per the Municipal Property Rates Act, Section 17 (1) h<br>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~~<br>An Additional rebate of 20% of the levy calculated on such properties is granted<br>Rebate to qualifying property owners as indicated under "Other Rebate"<br>No property rates are applicable on a property with a valuation of ~~R300 000~~ R350 000.00 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<br>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;<br>- The applicant must be the registered owner;<br>- 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 |

## 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**. |
| Cultural 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. |

## SUNDRY TARIFF LIST (ROUNDING APPLICABLE)

| Tariff Code | Detail | 2025/2026 | | 2024/2025 | | # |
|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.060 |
| | | R | R | R | R | 1.100 |
| **S1** | **BOAT LICENSE/PERMITS, LAUNCHING & ENTRANCE FEE** | | | | | |
| **S1J** | **Kleinbaai Boat Launching** | | | | | |
| S1J1 | On site Parking pm | 1 213.93 | 1 396.02 | 1 145.22 | 1 317.00 | 6.00% |
| S1J2A | Category B1: Shark-view operators/whale-watching (Incl on-site parking) pa | 50 923.32 | 58 561.82 | 48 040.87 | 55 247.00 | 6.00% |
| S1J2B | Category B2: Shark-view operators/whale-watching (excl on-site parking) pm | 3 898.03 | 4 482.74 | 3 677.39 | 4 229.00 | 6.00% |
| S1J2C | Category B2: Shark-view operators/whale-watching (excl on-site parking) pa | 38 867.90 | 44 698.08 | 36 667.83 | 42 168.00 | 6.00% |
| S1J4A | Kelp Collectors pm | 4 869.54 | 5 599.98 | 4 593.91 | 5 282.99 | 6.00% |
| S1J4B | Kelp Collectors pa | 48 147.04 | 55 369.10 | 45 421.74 | 52 235.00 | 6.00% |
| S1J4C | Kelp Collectors, Whale Watching and Shark Diving per launch | 315.23 | 362.52 | 297.39 | 342.00 | 6.00% |
| 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~~ | ~~0.00~~ | ~~0.00~~ | ~~870.44~~ | ~~1 001.00~~ | -100.00% |
| ~~S1J6C~~ | ~~Support Service per launch~~ | ~~0.00~~ | ~~0.00~~ | ~~116.52~~ | ~~134.00~~ | -100.00% |
| S1J7A1 | Recreational Fishing Vessels ~~< 7m~~ pa Permit | 621.26 | 714.44 | 586.09 | 674.00 | 6.00% |
| S1J7A1A | Recreational Fishing (Overstrand Consumers) Vessels ~~< 7m~~ from 01 July - 31 Dec Permit | 310.62 | 357.22 | 293.04 | 337.00 | 6.00% |
| S1J7A1B | Recreational Fishing (Overstrand Consumers) Vessels ~~< 7m~~ from, 01 January - 30 June Permit | 413.86 | 475.94 | 390.44 | 449.00 | 6.00% |
| S1J7A2 | Recreational Fishing Vessels ~~< 7m~~ per Launch | 78.34 | 90.10 | 73.91 | 85.00 | 6.00% |
| ~~S1J7A3~~ | ~~Recreational Fishing (Overstrand Consumers) Vessels > 7m pa~~ | ~~0.00~~ | ~~0.00~~ | ~~781.74~~ | ~~899.00~~ | -100.00% |
| ~~S1J7A4~~ | ~~Recreational Fishing Vessels > 7m per Launch~~ | ~~0.00~~ | ~~0.00~~ | ~~97.39~~ | ~~112.00~~ | -100.00% |
| S1J7B1 | Commercial Fishing (Overstrand Consumers) Vessels ~~< 7m~~ pa Permit | 782.61 | 900.00 | 781.74 | 899.00 | 0.11% |
| S1J7B2 | Commercial Fishing (Overstrand Consumers) Vessels ~~< 7m~~ from 01 July - 31 Dec Permit | 293.04 | 337.00 | new | new | |
| S1J7A4 | Commercial Fishing (Overstrand Consumers) Vessels ~~< 7m~~ from, 01 January - 30 June Permit | 390.44 | 449.00 | new | new | |
| ~~S1J7B2~~ | ~~Commercial Fishing Vessels > 7m pa~~ | ~~0.00~~ | ~~449.00~~ | ~~977.39~~ | ~~1 124.00~~ | -100.00% |
| S1J7B3 | Commercial Fishing Vessels ~~< 7m~~ per launch | 73.91 | 85.00 | 97.39 | 112.00 | -24.11% |
| ~~S1J7B4~~ | ~~Commercial Fishing Vessels > 7m per launch~~ | ~~0.00~~ | ~~0.00~~ | ~~117.39~~ | ~~135.00~~ | -100.00% |
| S1J8A | Passenger Boats pm | 1 812.14 | 2 083.96 | 1 709.57 | 1 966.00 | 6.00% |
| S1J8B | Passenger Boats per launch | 181.58 | 208.81 | 171.30 | 197.00 | 6.00% |
| S1J9 | Use of Tractor for Boat Launching per month | 329.06 | 378.42 | 310.44 | 357.00 | 6.00% |
| ~~S1J11~~ | ~~Formal Shop Rental / month~~ | ~~0.00~~ | ~~0.00~~ | ~~1 066.96~~ | ~~1 227.00~~ | -100.00% |
| S1J12 | Informal Trader under cover rental / month | 744.77 | 856.48 | 702.61 | 808.00 | 6.00% |
| **S1M** | **Kleinmond Slipway** | | | | | |
| S1M1 | Recreational Fishing (Overstrand Consumers) Vessels ~~< 7m~~ pa Permit | 821.27 | 944.46 | 774.78 | 891.00 | 6.00% |
| S1M1A | Recreational Fishing (Overstrand Consumers) Vessels ~~< 7m~~ from 01 July - 31 Dec Permit | 310.62 | 357.22 | 293.04 | 337.00 | 6.00% |
| S1M1B | Recreational Fishing (Overstrand Consumers) Vessels~~< 7m~~ frrp, 01 January - 30 June | 413.86 | 475.94 | 390.44 | 449.00 | 6.00% |
| S1M2 | Recreational Fishing Vessels ~~< 7m~~ per Launch | 78.34 | 90.10 | 73.91 | 85.00 | 6.00% |
| ~~S1M3~~ | ~~Recreational Fishing (Overstrand Consumers) Vessels > 7m pa~~ | ~~0.00~~ | ~~0.00~~ | ~~931.30~~ | ~~1 071.00~~ | -100.00% |
| ~~S1M4~~ | ~~Recreational Fishing Vessels > 7m per Launch~~ | ~~0.00~~ | ~~0.00~~ | ~~120.87~~ | ~~139.00~~ | -100.00% |
| S1M5 | Commercial Fishing (Overstrand Consumers) Vessels < 7m pa | 782.61 | 900.00 | 781.74 | 899.00 | 0.11% |
| S1M6 | Commercial Fishing (Overstrand Consumers) Vessels < 7m from 01 July - 31 Dec Permit | 293.04 | 337.00 | new | new | |

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| | | R | R | R | R | 1.100 |
| S1M7 | Commercial Fishing (Overstrand Consumers) Vessels < 7m from, 01 January - 30 June Permit | 390.44 | 449.00 | new | new | |
| ~~S1M6~~ | ~~Commercial Fishing Vessels > 7m pa~~ | ~~0.00~~ | ~~0.00~~ | ~~1 120.00~~ | ~~1 288.00~~ | -100.00% |
| ~~S1M7~~ | ~~Commercial Fishing Vessels < 7m per launch~~ | ~~0.00~~ | ~~0.00~~ | ~~106.96~~ | ~~123.00~~ | -100.00% |
| S1M8 | Commercial Fishing Vessels ~~> 7m~~ per launch | 73.91 | 85.00 | 126.96 | 146.00 | -41.78% |
| S1M9 | Passenger Boats pm | 2 033.36 | 2 338.36 | 1 918.26 | 2 206.00 | 6.00% |
| S1M10 | Passenger Boats per launch | 196.33 | 225.78 | 185.22 | 213.00 | 6.00% |
| **S1T** | **Registered Launching Sites managed by the Overstrand Municipality (08:00-16:00) (Western Cape December School Holiday and when declared by Council) EXCLUDING Buffeljahctsbaai, Blue Water Bay, Du Toit Street Site to the Kleinriver at Stanford.** | | | | | |
| **S1T1** | **Affiliated Members** | | | | | |
| S1T1A | Annually | 287.58 | 330.71 | 271.30 | 312.00 | 6.00% |
| S1T1B | Monthly | 172.37 | 198.22 | 162.61 | 187.00 | 6.00% |
| S1T1C | Weekly | 85.72 | 98.58 | 80.87 | 93.00 | 6.00% |
| S1T1D | Daily | 30.42 | 34.98 | 28.70 | 33.00 | 6.00% |
| **S1T2** | **Non- Affiliated Members** | | | | | |
| S1T2A | Annually | 572.40 | 658.26 | 540.00 | 621.00 | 6.00% |
| S1T2B | Monthly | 258.09 | 296.80 | 243.48 | 280.00 | 6.00% |
| S1T2C | Weekly | 143.79 | 165.36 | 135.65 | 156.00 | 6.00% |
| S1T2D | Daily | 45.17 | 51.94 | 42.61 | 49.00 | 6.00% |
| **S2** | **BUILDING CONTROL** | | | | | |
| S2A1 | Building Plan Fees : Minor Building Works | 328.14 | 377.36 | 309.57 | 356.00 | 6.00% |
| S2A2 | Building Plan Fees : 0 up to 30 m² (Fixed fee)(S2A3 x 30) | 1 242.50 | 1 428.88 | 1 172.17 | 1 348.00 | 6.00% |
| S2A3 | Building Plan Fees : Greater than 30 m² up to 100 m² (R/m²) | 41.48 | 47.70 | 39.13 | 45.00 | 6.00% |
| S2A4 | Building Plan Fees : Greater than 100 m² up to 200 ²m (R/m²) | 48.86 | 56.18 | 46.09 | 53.00 | 6.00% |
| S2A5 | Building Plan Fees : Greater than 200 m² up to 300 m² (R/m²) | 56.22 | 64.66 | 53.04 | 61.00 | 6.00% |
| S2A6 | Building Plan Fees : Greater than 300 m² (R/m²) | 63.60 | 73.14 | 60.00 | 69.00 | 6.00% |
| S2A7 | Building Plan Fees : Government Subsidized Housing Schemes smaller than 80 m² (privatly constructed) | 293.11 | 337.08 | 276.52 | 318.00 | 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 m²) | no charge | no vat | no charge | no vat | |
| S2A10 | Building Plan Fees : Agricultural buildings (excluding residential buildings) (R/m²) up to 500m² | 27.66 | 31.80 | 26.09 | 30.00 | 6.00% |
| S2A10A | Building Plan Fees : Agricultural buildings (excluding residential buildings) (R/m²) more than 500m² | 13.04 | 15.00 | new | new | |
| S2A11 | Building Plan Fees : Industrial buildings (excluding offices)(R/m²) | 27.66 | 31.80 | 26.09 | 30.00 | 6.00% |
| S2A12 | Building Plan Fees : Government Buildings (School, etc) (R/m²) | no charge | no vat | no charge | no vat | |
| S2A13 | Building plan Fees : Application for temporary structures (Wendy House,Stores,Containers,etc.) | 729.10 | 838.46 | 687.83 | 791.00 | 6.00% |
| S2A14 | Buildng Plan Fees : Application for temporary structures (Tents for events) | 729.10 | 838.46 | 687.83 | 791.00 | 6.00% |
| S2B1 | Plan Scrutiny Fees : 0 up to 200 m² (Fixed Fee) | 729.10 | 838.46 | 687.83 | 791.00 | 6.00% |

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| S2B2 | Plan Scrutiny Fees : Greater than 200 m² (R/m²) | 6.46 | 7.42 | 6.09 | 7.00 | 6.00% |
| S2C1 | Demolition application | 742.92 | 854.36 | 700.87 | 806.00 | 6.00% |
| S2D1 | Re-inspection fees and Inspections on complaints, rates clearance etc. | 418.47 | 481.24 | 394.78 | 454.00 | 6.00% |
| S2E1 | Administration / Viewing Request, Filing retrieval and Copying of Plans | 82.03 | 94.34 | 77.39 | 89.00 | 6.00% |
| S2F1 | Plan validity extension | 329.98 | 379.47 | 311.30 | 358.00 | 6.00% |
| S2G1 | Heritage Investigation Minor Alterations (no additions) | 656.28 | 754.72 | 619.13 | 712.00 | 6.00% |
| S2G2 | Heritage Investigation add and alt smaller than 30 m² (2 X S2G1) | 1 312.56 | 1 509.44 | 1 238.27 | 1 424.00 | 6.00% |
| S2G3 | Heritage Investigation add and alt greater than 30 m² (2 X S2G2) | 2 625.12 | 3 018.87 | 2 476.53 | 2 848.00 | 6.00% |
| S2H1 | Signage : Application to errect a sign | 729.10 | 838.46 | 687.83 | 791.00 | 6.00% |
| S2H2 | Signage : Application fee for consent (S4.2.1) | 641.53 | 737.76 | 605.22 | 696.00 | 6.00% |
| S2H3 | Signage : Application fee for departure (S4.3.1) | 641.53 | 737.76 | 605.22 | 696.00 | 6.00% |
| S2H4 | Signage : Advertising Costs Local newspapers for departure application | 5 060.34 | 5 819.40 | 4 773.91 | 5 490.00 | 6.00% |
| **S3** | **BUILDING CONTROL: PLAN PRINTING FEES** | | | | | |
| S3A1 | Per sheet - Size A0 (Private copy) | 85.72 | 98.58 | 80.87 | 93.00 | 6.00% |
| S3A2 | Size A1 (Private copy) | 67.29 | 77.38 | 63.48 | 73.00 | 6.00% |
| S3A3 | Size A2 (Private copy) | 49.78 | 57.24 | 46.96 | 54.00 | 6.00% |
| S3A4 | Per sheet - Size A0 (Official copy) | 67.29 | 77.38 | 63.48 | 73.00 | 6.00% |
| S3A5 | - Size A1 (Official copy) | 49.78 | 57.24 | 46.96 | 54.00 | 6.00% |
| S3A6 | - Size A2 (Official copy) | 38.71 | 44.52 | 36.52 | 42.00 | 6.00% |
| S3B1 | Per sheet - Size A0 (Private copy) Colour | 426.77 | 490.78 | 402.61 | 463.00 | 6.00% |
| S3B2 | Size A1 (Private copy) Colour | 326.30 | 375.24 | 307.83 | 354.00 | 6.00% |
| S3B3 | Size A2 (Private copy) Colour | 217.53 | 250.16 | 205.22 | 236.00 | 6.00% |
| S3B4 | Per sheet - Size A0 (Official copy) Colour | 217.53 | 250.16 | 205.22 | 236.00 | 6.00% |
| S3B5 | - Size A1 (Official copy) Colour | 162.22 | 186.56 | 153.04 | 176.00 | 6.00% |
| S3B6 | - Size A2 (Official copy) Colour | 109.69 | 126.14 | 103.48 | 119.00 | 6.00% |
| **S5** | **BUSINESS LICENSE** | | | | | |
| S5B1 | Business Licence - Formal | 1 042.49 | 1 198.86 | 983.48 | 1 131.00 | 6.00% |
| S5B2 | Business Licence - Informal | 374.22 | 430.36 | 353.04 | 406.00 | 6.00% |
| S5B3 | Re-inspection Fee | 205.54 | 236.38 | 193.91 | 223.00 | 6.00% |
| S5B4 | Duplicate Licence Fee | 205.54 | 236.38 | 193.91 | 223.00 | 6.00% |
| 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 | 1 957.78 | 2 251.44 | 1 846.96 | 2 124.00 | 6.00% |
| S5B5B | Application for extended Liquor (Trading on Sunday) per annum ** (to be applicable according By-law) | 1 957.78 | 2 251.44 | 1 846.96 | 2 124.00 | 6.00% |
| **S15** | **CEMETERY** | | | | | |
| | **Residents (RES):** | | | | | |
| **S15A** | **Plot Cost (Fixed)** | | | | | |

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| | | R | R | R | R | 1.100 |
| **Note 1** | **Grave Depths**<br>- Infill grave (between two existing graves) must have a soil coverage of not less than 1 meter;<br>- Other single graves (not infill) must have a soil coverage of not less than 1.5 meters;<br>- Double depht graves (in depth) must have a soil coverage of not less than 1 meters with a 300mm soil between the coffins;<br>- 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 & S15B**1<br>-Overstrand local household with gross household income per application of 0 - R4100<br>-Applications must be accompanied by sworn declaration of household income of the immediate family of the deceased. | | | | | |
| S15A1 | All cemeteries - single grave | 810.21 | 931.74 | 764.35 | 879.00 | 6.00% |
| S15A2 | All cemeteries - Doubble graves - depth for two coffins | 1 255.41 | 1 443.72 | 1 184.35 | 1 362.00 | 6.00% |
| S15A4 | Children under 12years | 607.42 | 698.54 | 573.04 | 659.00 | 6.00% |
| S15A5 | Wall of Remembrance Fees | 295.88 | 340.26 | 279.13 | 321.00 | 6.00% |
| ~~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) | 802.83 | 923.26 | 757.39 | 871.00 | 6.00% |
| S15B2 | Existing graves | 258.09 | 296.80 | 243.48 | 280.00 | 6.00% |
| **S18** | **COMMERCIAL FILMING/PHOTOGRAPHING (Tariff of 50% less charged, when compliant to pre-determined criteria)** | | | | | |
| S18A | Large per day or part thereof ≥ 50 people | 19 164.80 | 22 039.52 | 18 080.00 | 20 792.00 | 6.00% |
| S18B | Small per day or part thereof more than 10 but < 50 people | 9 320.62 | 10 718.72 | 8 793.04 | 10 112.00 | 6.00% |
| S18C | Small per day or part thereof ≤ 10 people | 5 178.33 | 5 955.08 | 4 885.22 | 5 618.00 | 6.00% |
| S18D | Application Fee per application | 2 195.58 | 2 524.91 | 2 071.30 | 2 382.00 | 6.00% |
| **S18F** | **Addition to Shoot** | | | | | |
| S18F1 | Animals (per animal per day or part of a day) | 240.58 | 276.66 | 226.96 | 261.00 | 6.00% |
| S18F2 | Area required for production and catering (per m² per day or part of a day) | 54.38 | 62.53 | 51.30 | 59.00 | 6.00% |
| S18F3 | Cancellation Fee (per application at full permit fee) | 15% of Fee | applicable vat | 15% of Fee | applicable vat | |
| S18F4 | Enviromental Control Officer: Fees per hour or part thereof | 563.18 | 647.65 | 531.30 | 611.00 | 6.00% |
| S18F5 | Vehicles off Public Roads per Parking Bay (per vehicle per day/part of a day) | 201.86 | 232.14 | 190.44 | 219.00 | 6.00% |
| **S20** | **CREDIT CONTROL AND DEBT COLLECTION** | | | | | |
| S20A1 | Admin fee on arrear accounts Notices | 253.48 | 291.50 | 239.13 | 275.00 | 6.00% |
| S20A2 | Admin fee on 24 hour Notices - Bulk users | 253.48 | 291.50 | 239.13 | 275.00 | 6.00% |
| S20B | Admin fee on arrear accounts Disconnection and Reconnection Fee | 595.44 | 684.76 | 561.74 | 646.00 | 6.00% |
| S20C | SMS admin fee on arrear accounts Notices | 19.36 | 22.26 | 18.26 | 21.00 | 6.00% |
| **S23** | **FIRE SERVICES & DISASTER MANAGEMENT** | | | | | |
| S23A | Plot Clearing | Actual Cost + R1 374.00 admin. Fee | applicable vat | Actual Cost + R1 374.00 admin. Fee | applicable vat | 6.00% |
| S23A1 | Re-inspection fee: 2nd and continueing inspection | 205.22 | 236.00 | new | new | |
| S23B | Re-inspection Fee under By-law | 217.53 | 250.16 | 205.22 | 236.00 | 6.00% |
| **S23C** | **Extinghuising of Fires** | | | | | |

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| S23C1 | Extinguishing of structural fires per hour or part thereof per incident | R2 325.00 + add cost incurred | applicable vat | R2 325.00 + 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 | R692.00+ add cost incurred | applicable vat | 6.00% |
| S23C4 | Extinguishing of vehicle/equipment fires per hour or part thereof | R591.00 + add cost incurred | applicable vat | R591.00 + add cost incurred | applicable vat | 6.00% |
| S23C5 | Assistance at motor vehcile accidents and rescues | no charge | no vat | no charge | no vat | |
| **S23D** | **Standby at fire scene** | | | | | |
| S23D1 | Per hour or part thereof for vehicle and fire fighters excluding goFPA members | 823.11 | 946.58 | 776.52 | 893.00 | 6.00% |
| **S23E** | **Fire Prevention Inspections** | | | | | |
| S23E1 | Tank installation - per tank | 465.48 | 535.30 | 439.13 | 505.00 | 6.00% |
| S23E2 | LP Gas - per installation 48Kg and more incl bulk tanks | 465.48 | 535.30 | 439.13 | 505.00 | 6.00% |
| **S23F** | **Fire Safety ( excluding municipal buildings)** | | | | | |
| S23F1 | 1st compliance inspection per 20 minutes | 189.88 | 218.36 | 179.13 | 206.00 | 6.00% |
| S23F2 | 2nd and continuing compliance inspection per 20 minutes | 189.88 | 218.36 | 179.13 | 206.00 | 6.00% |
| S23F3 | Rates Clearance Inspection | 251.63 | 289.38 | 237.39 | 273.00 | 6.00% |
| S23F5 | Fire Compliance Certificate excluding goFPA members | 627.70 | 721.86 | 592.17 | 681.00 | 6.00% |
| **S23G** | **Events** | | | | | |
| S23G1 | Inspection of location and issuing of Population Certificate | 310.62 | 357.22 | 293.04 | 337.00 | 6.00% |
| S23G2 | Standby at event per event per day or part thereof for vehicle and fire fighters | 1 549.44 | 1 781.86 | 1 461.74 | 1 681.00 | 6.00% |
| S23G3 | **Business & Other Events** | | | | | |
| S23G3A | Per officer per hour or part thereof - Mon - Sat | 597.69 | 687.34 | new | new | |
| S23G3B | Per officer per hour or part thereof - Sundays and public Holidays | 163.48 | 188.00 | new | new | |
| S23G3C | Administrative fee for provision of officers - per application | 163.48 | 188.00 | new | new | |
| **S23H** | **Burn Permits** | | | | | |
| S23H1 | Burn Permit Inspection | 388.98 | 447.32 | 366.96 | 422.00 | 6.00% |
| **S23J** | **Special Services** | | | | | |
| S23J1 | Ad hoc services | 845.23 | 972.02 | 797.39 | 917.00 | 6.00% |
| S23J2 | Water Supply per hour, excluding water tariff as set out in the water tariff structure | 845.23 | 972.02 | 797.39 | 917.00 | 6.00% |
| **S23L** | Transportation Certification | | | | | |
| S23L1 | Dangerous Goods Transportation Certification | 681.17 | 783.34 | 642.61 | 739.00 | 6.00% |
| **S25** | **LAW ENFORCEMENT** | | | | | |
| **S25B** | **Impoundment of Abanded or Obstructing items** | | | | | |
| S25B1 | Per Impoundment | 872.89 | 1 003.82 | 823.48 | 947.00 | 6.00% |
| S25B2 | Storage Fee per day | 246.10 | 283.02 | 232.17 | 267.00 | 6.00% |
| **S25C** | **Impoundment of Informal Traders (Hawkers) Goods** | | | | | |
| S25C1 | Per Impoundment | 925.42 | 1 064.24 | 873.04 | 1 004.00 | 6.00% |
| S25C2 | Removal of illegal structure per structure | 3 794.80 | 4 364.02 | 3 580.00 | 4 117.00 | 6.00% |
| S25C3 | Storage Fee per day | 246.10 | 283.02 | 232.17 | 267.00 | 6.00% |

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| **S25D** | **Pound fee: Dogs and Cats** | | | | | |
| S25D1 | Impoundment of Dogs and Cats per animal | 101.39 | 116.60 | 95.65 | 110.00 | 6.00% |
| S25D2 | Pound fee: from day 2 per day per animal | 64.52 | 74.20 | 60.87 | 70.00 | 6.00% |
| **S25E** | **Pound fee: Other Animals (not listed here)** | | | | | |
| S25E1 | Impoundment fee per week per animal | 994.56 | 1 143.74 | 938.26 | 1 079.00 | 6.00% |
| **S25F** | **Pound fee: Horses** | | | | | |
| S25F1 | Impoundment of Horses per animal | 1 003.78 | 1 154.34 | 946.96 | 1 089.00 | 6.00% |
| S25F2 | Pound fee: per day per animal | 251.63 | 289.38 | 237.39 | 273.00 | 6.00% |
| **S25G** | **Pound fee: Sheep and Goats** | | | | | |
| S25G1 | Impoundment of Sheep and Goats per animal | 251.63 | 289.38 | 237.39 | 273.00 | 6.00% |
| S25G2 | Pound fee: per day per animal | 126.28 | 145.22 | 119.13 | 137.00 | 6.00% |
| **S25H** | **Pound fee: Cattle** | | | | | |
| S25H1 | Impoundment of Cattle per animal | 1 003.78 | 1 154.34 | 946.96 | 1 089.00 | 6.00% |
| S25H2 | Pound fee: per day per animal | 189.88 | 218.36 | 179.13 | 206.00 | 6.00% |
| **S25I** | **Pound fee: Pigs** | | | | | |
| S25I1 | Impoundment of Pigs per animal | 502.34 | 577.70 | 473.91 | 545.00 | 6.00% |
| S25I2 | Pound fee: per day per animal | 189.88 | 218.36 | 179.13 | 206.00 | 6.00% |
| **S25J** | **Pound fee: Poultry** | | | | | |
| S25J1 | Impoundment of Poultry per animal | 126.28 | 145.22 | 119.13 | 137.00 | 6.00% |
| S25J2 | Pound fee: per day per animal | 25.81 | 29.68 | 24.35 | 28.00 | 6.00% |
| **S25K** | **Pound fee: Shopping Trolley** | | | | | |
| S25K1 | Impoundment of Shopping Trolley per trolley | 563.18 | 647.65 | 531.30 | 611.00 | 6.00% |
| S25M | Structures | | | | | |
| S25M1 | Demolition of Structures | 921.74 | 1 060.00 | 869.57 | 1 000.00 | |
| S25M2 | Storage of material per day | 230.43 | 265.00 | 217.39 | 250.00 | |
| **S25P** | **Bylaw on Outdoor Advertising** | | | | | |
| S25P1 | Impoundment of illegal Advertising/Agent boards (per board) - small <2400cm² | 101.39 | 116.60 | 95.65 | 110.00 | 6.00% |
| S25P2 | Impoundment of illegal Advertising/Agent boards (per board) - large >2400cm² | 996.40 | 1 145.86 | 940.00 | 1 081.00 | 6.00% |
| **S25R** | **Business & Other Events** | | | | | |
| S25R1 | Per officer per hour or part thereof - Mon - Sat | 633.23 | 728.22 | 597.39 | 687.00 | 6.00% |
| S25R2 | Per officer per hour or part thereof - Sundays and public Holidays | 723.57 | 832.10 | 682.61 | 785.00 | 6.00% |
| S25R3 | Administrative fee for provision of officers - per application | 173.29 | 199.28 | 163.48 | 188.00 | 6.00% |
| **S28** | **LIBRARY** | | | | | |
| S28A1 | Copies: A3 / page | 1.84 | 2.12 | 1.74 | 2.00 | 6.00% |
| S28A3 | Copies: A3 page Colour | 5.53 | 6.36 | 5.22 | 6.00 | 6.00% |
| S28A5 | Copies: A4/page (Library content only) | 0.92 | 1.06 | 0.87 | 1.00 | 6.00% |
| S28A7 | Copies: A4 page Colour | 3.69 | 4.24 | 3.48 | 4.00 | 6.00% |
| S28B1 | Deposit to person/s non-residents - Fiction & Non-Fiction | 505.62 | no vat | 477.00 | no vat | 6.00% |
| S28D1 | Lost Cards: Laminated (R/card) first time | 19.54 | 22.47 | 18.43 | 21.20 | 6.00% |
| S28D1A | Lost Cards: Laminated (R/card)(subsequent lost card) | 39.08 | 44.94 | 36.87 | 42.40 | 6.00% |

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|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.060 |
| | | R | R | R | R | 1.100 |
| S28D2 | Laminated Cost A3 | 4.89 | 5.62 | 4.61 | 5.30 | 6.00% |
| S28D3 | Laminated Cost A4 | 3.87 | 4.45 | 3.65 | 4.20 | 6.00% |
| S28E1 | Penalty per book per week | 2.23 | no vat | 2.10 | no vat | 6.00% |
| S28E2 | Penalty per record/CD per week | 2.23 | no vat | 2.10 | no vat | 6.00% |
| S28E3 | Penalty per video/DVD per day | 2.23 | no vat | 2.10 | no vat | 6.00% |
| S28F1 | Scanning of Document - Black & White | 0.96 | 1.11 | 0.91 | 1.05 | 6.00% |
| S28F2 | Scanning of Document - Colour | 1.94 | 2.23 | 1.83 | 2.10 | 6.00% |
| S28G1 | Special Requests - Hold per Book | 6.82 | 7.84 | 6.44 | 7.40 | 6.00% |
| S28G2 | Special Requests - ILL per Book | 14.74 | 16.96 | 13.91 | 16.00 | 6.00% |
| S28H1 | Subscriptions/ reader - Adults (Non residents) | 191.72 | 220.48 | 180.87 | 208.00 | 6.00% |
| S28H2 | Subscriptions/ reader - Children (Non residents) | 120.74 | 138.86 | 113.91 | 131.00 | 6.00% |
| S28H3 | Subscriptions/ reader - Family max 5 (Non residents) | 471.93 | 542.72 | 445.22 | 512.00 | 6.00% |
| S28L1 | Hire of Library Hall per Hour - Fundraising event | 196.33 | 225.78 | 185.22 | 213.00 | 6.00% |
| S28L2 | Hire of Library Hall per Hour - NON- Fundraising event | 35.94 | 41.34 | 33.91 | 39.00 | 6.00% |
| S28M1 | Minor Damage to book (per book) | 29.50 | 33.92 | 27.83 | 32.00 | 6.00% |
| 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 administration fee (non-refundable)** | | | | | |
| S34A1 | Lease, use or purchase of/or encroachment on or servitude over municipal land (excluding Sport Facilities/Stalls/Informal Trading and organs of state) | 2 904.35 | 3 340.00 | 2 765.22 | 3 180.00 | 5.03% |
| S34A2 | Lease, use or purchase of municipal land - Social Care Institutions / Registered Organisations / NPO's / PBO's/ Community organisations | 652.17 | 750.00 | 635.65 | 731.00 | 2.60% |
| S34A3 | Tempory lease of municipal land for the storage of building materials next to building sites or general short term purposes | 695.65 | 800.00 | 673.91 | 775.00 | 3.23% |
| S34A4 | General consents issued in terms of the Administration of Immovable Property Policy (as amended) | 652.17 | 750.00 | 635.65 | 731.00 | 2.60% |
| **S34C** | **Encroachment Fee:** | | | | | |
| S34C1 | Encroachments of Veranda, Balcony, Sign, Signboards or similar structure over/onto municipal land (per annum) | 621.74 | 715.00 | 586.09 | 674.00 | 6.08% |
| S34C2 | Encroachments onto municipal land where a lease is not applicable (per annum) | 621.74 | 715.00 | 586.09 | 674.00 | 6.08% |
| 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 m² per month) | 2.78 | 3.20 | 2.61 | 3.00 | 6.51% |
| **S34G** | **Leases** | | | | | |
| S34G1 | Tempory use (≤12months) of municipal land for the storage of building materials next to building sites or for general purposes (per m² per month) | 7.39 | 8.50 | 6.96 | 8.00 | 6.18% |
| S34G2 | Lease of municipal land for outdoor seating adjoining a Restaurant (per m² per month) | ? Awaits Valuation | #VALUE! | 38.26 | 44.00 | #VALUE! |

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| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.060 |
| | | R | R | R | R | 1.100 |
| S34G3 | Lease of municipal land to Social Care Institutions / Registered Organisations / NPO's/ PBO's/ Sport facilities/Community organisations (per month) | 191.30 | 220.00 | 188.70 | 217.00 | 1.38% |
| S34G6 | Lease of municipal land for the displaying or parking of vehicles ( per m² per month) | 7.65 | 8.80 | 6.96 | 8.00 | 9.91% |
| **S34H** | **Radio Mast** | | | | | |
| S34H1 | Equipment on municipal mast or municipal assets/infrastructure - per month per mast/municipal assets/infrastructure | 2 747.83 | 3 160.00 | 2 593.04 | 2 982.00 | 5.97% |
| S34H2 | Space in building adjacent to the mast (per m² per month) | 721.74 | 830.00 | 682.61 | 785.00 | 5.73% |
| S34H3 | Space outside the building adjacent to the mast (per m² per month) | 356.52 | 410.00 | 342.61 | 394.00 | 4.06% |
| S34H4 | Lease of municipal land with a mast on or for the erection of a new mast (per m² per month) | 356.52 | 410.00 | 342.61 | 394.00 | 4.06% |
| **S34J** | **Memorial Benches / Picnic tables** | | | | | |
| S34J1 | Application and administration fee for a new memorial bench on municipal land (non-refundable) | 4 883.00 | 5 615.45 | 4 608.70 | 5 300.00 | 5.95% |
| S34J2 | Fee for a memorial bench/picnic table on municipal land (per annum) | 356.52 | 410.00 | 342.61 | 394.00 | 4.06% |
| S34J3 | Application and administration fee for the allocation of a existing memorial bench / memorial picnic table (including two concrete seats) (non-refundable) | 2 904.35 | 3 340.00 | 2 765.22 | 3 180.00 | 5.03% |
| S34J4 | Application and administration fee for a new memorial picnic table (including two concrete seats) installed on a concrete slab on municipal land (non-refundable) | 8 782.61 | 10 100.00 | 8 295.65 | 9 540.00 | 5.87% |
| **S36** | **PROPERTY INFORMATION** | | | | | |
| S36A1 | Clearance Certificate (R/certificate) - ELECTRONIC | 138.26 | 159.00 | 130.44 | 150.00 | 6.00% |
| S36A2 | Clearance Certificate (R/certificate) - MANUAL | 418.47 | 481.24 | 394.78 | 454.00 | 6.00% |
| S36B1 | Deeds office registrations with sales information (R/100 erven or part) | 181.58 | 208.81 | 171.30 | 197.00 | 6.00% |
| S36B2 | Deeds office registrations with sales information (R/erf) | 47.93 | 55.12 | 45.22 | 52.00 | 6.00% |
| S36C | Extract from the Valuation Roll (R/page) | 15.67 | 18.02 | 14.78 | 17.00 | 6.00% |
| S36F | Revaluation fee | 2 586.40 | 2 974.36 | 2 440.00 | 2 806.00 | 6.00% |
| S36G1 | Valuation Certificate (R/certificate) - ELECTRONIC | 64.52 | 74.20 | 60.87 | 70.00 | 6.00% |
| S36G2 | Valuation Certificate (R/certificate) - MANUAL | 217.53 | 250.16 | 205.22 | 236.00 | 6.00% |
| S36H | Access of valuation roll Information on CD | 494.98 | 569.22 | 466.96 | 537.00 | 6.00% |
| **S40** | **RENTAL: COMMUNITY HALLS** | | | | | |
| 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** | **Auditorium & Banqueting Hall** | | | | | |
| S40A1 | Deposit for all functions (refundable) - excluding meetings | 2 459.20 | no vat | 2 320.00 | no vat | |
| S40A2 | Hire of Auditorium and Banqueting Hall per Hour or part of a hour | 864.59 | 994.28 | 815.65 | 938.00 | 6.00% |
| S40A3 | Hire of Auditorium per Hour or part of a hour | 505.11 | 580.88 | 476.52 | 548.00 | 6.00% |
| S40A4 | Hire of Banqueting Hall per Hour or part of a hour | 505.11 | 580.88 | 476.52 | 548.00 | 6.00% |
| **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 | 656.28 | 754.72 | 619.13 | 712.00 | 6.00% |

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|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.060 |
| | | R | R | R | R | 1.100 |
| 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 | 137.34 | 157.94 | 129.57 | 149.00 | 6.00% |
| S40A8 | Use of Kitchen per day | 904.22 | 1 039.86 | 853.04 | 981.00 | 6.00% |
| S40A9 | Hire of Glasses or Cups, Sauers and teaspoons per event | 264.54 | 304.22 | 249.57 | 287.00 | 6.00% |
| S40A10 | Local NGO's and CBO's per hour per venue - all events | 282.06 | 324.36 | 266.09 | 306.00 | 6.00% |
| S40A11 | Church Services / funeral tea maximum 3hrs per day | 260.87 | 300.00 | new | new | |
| S40A12 | Preparation for event - per hour | 178.82 | 205.64 | 168.70 | 194.00 | 6.00% |
| S40A13 | Meetings: Government departments (private meetings), NGO's and CBO's from outside the municipal area, per hour (Banquet hall) | 398.19 | 457.92 | 375.65 | 432.00 | 6.00% |
| S40A14 | Meetings: Local CBO's & NGO's per hour (Banquet hall only) maximum 3hrs per day | 86.96 | 100.00 | 35.65 | 41.00 | 143.91% |
| S40A15 | Weddings, Birthdays and Special Occasions per day (including the Kitchen) | 2 508.06 | 2 884.26 | 2 366.09 | 2 721.00 | 6.00% |
| S40A16 | Festivals/Exhibitions/Events per day (max 14 days). Both venues, excluding extras - more than 14 days refer to general tariffs | 864.59 | 994.28 | 815.65 | 938.00 | 6.00% |
| **S40C** | **Rental Units - Kleinmond** | | | | | |
| S40C1 | Hire per room per month | 61.76 | 71.02 | 58.26 | 67.00 | 6.00% |
| **S40E** | **Baardskeerdersbos / Betty's Bay / Blompark / Buffelsjags /Eluxolweni/Fernkloof Hall /Hawston Abalone *Hall* /Kleinmond Youth Centre / Kleinmond Club House / Masakane / Moffat Hall / Mooiuitsig / Overhills / Pringle Bay / Proteadorp / Stanford / Stanford Committee Room / Zwelihle** | | | | | |
| S40E4 | Fundraising: (Karaoke) ~~Per daytime or evening~~ per day | 398.19 | 457.92 | 375.65 | 432.00 | 6.00% |
| S40E5 | Funeral Tea / Church Services (maximum three hours per day) | 260.87 | 300.00 | 155.65 | 179.00 | 67.60% |
| 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 | 329.98 | 379.47 | 311.30 | 358.00 | 6.00% |
| S40E8 | Meetings: Local CBO's and NGO's per hour - Meetings free of charge for Local Organisation for the Elderly | 37.79 | 43.46 | 35.65 | 41.00 | 6.00% |
| S40E8A | Tariff for events continuing after midnight including church services (24h00) per hour | 391.30 | 450.00 | new | new | |
| S40E9 | Non-fundraising (parties) Per daytime *or* evening | 200.02 | 230.02 | 188.70 | 217.00 | 6.00% |
| S40E10 | Use of Kitchen - Fundraising events per event | 363.17 | 417.64 | 342.61 | 394.00 | 6.00% |
| S40E11 | Use of Kitchen - Non Fundraising | 363.17 | 417.64 | 342.61 | 394.00 | |
| S40J11A | Breakage Deposit Abalone hall and Moffat hall (Refundable) | 260.87 | 300.00 | new | new | |
| **Note** | **Daytime = 07:00 - 17:00 // Evening = 18:00 - 24:00 // Midnight 24:00 - 6:00 Morning (Charge seperately)** | | | | | |
| **S40J** | **Kleinmond Civic Center Hall, & Hawston Thusong Centre** | | | | | |
| S40J1 | Deposit: (refundable) Government Imbizos & Government Meetings. | 716.56 | no vat | 676.00 | no vat | 6.00% |
| S40J2 | Deposit (refundable): Hawston Thusong Centre | 1 294.26 | no vat | 1 221.00 | no vat | 6.00% |
| S40J3 | Fundraising: Karaoke, Disco, competitions, etc. per daytime or evening | 904.22 | 1 039.86 | 853.04 | 981.00 | 6.00% |
| S40J4 | Church Services ~~per day~~ maximum 3 hours per day | 260.87 | 300.00 | 118.26 | 136.00 | 120.59% |
| S40J5 | Funeral Tea (three hours) | 260.87 | 300.00 | 155.65 | 179.00 | 67.60% |
| S40J6 | Government Imbizos (per day) | 2 785.50 | 3 203.32 | 2 627.83 | 3 022.00 | 6.00% |

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| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.060 |
| | | R | R | R | R | 1.100 |
| S40J7 | Non-fundraising events for Schools, other training institutions and sport & recreation | 329.98 | 379.47 | 311.30 | 358.00 | 6.00% |
| S40J8 | Meetings: Government Departments (private meetings) & CBO's outside Municipal area per hour | 398.19 | 457.92 | 375.65 | 432.00 | 6.00% |
| S40J9 | Meetings: Local CBO's, NGO's, Non-fund-raising indoor sports per hour (only large groups > 30) - (No Deposits) | 37.79 | 43.46 | 35.65 | 41.00 | 6.00% |
| S40J9A | Tariff for events continuing after midnight including church services (24h00) per hour | 391.30 | 450.00 | new | new | |
| S40J10 | Preparation for event - per hour | 94.02 | 108.12 | 88.70 | 102.00 | 6.00% |
| S40J11 | Non-fundraising: Parties, weddings, indoor sports, etc. per daytime or evening | 452.58 | 520.46 | 426.96 | 491.00 | 6.00% |
| S40J11A | Breakage Deposit Abalone hall and Moffat hall (Refundable) | 260.87 | 300.00 | new | new | |
| S40J12 | Tariff for events continuing after midnight (24h00) per hour | 277.44 | 319.06 | 261.74 | 301.00 | 6.00% |
| S40J13 | Sound OR Ligthing Equipment per event (each item) per hour | 139.18 | 160.05 | 131.30 | 151.00 | 6.00% |
| S40J14 | Use of kitchen (per event per day) | 435.98 | 501.37 | 411.30 | 473.00 | 6.00% |
| S40J15 | Use of kitchen for water jugs and glasses or tea cups & sauces (per event per day) | 63.60 | 73.14 | 60.00 | 69.00 | |
| | Breakage Deposit Abalone hall and Moffat hall (Refundable) | 260.87 | 300.00 | new | new | #VALUE! |
| **Note** | **Daytime = 07:00 - 17:00 // Evening = 18:00 - 24:00 // Midnight 24:00 - 6:00 Morning (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) | 37.79 | 43.46 | 35.65 | 41.00 | 6.00% |
| S43A2 | Open Stalls per day (Western Cape December Holiday plus Easter Weekend) | 55.30 | 63.60 | 52.17 | 60.00 | 6.00% |
| S43A3 | All open stalls per annum (demarcated area)(excluding Western Cape December Holiday plus Easter Weekend) (10 months) | 522.00 | 600.30 | new | new | |
| S43A4 | Open Stalls per month (Western Cape December Holiday plus Easter Weekend) | 90.00 | 103.50 | new | new | |
| **S43B** | **Outside the CBD** | | | | | |
| S43B1 | Open Stalls Rental --December - January pm | 124.43 | 143.10 | 117.39 | 135.00 | 6.00% |
| S43B2 | Open Stalls Rental - February to November pm | 52.54 | 60.42 | 49.57 | 57.00 | 6.00% |
| S43B3 | Open Stalls Rental - February to November per annum (10 months) | 500.00 | 575.00 | new | new | |
| S43D | **Events: Any Public Open Space, Beaches, Gardens, Nature Reserves, Parks, Caravan Parks, Camping Sites and Resorts (As per the Event By-Law and Policy)** | | | | | |
| S43D1 | Car Park - Private Car Sales per day (demarcated areas) | 49.78 | 57.24 | 46.96 | 54.00 | 6.00% |
| 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 | 7 816.34 | 8 988.80 | 7 373.91 | 8 480.00 | 6.00% |
| S43D3 | Non-profitable Organisations, birthday parties, weddings, creches, school events, relligious events, awareness campaigns (Excluding other services eg. Refuse collection, electricity, etc.) per event | 488.52 | 561.80 | 460.87 | 530.00 | 6.00% |
| **S43F** | **Beaches** | | | | | |
| S43F2 | Rental December to January pm | 310.62 | 357.22 | 293.04 | 337.00 | 6.00% |
| S43F3 | Rental February to November pm | 103.23 | 118.72 | 97.39 | 112.00 | 6.00% |
| **S43G** | **Leases** | | | | | |

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| | | R | R | R | R | 1.100 |
| S43G4 | Lease of stalls/containers on municipal land for informal trading (full stall/container) (per month) | 242.42 | 278.78 | 228.70 | 263.00 | 6.00% |
| S43G5 | Lease of stalls/containers on municipal land for informal trading (half a stall/container) (per month) | 100.47 | 115.54 | 94.78 | 109.00 | 6.00% |
| **S46** | **RENTAL: OFFICE** | | | | | |
| S46A | Rental for office space (Hermanus Administration) (per m² per month) | 165.22 | 190.00 | 155.65 | 179.00 | 6.15% |
| S46A1 | Rental for office space (Gansbaai, Stanford & Kleinmond Administrations) (per m² per month) | 82.61 | 95.00 | 77.39 | 89.00 | 6.75% |
| S46A2 | Rental for office space to NGO's/NPO's~~/Government Departments/State Owned Enterprises~~ irrespective of area (per m² per month) | 50.00 | 57.50 | 46.96 | 54.00 | 6.47% |
| 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/Eloxolweni/Gansbaai Communal Sport Centre(S4S) / Hawston /Masakane/ Kleinmond / Mount Pleasant / Overhills / Stanford / Zwelihle** | | | | | |
| S48A1 | Club House - per hour (private events) | 226.74 | 260.76 | 213.91 | 246.00 | 6.00% |
| S48A2 | Club House - Sport events hosted by affiliated Sport and Recreation structures per hour | 55.30 | 63.60 | 52.17 | 60.00 | 6.00% |
| S48A3 | Club House - Sport event hosted by Non-affiliated Sport and Recreation structures - per hour | 114.30 | 131.44 | 107.83 | 124.00 | 6.00% |
| S48A4 | Club House Education, Welfare & NPO's/NGO's, Churches per hour | 55.30 | 63.60 | 52.17 | 60.00 | 6.00% |
| S48A5 | Club House - Schools & Non-fundraising events per day | 55.30 | 63.60 | 52.17 | 60.00 | 6.00% |
| S48A6 | Club House– All events hosted where the municipality is the official host | no charge | no charge | no charge | no charge | |
| 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 | 341.97 | 393.26 | 322.61 | 371.00 | 6.00% |
| S48A9 | Club House - Breakage deposit | 0.00 | no vat | 0.00 | no vat | #DIV/0! |
| S48A10 | Club House - Gatherings/meetings (non-fundraising) per hour | 31.34 | 36.04 | 29.57 | 34.00 | 6.00% |
| S48A11 | Club House - Gatherings/meetings/private functions & fundraising events per hour | 196.33 | 225.78 | 185.22 | 213.00 | 6.00% |
| **S48B** | **Sport grounds** | | | | | |
| S48B1 | Sportgrounds - Use of field: Affiliated members & schools per month per field | 195.41 | 224.72 | 184.35 | 212.00 | 6.00% |
| S48B2 | Sportgrounds - use of field: Affiliated members & schools per day per field | 97.70 | 112.36 | 92.17 | 106.00 | 6.00% |
| S48B3 | Sportgrounds - Festivals/Non-fundraising events per day | 977.04 | 1 123.60 | 921.74 | 1 060.00 | 6.00% |
| S48B4 | Sportgrounds - Exhibitions/shows/private events per day | 977.04 | 1 123.60 | 921.74 | 1 060.00 | 6.00% |
| **Note** | **Sportgrounds refer to playing surfaces** | | | | | |
| **S48C** | **Affiliation fees** | | | | | |
| S48C1 | Affiliation fees - Overstrand sport clubs per annum | 195.41 | 224.72 | 184.35 | 212.00 | 6.00% |
| S48C2 | Affiliation fees - Overstrand schools per annum | 195.41 | 224.72 | 184.35 | 212.00 | 6.00% |
| **S48D** | **Tennis/Netball/Basketball Courts** | | | | | |
| S48D1 | Tennis/Netball/Basketball Courts - Affiliated members & schools per month | 97.70 | 112.36 | 92.17 | 106.00 | 6.00% |
| S48D2 | Tennis/Netball/Basketball Courts - Non-affiliated members & individuals per month | 48.86 | 56.18 | 46.09 | 53.00 | 6.00% |
| **S49** | **RENTAL: VACANT SERVICED ERVEN FOR LOW COST HOUSING** | | | | | |

| Tariff Code | Detail | 2025/2026 | | 2024/2025 | | # |
|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.060 |
| | | R | R | R | R | 1.100 |
| S49A | Wetcore Stands (Social Housing) - rent per month | 47.01 | 54.06 | 44.35 | 51.00 | 6.00% |
| **S50** | **SCHUSS HOUSES KLEINMOND (Meerenvlei)** | | | | | |
| S50A | Rental per unit per month | 1 365.22 | 1 570.00 | 1 263.48 | 1 453.00 | 8.05% |
| **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 + R58.00 | applicable vat | 6.00% |
| S55B3 | Administration Cost - Trace of Direct Deposit | actual cost + R119.00 | applicable vat | actual cost + R119.00 | applicable vat | 6.00% |
| S55D1 | Copies: A3 page | 5.53 | 6.36 | 5.22 | 6.00 | 6.00% |
| S55D2 | Copies: A3 page Colour | 10.14 | 11.66 | 9.57 | 11.00 | 6.00% |
| S55D3 | Copies: A4 page | 2.40 | 2.75 | 2.26 | 2.60 | 6.00% |
| S55D4 | Copies: A4 page Colour | 6.82 | 7.84 | 6.44 | 7.40 | 6.00% |
| S55E | Foreign Bank Cost | actual cost | applicable vat | actual cost | applicable vat | |
| S55F1 | Fax per page - excluding 0865/6 numbers | 6.82 | 7.84 | 6.44 | 7.40 | 6.00% |
| S55F2 | Fax per page - 0865/6 numbers | 11.34 | 13.04 | 10.70 | 12.30 | 6.00% |
| S55G1 | Interest on accounts in arrear | prime + 4% | no vat | prime + 4% | no vat | |
| S55G2 | Placard / Poster Deposit for Elections | 6 274.14 | no vat | 5 919.00 | no vat | 6.00% |
| S55G4 | Placard / Poster Deposit for Political Parties | 6 274.14 | no vat | 5 919.00 | no vat | 6.00% |
| S55H | Placard / Poster each | 22.12 | 25.44 | 20.87 | 24.00 | 6.00% |
| S55I | Multiple Duplicate Consumer Accounts per request | 11.06 | 12.72 | 10.44 | 12.00 | 6.00% |
| S55I1 | Duplicate PayDay pay slip | 11.06 | 12.72 | 10.44 | 12.00 | 6.00% |
| S55J | Section 62 of local Government: Systems Act: appeal deposit (refundable if appeal is upheld) | 0.00 | no vat | 0.00 | no vat | #DIV/0! |
| S55K1A | Tender objection deposit (refundable if appeal is upheld) | 0.00 | no vat | 0.00 | no vat | #DIV/0! |
| S55K1B | Tender objection deposit (partially upheld -50% refundable) | 0.00 | no vat | 0.00 | no vat | #DIV/0! |
| S55K2 | Tender documentation Fee: (less than 50 pages) | 26.09 | 30.00 | 36.52 | 42.00 | -28.56% |
| S55K3 | Tender documentation Fee: (more than 51 pages less than 200 pages) | 130.43 | 149.99 | 138.26 | 159.00 | -5.66% |
| S55K4 | Tender documentation Fee: (more than 200 pages) | 217.39 | 250.00 | 230.44 | 265.00 | -5.66% |
| S55K5 | Tender documentation Fee (~~Consultant~~/CIDB colour-coded pages) | 521.74 | 600.00 | 553.04 | 636.00 | -5.66% |
| S55L | Advertising Signs Auctioneers per 14days | 334.59 | 384.78 | 315.65 | 363.00 | 6.00% |
| S55K1 | Laminated Cost A3 | 8.76 | 10.07 | 8.26 | 9.50 | 6.00% |
| S55K2 | Laminated Cost A4 | 5.53 | 6.36 | 5.22 | 6.00 | 6.00% |
| **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 | 4.61 | 5.30 | 4.35 | 5.00 | 6.00% |
| S60A2 | Children (~~< 12years~~ Older thann 3 weeks) per child per day or part of a day | 4.61 | 5.30 | 4.35 | no vat | |
| S60A4 | Galas | 118.90 | 136.74 | 112.17 | 129.00 | 6.00% |
| S60A5 | Training sessions (Schools & Clubs) per season | 188.96 | 217.30 | 178.26 | 205.00 | 6.00% |
| **S65** | **TOP MANAGEMENT CONSULTATIONS** | | | | | |
| S65A1 | Consultation Fee (Top Management) per hour | 1 330.99 | 1 530.64 | 1 255.65 | 1 444.00 | 6.00% |

| Tariff Code | Detail | 2025/2026 | | 2024/2025 | | # |
|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.060 |
| | | R | R | R | R | 1.100 |
| **S72** | **TOWN PLANNING: APPLICATION FEES** | | | | | |
| S72A | Amendment, deletion or additional contitions in respect of an existing approval | 2 730.19 | 3 139.72 | 2 575.65 | 2 962.00 | 6.00% |
| S72A1 | Phasing, amendment, or cancellation of a plan of subdivion or a part thereof, including a General Plan or diagram | 2 905.32 | 3 341.12 | 2 740.87 | 3 152.00 | 6.00% |
| S72A2 | Permission required in terms of condition of approval | 2 905.32 | 3 341.12 | 2 740.87 | 3 152.00 | 6.00% |
| S72B | Application for deviation of SDF/Sectoral Plans | 3 420.58 | 3 933.66 | 3 226.96 | 3 711.00 | 6.00% |
| S72F | **Amendment, Suspension or Deletion of Restrictive Conditions** | 0.00 | | | | |
| S72F1 | Erven 150m² and smaller | 336.43 | 386.90 | 317.39 | 365.00 | 6.00% |
| S72F2 | Erven between 150 m² and 400 m² | 672.87 | 773.80 | 634.78 | 730.00 | 6.00% |
| S72F3 | Erven 400 m² and larger | 5 119.34 | 5 887.24 | 4 829.57 | 5 554.00 | 6.00% |
| S72G | **Consolidations (if combined with a subdivision application, only the subdivision fee is payable)** | | | | | |
| S72G1 | Erven 150m² and smaller | 314.31 | 361.46 | 296.52 | 341.00 | 6.00% |
| S72G2 | Erven between 150 m² and 400 m² | 634.16 | 729.28 | 598.26 | 688.00 | 6.00% |
| S72G3 | Erven 400 m² and larger | 3 614.14 | 4 156.26 | 3 409.57 | 3 921.00 | 6.00% |
| **S72H** | **Subdivision (cumulative)** | | | | | |
| S72H1 | up to 5 erven | 4 885.22 | 5 618.00 | 4 608.70 | 5 300.00 | 6.00% |
| S72H2 | 6 to 10 erven | 8 315.93 | 9 563.32 | 7 845.22 | 9 022.00 | 6.00% |
| S72H3 | More than 10 | 8 315.93 | 9 563.32 | 7 845.22 | 9 022.00 | 6.00% |
| S72H3A | Additional per erf after 10 | 125.36 | 144.16 | 118.26 | 136.00 | 6.00% |
| S72I | **Application for Consent Use** | | | | | |
| S72I1 | Erven 150m² and smaller | 286.66 | 329.66 | 270.44 | 311.00 | 6.00% |
| S72I2 | Erven between 150m² and 400m² | 761.36 | 875.56 | 718.26 | 826.00 | 6.00% |
| S72I3 | Erven 400 m² and larger | 3 615.06 | 4 157.32 | 3 410.44 | 3 922.00 | 6.00% |
| S72J | **Application for Rezoning and Closure of Public Place** | | | | | |
| S72J1 | Erven 150 m² and smaller | 761.36 | 875.56 | 718.26 | 826.00 | 6.00% |
| S72J2 | Erven between 150 m² and 400 m² | 1 244.34 | 1 431.00 | 1 173.91 | 1 350.00 | 6.00% |
| S72J3 | Erven between 400m² and 5000m² | 8 315.93 | 9 563.32 | 7 845.22 | 9 022.00 | 6.00% |
| S72J4 | Erven 5000m² and larger | 9 522.49 | 10 950.86 | 8 983.48 | 10 331.00 | 6.00% |
| S72K | **Departure ito Section 16(2)(b) and (c) of OM Land Use Planning Bylaw** | | | | | |
| S72K1A | Erven 150m and smaller | 286.66 | 329.66 | 270.44 | 311.00 | 6.00% |
| S72K1B | Erven between 150m² and 400m² | 633.23 | 728.22 | 597.39 | 687.00 | 6.00% |
| S72K1C | Erven 400 m² and larger | 3 615.06 | 4 157.32 | 3 410.44 | 3 922.00 | 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 150m² and smaller | 412.34 | no vat | 389.00 | no vat | 6.00% |
| S72L2 | Erven between 150m² and 400 m² | 772.74 | no vat | 729.00 | no vat | 6.00% |
| S72L3 | Erven 400 m² and larger | 4 171.10 | no vat | 3 935.00 | no vat | 6.00% |
| | Note: No appeal fee payable in case of appeal submitted by the Municipal Manager | | | | | |

| Tariff Code | Detail | 2025/2026 | | 2024/2025 | | # |
|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.060 |
| | | R | R | R | R | 1.100 |
| S72M | Amendment of site development plan, Constitution/Architectural Guidelines, Phasing, amendement or cancellation of a plan of subdivision or a part thereof | 2 630.64 | 3 025.24 | 2 481.74 | 2 854.00 | 6.00% |
| S72N | **Zoning Determination** | | | | | |
| S72N1 | Erven 150m² and smaller | 761.36 | 875.56 | 718.26 | 826.00 | 6.00% |
| S72N2 | Erven between 150 m² and 400 m² | 2 392.83 | 2 751.76 | 2 257.39 | 2 596.00 | 6.00% |
| S72N3 | Erven 400 m² and larger | 3 615.06 | 4 157.32 | 3 410.44 | 3 922.00 | 6.00% |
| S72N4 | Disestablishment of HOA | 3 615.06 | 4 157.32 | 3 410.44 | 3 922.00 | 6.00% |
| S72P | **Relaxation of Title Deed** (if combined with departure application only the higest fee applies) | | | | | |
| S72P0 | Erven 150m² and smaller | 324.46 | 373.12 | 306.09 | 352.00 | 6.00% |
| S72P1 | Erven between 150m² and 400m² | 633.23 | 728.22 | 597.39 | 687.00 | 6.00% |
| S72P2 | Erven larger than 400m² | 3 599.39 | 4 139.30 | 3 395.65 | 3 905.00 | 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 150m² and smaller | 286.66 | 329.66 | 270.44 | 311.00 | 6.00% |
| S72Q2 | Erven between 150m² and 400m² | 633.23 | 728.22 | 597.39 | 687.00 | 6.00% |
| S72Q3 | Erven 400 m² and larger | 3 615.06 | 4 157.32 | 3 410.44 | 3 922.00 | 6.00% |
| S72R | Extension of period of validity of an approval | 908.83 | 1 045.16 | 857.39 | 986.00 | 6.00% |
| S72S | Exemption in terms of Section 26 | 143.79 | 165.36 | 135.65 | 156.00 | 6.00% |
| S72T | Departure from trading hours in terms of the Oversrtrand Liquor Trading By-law | 3 615.98 | 4 158.37 | 3 411.30 | 3 923.00 | 6.00% |
| **S75** | **TOWN PLANNING: LAND USE PLANNING FEE** | | | | | |
| S75A1 | Advertising Costs Government Gazette | 5 251.30 | 6 039.00 | 4 773.91 | 5 490.00 | 10.00% |
| S75A2 | Advertising Costs Local newspapers | 5 251.30 | 6 039.00 | 4 773.91 | 5 490.00 | 10.00% |
| S75A3 | Advertising Costs Local Newspaper (Removal of Restriction only) | 10 501.66 | 12 076.90 | 9 546.96 | 10 979.00 | 10.00% |
| S75A4 | Advertising Costs - Placing of Final Notice in the Government Gazette | 1 484.52 | 1 707.20 | 1 349.57 | 1 552.00 | 10.00% |
| S75B | Regulations of Zoning schemes (printing) | 325.38 | 374.18 | 306.96 | 353.00 | 6.00% |
| S75C | Spatial Development Framework (printing) | 325.38 | 374.18 | 306.96 | 353.00 | 6.00% |
| S75D | Zoning Certificate | 363.17 | 417.64 | 342.61 | 394.00 | 6.00% |
| 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 | 363.17 | 417.64 | 342.61 | 394.00 | 6.00% |
| 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, provicial or national government) or registered NPO's | 2 143.97 | 2 465.56 | 2 022.61 | 2 326.00 | 6.00% |
| 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 150m² and smaller) per sqm | 6 223.58 | 7 157.11 | 5 871.30 | 6 752.00 | 6.00% |
| S75I2 | Formal structure - habitable (erven larger than 150m²) per sqm | 18 667.98 | 21 468.17 | 17 611.30 | 20 253.00 | 6.00% |

| Tariff Code | Detail | 2025/2026 | | 2024/2025 | | # |
|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.060 |
| | | R | R | R | R | 1.100 |
| 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 | 633.23 | 728.22 | 597.39 | 687.00 | 6.00% |
| S80J2 | Per officer per hour or part thereof - Sundays and public Holidays | 723.57 | 832.10 | 682.61 | 785.00 | 6.00% |
| S80J4 | Administrative fee for provision of officers - per application | 173.29 | 199.28 | 163.48 | 188.00 | 6.00% |
| **S80K** | **Removal of Vehicles/Towing Fee** | 0.00 | | | | |
| S80K1 | Removal of Vehicles per vehicle | 1 519.02 | 1 746.88 | 1 433.04 | 1 648.00 | 6.00% |
| S80K2 | Storage Fees per day | 417.54 | 480.18 | 393.91 | 453.00 | 6.00% |
| S80K3 | Towing Charge | Cost plus 15% | applicable vat | Cost plus 15% | applicable vat | |
| S80K4 | Wheel Clamping per vehicle | 563.18 | 647.65 | 531.30 | 611.00 | 6.00% |
| **S80L** | **Traffic Cones** | | | | | |
| S80L1 | Hire of Traffic Cones per Cone per day | 90.33 | 103.88 | 85.22 | 98.00 | 6.00% |
| **S80P** | **Disabled Parking Token** | | | | | |
| S80P1 | Disabled Parking Token per application - valid for 2year period | 165.91 | 190.80 | 156.52 | 180.00 | 6.00% |
| S80R | **Impoundment of Boats** | | | | | |
| S80R1 | Impoundment Fee per boat | 2 250.89 | 2 588.52 | 2 123.48 | 2 442.00 | 6.00% |
| S80T1 | NLTA impoundments of public transport vehicles according the Government Notice 5/2009 | 7 249.48 | 8 336.90 | 6 839.13 | 7 865.00 | 6.00% |
| S80T2 | NLTA Deviating of the routes public transport | 2 589.17 | 2 977.54 | 2 442.61 | 2 809.00 | 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** | 1 903.39 | 2 188.90 | 1 795.65 | 2 065.00 | 6.00% |
| **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) | 12 910.80 | 14 847.42 | 12 180.00 | 14 007.00 | 6.00% |

**REFUSE (SOLID WASTE) TARIFFS** (ROUNDING APPLICABLE)

| Tariff Code | Detail | 2025/2026 | | 2024/2025 | | 1.0600 |
|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.06 |
| | | R | R | R | R | |
| | **DOMESTIC WASTE** | | | | | |
| SAN1A | Residential (All registered erven/unit with approved building plan) 1 x removal per week (**R/Month**) | 268.26 | 308.50 | 253.08 | 291.04 | 6.00% |
| 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)** | 268.26 | 308.50 | 253.08 | 291.04 | 6.00% |
| | **BUSINESS WASTE** | | | | | |
| SAN1C | Commercial/Business (Hostels, Old Age Homes, Caravan Sites, Semi-permanent Resorts etc) (**R/Month)** | 268.26 | 308.50 | 253.08 | 291.04 | 6.00% |
| SA1N1 | Bulk Container 240L (Wheeley bin) **(R/Month) 1** X per week (if available) | 268.26 | 308.50 | 253.08 | 291.04 | 6.00% |
| SAN1N | Bulk Container 240L (Wheeley bin) **(R/Month) 2** X per week (if available) | 536.53 | 617.01 | 506.16 | 582.08 | 6.00% |
| SA1N3 | Bulk Container 240L (Wheeley bin) **(R/Month) 3** X per week CBD (if available) | 804.79 | 925.51 | 759.24 | 873.13 | 6.00% |
| SA1N4 | Bulk Container 240L (Wheeley bin) **(R/Month) 4** X per week CBD (if available) | 1 073.06 | 1 234.02 | 1 012.32 | 1 164.17 | 6.00% |
| SA1N2 | Bulk Container 240L (Wheeley bin) **(R/Month) 5** X per week CBD (if available) | 1 341.32 | 1 542.52 | 1 265.40 | 1 455.21 | 6.00% |
| SAN1O | Camphill Route **(R/Month)** (If available) | 2 107.73 | 2 423.88 | 1 988.42 | 2 286.68 | 6.00% |
| SAN1P | Additional Removals per week on **Saturday** per Bin **(R/Month)** per removal | 402.40 | 462.76 | 379.62 | 436.56 | 5.99% |
| SA1P1 | Additional Removals on request Central Town (CBD) per bin **(R/Month**) (Sunday or Public Holidays) per removal | 536.53 | 617.01 | 506.16 | 582.08 | 6.00% |
| SA1P2 | All CBD's additional Removal during normal working week, per Bin, per removal | 62.03 | 71.34 | 58.52 | 67.30 | 6.00% |
| SA1P3 | All CBD's additional Removal on Saturday, per Bin per removal | 93.05 | 107.00 | 87.78 | 100.95 | 5.99% |
| SA1P4 | All CBD's additional Removal during Sunday or Public Holidays, per Bin per removal | 124.06 | 142.67 | 117.04 | 134.60 | 5.99% |
| SA1Q | Caravan Sites, Chalets, Semi-permanent & Resorts **(R/Month)** (Uilenskraalmond Vakansieoord; Franskraal Vakansieoord; Pearly Beach Camp, Micheal Fuchs Guesthouse) **NO REMOVAL (per unit/site)** | 86.31 | 99.25 | 81.42 | 93.63 | 6.00% |
| SAN1R | Departmental Consumption (Municipal Consumption per removal site per **month**) | 268.26 | 308.50 | 253.08 | 291.04 | 6.00% |
| SAN1U | Schools **(R/Month)** | 268.26 | 308.50 | 253.08 | 291.04 | 6.00% |
| SAN1T | Removal outside service area (per removal per hour) (If available) | 2 011.91 | 2 313.70 | 1 898.03 | 2 182.73 | 6.00% |
| SAN1V | Single Quarters & Transit Camps per unit | 86.22 | 99.15 | 81.34 | 93.54 | 6.00% |
| SAN1W | Guesthouses, Bed & Breakfast **(R/Month)** | 268.26 | 308.50 | 253.08 | 291.04 | 6.00% |
| SAN1X | Removal of food waste for safe disposal (**R/per Collection**) | 534.10 | 614.22 | 503.87 | 579.45 | 6.00% |
| **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 | |

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|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.06 |
| | | R | R | R | R | |
| SA2B2 | Vehicles >1 & up to 2 Ton per vehicle load capacity (~~2~~ 6 X SAN3B) | 462.24 | 531.58 | 581.40 | 668.61 | -20.50% |
| SA2B3 | Vehicles >2 & up to 3 Ton per vehicle load capacity (~~3~~ 10 X SAN3B) | 770.40 | 885.96 | 872.09 | 1 002.91 | -11.66% |
| **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~~ 250 KG or part there of weighed (maximum 3 tons) | 77.04 | 88.60 | 290.70 | 334.30 | -73.50% |
| SA2C3 | Weighing - Commercial vehicles (Cars, pick-ups / bakkies, campers, caravans and trailers) | 239.30 | 275.19 | 225.75 | 259.61 | 6.00% |
| SA2C4 | Weighing - Large vehicles (trucks and busses) | 614.10 | 706.22 | 579.34 | 666.24 | 6.00% |
| **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~~ 250 KG or part there of weighed | 77.04 | 88.60 | 290.70 | 334.30 | -73.50% |
| SAN3D | Clean builders rubble and sand | no Charge | no vat | no Charge | no vat | |
| SAN3F | Mixed builders rubble per ~~ton~~ 250 KG or part there of weighed<br>(load contaminated with waste eg wood, plasitc, paper , cardboard, etc) | 77.04 | 88.60 | 290.70 | 334.30 | -73.50% |
| SAN3G | Weighing - Commercial vehicles (Cars, pick-ups / bakkies, campers, caravans and trailers) | 238.99 | 274.84 | 225.46 | 259.28 | 6.00% |
| SAN3H | Weighing - Large vehicles (trucks and busses) | 614.56 | 706.75 | 579.78 | 666.74 | 6.00% |
| **SAN4** | **BASIC FEE REFUSE SERVICE (Erven without approved building plans)** | | | | | |
| SAN4A | All registered erven without approved building plans **(R/Month)** | 134.12 | 154.24 | 126.53 | 145.51 | 6.00% |
| **SAN5** | **SUNDRIES (rounding applicable)** | | | | | |
| SAN5A | Rental of Bulk Container per day (including disposal) | 134.58 | 154.76 | 126.96 | 146.00 | 6.00% |
| SAN5B | Deposit - rental of bulk containers per 4 bins or less | 1 014.42 | no vat | 957.00 | no vat | 6.00% |
| SAN5C | Asbestos Sheet - per unit (Limited to **max 10m² per six month period**) | 163.14 | 187.62 | 153.91 | 177.00 | 6.00% |
| SAN5D | Baboon Resistant 240L Wheeley bin with lock delivered to homes - projects | 1 598.30 | 1 838.04 | 1 507.83 | 1 734.00 | 6.00% |
| SAN5E | Replacement lock on baboon resistant wheelie bin | 497.74 | 572.40 | 469.57 | 540.00 | 6.00% |
| 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 (m³) (when available and for self loading) | 0.00 | 0.00 | 0.00 | 0.00 | |

## ELECTRICITY TARIFFS (ROUNDING APPLICABLE) (BEFORE NERSA approval)

| Tariff Code | Detail | | 2025/2026 | | 2024/2025 | | 1.9960 / 1.0600 |
|---|---|---|---|---|---|---|---|
| | | | 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 | 3 992.67 | no vat | 3 628.38 | no vat | 10.04% |
| ED4 | Domestic Three Phase Credit Meter (Two Part Tariff)- Electricity | R | 6 998.54 | no vat | 6 360.00 | no vat | 10.04% |
| ED5 | Commercial Three Phase Credit Meter (Two Part Tariff) - Electricity | R | 15 995.17 | no vat | 14 535.78 | no vat | 10.04% |
| ED6 | Domestic & Commercial Single Phase Pre-paid (Two Part Tariff) - Electricity | R | 920.31 | no vat | 836.34 | no vat | 10.04% |
| ED7 | Domestic & Commercial Three Phase Pre-paid (Two Part Tariff) - Electricity | R | 1 838.28 | no vat | 1 670.56 | no vat | 10.04% |
| ED8 | Indigent Registered (including UISP) | R | 296.27 | no vat | 269.24 | no vat | 10.04% |
| 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 60 Amp (13.8 kVA BDMD) (Including Resorts)** | | | | | | |
| EB1A | Basic Monthly charge per meter per month | R | 413.97 | 476.07 | 466.10 | 536.02 | -11.18% |
| EC | Capacity Charge per Amp/Phase/Month | R | 5.48 | 6.30 | 2.49 | 2.86 | 120.08% |
| EC1D | Capacity Charge : 60Amp | R | 328.80 | 378.12 | 149.40 | 171.81 | 120.08% |
| | **kWH Unit cost** | | | | | | |
| E1A2 | IBT BLOCK 1 0 - 350 kWh | c | 232.91 | 267.85 | 212.53 | 244.41 | 9.59% |
| E1A3 | IBT BLOCK 2 351 - 600 kWh | c | 287.82 | 330.99 | 273.93 | 315.02 | 5.07% |
| E1A4 | IBT BLOCK 3 > 600 kWh | c | 327.17 | 376.25 | 384.67 | 442.37 | -14.95% |
| **E1B** | **Two-Part Tariff: Pre-paid up to 60 Amp (13.8 kVA BDMD) (Including Resorts)** | | | | | | |
| EB1B | Basic Monthly charge per meter per month | R | 413.97 | 476.07 | 466.10 | 536.02 | -11.18% |
| EC | Capacity Charge per Amp/Phase/Month | R | 5.48 | 6.30 | 2.49 | 230.38 | 120.08% |
| EC1A | Capacity Charge : 30Amp | R | 164.40 | 189.06 | 74.70 | 230.38 | 120.08% |
| EC1B | Capacity Charge : 40Amp | R | 219.20 | 252.08 | 99.60 | 230.38 | 120.08% |
| EC1C | Capacity Charge : 50Amp | R | 274.00 | 315.10 | 124.50 | 230.38 | 120.08% |
| EC1D | Capacity Charge : 60Amp | R | 328.80 | 378.12 | 149.40 | 230.38 | 120.08% |
| | **kWH Unit cost** | | | | | | |
| E1B2 | IBT BLOCK 1 0 - 350 kWh | c | 223.97 | 257.57 | 200.33 | 230.38 | 11.80% |

| Tariff Code | Detail | | 2025/2026 | | 2024/2025 | | 1.9960 |
|---|---|---|---|---|---|---|---|
| | | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.0600 |
| E1B3 | IBT BLOCK 2 351 - 600 kWh | c | 277.90 | 319.59 | 273.93 | 315.02 | 1.45% |
| E1B4 | IBT BLOCK 3 > 600 kWh | c | 318.97 | 366.82 | 369.76 | 425.22 | -13.74% |
| **E1C** | **SINGLE PHASE : COMMERCIAL** | | | | | | |
| EB1C | Basic Monthly charge per meter per month | R | 413.97 | 476.07 | 466.10 | 536.02 | -11.18% |
| EC | Capacity Charge per Amp/Phase/Month | R | 8.41 | 9.67 | 3.82 | 4.39 | 120.16% |
| EC2A | Capacity Charge : 30Amp | R | 252.30 | 290.15 | 114.60 | 131.79 | 120.16% |
| EC2B | Capacity Charge : 40Amp | R | 336.40 | 386.86 | 152.80 | 175.72 | 120.16% |
| EC2C | Capacity Charge : 50Amp | R | 420.50 | 483.58 | 191.00 | 219.65 | 120.16% |
| EC2D | Capacity Charge : 60Amp | R | 504.60 | 580.29 | 229.20 | 263.58 | 120.16% |
| | **kWH Unit cost** | | | | | | |
| E1C2 | kWH Unit cost - Credit Meters | c | 289.69 | 333.14 | 291.29 | 334.98 | -0.55% |
| E1C3 | KwH Unit cost - Pre-paid meters | c | 279.58 | 321.52 | 291.29 | 334.98 | -4.02% |
| **E1D** | **Life Line 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 in informal areas** | | | | | | |
| E1D1 | Supply Basic Monthly charge per meter per month | R | 108.62 | 124.91 | 49.41 | 56.82 | 119.83% |
| EC | Supply Capacity Charge per Amp/Phase/Month | R | 5.48 | 6.30 | 2.49 | 2.86 | 120.08% |
| EC1D | Supply Capacity Charge : 30Amp | R | 164.40 | 189.06 | 74.70 | 85.91 | 120.08% |
| | kWH Unit cost | | | | | | |
| E1B2 | IBT BLOCK 1 0 - 350 kWh | c | 223.97 | 257.57 | 199.05 | 228.91 | 12.52% |
| E1B3 | IBT BLOCK 2 351 - 600 kWh | c | 277.90 | 319.59 | 273.93 | 315.02 | 1.45% |
| E1B4 | IBT BLOCK 3 > 600 kWh | c | 318.97 | 366.82 | 329.97 | 379.47 | -3.33% |
| **E1E** | **Two part tariff (Pre-paid meters only) Local Economic Development Projects** | | | | | | |
| E1E1 | Basic Monthly charge per meter per month | R | 108.62 | 124.91 | 49.41 | 56.82 | 119.83% |
| EC | Capacity Charge per Amp/Phase/Month | R | 8.41 | 9.67 | 3.82 | 4.39 | 120.16% |
| EC2A | Capacity Charge : 30Amp | R | 252.30 | 290.15 | 114.60 | 131.79 | 120.16% |
| EC2B | Capacity Charge : 40Amp | R | 336.40 | 386.86 | 152.80 | 175.72 | 120.16% |
| EC2C | Capacity Charge : 50Amp | R | 420.50 | 483.58 | 191.00 | 219.65 | 120.16% |
| EC2D | Capacity Charge : 60Amp | R | 504.60 | 580.29 | 229.20 | 263.58 | 120.16% |
| | kWH Unit cost | | | | | | |
| E1E1 | IBT BLOCK 1 0 - 350 kWh Unit cost | c | 303.36 | 348.86 | 309.96 | 356.45 | -2.13% |
| **E3** | **THREE PHASE: COMMERCIAL & DOMESTIC** | | | | | | |
| **E3E** | **Two-Part Tariff: Credit up to 100A (70 kVA BDMD) DOMESTIC** | | | | | | |
| EB2A | Basic Monthly charge per meter per month | R | 742.44 | 853.81 | 893.30 | 1 027.30 | -16.89% |
| EC | Capacity Charge per Amp/Phase/Month | R | 5.48 | 6.30 | 2.49 | 2.86 | 120.08% |
| EC3A | Capacity Charge : 40Amp | R | 657.60 | 756.24 | 298.80 | 343.62 | 120.08% |
| EC3B | Capacity Charge : 60Amp | R | 986.40 | 1 134.36 | 448.20 | 515.43 | 120.08% |
| EC3C | Capacity Charge : 80Amp | R | 1 315.20 | 1 512.48 | 597.60 | 687.24 | 120.08% |
| EC3D | Capacity Charge : 100Amp | R | 1 644.00 | 1 890.60 | 747.00 | 859.05 | 120.08% |
| | **kWH Unit cost** | | | | | | |
| E3E2 | IBT BLOCK 1 0 - 350 kWh | c | 225.76 | 259.62 | 201.74 | 232.00 | 11.91% |
| E3E3 | IBT BLOCK 2 351 - 600 kWh | c | 288.53 | 331.81 | 274.84 | 316.07 | 4.98% |

| Tariff Code | Detail | | 2025/2026 | | 2024/2025 | | 1.9960 |
|---|---|---|---|---|---|---|---|
| | | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.0600 |
| E3E4 | IBT BLOCK 3 > 600 kWh | c | 325.86 | 374.74 | 382.29 | 439.63 | -14.76% |
| **E3E** | **Two-Part Tariff: Pre-paid up to 100A (70 kVA BDMD) DOMESTIC** | | | | | | |
| EB2B | Basic Monthly charge per meter per month | R | 742.44 | 853.81 | 893.30 | 1 027.30 | -16.89% |
| EC | Capacity Charge per Amp/Phase/Month | R | 5.48 | 6.30 | 2.49 | 2.86 | 120.08% |
| EC3A | Capacity Charge : 40Amp | R | 657.60 | 756.24 | 298.80 | 343.62 | 120.08% |
| EC3B | Capacity Charge : 60Amp | R | 986.40 | 1 134.36 | 448.20 | 515.43 | 120.08% |
| EC3C | Capacity Charge : 80Amp | R | 1 315.20 | 1 512.48 | 597.60 | 687.24 | 120.08% |
| EC3D | Capacity Charge : 100Amp | R | 1 644.00 | 1 890.60 | 747.00 | 859.05 | 120.08% |
| | **kWH Unit cost** | | | | | | |
| E3E6 | IBT BLOCK 1 0 - 350 kWh | c | 225.00 | 258.75 | 201.74 | 232.00 | 11.53% |
| E3E7 | IBT BLOCK 2 351 - 600 kWh | c | 278.57 | 320.36 | 274.84 | 316.07 | 1.36% |
| E3E8 | IBT BLOCK 3 > 600 kWh | c | 317.71 | 365.37 | 367.47 | 422.59 | -13.54% |
| **E3E** | **Two-Part Tariff: Credit up to 100A (70 kVA BDMD) COMMERCIAL** | | | | | | |
| EB2C | Basic Monthly charge per meter per month | R | 742.44 | 853.81 | 893.30 | 1 027.30 | -16.89% |
| EC | Capacity Charge per Amp/Phase/Month | R | 8.41 | 9.67 | 3.82 | 4.39 | 120.16% |
| EC3A | Capacity Charge : 40Amp | R | 1 009.20 | 1 160.58 | 458.40 | 527.16 | 120.16% |
| EC3B | Capacity Charge : 60Amp | R | 1 513.80 | 1 740.87 | 687.60 | 790.74 | 120.16% |
| EC3C | Capacity Charge : 80Amp | R | 2 018.40 | 2 321.16 | 916.80 | 1 054.32 | 120.16% |
| EC3D | Capacity Charge : 100Amp | R | 2 523.00 | 2 901.45 | 1 146.00 | 1 317.90 | 120.16% |
| E3E3 | **kWH Unit cost** | c | 289.69 | 333.14 | 291.29 | 334.98 | -0.55% |
| **E3E** | **Two-Part Tariff: Pre-paid up to 100A (70 kVA BDMD) COMMERCIAL** | | | | | | |
| EB2D | Basic Monthly charge per meter per month | R | 742.44 | 853.81 | 893.30 | 1 027.30 | -16.89% |
| EC | Capacity Charge per Amp/Phase/Month | R | 8.41 | 9.67 | 3.82 | 4.39 | 120.16% |
| EC3A | Capacity Charge : 40Amp | R | 1 009.20 | 1 160.58 | 458.40 | 527.16 | 120.16% |
| EC3B | Capacity Charge : 60Amp | R | 1 513.80 | 1 740.87 | 687.60 | 790.74 | 120.16% |
| EC3C | Capacity Charge : 80Amp | R | 2 018.40 | 2 321.16 | 916.80 | 1 054.32 | 120.16% |
| EC3D | Capacity Charge : 100Amp | R | 2 523.00 | 2 901.45 | 1 146.00 | 1 317.90 | 120.16% |
| E3E4 | **kWH Unit cost** | c | 279.58 | 321.52 | 277.50 | 319.13 | 0.75% |
| **E3G** | **One-Part Tariff: Pre-paid only; up to 100A (70 kVA BDMD)**<br>**Businesses, Flats, Sport grounds, Churches.(minimum of 800kWH average for twelve months)** | | | | | | |
| E1E1 | Basic Monthly charge per meter per month | R | 108.62 | 124.91 | 49.41 | 56.82 | 119.83% |
| EC | Capacity Charge per Amp/Phase/Month | R | 8.41 | 9.67 | 3.82 | 4.39 | 120.16% |
| EC3A | Capacity Charge : 40Amp | R | 1 009.20 | 1 160.58 | 458.40 | 527.16 | 120.16% |
| EC3B | Capacity Charge : 60Amp | R | 1 513.80 | 1 740.87 | 687.60 | 790.74 | 120.16% |
| EC3C | Capacity Charge : 80Amp | R | 2 018.40 | 2 321.16 | 916.80 | 1 054.32 | 120.16% |
| EC3D | Capacity Charge : 100Amp | R | 2 523.00 | 2 901.45 | 1 146.00 | 1 317.90 | 120.16% |
| E3G1 | kWH Unit cost | c | 323.99 | 372.59 | 336.62 | 387.11 | -3.75% |
| **E5** | **TIME OF USE TARIFF** | | | | | | |
| **E5A** | **TIME OF USE TARIFF MV** | | | | | | |
| E5A1 | Basic charge | R | 4 886.95 | 5 619.99 | 4 864.79 | 5 594.51 | 0.46% |
| E5A2 | Network Capacity Charge kVA: Notified Maximum Demand (NMD) | R | 49.81 | 57.28 | 43.43 | 49.94 | 14.69% |

| Tariff Code | Detail | | 2025/2026 | | 2024/2025 | | 1.9960 |
|---|---|---|---|---|---|---|---|
| | | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.0600 |
| E5A3 | Network Demand Charge kVA: Utilised capacity | R | 80.78 | 92.90 | 62.81 | 72.23 | 28.61% |
| E5A4 | Hi-Demand: Peak kWh Unit Charge | C | 649.53 | 746.96 | 551.96 | 634.75 | 17.68% |
| E5A5 | Hi-Demand: Standard kWh Unit Charge | C | 213.85 | 245.93 | 176.20 | 202.63 | 21.37% |
| E5A6 | Hi-Demand: Off Peak kWh Unit Charge | C | 127.55 | 146.68 | 101.86 | 117.14 | 25.22% |
| E5A7 | Low Demand: Peak kWh Unit Charge | C | 417.06 | 479.62 | 446.21 | 513.14 | -6.53% |
| E5A8 | Low Demand: Standard kWh Unit Charge | C | 186.80 | 214.82 | 163.90 | 188.49 | 13.97% |
| E5A9 | Low Demand: Off Peak kWh Unit Charge | C | 119.90 | 137.89 | 98.38 | 113.14 | 21.87% |
| E5A10 | Reactive Energy charge, per kilo volt amps reactive hours | C | 11.84 | 13.62 | 5.37 | 6.18 | |
| **E5B** | **TIME OF USE TARIFFL LV** | | | | | | |
| E5B1 | Basic charge | R | 3 108.74 | 3 575.05 | 3 750.55 | 4 313.13 | -17.11% |
| E5B2 | Network Capacity Charge kVA: Notified Maximum Demand (NMD) | R | 62.72 | 72.13 | 49.30 | 56.70 | 27.22% |
| E5B3 | Network Demand Charge kVA: Utilised capacity | R | 110.64 | 127.24 | 76.39 | 87.85 | 44.84% |
| E5B4 | Hi-Demand: Peak kWh Unit Charge | C | 655.38 | 753.69 | 557.91 | 641.60 | 17.47% |
| E5B5 | Hi-Demand: Standard kWh Unit Charge | C | 219.68 | 252.63 | 182.13 | 209.45 | 20.62% |
| E5B6 | Hi-Demand: Off Peak kWh Unit Charge | C | 133.39 | 153.40 | 107.82 | 123.99 | 23.72% |
| E5B7 | Low Demand: Peak kWh Unit Charge | C | 422.90 | 486.34 | 452.16 | 519.98 | -6.47% |
| E5B8 | Low Demand: Standard kWh Unit Charge | C | 192.62 | 221.51 | 169.83 | 195.30 | 13.42% |
| E5B9 | Low Demand: Off Peak kWh Unit Charge | C | 125.75 | 144.61 | 104.35 | 120.00 | 20.51% |
| E5B10 | Reactive Energy charge, per kilo volt amps reactive hours | C | 11.80 | 13.57 | 5.37 | 6.18 | 119.74% |
| **E5C** | **TIME OF USE TARIFF SMALL CUSTOMER <100 kVA** | | | | | | |
| E5C1 | Basic charge | R | 468.09 | 538.30 | 425.69 | 489.54 | 9.96% |
| E5C2 | Network Capacity Charge kVA: Notified Maximum Demand (NMD) | R | 62.94 | 72.38 | 12.64 | 14.54 | 397.94% |
| E5C3 | Hi-Demand: Peak kWh Unit Charge | C | 741.46 | 852.68 | 674.30 | 775.45 | 9.96% |
| E5C4 | Hi-Demand: Standard kWh Unit Charge | C | 260.30 | 299.35 | 236.72 | 272.23 | 9.96% |
| E5C5 | Hi-Demand: Off Peak kWh Unit Charge | C | 164.78 | 189.50 | 149.85 | 172.33 | 9.96% |
| E5C6 | Low Demand: Peak kWh Unit Charge | C | 276.35 | 317.80 | 251.32 | 289.02 | 9.96% |
| E5C7 | Low Demand: Standard kWh Unit Charge | C | 206.17 | 237.10 | 187.50 | 215.63 | 9.96% |
| E5C8 | Low Demand: Off Peak kWh Unit Charge | C | 149.49 | 171.91 | 135.95 | 156.34 | 9.96% |
| E5C9 | Reactive Energy charge, per kilo volt amps reactive hours | C | 23.61 | 27.15 | 21.47 | 24.69 | 9.97% |
| **E5D** | Exceed NOTIFIED MAXIMUM DEMAND (NMD) per kVA Per month R (applicable for import NMD and applicable % of export as per agreement) | R | 2 114.31 | 2 431.46 | 1 921.40 | 2 209.61 | 10.04% |
| **E6** | **SUBSIDIZED TARIFFS: Grant to be shown separately** | | | | | | |
| E6A | Basic Monthly Charge: Residential Indigent and Life-line consumer as per paragraph 5 of the Indigent Policy per meter (Based on Single phase basic charge + 30Amp capacity charge) | R | 580.37 | 667.43 | 540.80 | 621.92 | 7.32% |
| **E7** | **PUBLIC LIGHTING & CCTV** | | | | | | |
| E7A1 | Streetlights & CCTV (metered) per kWh (no basic charge) | c | 252.32 | 290.17 | 184.09 | 211.70 | 37.06% |
| E7A2 | Streetlights & CCTV (consumption) (per unit/per month) (no basic charge) per 100 Watt per month | R | 88.26 | 101.50 | 64.39 | 74.05 | 37.07% |
| E7A5 | Illuminated street sign boards per month | R | 88.26 | 101.50 | 64.39 | 74.05 | 37.07% |
| E7A6 | Maintenance charge per light per month | R | 34.64 | 39.84 | 34.64 | 39.84 | 0.00% |
| **E8** | **CASUAL SUPPLIES** | | | | | | |

| Tariff Code | Detail | | 2025/2026 | | 2024/2025 | | 1.9960 |
|---|---|---|---|---|---|---|---|
| | | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.0600 |
| E8A1 | Per connection includes disconnection excluding hire of kiosk | R | 2 112.59 | 2 429.48 | 1 914.79 | 2 202.00 | 10.33% |
| E8A2 | Consumption per day if not metered | R | 137.26 | 157.85 | 124.41 | 143.07 | 10.33% |
| E8A3 | Hire of temporary distribution kiosk, per kiosk, per occasion | R | 827.84 | 952.02 | 750.44 | 863.00 | 10.31% |
| E8A4 | Deposit (Usage will be subtracted) | R | 2 486.95 | no vat | 2 254.00 | no vat | 10.33% |
| E8A5 | One part tariff : Prepaid or Credit Casual Supply | c | 416.35 | 478.80 | 377.37 | 433.98 | 10.33% |
| **E9** | **NETWORK CHARGES: SERVICED LAND** | | | | | | |
| E9A1 | Network charge per serviced plot per month (based on single phase basic and 60Amp capacity charge) | R | 655.62 | 753.96 | 578.11 | 664.83 | 13.41% |
| 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 | 991.92 | 1 140.71 | 885.22 | 1 018.00 | 12.05% |
| E10A2 | Call-out Fee - after hours: Weekdays & Saturdays (Based on 2 hrs (time and a half) for electr & assist + 30km) | R | 1 434.33 | 1 649.48 | 1 242.61 | 1 429.00 | 15.43% |
| E10A3 | Call-out Fee - after hours: Sundays & Public Holidays (Based on 2 hrs (double time) for electr & assist + 30km) | R | 1 876.74 | 2 158.25 | 1 598.26 | 1 838.00 | 17.42% |
| E10A4 | MV. Switching on Council's equipment office hours (Based on 3 hours for superintendent & electr + 60km) | R | 2 884.77 | 3 317.49 | 2 577.39 | 2 964.00 | 11.93% |
| 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 | 4 220.00 | 4 853.00 | 3 693.04 | 4 247.00 | 14.27% |
| 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 | 5 555.34 | 6 388.64 | 4 810.44 | 5 532.00 | 15.49% |
| E10A7 | Contractor Inspection 2nd | R | 918.06 | 1 055.76 | 866.09 | 996.00 | 6.00% |
| E10A8 | Contractor Inspection 3rd | R | 1 386.30 | 1 594.24 | 1 307.83 | 1 504.00 | 6.00% |
| E10A9 | Disconnection | R | 450.73 | 518.34 | 425.22 | 489.00 | 6.00% |
| E10A10 | Reconnection | R | 450.73 | 518.34 | 425.22 | 489.00 | 6.00% |
| E10A11 | Verification of a Meter Reading | R | 450.73 | 518.34 | 425.22 | 489.00 | 6.00% |
| E10A12 | Administration fee - recalculation due to no meter access | R | 234.12 | 269.24 | 220.87 | 254.00 | 6.00% |
| E10A13 | Test of Meter: 1 & 3 Phase (Conditionally Refundable) In~~Ex~~ternal testing | R | 991.92 | 1 140.71 | 815.65 | 938.00 | 21.61% |
| 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 | 306.94 | 352.98 | 289.57 | 333.00 | 6.00% |
| E10A16 | Damage elect meter 3 phase (based on meter cost + call out X 2) | R | 3 579.43 | 4 116.34 | 2 901.74 | 3 337.00 | 23.35% |
| E10A16A | Unintentional damage Indigent household elect meter ~~(bona fide)~~ | R | 0.00 | 0.00 | 0.00 | 0.00 | |
| E10A17 | Damage elect meter 3 phase (based on meter cost + call out X 2) | R | 4 905.01 | 5 640.76 | 4 430.44 | 5 095.00 | 10.71% |
| E10A18 | Replacement of CIU (Meter keypad) ( Based on keypad cost and call out fee) | R | 1 698.53 | 1 953.31 | 1 460.87 | 1 680.00 | 16.27% |
| E10A19 | Damage of Bulk meter-(Based on 3 hours for a superintendent and electrician + 60km + bulk meter cost + modem cost) | R | 10 488.40 | 12 061.66 | 9 590.44 | 11 029.00 | 9.36% |
| E10A20 | Commission of Bulk meter, supplied by customer (call out fee x 3) | R | 2 975.76 | 3 422.12 | 2 655.65 | 3 054.00 | 12.05% |
| E10A21 | Damage of HV Cable | R | cost + R51 236.00 | applicable vat | cost + R48 366.00 | applicable vat | 5.93% |
| E10A22 | Damage of MV Cable | R | cost + R13 402.00 | applicable vat | cost + R12 644.00 | applicable vat | 5.99% |
| E10A23 | Damage of LV Cable | R | cost + R 5 397.00 | applicable vat | cost + R 5 092.00 | applicable vat | 5.99% |
| E10A24 | Damage of Service Connection Cable | R | cost + R 1 350.00 | applicable vat | cost + R 1 274.00 | applicable vat | 5.97% |
| E10A25 | Working without Way leave | R | 6 919.50 | 7 957.42 | 6 527.83 | 7 507.00 | 6.00% |

| Tariff Code | Detail | | 2025/2026 | | 2024/2025 | | 1.9960 |
|---|---|---|---|---|---|---|---|
| | | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.0600 |
| E10A26 | Refundable Wayleave **deposit** for HV cables | R | 98 807.90 | no vat | 93 215.00 | no vat | 6.00% |
| E10A27 | Refundable Way leave **deposit** for MV cables | R | 24 702.24 | no vat | 23 304.00 | no vat | 6.00% |
| E10A28 | Refundable Way leave **deposit** for LV cables | R | 5 338.16 | no vat | 5 036.00 | 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 | 1 119.91 | 1 287.90 | 1 056.52 | 1 215.00 | 6.00% |
| E10A31 | Replacement of damaged overhead service connection cable (Tariff E13A9 - E10A18) | R | 7 696.88 | 8 851.41 | 4 485.22 | 5 158.00 | 71.61% |
| E10A32 | Removal of Meter (based on call out fee) | R | 991.92 | 1 140.71 | 885.22 | 1 018.00 | 12.05% |
| E10A33 | Repositioning of Meter (excl. cable ) (based on call out fee) | R | 991.92 | 1 140.71 | 885.22 | 1 018.00 | 12.05% |
| E10A34 | Repositioning of Meter (incl. cable ) (based on call out fee + 30m cable) | R | 7 179.42 | 8 256.33 | 2 920.00 | 3 358.00 | 145.87% |
| E10A35 | Request for bulk meter profile for 12 months per request (Based on 3 hours for Snr Superintendent + 30km) | R | 1 756.29 | 2 019.73 | 1 473.91 | 1 695.00 | 19.16% |
| **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 | 808.84 | 930.17 | 693.04 | 797.00 | 16.71% |
| 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 | 1 912.55 | 2 199.43 | 1 766.09 | 2 031.00 | 8.29% |
| **E12** | **CONVERSION OF METERS** | | | | | | |
| E12A1 | Convert Credit Meter to Pre-paid: SP (no cable work) (based on meter cost + call out) | R | 2 587.50 | 2 975.63 | 2 017.39 | 2 320.00 | 28.26% |
| E12A2 | Convert Credit Meter to Pre-paid: 3P (no cable work ) (based on meter cost + call out) | R | 3 913.09 | 4 500.05 | 3 546.96 | 4 079.00 | 10.32% |
| E12A3 | Convert Credit Three Phase to Singe Phase Pre-paid meter (based on meter cost + call out + CB) | R | 2 846.83 | 3 273.85 | 2 245.22 | 2 582.00 | 26.80% |
| E12A4 | Convert Credit Three Phase to Single Phase Credit (Commercial only) | R | 2 140.22 | 2 461.25 | 1 374.78 | 1 581.00 | 55.68% |
| E12A5 | Convert Pre-paid Single Phase to Three Phase Pre-paid (based on tariff E13A8) cost includes cable to boundary | R | R17 584.60 + ext fee | applicable vat | R14 689.00 + ext fee | applicable vat | 19.71% |
| E12A6 | Convert pre-paid Three phase to Single phase pre-paid (based on meter cost + call out + CB) | R | 2 846.83 | 3 273.85 | 2 245.22 | 2 582.00 | 26.80% |
| E12A7 | Change to Time of Use (with existing bulk meter) + Deposit | R | 991.92 | 1 140.71 | 865.22 | 995.00 | 14.64% |
| E12A8 | Change to Time of Use (without existing bulk meter) + Deposit | R | 11 480.32 | 13 202.37 | 15 448.70 | 17 766.00 | -25.69% |
| E12A9 | Change to SSEG Three Phase | R | 10 488.40 | 12 061.66 | 9 590.44 | 11 029.00 | 9.36% |
| E12A10 | Change to SSEG Single Phase | R | 5 337.12 | 6 137.69 | 4 327.83 | 4 977.00 | 23.32% |
| **E13** | **SERVICE CONNECTIONS** | | | | | | |
| E13A1 | Builders connection (plus applicable service connection tariff) | R | 1 189.04 | 1 367.40 | 1 121.74 | 1 290.00 | 6.00% |
| E13A4 | Single Phase (Credit - 60A) option for Commercial users only<br>(Based on 30m cable + meter cost + average labour cost + 15% admin fee) | R | 9 659.48 | 11 108.40 | 7 956.52 | 9 150.00 | 21.40% |
| E13A6 | Single Phase - (Pre-paid meters - 60A) applicable to Domestic users (Network Permitted)<br>(Based on: 30m cable + meter cost + average labour cost + 15% admin fee) | R | 9 659.48 | 11 108.40 | 7 956.52 | 9 150.00 | 21.40% |
| E13A7 | Three Phase : (Credit - 60A) Plus Extension fee : Extension fee not applicable to industrial erven up to 60 Amp<br>(Based on 30m (25mm) cable + meter cost + average labour +circuit breaker + 15% admin fee) | R | R17 584.60 + ext fee | applicable vat | R14 203.00 + ext fee | applicable vat | 23.81% |
| E13A8 | Three Phase : (Pre-paid - 60A) Plus Extension fee : Extension fee not applicable to industrial erven up to 60 Amp<br>(Based on 30m (25mm) cable + meter cost + average labour +circuit breaker + 15% admin fee) | R | R17 584.60 + ext fee | applicable vat | R14 203.00 + ext fee | applicable vat | 23.81% |
| E13A9 | Non Standard : Pre-paid 30 Amp Single phase (Sub economic connections)<br>(Based on 30m (10mm) cable + meter cost + average labour cost + 15% admin fee) | R | 9 395.41 | 10 804.72 | 7 387.83 | 8 496.00 | 27.17% |

| Tariff Code | Detail | | 2025/2026 | | 2024/2025 | | 1.9960 |
|---|---|---|---|---|---|---|---|
| | | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.0600 |
| 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 | 5 478.00 | no vat | 5 168.00 | no vat | 6.00% |
| E14A2 | 2 nd Offence (E14A1 X 2) | R | 10 955.00 | no vat | 10 335.00 | no vat | 6.00% |
| E14A3 | 3 rd Offence and re-occurance (Disconnection of service and remedial action fee = double previous* offence fee) *based on current tariffs | | 2 X E14A2 | no vat | 2 X E14A2 | no vat | |
| E14A4 | Unsafe / Illegal supply of electricity (per visit ) **(reconnection fee included)** | R | 2 453.90 | no vat | 2 315.00 | 2 662.25 | 6.00% |
| **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 | 1 528.24 | 1 757.48 | 1 441.74 | 1 658.00 | 6.00% |
| E15A2 | Primary Cost p/kVA -include all MV. Equipment UP to Main Substation or identified point of supply excluding Dist. TF | R | 4 549.70 | 5 232.16 | 4 292.17 | 4 936.00 | 6.00% |
| E15A3 | Secondary Cost p/kVA -include all MV. Equipment UP to Main Substation or identified point of supply including Dist. TF | R | 5 545.18 | 6 376.95 | 5 231.30 | 6 016.00 | 6.00% |
| E15A4 | Secondary Cost p/kVA -include all MV. Equipment UP to Main Substation or identified point of supply including Dist. TF and Kiosk | R | 7 234.73 | 8 319.94 | 6 825.22 | 7 849.00 | 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 | 5 435.50 | 6 250.82 | 5 127.83 | 5 897.00 | 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)** | | | | | | |
| | 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 | 125.68 | 144.53 | 114.21 | 131.34 | 10.04% |
| **E19** | **WHEELING ENERGY** | | | | | | |
| | Wheeling between Generators within and outside of the Overstrand electricity networks to Overstrand consumers will be allowed on a pilot basis. This will only be done in line with the Overstrand Wheeling guideline and with approval by the Chief Engineer Infrastructure Services and the CFO. The wheeling will be done to ensure revenue neutrality for the Overstrand Municipality. The consumers must be on one of the relevant Overstrand TOU tariffs and an additional ~~basic~~ admin and reconciliation charge will apply to the respective consumers. Generators within the Overstrand network will be charged at the standard TOU tariff in respect of their own consumption. A use of system charge will be payable for consumers or off-takers or generators within the Overstrand Municipality network. The Implicit use of system charges (or wheeling credit method) is used by Overstrand. The wheeling energy credit is to the value of the wholesale electricity pricing structure (WEPS) less losses. In cases of wheeling from a generator outside of the Overstrand network through Eskom, any additional charges relating to the wheeling will be charged to the off-taker. | | | | | | |
| E19A2 | TIME OF USE TARIFF MV: Admin and reconciliation charge per off-taker | R | 468.24 | 538.48 | new | new | |
| E19A3 | TIME OF USE TARIFFL LV: Admin and reconciliation charge per off-taker | R | 468.24 | 538.48 | new | new | |
| E19A4 | TIME OF USE TARIFF SMALL CUSTOMER <100 kVA: Admin and reconciliation charge per off-taker | R | 468.24 | 538.48 | new | new | |
| **DC2** | **DEVELOPMENT CONTRIBUTIONS (BULK INFRASTRUCTURE CONTRIBUTION LEVIES - BICL)** | | | | | | |
| DC2A | **Sub Division of existing erf** | | | | | | |

| Tariff Code | Detail | | 2025/2026 | | 2024/2025 | | 1.9960 |
|---|---|---|---|---|---|---|---|
| | | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.0600 |
| DC2A1 | Single Phase 60 AMP (5 kVA) Domestic X Tariff E15A4 = P/ERF **PLUS** STANDARD CONNECTION FEES | R | 36 173.67 | 41 599.72 | 34 127.83 | 39 247.00 | 5.99% |
| DC2B | **New Developments** | | 0.00 | | | | |
| DC2B1 | Standard fee per Singel Phase Domestic erf - infrastructure provide by developer (13.8 kVA xE15A2 x.36) | R | 22 602.89 | 25 993.32 | 21 323.48 | 24 522.00 | 6.00% |
| DC2B2 | Standard fee per Three Phase Domestic erf - infrastructure provide by developer (42kVA x E15A2x.36) | R | 68 791.23 | 79 109.92 | 64 897.39 | 74 632.00 | 6.00% |
| DC2C | MV/LV Bulk Supply with metering point cost / kVA= Tariff E15A2 | R | 4 549.70 | 5 232.16 | 4 325.22 | 4 974.00 | 5.19% |
| DC2C1 | LV Bulk Supply if capacity is available on existing TF cost / kVA = Tariff E15A3 | R | 5 545.18 | 6 376.96 | 5 270.43 | 6 060.99 | 5.21% |

## SEWER TARIFFS (ROUNDING APPLICABLE)

| Tariff Code | Detail | 2025/2026 | | 2024/2025 | | |
|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.060 |
| **SE7A** | **SEWERAGE - SINGLE AND INTERMEDIATE RESIDENTIAL (Dwelling house and Duplex flats, Conventional Sewers, small bore sewers and conservancy tanks)** | | | | | 1.06 |
| 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. | 19.27 | 22.16 | 18.18 | 20.90 | 6.00% |
| 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. | 170.15 | 195.67 | 161.41 | 185.62 | 5.41% |
| SE7A3 | Call out fee for Tank Service request but no service due to another defect/no acces to tank | 781.97 | 899.27 | 737.71 | 848.37 | 6.00% |
| SE7A5 | Double the basic charge levied where networks are available but client is not connected | 339.96 | 390.96 | 320.72 | 368.83 | 6.00% |
| | **SEWERAGE - REGISTERED INDIGENT HOUSEHOLDS** | | | | | |
| SE7A6 | 0 - 7 kl - **subsidised** | 19.27 | 22.16 | 18.18 | 20.90 | 6.00% |
| SE7A7 | 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. | 19.27 | 22.16 | 18.18 | 20.90 | 6.00% |
| **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 | 19.27 | 22.16 | 18.18 | 20.90 | 6.00% |
| SE7B2 | Call out fee for Tank Service request but no service due to another defect/no acces to tank | 781.97 | 899.27 | 737.71 | 848.37 | 6.00% |
| **SE7C** | **SEWERAGE - GUEST HOUSE; BED & BREAKFAST ESTABLISHMENTS** | | | | | |
| SE7C1 | per kl (based on 70% of water usage) per unit per month. | 19.27 | 22.16 | 18.18 | 20.90 | 6.00% |
| **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 | 19.27 | 22.16 | 18.18 | 20.90 | 6.00% |
| SE7D2 | Call out fee for Tank Service request but no service due to another defect/no acces to tank | 781.97 | 899.27 | 737.71 | 848.37 | 6.00% |
| **SE7E** | **CONSUMPTION - DEPARTMENTAL** | | | | | |
| SE7E1 | 0 - 35 kl per kl (based on 70% of max 50kl water usage) per unit per month | 19.27 | 22.16 | 18.18 | 20.90 | 6.00% |
| **SE8** | **BASIC CHARGE** | | | | | |
| SE8A | Basic Monthly Charge Developed sites per erf/unit per month | 170.15 | 195.67 | 160.52 | 184.60 | 6.00% |
| SE8A1 | Basic Monthly Subsidy Residential Indigent as per paragraph A of the Indigent Policy per month | 170.15 | 195.67 | 160.52 | 184.60 | 6.00% |
| SE8B | Basic Monthly Charge Undeveloped sites - can not connect to the network per erf/unit per month | 114.65 | 131.85 | 108.16 | 124.38 | 6.00% |
| SE8C | Basic Monthly Charge Undeveloped sites - can connect to the network per erf/unit per month | 170.14 | 195.66 | 160.51 | 184.58 | 6.00% |
| SE8D | Basic Monthly Charge Developed sites - with a septic Tank per erf/unit per month | 114.65 | 131.85 | 108.16 | 124.38 | 6.00% |
| SE8E | Basic Monthly Charge - Low Cost Housing & Single Quarters per erf/unit per month | 114.65 | 131.85 | 108.16 | 124.38 | 6.00% |
| 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% |

| Tariff Code | Detail | 2025/2026 | | 2024/2025 | | 1.060 |
|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | |
| 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 Households (No 2 end date 30 June 2029) | 3.43 | 3.94 | 3.43 | 3.94 | 0.00% |
| **SE9** | **OTHER SEWERAGE CHARGES** | | | | | |
| SE9A | **Vacuum Tanker Service for users not paying tariffs SE7 above - PROVIDED ON REQUEST** | | | | | |
| SE9A1 | Vacuum Tanker Service provided on request < 6kl (per 6kl or part thereof) | 781.97 | 899.27 | 737.71 | 848.37 | 6.00% |
| SE9A2 | Vacuum Tanker Service provided on request < 5kl (per 5kl or part thereof) | 781.97 | 899.27 | 737.71 | 848.37 | 6.00% |
| SE9A4 | Vacuum Tanker Service provided on request > 6kl (per 6kl or part thereof) | 781.97 | 899.27 | 737.71 | 848.37 | 6.00% |
| SE9A5 | Call out fee for Tank Service request but no service due to another defect | 781.97 | 899.27 | 737.71 | 848.37 | 6.00% |
| SE9A6 | More than 3 pipes an additional fee per pipe for users not paying tariff SE7 above | 114.54 | 131.73 | 108.06 | 124.27 | 6.00% |
| SE9B | **After Hours Vacuum Tanker Service - PROVIDED ON REQUEST** | | | | | |
| SE9B1 | After Hours - per request < 6kl (per 6kl or part thereof) | 1 563.95 | 1 798.54 | 1 475.42 | 1 696.73 | 6.00% |
| SE9B2 | After Hours - per request > 6kl (per 6kl or part thereof) | 1 563.95 | 1 798.54 | 1 475.42 | 1 696.73 | 6.00% |
| SE9B3 | After Hours - per request < 5kl (per 5kl or part thereof) | 1 563.95 | 1 798.54 | 1 475.42 | 1 696.73 | 6.00% |
| SE9B2 | After Hours Businesses with Public Toilets per removal | 469.60 | 540.04 | 443.02 | 509.47 | 6.00% |
| SE9C | **Vacuum Tanker Service outside urban areas - PROVIDED ON REQUEST** | | | | | |
| SE9C1 | Normal Applicable Tariff (SE9A1 or SE9A2 or SE9A4) PLUS additional per hour **PLUS SE9C2** | 469.60 | 540.04 | 443.02 | 509.47 | 6.00% |
| SE9C2 | Normal ApplicableTariff (SE9A2) plus additional per km | 22.93 | 26.37 | 21.63 | 24.87 | 6.00% |
| | **After Hours for Vacuum Tanker Service outside urban areas - PROVIDED ON REQUEST** | | | | | |
| SE9C6 | After Hours Applicable Tariff (SE9B1 or SE9B2 or SE9B3) **PLUS additional per hour PLUS SE9C7** | 469.60 | 540.04 | 443.02 | 509.47 | 6.00% |
| SE9C7 | After Hours Applicable Tariff (SE9B2) plus additional per km | 22.93 | 26.37 | 21.63 | 24.87 | 6.00% |
| **SE9.2** | **SUNDRY CHARGES** | | | | | |
| SE9D | **Testing and Connection Fees** | | | | | |
| SE9D1 | Testing of the septic and conservancy tanks per test | 1 966.07 | 2 260.98 | 1 854.78 | 2 133.00 | 6.00% |
| SE9D2 | Smallbore sewerage connection fee + tank test | 2 173.91 | 2 500.00 | 8 509.57 | 9 786.00 | -74.45% |
| SE9D3 | Sewer Connection | 2 173.91 | 2 500.00 | 6 385.22 | 7 343.00 | -65.95% |
| SE9E | **Disposal with own tanker truck** | | | | | |
| SE9E1 | Charge per kl or part thereof | 18.43 | 21.20 | 17.39 | 20.00 | 6.00% |
| **SE11** | **ILLEGAL CONNECTION / TAMPERING FEE** | | | | | |
| SE11A | 1st Offence | 9 269.70 | no vat | 8 745.00 | no vat | 6.00% |
| SE11B | 2 nd Offence (SE11A X 2) | 18 539.40 | no vat | 17 490.00 | no vat | 6.00% |
| **NOTE: Any requests for tanker services after 15:00 will be charged at the after hour rate** | | | | | | |

## WATER TARIFFS (ROUNDING APPLICABLE)

| Tariff Code | Detail | 2025/2026 | | 2024/2025 | | 1.062 |
|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.062 |
| WD | **CONSUMER DEPOSITS** | | | | | |
| WD1 | Domestic - Water | 812.43 | no vat | 765.00 | no vat | 6.20% |
| WD2 | Commercial - Water - Consumption < 40kl | 3 232.73 | no vat | 3 044.00 | no vat | 6.20% |
| WD3 | Commercial - Water - Consumption 40 - 100kl | 11 311.36 | no vat | 10 651.00 | no vat | 6.20% |
| WD4 | Commercial - Water - Consumption 100 kl + | 19 388.93 | no vat | 18 257.00 | no vat | 6.20% |
| WD5 | Domestic - Water RUE's | Applicable Rue's X WD1A | no vat | Applicable Rue's X WD1A | no vat | |
| WD6 | Indigent - registered (including UISP) | 244.26 | no vat | 230.00 | no vat | 6.20% |
| 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'sTwo 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 | 186.58 | 214.56 | 175.69 | 202.04 | 6.20% |
| W1A2A | Basic Monthly Subsidy : Residential Indigent as per paragraph A of the Indigent Policyper erf/unit per month | 186.58 | 214.56 | 175.69 | 202.04 | 6.20% |
| 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% |
| | ***See attachment for the amount of RUE's allocated to different household consumers*** | | | | | |
| **W1B** | **CONSUMPTION - HOUSEHOLDS** | | | | | |
| | **Normal Tariff & Level 1 water restrictions** | | | | | |
| W1B1 | 0 - 6 kl per kl | 7.67 | 8.82 | 7.22 | 8.30 | 6.20% |
| W1B2 | 7 - 18 kl per kl | 15.73 | 18.09 | 14.81 | 17.03 | 6.20% |
| W1B4 | 19 - 45 kl per kl | 32.96 | 37.90 | 31.04 | 35.69 | 6.20% |
| W1B5 | 46 - 60 kl per kl | 65.91 | 75.79 | 62.06 | 71.37 | 6.20% |
| W1B6 | >60kl per kl | 87.90 | 101.08 | 82.77 | 95.18 | 6.20% |
| | **Restriction Tariff 1 (level 2 & 3 water restrictions)** | | | | | |
| W1B7 | 0 - 6 kl per kl | 7.67 | 8.82 | 7.22 | 8.30 | 6.20% |

| Tariff Code | Detail | 2025/2026 | | 2024/2025 | | 1.062 |
|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.062 |
| W1B8 | 7 - 18 kl per kl | 20.45 | 23.51 | 19.25 | 22.14 | 6.20% |
| W1B10 | 19 - 45 kl per kl | 42.85 | 49.27 | 40.35 | 46.40 | 6.20% |
| W1B11 | 46 - 60 kl per kl | 85.68 | 98.53 | 80.68 | 92.78 | 6.20% |
| W1B12 | >60kl per kl | 114.27 | 131.41 | 107.59 | 123.73 | 6.20% |
| | **Restriction Tariff 2 (level 4 & 5 water restrictions)** | | | | | |
| W1B13 | 0 - 6 kl per kl | 7.67 | 8.82 | 7.22 | 8.30 | 6.20% |
| W1B14 | 7 - 18 kl per kl | 25.17 | 28.94 | 23.70 | 27.25 | 6.20% |
| W1B16 | 19 - 45 kl per kl | 52.73 | 60.64 | 49.66 | 57.10 | 6.20% |
| W1B17 | 46 - 60 kl per kl | 105.45 | 121.27 | 99.30 | 114.19 | 6.20% |
| W1B18 | >60kl per kl | 140.63 | 161.73 | 132.42 | 152.29 | 6.20% |
| | **Restriction Tariff 3 (level 6 water restrictions)** | | | | | |
| W1B19 | 0 - 6 kl per kl | 7.67 | 8.82 | 7.22 | 8.30 | 6.20% |
| W1B20 | 7 - 18 kl per kl | 31.46 | 36.17 | 29.62 | 34.06 | 6.20% |
| W1B22 | 19 - 45 kl per kl | 65.92 | 75.81 | 62.07 | 71.38 | 6.20% |
| W1B23 | 46 - 60 kl per kl | 131.82 | 151.59 | 124.12 | 142.74 | 6.20% |
| W1B24 | >60kl per kl | 175.79 | 202.16 | 165.53 | 190.36 | 6.20% |
| **W1BI** | **CONSUMPTION - REGISTERED INDIGENT HOUSEHOLDS** | | | | | |
| | **Normal Tariff & Level 1 water restrictions** | | | | | |
| W1BI1 | 0 - 10 kl per kl - **subsidised** | 7.67 | 8.82 | 7.22 | 8.30 | 6.20% |
| W1BI2 | 11 - 18 kl per kl | 15.73 | 18.09 | 14.81 | 17.03 | 6.20% |
| W1BI4 | 19 - 45 kl per kl | 32.96 | 37.90 | 31.04 | 35.69 | 6.20% |
| W1BI5 | 46 - 60 kl per kl | 65.91 | 75.79 | 62.06 | 71.37 | 6.20% |
| W1BI6 | >60kl per kl | 87.90 | 101.08 | 82.77 | 95.18 | 6.20% |
| | **Restriction Tariff 1 (level 2 & 3 water restrictions)** | | | | | |
| W1BI7 | 0 - 10 kl per kl - **subsidised** | 7.67 | 8.82 | 7.22 | 8.30 | 6.20% |
| W1BI8 | 11 - 18 kl per kl | 20.45 | 23.51 | 19.25 | 22.14 | 6.20% |
| W1BI10 | 19 - 45 kl per kl | 42.85 | 49.27 | 40.35 | 46.40 | 6.20% |
| W1BI11 | 46 - 60 kl per kl | 85.68 | 98.53 | 80.68 | 92.78 | 6.20% |
| W1BI12 | >60kl per kl | 114.27 | 131.41 | 107.59 | 123.73 | 6.20% |
| | **Restriction Tariff 2 (level 4 & 5 water restrictions)** | | | | | |
| W1BI13 | 0 - 10 kl per kl - **subsidised** | 7.67 | 8.82 | 7.22 | 8.30 | 6.20% |
| W1BI14 | 11 - 18 kl per kl | 25.17 | 28.94 | 23.70 | 27.25 | 6.20% |
| W1BI16 | 19 - 45 kl per kl | 52.73 | 60.64 | 49.66 | 57.10 | 6.20% |
| W1BI17 | 46 - 60 kl per kl | 105.45 | 121.27 | 99.30 | 114.19 | 6.20% |
| W1BI18 | >60kl per kl | 140.63 | 161.73 | 132.42 | 152.29 | 6.20% |
| | **Restriction Tariff 3 (level 6 water restrictions)** | | | | | |
| W1BI19 | 0 - 10 kl per kl - **subsidised** | 7.67 | 8.82 | 7.22 | 8.30 | 6.20% |
| W1BI20 | 11 - 18 kl per kl | 31.46 | 36.17 | 29.62 | 34.06 | 6.20% |
| W1BI22 | 19 - 45 kl per kl | 65.92 | 75.81 | 62.07 | 71.38 | 6.20% |
| W1BI23 | 46 - 60 kl per kl | 131.82 | 151.59 | 124.12 | 142.74 | 6.20% |

| Tariff Code | Detail | 2025/2026 | | 2024/2025 | | 1.062 |
|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.062 |
| W1BI24 | >60kl per kl | 175.79 | 202.16 | 165.53 | 190.36 | 6.20% |
| **W1C** | **CONSUMPTION - ALL OTHER** | | | | | |
| | **Normal Tariff & Level 1 water restrictions** | | | | | |
| W1C1 | 0 - 18 kl per kl | 17.39 | 20.00 | 16.38 | 18.83 | 6.20% |
| W1C3 | 19 - 45 kl per kl | 39.28 | 45.18 | 36.99 | 42.54 | 6.20% |
| W1C4 | 46 - 60 kl per kl | 51.02 | 58.67 | 48.04 | 55.25 | 6.20% |
| W1C5 | >60 kl per kl | 68.03 | 78.23 | 64.06 | 73.66 | 6.20% |
| | **Restriction Tariff 1 (level 2 & 3 water restrictions)** | | | | | |
| W1C6 | 0 - 18 kl per kl | 22.61 | 26.00 | 21.29 | 24.48 | 6.20% |
| W1C8 | 19 - 45 kl per kl | 51.07 | 58.73 | 48.09 | 55.30 | 6.20% |
| W1C9 | 46 - 60 kl per kl | 66.32 | 76.27 | 62.45 | 71.82 | 6.20% |
| W1C10 | >60 kl per kl | 88.43 | 101.70 | 83.27 | 95.76 | 6.20% |
| | **Restriction Tariff 2 (level 4 & 5 water restrictions)** | | | | | |
| W1C11 | 0 - 18 kl per kl | 27.82 | 32.00 | 26.20 | 30.13 | 6.20% |
| W1C13 | 19 - 45 kl per kl | 62.85 | 72.28 | 59.18 | 68.06 | 6.20% |
| W1C14 | 46 - 60 kl per kl | 81.63 | 93.87 | 76.86 | 88.39 | 6.20% |
| W1C15 | >60 kl per kl | 108.84 | 125.17 | 102.49 | 117.86 | 6.20% |
| | **Restriction Tariff 3 (level 6 water restrictions)** | | | | | |
| W1C16 | 0 - 18 kl per kl | 34.78 | 40.00 | 32.75 | 37.66 | 6.20% |
| W1C18 | 19 - 45 kl per kl | 78.57 | 90.35 | 73.98 | 85.08 | 6.20% |
| W1C19 | 46 - 60 kl per kl | 102.04 | 117.34 | 96.08 | 110.49 | 6.20% |
| W1C20 | >60 kl per kl | 136.05 | 156.46 | 128.11 | 147.33 | 6.20% |
| **W1D** | **OTHER CONSUMERS** | | | | | |
| W1D1 | Departmental per Kl (Including temporary connection for municipal purposes) | 33.65 | 38.70 | 30.29 | 34.83 | 11.09% |
| W1D2 | Fire Hoses: Basic per Month | 238.10 | 273.82 | 224.20 | 257.83 | 6.20% |
| W1D3 | Bulk usage (Unconnected to networks) per Kl - Consumers Permanently residing within Overstrand municipality area | 19.26 | 22.15 | 18.14 | 20.86 | 6.20% |
| W1D3A | Restriction Tariff 1 (level 2 & 3 water restrictions) | 25.04 | 28.80 | 23.58 | 27.12 | 6.20% |
| W1D3B | Restriction Tariff 2 (level 4 & 5 water restrictions) | 30.82 | 35.45 | 29.02 | 33.38 | 6.20% |
| W1D3C | Restriction Tariff 3 (level 6 water restrictions) | 38.53 | 44.31 | 36.28 | 41.72 | 6.20% |
| W1D4 | Kid Brooke (Van Cauter 0 - 8000kl per year) | 0.08 | 0.09 | 0.08 | 0.09 | 0.00% |
| W1D5 | Onrus Small Holdings tariff 2 (Van Cauter) | 0.08 | 0.09 | 0.08 | 0.09 | 0.00% |
| W1D6 | Onrus Small Holdings tariff 4 (Per agreement) | 1.11 | 1.28 | 1.11 | 1.28 | 0.00% |
| W1D7 | Contractors water consumption - temporary connection (only for municipal purposes) | 33.65 | 38.70 | 30.29 | 34.83 | 11.09% |
| W1D8 | Bulk usage (Unconnected to networks) per Kl - People residing outside the Overstrand municipal area | 71.41 | 82.13 | 67.25 | 77.33 | 6.20% |
| W1D8A | Restriction Tariff 1 (level 2 & 3 water restrictions) | 92.84 | 106.76 | 87.42 | 100.53 | 6.20% |
| W1D8B | Restriction Tariff 2 (level 4 & 5 water restrictions) | 114.26 | 131.40 | 107.59 | 123.73 | 6.20% |

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|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.062 |
| W1D8C | Restriction Tariff 3 (level 6 water restrictions) | 142.83 | 164.25 | 134.49 | 154.67 | 6.20% |
| **W1E** | **WET COMMERCIAL, SPORT, PARKS etc (must apply for this tariff)** | | | | | |
| | **Normal Tariff & Level 1 water restrictions** | | | | | |
| W1E1 | 0 - 500kl per kl | 25.31 | 29.10 | 23.83 | 27.40 | 6.20% |
| W1E2 | 501 - 1000kl per kl | 38.29 | 44.03 | 36.05 | 41.46 | 6.20% |
| W1E3 | >1000kl per kl | 51.04 | 58.70 | 48.06 | 55.27 | 6.20% |
| | **Restriction Tariff 1 (level 2 & 3 water restrictions)** | | | | | |
| W1E4 | 0 - 300kl per kl | 32.90 | 37.83 | 30.98 | 35.63 | 6.20% |
| W1E5 | 301 - 700kl per kl | 49.77 | 57.24 | 46.87 | 53.89 | 6.20% |
| W1E6 | >700kl per kl | 66.35 | 76.30 | 62.48 | 71.85 | 6.20% |
| | **Restriction Tariff 2 (level 4 & 5 water restrictions)** | | | | | |
| W1E7 | 0 - 250kl per kl | 40.49 | 46.57 | 38.13 | 43.85 | 6.20% |
| W1E8 | 251 - 500kl per kl | 61.26 | 70.44 | 57.68 | 66.33 | 6.20% |
| W1E9 | >500kl per kl | 81.66 | 93.91 | 76.90 | 88.43 | 6.20% |
| | **Restriction Tariff 3 (level 6 water restrictions)** | | | | | |
| W1E10 | 0 - 100kl per kl | 50.61 | 58.21 | 47.66 | 54.81 | 6.20% |
| W1E11 | >100 kl per kl | 102.08 | 117.39 | 96.12 | 110.54 | 6.20% |
| **W1F** | **WET INDUSTRY (Marine etc. must apply for this tariff) (Average of 100kl per day over previous 365 days** | | | | | |
| | **Normal Tariff & Level 1 water restrictions** | | | | | |
| W1F1 | 0 - 5800kl per kl | 26.37 | 30.32 | 24.83 | 28.55 | 6.20% |
| W1F2 | > 5800kl per kl | 51.04 | 58.70 | 48.06 | 55.27 | 6.20% |
| | **Restriction Tariff 1 (level 2 & 3 water restrictions)** | | | | | |
| W1F3 | 0 - 5800kl per kl | 34.28 | 39.42 | 32.28 | 37.12 | 6.20% |
| W1F4 | > 5800kl per kl | 66.35 | 76.30 | 62.48 | 71.85 | 6.20% |
| | **Restriction Tariff 2 (level 4 & 5 water restrictions)** | | | | | |
| W1F5 | 0 - 5800kl per kl | 42.19 | 48.52 | 39.73 | 45.69 | 6.20% |
| W1F6 | > 5800kl per kl | 81.66 | 93.91 | 76.90 | 88.43 | 6.20% |
| | **Restriction Tariff 3 (level 6 water restrictions)** | | | | | |
| W1F7 | 0 - 5 800kl per kl | 52.74 | 60.65 | 49.66 | 57.11 | 6.20% |
| W1F8 | >5 800 kl per kl | 102.08 | 117.39 | 96.12 | 110.54 | 6.20% |
| **W2A** | **AVAILABILITY CHARGES** | | | | | |
| W2A1 | Overstrand per month | 186.57 | 214.56 | 175.68 | 202.03 | 6.20% |
| W2A2 | Farms connected to water pipe line | 186.57 | 214.56 | 175.68 | 202.03 | 6.20% |
| **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 | 20.19 | 23.22 | 18.17 | 20.90 | 11.12% |
| **W3A** | **IRRIGATION WATER ("LEI WATER") & RAW WATER** | | | | | |
| W3A1 | Use and pump water (80-90 min) per MONTH Stanford | 57.17 | 65.75 | 53.84 | 61.91 | 6.20% |
| W3A2 | Pearly Beach Small Holdings: Basic | 69.78 | 80.25 | 65.71 | 75.57 | 6.20% |
| W3A3 | Pearly Beach Small Holdings: Consumption 0- 70 kl per kl | 5.44 | 6.25 | 5.12 | 5.89 | 6.20% |
| W3A4 | Pearly Beach Small Holdings: Consumption >70 kl per kl | 12.78 | 14.70 | 12.03 | 13.84 | 6.20% |

| Tariff Code | Detail | 2025/2026 | | 2024/2025 | | 1.062 |
|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.062 |
| W3A5 | Others per kl | 5.44 | 6.25 | 5.12 | 5.89 | 6.20% |
| 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 | 5.44 | 6.25 | 5.12 | 5.89 | 6.20% |
| W3A6C | Farms 6/722, 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 | Farms 6/722, 7/722 and 8/722 Stanford as per agreement, raw water consumption in excess of 100 kl/month | 5.44 | 6.25 | 5.12 | 5.89 | 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 | 5.44 | 6.25 | 5.12 | 5.89 | 6.20% |
| **W3B** | **IRRIGATION WATER - (TREATED EFFLUENT)** | | | | | |
| W3B2 | Hermanus Golf Club per month | 62 073.51 | 71 384.53 | 58 449.63 | 67 217.07 | 6.20% |
| W3B3 | All other per kl | 3.50 | 4.02 | 3.30 | 3.79 | 6.20% |
| 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 | 3.50 | 4.02 | 3.30 | 3.79 | 6.20% |
| **W4** | **SUNDRY CHARGES** | | | | | |
| W4A1 | Testing of a Meter (Call-out Fee incl) | 1 235.62 | 1 420.96 | 1 163.48 | 1 338.00 | 6.20% |
| W4A2 | Testing of a Meter (Ind/Bulk Meter)<br>****Minimum charge of R500*** | Cost plus 15% | applicable vat | Cost plus 15% | applicable vat | |
| W4A3 | Disconnection | 559.63 | 643.58 | 526.96 | 606.00 | 6.20% |
| W4A4 | Reconnection | 559.63 | 643.58 | 526.96 | 606.00 | 6.20% |
| W4A5 | Reconnection After Normal Working Hours | 1 122.02 | 1 290.33 | 1 056.52 | 1 215.00 | 6.20% |
| W4A6 | Administration fee - recalculation due to no meter access | 217.94 | 250.64 | 205.22 | 236.00 | 6.20% |
| W4A7 | Verification of a Meter Reading | 307.52 | 353.65 | 289.57 | 333.00 | 6.20% |
| W4A8 | Final and Special Readings | 280.74 | 322.85 | 264.35 | 304.00 | 6.20% |
| W4A9 | Call-out Fee - Normal Working Hours | 558.71 | 642.51 | 526.09 | 605.00 | 6.20% |
| W4A10 | Call-out Fee - After Hours | 1 120.18 | 1 288.20 | 1 054.78 | 1 213.00 | 6.20% |
| W4A11 | Replacement of damage meter | 1 502.50 | 1 727.87 | 1 414.78 | 1 627.00 | 6.20% |
| W4A12 | Removal / Re-install of Meter (based on call out fee) | 1 235.62 | 1 420.96 | 1 163.48 | 1 338.00 | 6.20% |
| W4A13 | Registration of Borehole (Including inspection fee) | 0.00 | 0.00 | 394.78 | 454.00 | -100.00% |
| W4A14 | Repositioning of Meter (excl. pipe ) | 1 230.07 | 1 414.58 | 1 158.26 | 1 332.00 | 6.20% |
| W4A15 | Convert to Water Flow Restrictor Meter | 4 006.97 | 4 608.01 | 3 773.04 | 4 339.00 | 6.20% |
| W4A16 | Temporary Connections - Deposit | 10 542.37 | no vat | 9 926.90 | no vat | 6.20% |
| W4A17 | Temporary Connection - Usage per kl | 32.17 | 36.99 | 30.29 | 34.83 | 6.20% |
| 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 991.00 | applicable vat | 6.21% |

| Tariff Code | Detail | 2025/2026 | | 2024/2025 | | 1.062 |
|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.062 |
| W4A20 | Damage of Service Connection (including water meter) | Actual cost plus R1 049.00 | applicable vat | Actual cost plus R1 049.00 | applicable vat | 6.21% |
| **W5** | **ILLEGAL CONNECTION / TAMPERING FEE** | | | | | |
| W5A1 | 1st Offence | 9 351.97 | no vat | 8 806.00 | no vat | 6.20% |
| W5A2 | 2nd Offence Must convert to a flow-restriction watermeter at applicable tariff plus | 10 973.65 | no vat | 10 333.00 | no vat | 6.20% |
| 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 | 6 851.28 | 7 878.97 | 6 451.30 | 7 419.00 | 6.20% |
| W6A2 | 20 mm Connection Water Flow Restrictor Meter | 8 137.69 | 9 358.35 | 7 662.61 | 8 812.00 | 6.20% |
| W6A3 | Other Connections | Actual cost plus 15% | applicable vat | Actual cost plus 15% | applicable vat | |
| W6A4 | Connections (Erf Boundary - by Developer) | 1 781.39 | 2 048.60 | 1 677.39 | 1 929.00 | 6.20% |
| **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<br>* 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)<br>* RUE's only applicable from date of application and approval |

***RUE = Residential Unit Equivalent***

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

| Tariff Code | Detail | 2025/2026 | | 2024/2025 | | 1.000 |
|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | |
| | | R | R | R | R | |
| **DC1** | **WATER** | | | | | |
| DC1A | Standard Fee per Equivalent Unit | 23 998.26 | 27 598.00 | 23 998.26 | 27 598.00 | 0.00% |
| **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 | 36 173.67 | 41 599.72 | 34 127.83 | 39 247.00 | 5.99% |
| DC2B | **New Developments** | | | | | |
| DC2B1 | Standard fee per Singel Phase Domestic erf - infrastructure provide by developer (Based on 13.8 kVA xE15A2 x.36) | 22 602.89 | 25 993.32 | 21 323.48 | 24 522.00 | 6.00% |
| DC2B2 | Standard fee per Three Phase Domestic erf - infrastructure provide by developer (Based on 42kVA x E15A2x.36) | 68 791.23 | 79 109.92 | 64 897.39 | 74 632.00 | 6.00% |
| DC2C | MV/LV Bulk Supply with metering point cost / kVA= Tariff E15A2 | 4 549.70 | 5 232.16 | 4 325.22 | 4 974.00 | 5.19% |
| DC2C1 | LV Bulk Supply if capacity is available on existing TF cost / kVA = Tariff E15A3 | 5 545.18 | 6 376.96 | 5 270.43 | 6 060.99 | 5.21% |
| **DC3** | **SEWERAGE** | | | | | |
| DC3A | Standard Fee per Equivalent Unit | 17 152.17 | 19 725.00 | 17 152.17 | 19 725.00 | 0.00% |
| **DC4** | **ROADS** | | | | | |
| DC4A | Standard Fee per Equivalent Unit | 7 691.30 | 8 845.00 | 7 691.30 | 8 845.00 | 0.00% |
| **DC5** | **STORMWATER** | | | | | |
| DC5A | Standard Fee per Equivalent Unit | 8 873.91 | 10 205.00 | 8 873.91 | 10 205.00 | 0.00% |
| **DC6** | **SOLID WASTE** | | | | | |
| DC6A | Standard Fee per Equivalent Unit | 1 538.26 | 1 769.00 | 1 538.26 | 1 769.00 | 0.00% |
| **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 | 10 654.78 | 12 253.00 | 0.00% |
| DC8A3 | 11 - 25 | 17 940.87 | 20 632.00 | 17 940.87 | 20 632.00 | 0.00% |
| DC8A4 | 26 - 50 | 24 684.35 | 28 387.00 | 24 684.35 | 28 387.00 | 0.00% |
| DC8A5 | 51 - 100 | 28 325.22 | 32 574.00 | 28 325.22 | 32 574.00 | 0.00% |
| DC8A6 | 101 - 250 | 31 427.83 | 36 142.00 | 31 427.83 | 36 142.00 | 0.00% |
| DC8A7 | 251 - 500 | 36 687.83 | 42 191.00 | 36 687.83 | 42 191.00 | 0.00% |
| DC8A8 | 501 - 2000 | 41 407.83 | 47 619.00 | 41 407.83 | 47 619.00 | 0.00% |
| DC8A9 | 2000 – 5000 | 49 771.30 | 57 237.00 | 49 771.30 | 57 237.00 | 0.00% |
| DC8A10 | > 5001 | 56 516.52 | 64 994.00 | 56 516.52 | 64 994.00 | 0.00% |
| DC8E | **Sanitation** | | | | | |

| Tariff Code | Detail | 2025/2026 | | 2024/2025 | | 1.000 |
|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | |
| | | R | R | R | R | |
| | No. of Equivalent units | | | | | |
| DC8E1 | 1 - 4 | no charge | no vat | no charge | no vat | |
| DC8E2 | 5 - 10 | 10 654.78 | 12 253.00 | 10 654.78 | 12 253.00 | 0.00% |
| DC8E3 | 11 - 25 | 17 940.87 | 20 632.00 | 17 940.87 | 20 632.00 | 0.00% |
| DC8E4 | 26 - 50 | 24 684.35 | 28 387.00 | 24 684.35 | 28 387.00 | 0.00% |
| DC8E5 | 51 - 100 | 28 325.22 | 32 574.00 | 28 325.22 | 32 574.00 | 0.00% |
| DC8E6 | 101 - 250 | 31 427.83 | 36 142.00 | 31 427.83 | 36 142.00 | 0.00% |
| DC8E7 | 251 - 500 | 36 687.83 | 42 191.00 | 36 687.83 | 42 191.00 | 0.00% |
| DC8E8 | 501 - 2000 | 41 407.83 | 47 619.00 | 41 407.83 | 47 619.00 | 0.00% |
| DC8E9 | 2000 – 5000 | 49 771.30 | 57 237.00 | 49 771.30 | 57 237.00 | 0.00% |
| DC8E10 | > 5001 | 56 516.52 | 64 994.00 | 56 516.52 | 64 994.00 | 0.00% |

## RESORTS TARIFF LIST (ROUNDING APPLICABLE)

| Tariff Code | Detail | 2025/2026 | | 2024/2025 | | 1.060 | |
|---|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.1270 | electricity |
| | ** A deposit of 50% of the total amount payable is applicable to secure the booking | | | | | | |
| | ** On cancellation of the booking an administration fee of 15% will deducted from the deposit | | | | | | |
| | ** On cancellation of the booking less than 14 days prior to the commencement of the booking period, the deposit **will not** be paid back | | | | | | |
| **R 1** | **PALMIET ~~& KLEINMOND~~ CARAVAN PARKS** | | | | | | |
| R1A | **Peak Season - 1 December - 31 January & Easter Weekend** | | | | | | |
| R1A1 | A Stands per day | 536.46 | 616.92 | 506.09 | 582.00 | | 6.00% |
| R1A2 | B Stands per day | 430.46 | 495.02 | 406.09 | 467.00 | | 6.00% |
| R1A3 | C Stands per day | 383.44 | 440.96 | 361.74 | 416.00 | | 6.00% |
| R1B | **Off-Peak Season - 1 February - 30 November (Excluding Easter Weekend)** | | | | | | |
| R1B1 | A Stands per day | 296.80 | 341.32 | 280.00 | 322.00 | | 6.00% |
| R1B2 | B Stands per day | 256.24 | 294.68 | 241.74 | 278.00 | | 6.00% |
| R1B3 | C Stands per day | 234.12 | 269.24 | 220.87 | 254.00 | | 6.00% |
| | The above tariffs include for up to four (4) persons and one (1) vehicle with one trailor or caravan or small boat per day | | | | | | |
| R1F | **Sundry Costs** | | | | | | |
| R1F1 | Electricity if available per stand per day | 40.02 | 46.02 | 35.51 | 40.84 | | 12.70% |
| R1F2 | Additional persons up to a maximum of two (2) - per person per day | 78.34 | 90.10 | 73.91 | 85.00 | | 6.00% |
| R1F3 | Additional vehicle or small trailer or small boat to maximum of 2 units - per unit per day | 44.35 | 51.00 | 42.61 | 49.00 | | 4.08% |
| R1F4 | Day visitors for campers up to a maximum of four (4) per person per day | 78.34 | 90.10 | 73.91 | 85.00 | | 6.00% |
| R1F5 | Day visitors vehicle per day | 58.99 | 67.84 | 55.65 | 64.00 | | 6.00% |
| | **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) | 37.79 | 43.46 | 35.65 | 41.00 | | 6.00% |
| R1F7A | Full 30 day Rental (maximum 4 persons) | 5 451.30 | 5 452.45 | new | new | | |
| R1F8 | Gate Card / Key Deposit per set - Refundable | 200.00 | no vat | 212.00 | no vat | | -5.66% |
| 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 | 2 608.70 | 3 000.00 | 3 409.57 | 3 921.00 | | -23.49% |
| **R 10** | **KLEINMOND: FRANK ROBB HUT** | | | | | | |
| R10A | Camping per person per day (Maximum of 10 persons) | 127.20 | 146.28 | 120.00 | 138.00 | | 6.00% |
| **R 30** | **ONRUS CARVAN PARK** | | | | | | |
| R30A | **Peak Season - 1 December - 31 January & Easter Weekend** | | | | | | |
| R30A1 | A Stands per day | 618.49 | 711.26 | 583.48 | 671.00 | | 6.00% |
| R30A2 | B Stands per day | 534.61 | 614.80 | 504.35 | 580.00 | | 6.00% |
| R30A3 | C Stands per day | 410.18 | 471.70 | 386.96 | 445.00 | | 6.00% |
| R30B | **Off-Peak Season - 1 February - 30 November (Excluding Easter Weekend)** | | | | | | |
| R30B1 | A Stands per day | 357.63 | 411.28 | 337.39 | 388.00 | | 6.00% |
| R30B2 | B Stands per day | 359.48 | 413.40 | 339.13 | 390.00 | | 6.00% |

| Tariff Code | Detail | 2025/2026 | | 2024/2025 | | 1.060 | |
|---|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | | |
| R30B3 | C Stands per day | 303.26 | 348.74 | 286.09 | 329.00 | | 6.00% |
| | The above tariffs include for up to six (6) persons and one (1) vehicle with one trailor or caravan or small boat per day | | | | | | |
| R30F | **Sundry Costs** | | | | | | |
| R30F2 | Additional persons up to a maximum of two (2) - per person per day | 73.91 | 85.00 | 80.87 | 93.00 | | -8.61% |
| R30F3 | Additional vehicle or small trailer or small boat to maximum of 2 units - per unit per day | 47.01 | 54.06 | 44.35 | 51.00 | | 6.00% |
| R30F7 | Full 30 day Rental (maximum 4 persons) | 5 778.38 | 6 645.13 | 5 451.30 | 6 269.00 | | 6.00% |
| R30F8 | Gate Card / Key Deposit per set - Refundable | 200.00 | no vat | 212.00 | no vat | | -5.66% |
| R30J | **Annual Rental** | | | | | | |
| R30J1 | Rental per annum | 35 173.57 | 40 449.60 | 33 182.61 | 38 160.00 | | 6.00% |
| | ~~**Plus:**~~ | | | | | | |
| ~~R30J2~~ | ~~Pergola with covering per annum~~ | ~~0.00~~ | ~~0.00~~ | ~~1 911.30~~ | ~~2 198.00~~ | | -100.00% |
| ~~R30J3~~ | ~~Water tap per annum~~ | ~~0.00~~ | ~~0.00~~ | ~~407.83~~ | ~~469.00~~ | | -100.00% |
| ~~R30J4~~ | ~~Structure for storing purposes per annum~~ | ~~0.00~~ | ~~0.00~~ | ~~407.83~~ | ~~469.00~~ | | -100.00% |
| ~~R30J5~~ | ~~Permanent fireplace structure per annum~~ | ~~0.00~~ | ~~0.00~~ | ~~407.83~~ | ~~469.00~~ | | -100.00% |
| ~~R30J6~~ | ~~Electricity per stand per annum~~ | ~~0.00~~ | ~~0.00~~ | ~~1 798.48~~ | ~~2 068.26~~ | | -100.00% |
| ~~R30J7~~ | ~~Additional caravan at semi permanent per day~~ | ~~0.00~~ | ~~0.00~~ | ~~27.83~~ | ~~32.00~~ | | -100.00% |
| 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 | 2 608.70 | 3 000.00 | 3 747.83 | 4 310.00 | | -30.39% |
| **R 60** | **GANSBAAAI CARAVAN PARK** | | | | | | |
| R60A | **Peak Season - 1 December - 31 January & Easter Weekend** | | | | | | |
| ~~R60A1~~ | ~~A+ Stands per day~~ | ~~0.00~~ | ~~0.00~~ | ~~449.57~~ | ~~517.00~~ | | -100.00% |
| R60A2 | A Stands per day | 378.83 | 435.66 | 357.39 | 411.00 | | 6.00% |
| R60A3 | B Stands per day | 296.80 | 341.32 | 280.00 | 322.00 | | 6.00% |
| R60A4 | C Stands per day | 270.99 | 311.64 | 255.65 | 294.00 | | 6.00% |
| R60B | **Off-Peak Season - 1 February - 30 November (Excluding Easter Weekend)** | | | | | | |
| ~~R60B1~~ | ~~A+ Stands per day~~ | ~~0.00~~ | ~~0.00~~ | ~~306.96~~ | ~~353.00~~ | | -100.00% |
| R60B2 | A Stands per day | 281.13 | 323.30 | 265.22 | 305.00 | | 6.00% |
| R60B3 | B Stands per day | 255.32 | 293.62 | 240.87 | 277.00 | | 6.00% |
| R60B4 | C Stands per day | 233.20 | 268.18 | 220.00 | 253.00 | | 6.00% |
| | The above tariffs include for up to four (4) persons and one (1) vehicle with one trailor or caravan or small boat per day | | | | | | |
| R60F | **Sundry Costs** | | | | | | |
| R60F1 | Additional persons up to a maximum of two (2) - per person per day | 78.34 | 90.10 | 73.91 | 85.00 | | 6.00% |
| R60F2 | Additional vehicle or small trailer or small boat - per unit per day | 44.35 | 51.00 | 52.17 | 60.00 | | -14.99% |
| R60F3 | Children under two (2) years | no charge | no vat | no charge | no vat | | |
| R60F4 | Children under twelve (12) | 37.79 | 43.46 | 35.65 | 41.00 | | 6.00% |
| R60F5 | Day visitors for campers up to a maximum of four (4) per person per day | 73.91 | 85.00 | 52.17 | 60.00 | | 41.67% |
| R60F5A | Full 30 day Rental (maximum 4 persons) | 5 451.30 | 6 269.00 | new | new | | |
| R60F6 | Gate Card / Key Deposit per set - Refundable | 100.00 | no vat | 211.00 | no vat | | -52.61% |

| Tariff Code | Detail | 2025/2026 | | 2024/2025 | | 1.060 |
|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | |
| R60J | **Annual Rental** | | | | | |
| R60J1 | Rental per annum | 22 121.74 | 25 440.00 | 22 121.74 | 25 440.00 | 0.00% |
| 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 | |
| R60K2 | Qualify for a reduced tariff for a period of 30 days | 2 608.70 | 3 000.00 | new | new | |
| **R 80** | **HAWSTON DAY CAMPING SITE** | | | | | |
| R80A | **Peak Season - 1 December - 31 January & Easter Weekend** | | | | | |
| R80A1 | Camping Sites | 256.24 | 294.68 | 241.74 | 278.00 | 6.00% |
| R80A2 | Parking Fees per vehicle (excluding busses >20 seats) | 19.36 | 22.26 | 18.26 | 21.00 | 6.00% |
| R80A3 | Per Bus >20 seats | 218.46 | 251.22 | 206.09 | 237.00 | 6.00% |
| R80A4 | Entrance Fee: Adults (per person) | 19.36 | 22.26 | 18.26 | 21.00 | 6.00% |
| R80A5 | Entrance Fee: Children (per child < 12) | 5.53 | 6.36 | 5.22 | 6.00 | 6.00% |
| R80B | **Off-Peak Season - 1 February - 30 November (Excluding Easter Weekend)** | | | | | |
| R80B1 | Camping Sites | 139.18 | 160.05 | 131.30 | 151.00 | 6.00% |
| R80B2 | Parking Fees per vehicle (excluding busses >20 seats) | 19.36 | 22.26 | 18.26 | 21.00 | 6.00% |
| R80B3 | Per Bus >20 seats | 218.46 | 251.22 | 206.09 | 237.00 | 6.00% |
| R80B4 | Entrance Fee: Adults (per person) | 19.36 | 22.26 | 18.26 | 21.00 | 6.00% |
| R80B5 | Entrance Fee: Children (per child < 12) | 5.53 | 6.36 | 5.22 | 6.00 | 6.00% |
| R80B6 | The above tariffs include for up to six (6) persons and one (1) vehicle with one trailor or caravan or small boat per day | | | | | |
| R80E | **Sundry Costs** | | | | | |
| R80E1 | Electricity if available per stand per day | 40.97 | 47.11 | 36.35 | 41.80 | 12.70% |
| R80E2 | Additional vehicle or small trailer or small boat - per unit per day | 44.35 | 51.00 | 49.57 | 57.00 | -10.52% |
| 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

| SINGLE RESIDENTIAL | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| **High Consumption** | | | 2024/2025 | 2025/2026 | Amount | % |
| | Valuation | R3 500 000 | | | | |
| Rates | | | 1 045.76 | 1 147.20 | 101.44 | 9.70 |
| Sewer | **SE7A1+SE8A** | | 414.97 | 439.87 | 24.90 | 6.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse | **1X Per Week** | | 253.08 | 268.26 | 15.18 | 6.00 |
| Water | | 20 kl | 458.80 | 487.24 | 28.45 | 6.20 |
| **SUB TOTAL** | | | **2 226.15** | **2 396.12** | **169.97** | **7.64** |
| **VAT** | | 15% | 177.06 | 187.34 | 10.28 | 5.81 |
| **TOTAL** | | | 2 403.21 | 2 583.45 | 180.25 | 7.50 |
| **SRA Rate as might be applicable to be added** | | | **590.19** | | | |

| **High Consumption with prepaid elect meter** | | | 2024/2025 | 2025/2026 | Amount | % |
|---|---|---|---|---|---|---|
| | Valuation | R3 500 000 | | | | |
| Rates | | | 1 045.76 | 1 147.20 | 101.44 | 9.70 |
| Sewer | **SE7A1+SE8A** | | 414.97 | 439.87 | 24.90 | 6.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse | **1X Per Week** | | 253.08 | 268.26 | 15.18 | 6.00 |
| Water | | 20 kl | 458.80 | 487.24 | 28.45 | 6.20 |
| **SUB TOTAL** | | | **2 226.15** | **2 396.12** | **169.97** | **7.64** |
| **VAT** | | 15% | 177.06 | 187.34 | 10.28 | 5.81 |
| **TOTAL** | | | 2 403.21 | 2 583.45 | 180.25 | 7.50 |
| **SRA Rate as might be applicable to be added** | | | | | | |

| **Medium Consumption** | | | 2024/2025 | 2025/2026 | Amount | % |
|---|---|---|---|---|---|---|
| | Valuation | R2 500 000 | | | | |
| Rates | | | 742.64 | 814.68 | 72.04 | 9.70 |
| Sewer | **SE7A1+SE8A** | | 351.36 | 372.44 | 21.08 | 6.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse | **1X Per Week** | | 253.08 | 268.26 | 15.18 | 6.00 |
| Water | | 15 kl | 352.30 | 374.14 | 21.84 | 6.20 |
| **SUB TOTAL** | | | **1 752.92** | **1 883.06** | **130.15** | **7.42** |
| **VAT** | | 15% | 151.54 | 160.26 | 8.72 | 5.75 |
| **TOTAL** | | | 1 904.46 | 2 043.32 | 138.86 | 7.29 |
| **SRA Rate as might be applicable to be added** | | | | | | |

| **Medium Consumption with prepaid elect meter** | | | 2024/2025 | 2025/2026 | Amount | % |
|---|---|---|---|---|---|---|
| | Valuation | R2 500 000 | | | | |
| Rates | | | 742.64 | 814.68 | 72.04 | 9.70 |
| Sewer | **SE7A1+SE8A** | | 351.36 | 372.44 | 21.08 | 6.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse | **1X Per Week** | | 253.08 | 268.26 | 15.18 | 6.00 |
| Water | | 15 kl | 352.30 | 374.14 | 21.84 | 6.20 |
| **SUB TOTAL** | | | **1 752.92** | **1 883.06** | **130.15** | **7.42** |
| **VAT** | | 15% | 151.54 | 160.26 | 8.72 | 5.75 |
| **TOTAL** | | | 1 904.46 | 2 043.32 | 138.86 | 7.29 |
| **SRA Rate as might be applicable to be added** | | | | | | |

| **Low Consumption** | | | 2024/2025 | 2025/2026 | Amount | % |
|---|---|---|---|---|---|---|
| | Valuation | R1 000 000 | | | | |
| Rates | | | 287.96 | 315.90 | 27.93 | 9.70 |
| Sewer | **SE7A1+SE8A** | | 351.36 | 372.44 | 21.08 | 6.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse | **1X Per Week** | | 253.08 | 268.26 | 15.18 | 6.00 |
| Water | | 15 kl | 352.30 | 374.14 | 21.84 | 6.20 |
| **SUB TOTAL** | | | **1 298.24** | **1 384.28** | **86.04** | **6.63** |
| **VAT** | | 15% | 151.54 | 160.26 | 8.72 | 5.75 |
| **TOTAL** | | | 1 449.78 | 1 544.53 | 94.76 | 6.54 |
| **SRA Rate as might be applicable to be added** | | | | | | |

| **Low Consumption with prepaid elect meter** | | | 2024/2025 | 2025/2026 | Amount | % |
|---|---|---|---|---|---|---|
| | Valuation | R1 000 000 | | | | |
| Rates | | | 287.96 | 315.90 | 27.93 | 9.70 |
| Sewer | **SE7A1+SE8A** | | 351.36 | 372.44 | 21.08 | 6.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse | **1X Per Week** | | 253.08 | 268.26 | 15.18 | 6.00 |
| Water | | 15 kl | 352.30 | 374.14 | 21.84 | 6.20 |
| **SUB TOTAL** | | | **1 298.24** | **1 384.28** | **86.04** | **6.63** |
| **VAT** | | 15% | 151.54 | 160.26 | 8.72 | 5.75 |
| **TOTAL** | | | 1 449.78 | 1 544.53 | 94.76 | 6.54 |
| **SRA Rate as might be applicable to be added** | | | **1 205.01** | | | |

| Low Consumption | | | 2024/2025 | 2025/2026 | Amount | % |
|---|---|---|---|---|---|---|
| | Valuation | R500 000 | | | | |
| Rates | | | 136.40 | 149.64 | 13.23 | 9.70 |
| Sewer | SE7A1+SE8A | | 351.36 | 372.44 | 21.08 | 6.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse | 1X Per Week | | 253.08 | 268.26 | 15.18 | 6.00 |
| Water | 15 kl | | 352.30 | 374.14 | 21.84 | 6.20 |
| **SUB TOTAL** | | | **1 146.68** | **1 218.02** | **71.34** | **6.22** |
| **VAT** | | 15% | 151.54 | 160.26 | 8.72 | 5.75 |
| **TOTAL** | | | 1 298.22 | 1 378.27 | 80.06 | 6.17 |
| **SRA Rate as might be applicable to be added** | | | | | | |

| Low Consumption with prepaid elect meter | | | 2024/2025 | 2025/2026 | Amount | % |
|---|---|---|---|---|---|---|
| | Valuation | R500 000 | | | | |
| Rates | | | 136.40 | 149.64 | 13.23 | 9.70 |
| Sewer | SE7A1+SE8A | | 351.36 | 372.44 | 21.08 | 6.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse | 1X Per Week | | 253.08 | 268.26 | 15.18 | 6.00 |
| Water | 15 kl | | 352.30 | 374.14 | 21.84 | 6.20 |
| **SUB TOTAL** | | | **1 146.68** | **1 218.02** | **71.34** | **6.22** |
| **VAT** | | 15% | 151.54 | 160.26 | 8.72 | 5.75 |
| **TOTAL** | | | 1 298.22 | 1 378.27 | 80.06 | 6.17 |
| **SRA Rate as might be applicable to be added** | | | | | | |

| Sub-Economic Consumption (Indigent) | | | 2024/2025 | 2025/2026 | Amount | % |
|---|---|---|---|---|---|---|
| | Valuation | R190 000 | | | | |
| Rates | | | 0.00 | 0.00 | 0.00 | 0.00 |
| Sewer | SE7A1 | | 47.26 | 50.09 | 2.84 | 6.00 |
| 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 | 18 kl | | 148.84 | 158.07 | 9.23 | 6.20 |
| **SUB TOTAL** | | | **237.80** | **249.86** | **12.06** | **5.07** |
| **VAT** | | 15% | 35.67 | 37.48 | 1.81 | 5.07 |
| **TOTAL** | | | 273.46 | 287.34 | 13.87 | 5.07 |
| **SRA Rate as might be applicable to be added** | | | | | | |

| Sub-Economic Consumption (Non Indigent) | | | 2024/2025 | 2025/2026 | Amount | % |
|---|---|---|---|---|---|---|
| | Valuation | R190 000 | | | | |
| Rates | | | 0.00 | 0.00 | 0.00 | 0.00 |
| Sewer | SE7A1 | | 389.53 | 412.90 | 23.37 | 6.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse | 1X Per Week | | 253.08 | 268.26 | 15.18 | 6.00 |
| Water | 18 kl | | 396.73 | 421.32 | 24.60 | 6.20 |
| **SUB TOTAL** | | | **1 092.87** | **1 156.02** | **63.15** | **5.78** |
| **VAT** | | 15% | 163.93 | 173.40 | 9.47 | 5.78 |
| **TOTAL** | | | 1 256.80 | 1 329.43 | 72.63 | 5.78 |
| **SRA Rate as might be applicable to be added** | | | | | | |

| Low Consumption | | | 2024/2025 | 2025/2026 | Amount | % |
|---|---|---|---|---|---|---|
| | Valuation | R170 000 | | | | |
| Rates | | | 0.00 | 0.00 | 0.00 | 0.00 |
| Sewer | SE7A1+SE8A | | 262.30 | 278.04 | 15.74 | 6.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse | 1X Per Week | | 253.08 | 268.26 | 15.18 | 6.00 |
| Water | 8 kl | | 248.63 | 264.04 | 15.41 | 6.20 |
| **SUB TOTAL** | | | **817.55** | **863.88** | **46.34** | **5.67** |
| **VAT** | | 15% | 122.63 | 129.58 | 6.95 | 5.67 |
| **TOTAL** | | | 940.18 | 993.46 | 53.29 | 5.67 |
| **SRA Rate as might be applicable to be added** | | | | | | |

| Low Consumption with prepaid elect meter | | | 2024/2025 | 2025/2026 | Amount | % |
|---|---|---|---|---|---|---|
| | Valuation | R170 000 | | | | |
| Rates | | | 0.00 | 0.00 | 0.00 | 0.00 |
| Sewer | SE7A1+SE8A | | 262.30 | 278.04 | 15.74 | 6.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse | 1X Per Week | | 253.08 | 268.26 | 15.18 | 6.00 |
| Water | 8 kl | | 248.63 | 264.04 | 15.41 | 6.20 |
| **SUB TOTAL** | | | **817.55** | **863.88** | **46.34** | **5.67** |
| **VAT** | | 15% | 122.63 | 129.58 | 6.95 | 5.67 |
| **TOTAL** | | | 940.18 | 993.46 | 53.29 | 5.67 |
| **SRA Rate as might be applicable to be added** | | | | | | |

| Sub-Economic Consumption (Indigent) | | | 2024/2025 | 2025/2026 | Amount | % |
|---|---|---|---|---|---|---|
| Valuation | | R100 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 | | 10 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** | | | | | | |

| Life-Line Consumption (ONE PART) (Indigent) | | | 2024/2025 | 2025/2026 | 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) | | | 2024/2025 | 2025/2026 | 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 | | | | | |
|---|---|---|---|---|---|
| **If tariff SE7 is not applicable** | 2024/2025 | 2025/2026 | Amount | % |
| Smaller than 6kl | 737.71 | 781.97 | 44.26 | 6.00 |
| Greater than 6kl | 737.71 | 781.97 | 44.26 | 6.00 |
| Outside urban area Plus per km | 21.63 | 22.93 | 1.30 | 6.00 |
| **Plus** Per hour | 443.02 | 469.60 | 26.58 | 6.00 |
| **After hours** | | | | |
| Smaller than 6kl | 1 475.42 | 1 563.95 | 88.53 | 6.00 |
| Greater than 6kl | 1 475.42 | 1 563.95 | 88.53 | 6.00 |

## BUSINESS

| Business - Large (Time of Use) | | | | 2024/2025 | 2025/2026 | Amount | % |
|---|---|---|---|---|---|---|---|
| | Valuation | R35 000 000 | | | | | |
| Rates | | | | 23 209.20 | 25 460.49 | 2 251.29 | 9.70 |
| Sewer | SE7D1+SE8A | | 30 | 12 340.05 | 13 080.45 | 740.40 | 6.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse | Bins 2X Per Week | | 30 | 15 184.80 | 16 095.89 | 911.09 | 6.00 |
| Water | | 460 kl | | 27 811.77 | 29 536.09 | 1 724.33 | 6.20 |
| **SUB TOTAL** | | | | **78 599.36** | **84 226.47** | **5 627.11** | **7.16** |
| **VAT** | | | 15% | 8 308.52 | 8 814.90 | 506.37 | 6.09 |
| **TOTAL** | | | | 86 907.88 | 93 041.36 | 6 133.49 | 7.06 |
| **SRA Rate as might be applicable to be added** | | | | | | | |

| Business - Medium (Three Phase) | | | | 2024/2025 | 2025/2026 | Amount | % |
|---|---|---|---|---|---|---|---|
| | Valuation | R3 200 000 | | | | | |
| Rates | | | | 2 121.98 | 2 327.82 | 205.83 | 9.70 |
| Sewer | SE7D1+SE8A | | 1 | 487.67 | 516.93 | 29.26 | 6.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse | 1X Per Week | | 3 | 759.24 | 804.79 | 45.55 | 6.00 |
| Water | | 20 kl | | 544.42 | 578.17 | 33.75 | 6.20 |
| **SUB TOTAL** | | | | **3 966.85** | **4 281.25** | **314.40** | **7.93** |
| **VAT** | | | 15% | 276.73 | 293.01 | 16.29 | 5.88 |
| **TOTAL** | | | | 4 243.58 | 4 574.26 | 330.69 | 7.79 |
| **SRA Rate as might be applicable to be added** | | | | | | | |

| Business - Small (Three Phase) | | | | 2024/2025 | 2025/2026 | Amount | % |
|---|---|---|---|---|---|---|---|
| | Valuation | R3 200 000 | | | | | |
| Rates | | | | 2 121.98 | 2 327.82 | 205.83 | 9.70 |
| Sewer | SE7D1+SE8A | | 1 | 487.67 | 516.93 | 29.26 | 6.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse | 1X Per Week | | 2 | 506.16 | 536.53 | 30.37 | 6.00 |
| Water | | 20 kl | | 544.42 | 578.17 | 33.75 | 6.20 |
| **SUB TOTAL** | | | | **3 713.77** | **4 012.98** | **299.22** | **8.06** |
| **VAT** | | | 15% | 238.77 | 252.78 | 14.01 | 5.87 |
| **TOTAL** | | | | 3 952.54 | 4 265.76 | 313.22 | 7.92 |
| **SRA Rate as might be applicable to be added** | | | | | | | |

| Business - Small (Three Phase) | | | | 2024/2025 | 2025/2026 | Amount | % |
|---|---|---|---|---|---|---|---|
| | Valuation | R3 200 000 | | | | | |
| Rates | | | | 2 121.98 | 2 327.82 | 205.83 | 9.70 |
| Sewer | SE7D1+SE8A | | 1 | 487.67 | 516.93 | 29.26 | 6.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse | 1X Per Week | | 2 | 506.16 | 536.53 | 30.37 | 6.00 |
| Water | | 20 kl | | 544.42 | 578.17 | 33.75 | 6.20 |
| **SUB TOTAL** | | | | **3 713.77** | **4 012.98** | **299.22** | **8.06** |
| **VAT** | | | 15% | 238.77 | 252.78 | 14.01 | 5.87 |
| **TOTAL** | | | | 3 952.54 | 4 265.76 | 313.22 | 7.92 |
| **SRA Rate as might be applicable to be added** | | | | | | | |

| Business - Small (Three Phase) Prepaid Electricity | | | | 2024/2025 | 2025/2026 | Amount | % |
|---|---|---|---|---|---|---|---|
| | Valuation | R3 200 000 | | | | | |
| Rates | | | | 2 121.98 | 2 327.82 | 205.83 | 9.70 |
| Sewer | SE7D1+SE8A | | 1 | 487.67 | 516.93 | 29.26 | 6.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse | 1X Per Week | | 2 | 506.16 | 536.53 | 30.37 | 6.00 |
| Water | | 20 kl | | 544.42 | 578.17 | 33.75 | 6.20 |
| **SUB TOTAL** | | | | **3 713.77** | **4 012.98** | **299.22** | **8.06** |
| **VAT** | | | 15% | 238.77 | 252.78 | 14.01 | 5.87 |
| **TOTAL** | | | | 3 952.54 | 4 265.76 | 313.22 | 7.92 |
| **SRA Rate as might be applicable to be added** | | | | | | | |

## VACANT ERVEN

| Valuation High | | | 2024/2025 | 2025/2026 | Amount | % |
|---|---|---|---|---|---|---|
| | Valuation | R780 000 | | | | |
| Rates | | | 443.31 | 486.31 | 43.00 | 9.70 |
| Sewer can connect | Availability | | 160.51 | 170.14 | 9.63 | 6.00 |
| Refuse | Availability | | 126.53 | 134.12 | 7.59 | 6.00 |
| Electricity | Availability | | 578.11 | 655.62 | 77.51 | 13.41 |
| Water | Availability | | 175.68 | 186.57 | 10.89 | 6.20 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | 53.54 | 53.54 | 0.00 | 0.00 |
| **SUB TOTAL** | | | **1 537.68** | **1 686.30** | **148.63** | **9.67** |
| **VAT** | | 15% | 164.15 | 180.00 | 15.84 | 9.65 |
| **TOTAL** | | | 1 701.83 | 1 866.30 | 164.47 | 9.66 |
| **SRA Rate as might be applicable to be added** | | | | | | |

| Valuation Average | | | 2024/2025 | 2025/2026 | Amount | % |
|---|---|---|---|---|---|---|
| | Valuation | R250 000 | | | | |
| Rates | | | 142.09 | 155.87 | 13.78 | 9.70 |
| Sewer can connect | Availability | | 160.51 | 170.14 | 9.63 | 6.00 |
| Refuse | Availability | | 126.53 | 134.12 | 7.59 | 6.00 |
| Electricity | Availability | | 578.11 | 655.62 | 77.51 | 13.41 |
| Water | Availability | | 175.68 | 186.57 | 10.89 | 6.20 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | 53.54 | 53.54 | 0.00 | 0.00 |
| **SUB TOTAL** | | | **1 236.45** | **1 355.86** | **119.41** | **9.66** |
| **VAT** | | 15% | 164.15 | 180.00 | 15.84 | 9.65 |
| **TOTAL** | | | 1 400.61 | 1 535.86 | 135.25 | 9.66 |
| **SRA Rate as might be applicable to be added** | | | | | | |

| Valuation Lower | | | 2024/2025 | 2025/2026 | Amount | % |
|---|---|---|---|---|---|---|
| | Valuation | R110 000 | | | | |
| Rates | | | 62.52 | 68.58 | 6.06 | 9.70 |
| Sewer can connect | Availability | | 160.51 | 170.14 | 9.63 | 6.00 |
| Refuse | Availability | | 126.53 | 134.12 | 7.59 | 6.00 |
| Electricity | Availability | | 578.11 | 655.62 | 77.51 | 13.41 |
| Water | Availability | | 175.68 | 186.57 | 10.89 | 6.20 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | 53.54 | 53.54 | 0.00 | 0.00 |
| **SUB TOTAL** | | | **1 156.88** | **1 268.57** | **111.69** | **9.65** |
| **VAT** | | 15% | 164.15 | 180.00 | 15.84 | 9.65 |
| **TOTAL** | | | 1 321.04 | 1 448.57 | 127.53 | 9.65 |
| **SRA Rate as might be applicable to be added** | | | | | | |

| Valuation Low | | | 2024/2025 | 2025/2026 | Amount | % |
|---|---|---|---|---|---|---|
| | Valuation | R15 000 | | | | |
| Rates | | | 8.53 | 9.35 | 0.83 | 9.70 |
| Sewer can connect | Availability | | 160.51 | 170.14 | 9.63 | 6.00 |
| Refuse | Availability | | 126.53 | 134.12 | 7.59 | 6.00 |
| Electricity | Availability | | 578.11 | 655.62 | 77.51 | 13.41 |
| Water | Availability | | 175.68 | 186.57 | 10.89 | 6.20 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | 53.54 | 53.54 | 0.00 | 0.00 |
| **SUB TOTAL** | | | **1 102.89** | **1 209.34** | **106.45** | **9.65** |
| **VAT** | | 15% | 164.15 | 180.00 | 15.84 | 9.65 |
| **TOTAL** | | | 1 267.05 | 1 389.34 | 122.29 | 9.65 |
| **SRA Rate as might be applicable to be added** | | | | | | |

OVERSTRAND MUNICIPALITY: BASKET OF ELECTRICITY TARIFFS 2025/2026

| Credit / Prepaid | PHASE/TOU | kWH | Amp | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|---|
| | | | | 2024/2025 | 2024/2025 | Amount | % |
| **RESIDENTIAL** | | | | | | | |
| Prepaid | Single Phase | 1 000 | 60 | 4 002.60 | 4 021.89 | 19.29 | 0.48 |
| Prepaid | Single Phase | 1 000 | 50 | 3 973.96 | 3 958.87 | -15.09 | -0.38 |
| Prepaid | Single Phase | 1 000 | 40 | 3 945.33 | 3 895.85 | -49.48 | -1.25 |
| Prepaid | Single Phase | 1 000 | 30 | 3 916.69 | 3 832.83 | -83.86 | -2.14 |
| Prepaid | Single Phase | 800 | 60 | 3 152.15 | 3 288.26 | 136.11 | 4.32 |
| Prepaid | Single Phase | 800 | 50 | 3 123.52 | 3 225.24 | 101.72 | 3.26 |
| Prepaid | Single Phase | 800 | 40 | 3 094.88 | 3 162.22 | 67.34 | 2.18 |
| Prepaid | Single Phase | 800 | 30 | 3 066.25 | 3 099.20 | 32.95 | 1.07 |
| Prepaid | Single Phase | 600 | 60 | 2 301.70 | 2 554.63 | 252.93 | 10.99 |
| Prepaid | Single Phase | 600 | 50 | 2 273.07 | 2 491.61 | 218.54 | 9.61 |
| Prepaid | Single Phase | 600 | 40 | 2 244.43 | 2 428.59 | 184.16 | 8.20 |
| Prepaid | Single Phase | 600 | 30 | 2 215.80 | 2 365.57 | 149.77 | 6.76 |
| Prepaid | Single Phase | 300 | 60 | 1 398.96 | 1 626.88 | 227.92 | 16.29 |
| Prepaid | Single Phase | 300 | 50 | 1 370.33 | 1 563.86 | 193.53 | 14.12 |
| Prepaid | Single Phase | 300 | 40 | 1 341.69 | 1 500.84 | 159.15 | 11.86 |
| Prepaid | Single Phase | 300 | 30 | 1 313.06 | 1 437.82 | 124.76 | 9.50 |
| **RESIDENTIAL INDIGENT** | | | | | | | |
| Prepaid | Single Phase | 500 | 30 | 1 117.59 | 1 200.56 | 82.97 | 7.42 |
| Prepaid | Single Phase | 250 | 30 | 414.68 | 463.62 | 48.93 | 11.80 |
| Prepaid | Single Phase | 150 | 30 | 184.30 | 206.05 | 21.75 | 11.80 |
| **LIFE LINE INDIGENT** | | | | | | | |
| Prepaid | Single Phase | 300 | 30 | 525.46 | 592.40 | 66.94 | 12.74 |
| **BUSINESS** | | | | | | | |
| TOU | MV | | | 563 010.08 | 645 636.92 | 82 626.84 | 14.68 |
| TOU | LV | | | 586 455.67 | 679 845.83 | 93 390.16 | 15.92 |
| TOU | Small Customer | | | 388 375.33 | 427 335.13 | 38 959.81 | 10.03 |
| Credit | 3 Phase | 7 000 | 100 | 25 794.04 | 27 075.30 | 1 281.26 | 4.97 |
| Credit | 3 Phase | 7 000 | 80 | 25 530.46 | 26 495.01 | 964.55 | 3.78 |
| Credit | 3 Phase | 7 000 | 60 | 25 266.88 | 25 914.72 | 647.84 | 2.56 |
| Credit | 3 Phase | 7 000 | 40 | 25 003.30 | 25 334.43 | 331.13 | 1.32 |
| Prepaid | 3 Phase | 7 000 | 100 | 24 683.95 | 26 261.45 | 1 577.50 | 6.39 |
| Prepaid | 3 Phase | 7 000 | 80 | 24 420.37 | 25 681.16 | 1 260.79 | 5.16 |
| Prepaid | 3 Phase | 7 000 | 60 | 24 156.79 | 25 100.87 | 944.08 | 3.91 |
| Prepaid | 3 Phase | 7 000 | 40 | 23 893.21 | 24 520.58 | 627.37 | 2.63 |
| Credit | 3 Phase | 4 000 | 100 | 15 744.54 | 17 081.00 | 1 336.46 | 8.49 |
| Credit | 3 Phase | 4 000 | 80 | 15 480.96 | 16 500.71 | 1 019.75 | 6.59 |
| Credit | 3 Phase | 4 000 | 60 | 15 217.38 | 15 920.42 | 703.04 | 4.62 |
| Credit | 3 Phase | 4 000 | 40 | 14 953.80 | 15 340.13 | 386.33 | 2.58 |
| Prepaid | 3 Phase | 4 000 | 100 | 15 110.20 | 16 615.94 | 1 505.74 | 9.97 |
| Prepaid | 3 Phase | 4 000 | 80 | 14 846.62 | 16 035.65 | 1 189.03 | 8.01 |
| Prepaid | 3 Phase | 4 000 | 60 | 14 583.04 | 15 455.36 | 872.32 | 5.98 |
| Prepaid | 3 Phase | 4 000 | 40 | 14 319.46 | 14 875.07 | 555.61 | 3.88 |
| Credit | 3 Phase | 1 000 | 100 | 5 695.03 | 7 086.69 | 1 391.66 | 24.44 |
| Credit | 3 Phase | 1 000 | 80 | 5 431.45 | 6 506.40 | 1 074.95 | 19.79 |
| Credit | 3 Phase | 1 000 | 60 | 5 167.87 | 5 926.11 | 758.24 | 14.67 |
| Credit | 3 Phase | 1 000 | 40 | 4 904.29 | 5 345.82 | 441.53 | 9.00 |
| Prepaid | 3 Phase | 1 000 | 100 | 5 536.45 | 6 970.43 | 1 433.98 | 25.90 |
| Prepaid | 3 Phase | 1 000 | 80 | 5 272.87 | 6 390.14 | 1 117.27 | 21.19 |
| Prepaid | 3 Phase | 1 000 | 60 | 5 009.29 | 5 809.85 | 800.56 | 15.98 |
| Prepaid | 3 Phase | 1 000 | 40 | 4 745.71 | 5 229.56 | 483.85 | 10.20 |

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

| Residential | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| **High Consumption with PREPAID elect meter** | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity | 1000 kWh | 60A | | | | |
| Basic | | | 466.10 | 413.97 | -52.13 | -11.18 |
| Capacity Charge | | | 149.40 | 328.80 | 179.40 | 120.08 |
| | | Sub-total | 615.50 | 742.77 | 127.27 | 20.68 |
| Block - 0 - 350 kWh | | 350 | 701.16 | 783.90 | 82.74 | 11.80 |
| 351 - 600 kWh | | 250 | 684.83 | 694.75 | 9.92 | 1.45 |
| > 600 kWh | | 400 | 1 479.04 | 1 275.88 | -203.16 | -13.74 |
| **SUB-TOTAL** | | | 3 480.52 | 3 497.30 | 16.77 | 0.48 |
| VAT | | | 522.08 | 524.59 | 2.52 | 0.48 |
| **TOTAL** | | | 4 002.60 | 4 021.89 | 19.29 | 0.48 |

| Residential | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| **High Consumption with PREPAID elect meter** | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity | 1000 kWh | 50A | | | | |
| Basic | | | 466.10 | 413.97 | -52.13 | -11.18 |
| Capacity Charge | | | 124.50 | 274.00 | 149.50 | 120.08 |
| | | Sub-total | 590.60 | 687.97 | 97.37 | 16.49 |
| Block - 0 - 350 kWh | | 350 | 701.16 | 783.90 | 82.74 | 11.80 |
| 351 - 600 kWh | | 250 | 684.83 | 694.75 | 9.92 | 1.45 |
| > 600 kWh | | 400 | 1 479.04 | 1 275.88 | -203.16 | -13.74 |
| **SUB-TOTAL** | | | 3 455.62 | 3 442.50 | -13.13 | -0.38 |
| VAT | | | 518.34 | 516.37 | -1.97 | -0.38 |
| **TOTAL** | | | 3 973.96 | 3 958.87 | -15.09 | -0.38 |

| Residential | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| **High Consumption with PREPAID elect meter** | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity | 1000 kWh | 40A | | | | |
| Basic | | | 466.10 | 413.97 | -52.13 | -11.18 |
| Capacity Charge | | | 99.60 | 219.20 | 119.60 | 120.08 |
| | | Sub-total | 565.70 | 633.17 | 67.47 | 11.93 |
| Block - 0 - 350 kWh | | 350 | 701.16 | 783.90 | 82.74 | 11.80 |
| 351 - 600 kWh | | 250 | 684.83 | 694.75 | 9.92 | 1.45 |
| > 600 kWh | | 400 | 1 479.04 | 1 275.88 | -203.16 | -13.74 |
| **SUB-TOTAL** | | | 3 430.72 | 3 387.70 | -43.03 | -1.25 |
| VAT | | | 514.61 | 508.15 | -6.45 | -1.25 |
| **TOTAL** | | | 3 945.33 | 3 895.85 | -49.48 | -1.25 |

| Residential | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| **High Consumption with PREPAID elect meter** | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity | 1000 kWh | 30A | | | | |
| Basic | | | 466.10 | 413.97 | -52.13 | -11.18 |
| Capacity Charge | | | 74.70 | 164.40 | 89.70 | 120.08 |
| | | Sub-total | 540.80 | 578.37 | 37.57 | 6.95 |
| Block - 0 - 350 kWh | | 350 | 701.16 | 783.90 | 82.74 | 11.80 |
| 351 - 600 kWh | | 250 | 684.83 | 694.75 | 9.92 | 1.45 |
| > 600 kWh | | 400 | 1 479.04 | 1 275.88 | -203.16 | -13.74 |
| **SUB-TOTAL** | | | 3 405.82 | 3 332.90 | -72.93 | -2.14 |
| VAT | | | 510.87 | 499.93 | -10.94 | -2.14 |
| **TOTAL** | | | 3 916.69 | 3 832.83 | -83.86 | -2.14 |

OVERSTRAND MUNICIPALITY: BASKET OF ELECTRICITY TARIFFS 2025/2026

| Residential | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| **Medium Consumption with PREPAID elect meter** | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity | 800 kWh | 60A | | | | |
| Basic | | | 466.10 | 413.97 | -52.13 | -11.18 |
| Capacity Charge | | | 149.40 | 328.80 | 179.40 | 120.08 |
| | | Sub-total | 615.50 | 742.77 | 127.27 | 20.68 |
| Block - 0 - 350 kWh | | 350 | 701.16 | 783.90 | 82.74 | 11.80 |
| 351 - 600 kWh | | 250 | 684.83 | 694.75 | 9.92 | 1.45 |
| > 600 kWh | | 200 | 739.52 | 637.94 | -101.58 | -13.74 |
| **SUB-TOTAL** | | | 2 741.00 | 2 859.36 | 118.36 | 4.32 |
| VAT | | | 411.15 | 428.90 | 17.75 | 4.32 |
| **TOTAL** | | | 3 152.15 | 3 288.26 | 136.11 | 4.32 |

| Residential | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| **Medium Consumption with PREPAID elect meter** | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity | 800 kWh | 50A | | | | |
| Basic | | | 466.10 | 413.97 | -52.13 | -11.18 |
| Capacity Charge | | | 124.50 | 274.00 | 149.50 | 120.08 |
| | | Sub-total | 590.60 | 687.97 | 97.37 | 16.49 |
| Block - 0 - 350 kWh | | 350 | 701.16 | 783.90 | 82.74 | 11.80 |
| 351 - 600 kWh | | 250 | 684.83 | 694.75 | 9.92 | 1.45 |
| > 600 kWh | | 200 | 739.52 | 637.94 | -101.58 | -13.74 |
| **SUB-TOTAL** | | | 2 716.10 | 2 804.56 | 88.45 | 3.26 |
| VAT | | | 407.42 | 420.68 | 13.27 | 3.26 |
| **TOTAL** | | | 3 123.52 | 3 225.24 | 101.72 | 3.26 |

| Residential | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| **Medium Consumption with PREPAID elect meter** | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity | 800 kWh | 40A | | | | |
| Basic | | | 466.10 | 413.97 | -52.13 | -11.18 |
| Capacity Charge | | | 99.60 | 219.20 | 119.60 | 120.08 |
| | | Sub-total | 565.70 | 633.17 | 67.47 | 11.93 |
| Block - 0 - 350 kWh | | 350 | 701.16 | 783.90 | 82.74 | 11.80 |
| 351 - 600 kWh | | 250 | 684.83 | 694.75 | 9.92 | 1.45 |
| > 600 kWh | | 200 | 739.52 | 637.94 | -101.58 | -13.74 |
| **SUB-TOTAL** | | | 2 691.20 | 2 749.76 | 58.55 | 2.18 |
| VAT | | | 403.68 | 412.46 | 8.78 | 2.18 |
| **TOTAL** | | | 3 094.88 | 3 162.22 | 67.34 | 2.18 |

| Residential | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| **Medium Consumption with PREPAID elect meter** | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity | 800 kWh | 30A | | | | |
| Basic | | | 466.10 | 413.97 | -52.13 | -11.18 |
| Capacity Charge | | | 74.70 | 164.40 | 89.70 | 120.08 |
| | | Sub-total | 540.80 | 578.37 | 37.57 | 6.95 |
| Block - 0 - 350 kWh | | 350 | 701.16 | 783.90 | 82.74 | 11.80 |
| 351 - 600 kWh | | 250 | 684.83 | 694.75 | 9.92 | 1.45 |
| > 600 kWh | | 200 | 739.52 | 637.94 | -101.58 | -13.74 |
| **SUB-TOTAL** | | | 2 666.30 | 2 694.96 | 28.65 | 1.07 |
| VAT | | | 399.95 | 404.24 | 4.30 | 1.07 |
| **TOTAL** | | | 3 066.25 | 3 099.20 | 32.95 | 1.07 |

| Residential | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| **Low Consumption with PREPAID elect meter** | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity | 600 kWh | 60A | | | | |
| Basic | | | 466.10 | 413.97 | -52.13 | -11.18 |
| Capacity Charge | | | 149.40 | 328.80 | 179.40 | 120.08 |
| | | Sub-total | 615.50 | 742.77 | 127.27 | 20.68 |
| Block - 0 - 350 kWh | | 350 | 701.16 | 783.90 | 82.74 | 11.80 |
| 351 - 600 kWh | | 250 | 684.83 | 694.75 | 9.92 | 1.45 |
| **SUB-TOTAL** | | | 2 001.48 | 2 221.42 | 399.34 | 19.95 |
| VAT | | | 300.22 | 333.21 | 32.99 | 10.99 |
| **TOTAL** | | | 2 301.70 | 2 554.63 | 252.93 | 10.99 |

| Residential | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| **Low Consumption with PREPAID elect meter** | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity | 600 kWh | 50A | | | | |
| Basic | | | 466.10 | 413.97 | -52.13 | -11.18 |
| Capacity Charge | | | 124.50 | 274.00 | 149.50 | 120.08 |
| | | Sub-total | 590.60 | 687.97 | 97.37 | 16.49 |
| Block - 0 - 350 kWh | | 350 | 701.16 | 783.90 | 82.74 | 11.80 |
| 351 - 600 kWh | | 250 | 684.83 | 694.75 | 9.92 | 1.45 |
| **SUB-TOTAL** | | | 1 976.58 | 2 166.62 | 339.54 | 17.18 |
| VAT | | | 296.49 | 324.99 | 28.51 | 9.61 |
| **TOTAL** | | | 2 273.07 | 2 491.61 | 218.54 | 9.61 |

| Residential | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| **Low Consumption with PREPAID elect meter** | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity | 600 kWh | 40A | | | | |
| Basic | | | 466.10 | 413.97 | -52.13 | -11.18 |
| Capacity Charge | | | 99.60 | 219.20 | 119.60 | 120.08 |
| | | Sub-total | 565.70 | 633.17 | 67.47 | 11.93 |
| Block - 0 - 350 kWh | | 350 | 701.16 | 783.90 | 82.74 | 11.80 |
| 351 - 600 kWh | | 250 | 684.83 | 694.75 | 9.92 | 1.45 |
| **SUB-TOTAL** | | | 1 951.68 | 2 111.82 | 279.74 | 14.33 |
| VAT | | | 292.75 | 316.77 | 24.02 | 8.20 |
| **TOTAL** | | | 2 244.43 | 2 428.59 | 184.16 | 8.20 |

| Residential | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| **Low Consumption with PREPAID elect meter** | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity Credit Meter | 600 kWh | 30A | | | | |
| Basic | | | 466.10 | 413.97 | -52.13 | -11.18 |
| Capacity Charge | | | 74.70 | 164.40 | 89.70 | 120.08 |
| | | Sub-total | 540.80 | 578.37 | 37.57 | 6.95 |
| Block - 0 - 350 kWh | | 350 | 701.16 | 783.90 | 82.74 | 11.80 |
| 351 - 600 kWh | | 250 | 684.83 | 694.75 | 9.92 | 1.45 |
| **SUB-TOTAL** | | | 1 926.78 | 2 057.02 | 219.94 | 11.41 |
| VAT | | | 289.02 | 308.55 | 19.54 | 6.76 |
| **TOTAL** | | | 2 215.80 | 2 365.57 | 149.77 | 6.76 |

OVERSTRAND MUNICIPALITY: BASKET OF ELECTRICITY TARIFFS 2025/2026

| Residential | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| **Low Consumption with PREPAID elect meter** | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity | 300 kWh | 60A | | | | |
| Basic | | | 466.10 | 413.97 | -52.13 | -11.18 |
| Capacity Charge | | | 149.40 | 328.80 | 179.40 | 120.08 |
| | | Sub-total | 615.50 | 742.77 | 127.27 | 20.68 |
| Block - 0 - 350 kWh | | 300 | 600.99 | 671.91 | 70.92 | 11.80 |
| **SUB-TOTAL** | | | 1 216.49 | 1 414.68 | 198.19 | 16.29 |
| VAT | | | 182.47 | 212.20 | 29.73 | 16.29 |
| **TOTAL** | | | 1 398.96 | 1 626.88 | 227.92 | 16.29 |

| Residential | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| **Low Consumption with PREPAID elect meter** | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity | 300 kWh | 50A | | | | |
| Basic | | | 466.10 | 413.97 | -52.13 | -11.18 |
| Capacity Charge | | | 124.50 | 274.00 | 149.50 | 120.08 |
| | | Sub-total | 590.60 | 687.97 | 97.37 | 16.49 |
| Block - 0 - 350 kWh | | 300 | 600.99 | 671.91 | 70.92 | 11.80 |
| **SUB-TOTAL** | | | 1 191.59 | 1 359.88 | 168.29 | 14.12 |
| VAT | | | 178.74 | 203.98 | 25.24 | 14.12 |
| **TOTAL** | | | 1 370.33 | 1 563.86 | 193.53 | 14.12 |

| Residential | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| **Low Consumption with PREPAID elect meter** | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity | 300 kWh | 40A | | | | |
| Basic | | | 466.10 | 413.97 | -52.13 | -11.18 |
| Capacity Charge | | | 99.60 | 219.20 | 119.60 | 120.08 |
| | | Sub-total | 565.70 | 633.17 | 67.47 | 11.93 |
| Block - 0 - 350 kWh | | 300 | 600.99 | 671.91 | 70.92 | 11.80 |
| **SUB-TOTAL** | | | 1 166.69 | 1 305.08 | 138.39 | 11.86 |
| VAT | | | 175.00 | 195.76 | 20.76 | 11.86 |
| **TOTAL** | | | 1 341.69 | 1 500.84 | 159.15 | 11.86 |

| Residential | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| **Low Consumption with PREPAID elect meter** | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity Credit Meter | 300 kWh | 30A | | | | |
| Basic | | | 466.10 | 413.97 | -52.13 | -11.18 |
| Capacity Charge | | | 74.70 | 164.40 | 89.70 | 120.08 |
| | | Sub-total | 540.80 | 578.37 | 37.57 | 6.95 |
| Block - 0 - 350 kWh | | 300 | 600.99 | 671.91 | 70.92 | 11.80 |
| **SUB-TOTAL** | | | 1 141.79 | 1 250.28 | 108.49 | 9.50 |
| VAT | | | 171.27 | 187.54 | 16.27 | 9.50 |
| **TOTAL** | | | 1 313.06 | 1 437.82 | 124.76 | 9.50 |

OVERSTRAND MUNICIPALITY: BASKET OF ELECTRICITY TARIFFS 2025/2026

| Residential INDIGENT | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| Low Consumption with PREPAID elect meter | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity | 500 kWh | 30A | | | | |
| Basic | | | 466.10 | 413.97 | -52.13 | -11.18 |
| Minus: Subsidy | | | -466.10 | -413.97 | 52.13 | -11.18 |
| Capacity Charge | | | 74.70 | 164.40 | 89.70 | 120.08 |
| Minus: Subsidy | | | -74.70 | -164.40 | -89.70 | 120.08 |
| Block - 0 - 350 kWh | | 350 | 701.16 | 783.90 | 82.74 | 11.80 |
| Block - 351-500 kWh | | 150 | 410.90 | 416.85 | 5.95 | 1.45 |
| Minus 70 kWh | | -70 | -140.23 | -156.78 | -16.55 | 11.80 |
| **SUB-TOTAL** | | | 971.82 | 1 043.97 | 72.15 | 7.42 |
| VAT | | | 145.77 | 156.59 | 10.82 | 7.42 |
| **TOTAL** | | | 1 117.59 | 1 200.56 | 82.97 | 7.42 |

| Residential INDIGENT | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| Low Consumption with PREPAID elect meter | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity | 250 kWh | 30A | | | | |
| Basic | | | 466.10 | 413.97 | -52.13 | -11.18 |
| Minus: Subsidy | | | -466.10 | -413.97 | 52.13 | -11.18 |
| Capacity Charge | | | 74.70 | 164.40 | 89.70 | 120.08 |
| Minus: Subsidy | | | -74.70 | -164.40 | -89.70 | 120.08 |
| Block - 0 - 350 kWh | | 250 | 500.83 | 559.93 | 59.10 | 11.80 |
| Minus 70 kWh | | -70 | -140.23 | -156.78 | -16.55 | 11.80 |
| **SUB-TOTAL** | | | 360.59 | 403.15 | 42.55 | 11.80 |
| VAT | | | 54.09 | 60.47 | 6.38 | 11.80 |
| **TOTAL** | | | 414.68 | 463.62 | 48.93 | 11.80 |

| Residential INDIGENT | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| Low Consumption with PREPAID elect meter | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity | 150 kWh | 30A | | | | |
| Basic | | | 466.10 | 413.97 | -52.13 | -11.18 |
| Minus: Subsidy | | | -466.10 | -413.97 | 52.13 | -11.18 |
| Capacity Charge | | | 74.70 | 164.40 | 89.70 | 120.08 |
| Minus: Subsidy | | | -74.70 | -164.40 | -89.70 | 120.08 |
| Block - 0 - 350 kWh | | 150 | 300.50 | 335.96 | 35.46 | 11.80 |
| Minus 70 kWh | | -70 | -140.23 | -156.78 | -16.55 | 11.80 |
| **SUB-TOTAL** | | | 160.26 | 179.18 | 18.91 | 11.80 |
| VAT | | | 24.04 | 26.88 | 2.84 | 11.80 |
| **TOTAL** | | | 184.30 | 206.05 | 21.75 | 11.80 |

| Life-line Consumption (was one part) Indigent | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| Low Consumption with PREPAID elect meter | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity | 300 kWh | 30A | | | | |
| Supply Basic | | | 49.41 | 108.62 | 59.21 | 119.83 |
| Minus: Subsidy | | | -49.41 | -108.62 | -59.21 | 119.83 |
| Supply Capacity Charge | | | 74.70 | 164.40 | 89.70 | 120.08 |
| Minus: Subsidy | | | -74.70 | -164.40 | -89.70 | 120.08 |
| Block - 0 - 350 kWh | | 300 | 597.15 | 671.91 | 74.76 | 12.52 |
| Minus 70 kWh | | -70 | -140.23 | -156.78 | -16.55 | 11.80 |
| **SUB-TOTAL** | | | 456.92 | 515.13 | 58.21 | 12.74 |
| VAT | | | 68.54 | 77.27 | 8.73 | 12.74 |
| **TOTAL** | | | 525.46 | 592.40 | 66.94 | 12.74 |

| Business - Large Time of Use | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|
| **Time of Use Tariff MV** | | 2024/2025 | 2025/2026 | Amount | % |
| Basic Charge | | 4 864.79 | 4 886.95 | 22.16 | 0.46 |
| Network Capacity Charge kVA: Notified Maximum Demand (NMD) | 450 | 19 543.50 | 22 414.50 | 2 871.00 | 14.69 |
| Network Demand Charge kVA: Utilised capacity | 436 | 27 385.16 | 35 220.08 | 7 834.92 | 28.61 |
| Hi-Demand: Peak kWh Unit Charge | 20428 | 112 754.39 | 132 685.99 | 19 931.60 | 17.68 |
| Hi-Demand: Standard kWh Unit Charge | 40761 | 71 820.88 | 87 167.40 | 15 346.52 | 21.37 |
| Hi-Demand: Off Peak kWh Unit Charge | 47562 | 48 446.65 | 60 665.33 | 12 218.68 | 25.22 |
| Low Demand: Peak kWh Unit Charge | 20428 | 91 151.78 | 85 197.02 | -5 954.76 | -6.53 |
| Low Demand: Standard kWh Unit Charge | 40761 | 66 807.28 | 76 141.55 | 9 334.27 | 13.97 |
| Low Demand: Off Peak kWh Unit Charge | 47562 | 46 791.50 | 57 026.84 | 10 235.34 | 21.87 |
| Reactive Energy charge | 150 | 8.0550 | 17.7600 | 9.71 | 120.48 |
| **SUB-TOTAL** | | 489 573.98 | 561 423.41 | 71 849.43 | 14.68 |
| VAT | | 73 436.10 | 84 213.51 | 10 777.41 | 14.68 |
| **TOTAL** | | 563 010.08 | 645 636.92 | 82 626.84 | 14.68 |

| Business - Large Time of Use | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|
| **Time of Use Tariff LV** | | 2024/2025 | 2025/2026 | Amount | % |
| Basic Charge | | 3 750.55 | 3 108.74 | -641.81 | -17.11 |
| Network Capacity Charge kVA: Notified Maximum Demand (NMD) | 450 | 22 185.00 | 28 224.00 | 6 039.00 | 27.22 |
| Network Demand Charge kVA: Utilised capacity | 436 | 33 306.04 | 48 239.04 | 14 933.00 | 44.84 |
| Hi-Demand: Peak kWh Unit Charge | 20428 | 113 969.85 | 133 881.03 | 19 911.17 | 17.47 |
| Hi-Demand: Standard kWh Unit Charge | 40761 | 74 238.01 | 89 543.76 | 15 305.76 | 20.62 |
| Hi-Demand: Off Peak kWh Unit Charge | 47562 | 51 281.35 | 63 442.95 | 12 161.60 | 23.72 |
| Low Demand: Peak kWh Unit Charge | 20428 | 92 367.24 | 86 390.01 | -5 977.23 | -6.47 |
| Low Demand: Standard kWh Unit Charge | 40761 | 69 224.41 | 78 513.84 | 9 289.43 | 13.42 |
| Low Demand: Off Peak kWh Unit Charge | 47562 | 49 630.95 | 59 809.22 | 10 178.27 | 20.51 |
| Reactive Energy charge | 150 | 8.06 | 17.70 | 9.65 | 119.74 |
| **SUB-TOTAL** | | 509 961.46 | 591 170.29 | 81 208.83 | 15.92 |
| VAT | | 76 494.22 | 88 675.54 | 12 181.32 | 15.92 |
| **TOTAL** | | 586 455.67 | 679 845.83 | 93 390.16 | 15.92 |

| Business - Large Time of Use | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|
| **Time of Use Tariff Small Customer <100kVA** | | 2024/2025 | 2025/2026 | Amount | % |
| Basic Charge | | 425.69 | 468.09 | 42.40 | 9.96 |
| Network Capacity Charge kVA: Notified Maximum Demand (NMD) | 115 | 4 360.80 | 0.00 | 0.00 | 0.00 |
| Network Demand Charge kVA: Utilised capacity | 80 | 0.00 | 5 035.20 | 674.40 | 15.47 |
| Hi-Demand: Peak kWh Unit Charge | 20428 | 48 357.16 | 53 174.08 | 4 816.92 | 9.96 |
| Hi-Demand: Standard kWh Unit Charge | 40761 | 61 080.36 | 67 165.98 | 6 085.62 | 9.96 |
| Hi-Demand: Off Peak kWh Unit Charge | 47562 | 119 532.82 | 131 437.59 | 11 904.77 | 9.96 |
| Low Demand: Peak kWh Unit Charge | 20428 | 38 302.50 | 42 116.41 | 3 813.91 | 9.96 |
| Low Demand: Standard kWh Unit Charge | 40761 | 55 414.58 | 60 933.62 | 5 519.04 | 9.96 |
| Low Demand: Off Peak kWh Unit Charge | 47562 | 10 211.56 | 11 229.39 | 1 017.83 | 9.97 |
| Reactive Energy charge | 150 | 32.21 | 35.42 | 3.21 | 9.97 |
| **SUB-TOTAL** | | 337 717.67 | 371 595.77 | 33 878.09 | 10.03 |
| VAT | | 50 657.65 | 55 739.36 | 5 081.71 | 10.03 |
| **TOTAL** | | 388 375.33 | 427 335.13 | 38 959.81 | 10.03 |

| Business - Large (Three Phase) | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity Credit Meter | 7000 kWh | 100A | | | | |
| Basic | | | 893.30 | 742.44 | -150.86 | -16.89 |
| Capacity Charge | | | 1 146.00 | 2 523.00 | 1 377.00 | 120.16 |
| Flat rate | | 7000 | 20 390.30 | 20 278.30 | -112.00 | -0.55 |
| **SUB-TOTAL** | | | 22 429.60 | 23 543.74 | 1 114.14 | 4.97 |
| VAT | | | 3 364.44 | 3 531.56 | 167.12 | 4.97 |
| **TOTAL** | | | 25 794.04 | 27 075.30 | 1 281.26 | 4.97 |

| Business - Large (Three Phase) | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity Credit Meter | 7000 kWh | 80A | | | | |
| Basic | | | 893.30 | 742.44 | -150.86 | -16.89 |
| Capacity Charge | | | 916.80 | 2 018.40 | 1 101.60 | 120.16 |
| Flat rate | | 7000 | 20 390.30 | 20 278.30 | -112.00 | -0.55 |
| **SUB-TOTAL** | | | 22 200.40 | 23 039.14 | 838.74 | 3.78 |
| VAT | | | 3 330.06 | 3 455.87 | 125.81 | 3.78 |
| **TOTAL** | | | 25 530.46 | 26 495.01 | 964.55 | 3.78 |

| Business - Large (Three Phase) | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| | | | 2023/2024 | 2024/2025 | Amount | % |
| Electricity Credit Meter | 7000 kWh | 60A | | | | |
| Basic | | | 893.30 | 742.44 | -150.86 | -16.89 |
| Capacity Charge | | | 687.60 | 1 513.80 | 826.20 | 120.16 |
| Flat rate | | 7000 | 20 390.30 | 20 278.30 | -112.00 | -0.55 |
| **SUB-TOTAL** | | | 21 971.20 | 22 534.54 | 563.34 | 2.56 |
| VAT | | | 3 295.68 | 3 380.18 | 84.50 | 2.56 |
| **TOTAL** | | | 25 266.88 | 25 914.72 | 647.84 | 2.56 |

| Business - Large (Three Phase) | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity Credit Meter | 7000 kWh | 40A | | | | |
| Basic | | | 893.30 | 742.44 | -150.86 | -16.89 |
| Capacity Charge | | | 458.40 | 1 009.20 | 550.80 | 120.16 |
| Flat rate | | 7000 | 20 390.30 | 20 278.30 | -112.00 | -0.55 |
| **SUB-TOTAL** | | | 21 742.00 | 22 029.94 | 287.94 | 1.32 |
| VAT | | | 3 261.30 | 3 304.49 | 43.19 | 1.32 |
| **TOTAL** | | | 25 003.30 | 25 334.43 | 331.13 | 1.32 |

| Business - Large (Three Phase) | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity Prepaid Meter | 7000 kWh | 100A | | | | |
| Basic | | | 893.30 | 742.44 | -150.86 | -16.89 |
| Capacity Charge | | | 1 146.00 | 2 523.00 | 1 377.00 | 120.16 |
| Flat rate | | 7000 | 19 425.00 | 19 570.60 | 145.60 | 0.75 |
| **SUB-TOTAL** | | | 21 464.30 | 22 836.04 | 1 371.74 | 6.39 |
| VAT | | | 3 219.65 | 3 425.41 | 205.76 | 6.39 |
| **TOTAL** | | | 24 683.95 | 26 261.45 | 1 577.50 | 6.39 |

| Business - Large (Three Phase) | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity Prepaid Meter | 7000 kWh | 80A | | | | |
| Basic | | | 893.30 | 742.44 | -150.86 | -16.89 |
| Capacity Charge | | | 916.80 | 2 018.40 | 1 101.60 | 120.16 |
| Flat rate | | 7000 | 19 425.00 | 19 570.60 | 145.60 | 0.75 |
| **SUB-TOTAL** | | | 21 235.10 | 22 331.44 | 1 096.34 | 5.16 |
| VAT | | | 3 185.27 | 3 349.72 | 164.45 | 5.16 |
| **TOTAL** | | | 24 420.37 | 25 681.16 | 1 260.79 | 5.16 |

| Business - Large (Three Phase) | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity Prepaid Meter | 7000 kWh | 60A | | | | |
| Basic | | | 893.30 | 742.44 | -150.86 | -16.89 |
| Capacity Charge | | | 687.60 | 1 513.80 | 826.20 | 120.16 |
| Flat rate | | 7000 | 19 425.00 | 19 570.60 | 145.60 | 0.75 |
| **SUB-TOTAL** | | | 21 005.90 | 21 826.84 | 820.94 | 3.91 |
| VAT | | | 3 150.89 | 3 274.03 | 123.14 | 3.91 |
| **TOTAL** | | | 24 156.79 | 25 100.87 | 944.08 | 3.91 |

| Business - Large (Three Phase) | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity Prepaid Meter | 7000 kWh | 40A | | | | |
| Basic | | | 893.30 | 742.44 | -150.86 | -16.89 |
| Capacity Charge | | | 458.40 | 1 009.20 | 550.80 | 120.16 |
| Flat rate | | 7000 | 19 425.00 | 19 570.60 | 145.60 | 0.75 |
| **SUB-TOTAL** | | | 20 776.70 | 21 322.24 | 545.54 | 2.63 |
| VAT | | | 3 116.51 | 3 198.34 | 81.83 | 2.63 |
| **TOTAL** | | | 23 893.21 | 24 520.58 | 627.37 | 2.63 |

| Business - Medium (Three Phase) | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity Credit Meter | 4000 kWh | 100A | | | | |
| Basic | | | 893.30 | 742.44 | -150.86 | -16.89 |
| Capacity Charge | | | 1 146.00 | 2 523.00 | 1 377.00 | 120.16 |
| Flat rate | | 4000 | 11 651.60 | 11 587.60 | -64.00 | -0.55 |
| **SUB-TOTAL** | | | 13 690.90 | 14 853.04 | 1 162.14 | 8.49 |
| VAT | | | 2 053.64 | 2 227.96 | 174.32 | 8.49 |
| **TOTAL** | | | 15 744.54 | 17 081.00 | 1 336.46 | 8.49 |

| Business - Medium (Three Phase) | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity Credit Meter | 4000 kWh | 80A | | | | |
| Basic | | | 893.30 | 742.44 | -150.86 | -16.89 |
| Capacity Charge | | | 916.80 | 2 018.40 | 1 101.60 | 120.16 |
| Flat rate | | 4000 | 11 651.60 | 11 587.60 | -64.00 | -0.55 |
| **SUB-TOTAL** | | | 13 461.70 | 14 348.44 | 886.74 | 6.59 |
| VAT | | | 2 019.26 | 2 152.27 | 133.01 | 6.59 |
| **TOTAL** | | | 15 480.96 | 16 500.71 | 1 019.75 | 6.59 |

| Business - Medium (Three Phase) | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity Credit Meter | 4000 kWh | 60A | | | | |
| Basic | | | 893.30 | 742.44 | -150.86 | -16.89 |
| Capacity Charge | | | 687.60 | 1 513.80 | 826.20 | 120.16 |
| Flat rate | | 4000 | 11 651.60 | 11 587.60 | -64.00 | -0.55 |
| **SUB-TOTAL** | | | 13 232.50 | 13 843.84 | 611.34 | 4.62 |
| VAT | | | 1 984.88 | 2 076.58 | 91.70 | 4.62 |
| **TOTAL** | | | 15 217.38 | 15 920.42 | 703.04 | 4.62 |

| Business - Medium (Three Phase) | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity Credit Meter | 4000 kWh | 40A | | | | |
| Basic | | | 893.30 | 742.44 | -150.86 | -16.89 |
| Capacity Charge | | | 458.40 | 1 009.20 | 550.80 | 120.16 |
| Flat rate | | 4000 | 11 651.60 | 11 587.60 | -64.00 | -0.55 |
| **SUB-TOTAL** | | | 13 003.30 | 13 339.24 | 335.94 | 2.58 |
| VAT | | | 1 950.50 | 2 000.89 | 50.39 | 2.58 |
| **TOTAL** | | | 14 953.80 | 15 340.13 | 386.33 | 2.58 |

| Business - Medium (Three Phase) | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity Prepaid Meter | 4000 kWh | 100A | | | | |
| Basic | | | 893.30 | 742.44 | -150.86 | -16.89 |
| Capacity Charge | | | 1 146.00 | 2 523.00 | 1 377.00 | 120.16 |
| Flat rate | | 4000 | 11 100.00 | 11 183.20 | 83.20 | 0.75 |
| **SUB-TOTAL** | | | 13 139.30 | 14 448.64 | 1 309.34 | 9.97 |
| VAT | | | 1 970.90 | 2 167.30 | 196.40 | 9.97 |
| **TOTAL** | | | 15 110.20 | 16 615.94 | 1 505.74 | 9.97 |

| Business - Medium (Three Phase) | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity Prepaid Meter | 4000 kWh | 80A | | | | |
| Basic | | | 893.30 | 742.44 | -150.86 | -16.89 |
| Capacity Charge | | | 916.80 | 2 018.40 | 1 101.60 | 120.16 |
| Flat rate | | 4000 | 11 100.00 | 11 183.20 | 83.20 | 0.75 |
| **SUB-TOTAL** | | | 12 910.10 | 13 944.04 | 1 033.94 | 8.01 |
| VAT | | | 1 936.52 | 2 091.61 | 155.09 | 8.01 |
| **TOTAL** | | | 14 846.62 | 16 035.65 | 1 189.03 | 8.01 |

| Business - Medium (Three Phase) | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity Prepaid Meter | 4000 kWh | 60A | | | | |
| Basic | | | 893.30 | 742.44 | -150.86 | -16.89 |
| Capacity Charge | | | 687.60 | 1 513.80 | 826.20 | 120.16 |
| Flat rate | | 4000 | 11 100.00 | 11 183.20 | 83.20 | 0.75 |
| **SUB-TOTAL** | | | 12 680.90 | 13 439.44 | 758.54 | 5.98 |
| VAT | | | 1 902.14 | 2 015.92 | 113.78 | 5.98 |
| **TOTAL** | | | 14 583.04 | 15 455.36 | 872.32 | 5.98 |

| Business - Medium (Three Phase) | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity Prepaid Meter | 4000 kWh | 40A | | | | |
| Basic | | | 893.30 | 742.44 | -150.86 | -16.89 |
| Capacity Charge | | | 458.40 | 1 009.20 | 550.80 | 120.16 |
| Flat rate | | 4000 | 11 100.00 | 11 183.20 | 83.20 | 0.75 |
| **SUB-TOTAL** | | | 12 451.70 | 12 934.84 | 483.14 | 3.88 |
| VAT | | | 1 867.76 | 1 940.23 | 72.47 | 3.88 |
| **TOTAL** | | | 14 319.46 | 14 875.07 | 555.61 | 3.88 |

| Business - Small (Three Phase) | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity Credit Meter | 1000 kWh | 100A | | | | |
| Basic | | | 893.30 | 742.44 | -150.86 | -16.89 |
| Capacity Charge | | | 1 146.00 | 2 523.00 | 1 377.00 | 120.16 |
| Flat rate | | 1000 | 2 912.90 | 2 896.90 | -16.00 | -0.55 |
| **SUB-TOTAL** | | | 4 952.20 | 6 162.34 | 1 210.14 | 24.44 |
| VAT | | | 742.83 | 924.35 | 181.52 | 24.44 |
| **TOTAL** | | | 5 695.03 | 7 086.69 | 1 391.66 | 24.44 |

| Business - Small (Three Phase) | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity Credit Meter | 1000 kWh | 80A | | | | |
| Basic | | | 893.30 | 742.44 | -150.86 | -16.89 |
| Capacity Charge | | | 916.80 | 2 018.40 | 1 101.60 | 120.16 |
| Flat rate | | 1000 | 2 912.90 | 2 896.90 | -16.00 | -0.55 |
| **SUB-TOTAL** | | | 4 723.00 | 5 657.74 | 934.74 | 19.79 |
| VAT | | | 708.45 | 848.66 | 140.21 | 19.79 |
| **TOTAL** | | | 5 431.45 | 6 506.40 | 1 074.95 | 19.79 |

| Business - Small (Three Phase) | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity Credit Meter | 1000 kWh | 60A | | | | |
| Basic | | | 893.30 | 742.44 | -150.86 | -16.89 |
| Capacity Charge | | | 687.60 | 1 513.80 | 826.20 | 120.16 |
| Flat rate | | 1000 | 2 912.90 | 2 896.90 | -16.00 | -0.55 |
| **SUB-TOTAL** | | | 4 493.80 | 5 153.14 | 659.34 | 14.67 |
| VAT | | | 674.07 | 772.97 | 98.90 | 14.67 |
| **TOTAL** | | | 5 167.87 | 5 926.11 | 758.24 | 14.67 |

| Business - Small (Three Phase) | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity Credit Meter | 1000 kWh | 40A | | | | |
| Basic | | | 893.30 | 742.44 | -150.86 | -16.89 |
| Capacity Charge | | | 458.40 | 1 009.20 | 550.80 | 120.16 |
| Flat rate | | 1000 | 2 912.90 | 2 896.90 | -16.00 | -0.55 |
| **SUB-TOTAL** | | | 4 264.60 | 4 648.54 | 383.94 | 9.00 |
| VAT | | | 639.69 | 697.28 | 57.59 | 9.00 |
| **TOTAL** | | | 4 904.29 | 5 345.82 | 441.53 | 9.00 |

| Business - Small (Three Phase) | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity Prepaid Meter | 1000 kWh | 100A | | | | |
| Basic | | | 893.30 | 742.44 | -150.86 | -16.89 |
| Capacity Charge | | | 1 146.00 | 2 523.00 | 1 377.00 | 120.16 |
| Flat rate | | 1000 | 2 775.00 | 2 795.80 | 20.80 | 0.75 |
| **SUB-TOTAL** | | | 4 814.30 | 6 061.24 | 1 246.94 | 25.90 |
| VAT | | | 722.15 | 909.19 | 187.04 | 25.90 |
| **TOTAL** | | | 5 536.45 | 6 970.43 | 1 433.98 | 25.90 |

| Business - Small (Three Phase) | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity Prepaid Meter | 1000 kWh | 80A | | | | |
| Basic | | | 893.30 | 742.44 | -150.86 | -16.89 |
| Capacity Charge | | | 916.80 | 2 018.40 | 1 101.60 | 120.16 |
| Flat rate | | 1000 | 2 775.00 | 2 795.80 | 20.80 | 0.75 |
| **SUB-TOTAL** | | | 4 585.10 | 5 556.64 | 971.54 | 21.19 |
| VAT | | | 687.77 | 833.50 | 145.73 | 21.19 |
| **TOTAL** | | | 5 272.87 | 6 390.14 | 1 117.27 | 21.19 |

| Business - Small (Three Phase) | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity Prepaid Meter | 1000 kWh | 60A | | | | |
| Basic | | | 893.30 | 742.44 | -150.86 | -16.89 |
| Capacity Charge | | | 687.60 | 1 513.80 | 826.20 | 120.16 |
| Flat rate | | 1000 | 2 775.00 | 2 795.80 | 20.80 | 0.75 |
| **SUB-TOTAL** | | | 4 355.90 | 5 052.04 | 696.14 | 15.98 |
| VAT | | | 653.39 | 757.81 | 104.42 | 15.98 |
| **TOTAL** | | | 5 009.29 | 5 809.85 | 800.56 | 15.98 |

| Business - Small (Three Phase) | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| | | | 2024/2025 | 2025/2026 | Amount | % |
| Electricity Prepaid Meter | 1000 kWh | 40A | | | | |
| Basic | | | 893.30 | 742.44 | -150.86 | -16.89 |
| Capacity Charge | | | 458.40 | 1 009.20 | 550.80 | 120.16 |
| Flat rate | | 1000 | 2 775.00 | 2 795.80 | 20.80 | 0.75 |
| **SUB-TOTAL** | | | 4 126.70 | 4 547.44 | 420.74 | 10.20 |
| VAT | | | 619.01 | 682.12 | 63.11 | 10.20 |
| **TOTAL** | | | 4 745.71 | 5 229.56 | 483.85 | 10.20 |

# ANNEXURE E

# CAPITAL BUDGET & HOUSING PROGRAMME

# DRAFT CAPITAL BUDGET 2025/2026-2027/2028

| | | | | | | 2025/26 BUDGET | | | 2026/27 BUDGET | | | 2027/28 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** | | | **5 441 000** | | **5 441 000** | | | | | | |
| Overstrand | Overstrand | Overstrand | MINOR ASSETS COUNCIL | D Arrison | Surplus | 55 000 | | 55 000 | | | | | | |
| Overstrand | Overstrand | Overstrand | COMMUNITY PROJECTS | D O'Neill | Surplus-Non-Tar | 5 371 000 | | 5 371 000 | | | | | | |
| Overstrand | Overstrand | Overstrand | MINOR ASSETS-OFFICE OF THE MUNICIPAL MANAGER | D O'Neill | Surplus | 15 000 | | 15 000 | | | | | | |
| | | | **FINANCE AND ADMINISTRATION** | | | **3 359 000** | | **3 359 000** | **500 000** | | **500 000** | **500 000** | | **500 000** |
| Overstrand | Overstrand | Overstrand | UPS REPLACEMENT | C Johnson | Surplus | 500 000 | | 500 000 | 500 000 | | 500 000 | 500 000 | | 500 000 |
| Overstrand | Overstrand | Overstrand | DATA CENTRE SERVER END OF LIFE REPLACEMENT | C Johnson | Surplus | 2 000 000 | | 2 000 000 | | | | | | |
| Overstrand | Overstrand | Overstrand | MINOR ASSETS FINANCIAL SERVICES | Vacant | Surplus | 170 000 | | 170 000 | | | | | | |
| Overstrand | Overstrand | Overstrand | MINOR ASSETS CORPORATE SERVICES | D Arrison | Surplus | 59 000 | | 59 000 | | | | | | |
| Overstrand | Overstrand | Overstrand | MINOR ASSETS ICT ORGANIZATION WIDE | C Johnson | Surplus | 630 000 | | 630 000 | | | | | | |
| | | | **PUBLIC SAFETY** | | | **7 092 000** | | **7 092 000** | | | | | | |
| Overstrand | Overstrand | Overstrand | PURCHASE OF DOGS -EXPLOSIVE AND ROAD OPERATIONS | J Du Toit | Surplus-Non-Tar | 300 000 | | 300 000 | | | | | | |
| Overstrand | Overstrand | Overstrand | UPGRADING OF FIRE STATION BUILDINGS | L Smith | Surplus-Non-Tar | 3 000 000 | | 3 000 000 | | | | | | |
| Overstrand | Overstrand | Overstrand | VEHICLES-PUBLIC SAFETY | J Vorster | Surplus | 3 500 000 | | 3 500 000 | | | | | | |
| Overstrand | Overstrand | Overstrand | MINOR ASSETS MUNICIPAL PUBLIC SAFETY | N Micheals | Surplus | 292 000 | | 292 000 | | | | | | |
| | | | **PLANNING & DEVELOPMENT** | | | **754 000** | **800 000** | **1 554 000** | | | | | | |
| Overstrand | Overstrand | Overstrand | MINOR ASSETS PLANNING AND DEVELOPMENT | Vacant | Surplus | 29 000 | | 29 000 | | | | | | |
| Hermanus | Zwelihle | Ward 12 | ZWELIHLE BUSINESS HUB | D Hendriks | Prov-RSEP | | 800 000 | 800 000 | | | | | | |
| Overstrand | Overstrand | Overstrand | MINOR ASSETS INFRASTRUCTURE SERVICES | S Muller | Surplus | 725 000 | | 725 000 | | | | | | |
| | | | **COMMUNITY SERVICES** | | | **6 325 000** | | **6 325 000** | | | | | | |
| Overstrand | Overstrand | Overstrand | VEHICLES-COMMUNITY SERVICES | J Vorster | Surplus | 6 000 000 | | 6 000 000 | | | | | | |
| Overstrand | Overstrand | Overstrand | MINOR ASSETS COMMUNITY SERVICES | S Swartz | Surplus | 325 000 | | 325 000 | | | | | | |
| | | | **SPORT & RECREATION** | | | **5 529 000** | **27 072 000** | **32 601 000** | | **2 000 000** | **2 000 000** | | **9 392 000** | **9 392 000** |
| Hermanus | Hawston | Ward 08 | UPGRADE HAWSTON SPORT COMPLEX (NEW STADIUM)(F1/2) | D Hendriks | Surplus-Non-Tar | 929 000 | | 929 000 | | | | | | |
| Hermanus | Hawston | Ward 08 | UPGRADE HAWSTON SPORT COMPLEX (NEW STADIUM)(F2/2) | D Hendriks | MIG | | 9 700 000 | 9 700 000 | | | | | 4 392 000 | 4 392 000 |
| Hermanus | Mount Pleas | Ward 04 | UPGRADE MOUNT PLEASANT SPORT GROUNDS(F1/2) | D Hendriks | Surplus-Non-Tar | 1 700 000 | | 1 700 000 | | | | | | |
| Hermanus | Mount Pleas | Ward 04 | UPGRADE MOUNT PLEASANT SPORT GROUNDS(F2/2) | D Hendriks | MIG | | 10 500 000 | 10 500 000 | | 2 000 000 | 2 000 000 | | | |
| Kleinmond | Kleinmond | Ward 09 | TOE OF SLIPWAY TO REPAIR | D Nel | Surplus-Non-Tar | 1 000 000 | | 1 000 000 | | | | | | |
| Kleinmond | Kleinmond | Ward 09 | UPGRADE OF KLEINMOND SPORT FACILITIES(F1/2) | D Hendriks | Surplus-Non-Tar | 1 900 000 | | 1 900 000 | | | | | | |
| Kleinmond | Kleinmond | Ward 09 | UPGRADE OF KLEINMOND SPORT FACILITIES(F2/2) | D Hendriks | MIG | | 6 872 000 | 6 872 000 | | | | | | |
| Hermanus | Zwelihle | Ward 06 | UPGRADE SPORTGROUNDS | D Hendriks | MIG | | | | | | | | 5 000 000 | 5 000 000 |
| | | | **HOUSING** | | | | **24 542 000** | **24 542 000** | | **13 000 000** | **13 000 000** | | **13 000 000** | **13 000 000** |
| Overstrand | Overstrand | Overstrand | LCH SERVICES | D Hendriks | Prov Gr-HSDG | | 24 542 000 | 24 542 000 | | 13 000 000 | 13 000 000 | | 13 000 000 | 13 000 000 |
| | | | **ROADS** | | | **9 400 000** | **6 000 000** | **15 400 000** | | **9 400 000** | **9 400 000** | | **5 000 000** | **5 000 000** |
| Gansbaai | Masakhane | Ward 02 | REHABILITATE ROADS AND SIDEWALKS MASAKHANE | D Hendriks | MIG | | | | | 2 400 000 | 2 400 000 | | 2 000 000 | 2 000 000 |
| Hermanus | Zwelihle | Ward 06 | REHABILITATE ROADS AND STORMWATER | D Hendriks | MIG | | 6 000 000 | 6 000 000 | | | | | | |
| Hermanus | Mount Pleas | Ward 04 | REHABILITATE ROADS | D Hendriks | MIG | | | | | 4 000 000 | 4 000 000 | | | |
| Kleinmond | Proteadorp | Ward 09 | REHABILITATE ROADS PROTEADORP | D Hendriks | MIG | | | | | 3 000 000 | 3 000 000 | | | |
| Hermanus | Hermanus | Ward 03 | HERMANUS TAXI RANK | D Hendriks | MIG | | | | | | | | 3 000 000 | 3 000 000 |
| Overstrand | Overstrand | Overstrand | VEHICLES-ROADS | J Vorster | Surplus | 8 250 000 | | 8 250 000 | | | | | | |
| Hermanus | Hawston | Ward 08 | HAWSTON ALMAR CIRCLE | T Marx | Surplus-Non-Tar | 500 000 | | 500 000 | | | | | | |
| Hermanus | Mount Pleas | Ward 04 | TAXI HOLDING FACILITY | T Marx | Surplus-Non-Tar | 650 000 | | 650 000 | | | | | | |
| | | | **ELECTRICITY** | | | **39 381 798** | **13 908 000** | **53 289 798** | **21 000 000** | **9 551 000** | **30 551 000** | **29 000 000** | **9 983 000** | **38 983 000** |
| Gansbaai | Gansbaai | Multi-ward GB | GANSBAAI STANFORD MV LV UPGRADE REPLACEMENT | G Lotter | EL26/27/28 | 4 000 000 | | 4 000 000 | 6 800 000 | | 6 800 000 | 3 500 000 | | 3 500 000 |
| Gansbaai | Gansbaai | Multi-ward GB | FKRAAL KBAAI MV/LV UPGRADE AS PER RETICMASTER | G Lotter | EL27/28 | | | | 3 000 000 | | 3 000 000 | 2 000 000 | | 2 000 000 |
| Overstrand | Overstrand | Overstrand | ELECTRIFICATION OF LOW COST HOUSING AREAS | G Lotter | INEP | | 13 908 000 | 13 908 000 | | 9 551 000 | 9 551 000 | | 9 983 000 | 9 983 000 |
| Hermanus | Hermanus | Ward 03 | HERMANUS MV/LV UPGRADE REPLACEMENT | G Lotter | EL26/27/28 | 9 000 000 | | 9 000 000 | 4 000 000 | | 4 000 000 | 12 000 000 | | 12 000 000 |
| Kleinmond | Kleinmond | Ward 09 | KLEINMOND MV/LV NETWORK UPGRADE | G Lotter | EL26/27/28 | 4 000 000 | | 4 000 000 | 2 000 000 | | 2 000 000 | 4 000 000 | | 4 000 000 |
| Hermanus | Hawston | Ward 08 | HAWSTON MV/LV UPGRADE REPLACEMENT | G Lotter | EL26/27/28 | 3 300 000 | | 3 300 000 | 2 100 000 | | 2 100 000 | 3 000 000 | | 3 000 000 |
| Hermanus | Onrus | Ward 13 | ADDITIONAL WORKSPACE AT ELECTRICAL DEPOT-ONRUS | G Lotter | EL26 | 1 500 000 | | 1 500 000 | | | | | | |
| Hermanus | Hermanus | Ward 03 | NEW STILL STREET 66KV 11KV SUBSTATION (F1/2) | G Lotter | EL26/27/28 | 5 000 000 | | 5 000 000 | | | | 900 000 | | 900 000 |
| Hermanus | Hermanus | Ward 03 | NEW STILL STREET 66KV 11KV SUBSTATION (F2/2) | G Lotter | EL25-R/O | 3 981 798 | | 3 981 798 | | | | | | |
| Hermanus | Hermanus | Ward 03 | HIGH MAST LIGHTS REPLACEMENT | G Lotter | EL26/27/28 | 700 000 | | 700 000 | 1 100 000 | | 1 100 000 | 1 100 000 | | 1 100 000 |
| Overstrand | Overstrand | Overstrand | VEHICLES-ELECTRICITY | J Vorster | Surplus | 6 400 000 | | 6 400 000 | | | | | | |
| Overstrand | Overstrand | Overstrand | ELECTRICITY TRANSFORMERS CAPITAL REPLACEMENT CONTINGENCY | S Muller | EL26/27/28 | 1 500 000 | | 1 500 000 | 2 000 000 | | 2 000 000 | 2 500 000 | | 2 500 000 |

# DRAFT CAPITAL BUDGET 2025/2026-2027/2028

| Area | Local Area | Ward | Project Description | Project Manager | Funding Source | 2025/26 BUDGET COUNCIL FUNDED | 2025/26 BUDGET EXTERNAL (GRANTS) | 2025/26 BUDGET TOTAL | 2026/27 BUDGET COUNCIL FUNDED | 2026/27 BUDGET EXTERNAL (GRANTS) | 2026/27 BUDGET TOTAL | 2027/28 BUDGET COUNCIL FUNDED | 2027/28 BUDGET EXTERNAL (GRANTS) | 2027/28 BUDGET TOTAL |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | **WATER** | | | **29 000 000** | **29 227 000** | **58 227 000** | **25 200 000** | **26 242 000** | **51 442 000** | **23 800 000** | | **23 800 000** |
| Overstrand | Overstrand | Overstrand | REFURBISHMENT OF BULK WATER INFRASTRUCTURE | H Blignaut | EL26/27/28 | 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 | EL26/27/28 | 500 000 | | 500 000 | 500 000 | | 500 000 | 500 000 | | 500 000 |
| Overstrand | Overstrand | Overstrand | REPLACEMENT OF OVERSTRAND WATER PIPES | H Blignaut | EL26/27/28 | 9 500 000 | | 9 500 000 | 10 000 000 | | 10 000 000 | 7 000 000 | | 7 000 000 |
| Overstrand | Overstrand | Overstrand | WATER FACILITIES CONTINGENCY | H Blignaut | EL26/27/28 | 500 000 | | 500 000 | 500 000 | | 500 000 | 500 000 | | 500 000 |
| Kleinmond | Kleinmond | Multi-ward KM | REFURBISHMENT OF BUFFELS RIVER WTW(F1/2) | H Blignaut | EL26/27/28 | 3 000 000 | | 3 000 000 | 4 650 000 | | 4 650 000 | 5 000 000 | | 5 000 000 |
| Kleinmond | Kleinmond | Multi-ward KM | REFURBISHMENT OF BUFFELS RIVER WTW(F2/2) | H Blignaut | WSIG | | 28 427 000 | 28 427 000 | | 26 242 000 | 26 242 000 | | | |
| Hermanus | Hermanus | Multi-ward HM | PREEKSTOEL WTW OFFICE SPACE | H Blignaut | EL26/27 | 750 000 | | 750 000 | 1 250 000 | | 1 250 000 | | | |
| Hermanus | Hermanus | Multi-ward HM | UPGRADE HERMANUS WELL FIELDS PHASE 2 | H Blignaut | EL26/27 | 2 000 000 | | 2 000 000 | 3 000 000 | | 3 000 000 | | | |
| Kleinmond | Kleinmond | Ward 09 | REPLACEMENT OF WATER PIPES PROTEADORP | H Blignaut | MIG | | 800 000 | 800 000 | | | | | | |
| Gansbaai | De Kelders | Ward 14 | DE KELDERS WTW MEMBRANE REPLACEMENT | H Blignaut | EL26 | 1 200 000 | | 1 200 000 | | | | | | |
| Gansbaai | Pearly Beach | Ward 11 | PEARLY BEACH GROUNDWATER DEVELOPMENT | H Blignaut | EL26 | 2 750 000 | | 2 750 000 | | | | | | |
| Hermanus | Hermanus | Ward 03 | SEA WATER DESALINATION PLANT | H Blignaut | EL27/28 | | | | 3 000 000 | | 3 000 000 | 3 300 000 | | 3 300 000 |
| Hermanus | Onrus River | Ward 13 | NEW RESERVOIR ONRUS RIVER | H Blignaut | EL27/28 | | | | 1 000 000 | | 1 000 000 | 3 500 000 | | 3 500 000 |
| Kleinmond | Betty's Bay | Ward 10 | NEW RESERVOIR VOORBERG | H Blignaut | EL28 | | | | | | | 1 000 000 | | 1 000 000 |
| Gansbaai | Gansbaai | Multi-ward GB | NEW BOOSTER PUMP STATION AND PIPELINE GANSBAAI TO DE KELDE | H Blignaut | EL28 | | | | | | | 2 000 000 | | 2 000 000 |
| Hermanus | Hermanus | Multi-ward HM | NEW DISINFECTION SYSTEM AT PREEKSTOEL WTW | H Blignaut | EL26 | 7 000 000 | | 7 000 000 | | | | | | |
| Gansbaai | Baardskeerd | Ward 11 | BAARDSKEERDERSBOS WTW ADD STORAGE CAPACITY | H Blignaut | EL26 | 500 000 | | 500 000 | | | | | | |
| Overstrand | Overstrand | Overstrand | TELEMETRY SYSTEM UPGRADE-WATER | H Blignaut | EL26/27 | 300 000 | | 300 000 | 300 000 | | 300 000 | | | |
| | | | **SEWERAGE** | | | **27 060 000** | | **27 060 000** | **21 700 000** | **16 850 000** | **38 550 000** | **23 300 000** | **15 000 000** | **38 300 000** |
| Overstrand | Overstrand | Overstrand | SEWERAGE FACILITIES CONTINGENCY | H Blignaut | EL26/27/28 | 700 000 | | 700 000 | 700 000 | | 700 000 | 700 000 | | 700 000 |
| Overstrand | Overstrand | Overstrand | FENCING AT SEWERAGE INSTALLATIONS | H Blignaut | EL26/27/28 | 600 000 | | 600 000 | 800 000 | | 800 000 | 600 000 | | 600 000 |
| Overstrand | Overstrand | Overstrand | UPGRADING OF PUMPSTATIONS AND RISING MAINS | H Blignaut | EL26/27/28 | 13 000 000 | | 13 000 000 | 3 000 000 | | 3 000 000 | 10 000 000 | | 10 000 000 |
| Hermanus | Hermanus | Multi-ward HM | HERMANUS WWTW UPGRADE SCREENS RAS SLUDGE DEWATERING | H Blignaut | EL26 | 1 310 000 | | 1 310 000 | | | | | | |
| Hermanus | Hawston | Ward 08 | HAWSTON WWTW REFURBISH AND UPGRADE(F1/2) | H Blignaut | EL26/27/28 | 4 000 000 | | 4 000 000 | 17 000 000 | | 17 000 000 | 11 000 000 | | 11 000 000 |
| Hermanus | Hawston | Ward 08 | HAWSTON WWTW REFURBISH AND UPGRADE(F2/2) | H Blignaut | MIG | | | | | 16 850 000 | 16 850 000 | | 15 000 000 | 15 000 000 |
| Overstrand | Overstrand | Overstrand | TELEMETRY SYSTEM UPGRADE-SEWERAGE | H Blignaut | EL26/27 | 200 000 | | 200 000 | 200 000 | | 200 000 | | | |
| Hermanus | Hawston | Ward 08 | HAWSTON SEWER NETWORK EXTENSION | H Blignaut | EL28 | | | | | | | 1 000 000 | | 1 000 000 |
| Gansbaai | Pearly Beach | Ward 11 | ELUXOLWENI WWTW UPGRADE | H Blignaut | EL26 | 500 000 | | 500 000 | | | | | | |
| Kleinmond | Bettys Bay | Ward 10 | UPGRADING OF SEWER SYSTEM IN MOOIUITSIG | D van Rhodie | EL26 | 750 000 | | 750 000 | | | | | | |
| Overstrand | Overstrand | Overstrand | NEW DISINFECTION SYSTEMS AT WASTEWATER TREATMENT | H Blignaut | EL26 | 6 000 000 | | 6 000 000 | | | | | | |
| | | | **STORMWATER** | | | **6 000 000** | | **6 000 000** | | | | | | |
| Hermanus | Fisherhaven | Ward 08 | STORMWATER SYSTEM UPGRADING | T Marx | Surplus-Non-Tar | 1 000 000 | | 1 000 000 | | | | | | |
| Gansbaai | Gansbaai | Ward 11 | STORMWATER AND SUBSURFACE DRAINAGE SYSTEM | J Solomons | Surplus-Non-Tar | 5 000 000 | | 5 000 000 | | | | | | |
| | | | **WASTE MANAGEMENT** | | | **4 940 000** | | **4 940 000** | **2 100 000** | | **2 100 000** | **3 900 000** | | **3 900 000** |
| Kleinmond | Kleinmond | Multi-ward KM | UPGRADING OF KLEINMOND TRANSFER STATION | C Mitchell | EL27 | | | | 500 000 | | 500 000 | | | |
| Gansbaai | Gansbaai | Multi-ward GB | GANSBAAI LANDFILL WEIGHBRIDGE NEW REPLACEMENT DECK | C Mitchell | EL26 | 840 000 | | 840 000 | | | | | | |
| Hermanus | Hermanus | Multi-ward HM | HERMANUS TRANSFER STATION PERIMETER WALL COMPLETION | C Mitchell | EL26 | 3 300 000 | | 3 300 000 | | | | | | |
| Hermanus | Hermanus | Multi-ward HM | HERMANUS TRANSFER STATION UPGRADE CHIPPING AREA | C Mitchell | EL28 | | | | | | | 2 500 000 | | 2 500 000 |
| Hermanus | Hawston | Ward 08 | HAWSTON DROP OFF FENCE UPGRADE | C Mitchell | EL26 | 600 000 | | 600 000 | | | | | | |
| Kleinmond | Pringle Bay | Ward 10 | PRINGLE BAY DROP OFF UPGRADE | C Mitchell | EL26 | 200 000 | | 200 000 | | | | | | |
| Overstrand | Overstrand | Overstrand | ORGANIC WASTE DIVERSION PROJECT | C Mitchell | EL27/28 | | | | 1 600 000 | | 1 600 000 | 1 400 000 | | 1 400 000 |
| | | | **GRAND TOTAL** | | | **144 281 798** | **101 549 000** | **245 830 798** | **70 500 000** | **77 043 000** | **147 543 000** | **80 500 000** | **52 375 000** | **132 875 000** |
| | | | EXTERNAL LOAN 26/27/28(GENERAL CAPITAL) | | | 90 000 000 | | 90 000 000 | 70 000 000 | | 70 000 000 | 80 000 000 | | 80 000 000 |
| | | | EXTERNAL LOAN 25(ROLL OVER) | | | 3 981 798 | | 3 981 798 | | | | | | |
| | | | SURPLUS | | | 28 950 000 | | 28 950 000 | 500 000 | | 500 000 | 500 000 | | 500 000 |
| | | | SURPLUS-NON-TARIFF | | | 21 050 000 | | 21 050 000 | | | | | | |
| | | | SURPLUS-NON-TARIFF-R/O-25 | | | 300 000 | | 300 000 | | | | | | |
| | | | PROV GR-HUMAN SETTLEMENTS DEVELOPMENT GRANT | | | | 24 542 000 | 24 542 000 | | 13 000 000 | 13 000 000 | | 13 000 000 | 13 000 000 |
| | | | PROV-REGIONAL SOCIO-ECONOMIC PROJECTS (RSEP) PROGRAMME-MUNICIPAL PROJECTS | | | | 800 000 | 800 000 | | | | | | |
| | | | INTERGRATED NATIONAL ELECTRIFICATION PROGRAMME | | | | 13 908 000 | 13 908 000 | | 9 551 000 | 9 551 000 | | 9 983 000 | 9 983 000 |
| | | | MUNICIPAL INFRASTRUCTURE GRANT | | | | 33 872 000 | 33 872 000 | | 28 250 000 | 28 250 000 | | 29 392 000 | 29 392 000 |
| | | | WATER SERVICES INFRASTRUCTURE GRANT | | | | 28 427 000 | 28 427 000 | | 26 242 000 | 26 242 000 | | | |
| | | | **GRAND TOTAL** | | | **144 281 798** | **101 549 000** | **245 830 798** | **70 500 000** | **77 043 000** | **147 543 000** | **80 500 000** | **52 375 000** | **132 875 000** |

# DRAFT 3 YEAR HOUSING BUDGET 2025-2028

| Project | 2025/2026 | 2026/2027 | 2027/2028 |
|---|---|---|---|
| Blompark TS Phase 4 (139) | R 25 070 972.00 | R 17 000 000.00 | |
| Masakhane TS (Transfers) | R 210 750.00 | R - | R - |
| Stanford TS Phase 1 (150) | R 17 508 278.00 | R 1 146 000.00 | R - |
| | | | |
| **TOTAL OPEX** | **R 42 790 000.00** | **R 18 146 000.00** | **R -** |
| | | | |
| Masakhane UISP (104 sites) | R 3 000 000.00 | | |
| Masakhane UISP Wetcores Phase 4 | R 1 200 000.00 | | |
| Mount Pleasant IRDP Infill Phase 3 (85 sites) | R 500 000.00 | | |
| Kleinmond IRDP | R 500 000.00 | | R - |
| Kleinmond Overhills UISP | R - | R 5 000 000.00 | R 5 000 000.00 |
| Schulphoek (Internal Services) | R 5 000 000.00 | R 2 500 000.00 | R 5 000 000.00 |
| Schulphoek (Bulk Services) | R 14 042 000.00 | R 2 500 000.00 | R - |
| Afdaksrivier Purchase | R - | R - | |
| Greater Hermanus PHSHDA | R 300 000.00 | R 1 000 000.00 | R 1 000 000.00 |
| Stanford Extension (Planning) | | R 1 000 000.00 | R 1 000 000.00 |
| Gansbaai Extension (Planning) | | R 1 000 000.00 | R 1 000 000.00 |
| | | | |
| **TOTAL CAPEX** | **R 24 542 000.00** | **R 13 000 000.00** | **R 13 000 000.00** |
| | | | |
| **GRAND TOTAL** | **R 67 332 000.00** | **R 31 146 000.00** | **R 13 000 000.00** |
| | | | |
| HSDG GRANT | R 44 090 000.00 | R 21 146 000.00 | R 3 000 000.00 |
| ISUP GRANT | R 23 242 000.00 | R 10 000 000.00 | R 10 000 000.00 |
| TOTAL DORA ALLOCATION | **R 67 332 000.00** | **R 31 146 000.00** | **R 13 000 000.00** |

**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

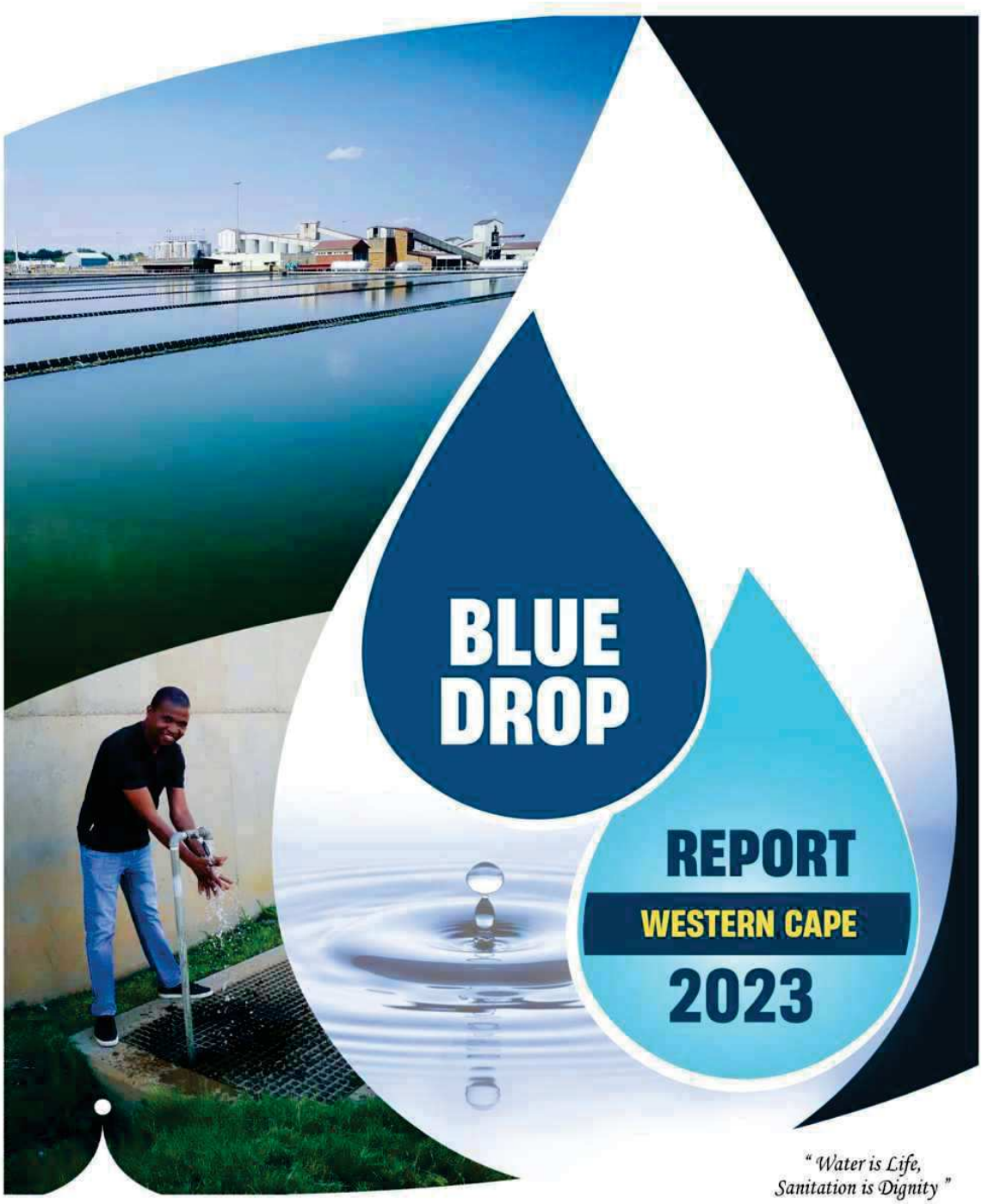
| Province: Municipality(WC032) - Schedule of Service Delivery Standards | |
|---|---|
| **Description** | |
| **Standard** | **Service Level 2025/2026** |
| **Solid Waste Removal** | |
| Premise based removal (Residential Frequency) | WEEKLY |
| Premise based removal (Business Frequency) | UP TO 7 TIMES PER WEEK (AS PER REQUEST) |
| Bulk Removal (Frequency) | NO |
| Removal Bags provided(Yes/No) | YES, MAXIMUM OF 2 (CLEAR BAGS) PER WEEK FOR RECYCLING |
| Garden refuse removal Included (Yes/No) | YES (1 bag) PER WEEK |
| 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) | 72 HOURS (FROM NOTIFICATION) |
| Recycling or environmentally friendly practices(Yes/No) | Yes |
| Licenced landfill site(Yes/No) | Yes |
| | |
| **Water Service** | |
| Water Quality rating (Blue/Green/Brown/N0 drop) | Overstrand Green Drop Score 2022: 89%<br>Blue Drop Assessment Report 2023: 99,9%<br>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) | NO |
| How much do you estimate is the cost saving in utilizing the ripple control system? | N/A |
| What is the frequency of meters being read? (per month, per year) | Monthly |
| Are estimated consumption calculated at 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 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 |
| Do you have a plan to prevent illegal connections and prevention of electricity theft? (Yes/No) | YES |
| How effective is the action plan in curbing line losses? (Good/Bad) | GOOD |

| Description | |
|---|---|
| **Standard** | **Service Level 2025/2026** |
| How soon does the municipality provide a quotation to a customer upon a written request? (days) | 7 |
| How long does the municipality takes to provide electricity service where existing infrastructure can be used? (working days) | 5 |
| How long does the municipality takes to provide electricity service for low voltage users where network extension is not required? (working days) | 5 |
| How long does the municipality takes to provide electricity service for high voltage users where network extension is not required? (working days) | 21 |
| | |
| **Sewerage Service** | |
| Are your purification system effective enough to put water back in to the system after purification? | YES, effective in general to put water back into water resources in accordance with license conditions. |
| To what extent do you subsidize your indigent consumers? | Basic charges plus 7kl of sewer unit charges |
| ***How long does it take to restore sewerage breakages on average*** | |
| Severe overflow? (hours) | 6.00 |
| Sewer blocked pipes: Large pipes? (Hours) | 6.00 |
| Sewer blocked pipes: Small pipes? (Hours) | 8.00 |
| Spillage clean-up? (hours) | 8.00 |
| Replacement of manhole covers? (Hours) | 4.00 |
| | |
| **Road Infrastructure Services** | |
| Time taken to repair a single pothole on a major road? (Hours) | 24.00 |
| Time taken to repair a single pothole on a minor road? (Hours) | 72.00 |
| Time taken to repair a road following an open trench service crossing? (Hours) | 72.00 |
| Time taken to repair walkways? (Hours) | 72.00 |
| | |
| **Property valuations** | |
| How long does it take on average from completion to the first account being issued? (one month/three months or longer) | 3 months |
| Do you have any special rating properties? (Yes/No) | yes |
| | |
| **Financial Management** | |
| Is there any change in the situation of unauthorised and wasteful expenditure over time? (Decrease/Increase) | Zero unauthorised and wasteful expenditure |
| Are the financial statement outsources? (Yes/No) | No |
| Are there Council adopted business process instructuing the flow and managemet of documentation feeding to Trial Balalnce? | Standard Operating Procedures |
| How long does it take for an Tax/Invoice to be paid from the date it has been received? | 30 days |
| Is there advance planning from SCM unit linking all departmental plans quaterly and annualy including for the next two to three years procurement plans? | Yes |
| | |
| **Administration** | |
| Reaction time on enquiries and requests? | 1 to 10 |
| Time to respond to a verbal customer enquiry or request? (working days) | 1 to 10 |
| Time to respond to a written customer enquiry or request? (working days) | 10 |
| Time to resolve a customer enquiry or request? (working days) | 10 |
| What percentage of calls are not answered? (5%,10% or more) | 1% |
| How long does it take to respond to voice mails? (hours) | N/A |
| Does the municipality have control over locked enquiries? (Yes/No) | yes |
| Is there a reduction in the number of complaints or not? (Yes/No) | no |
| How long does in take to open an account to a new customer? (1 day/ 2 days/ a week or longer) | 1 day |
| How many times does SCM Unit, CFO's Unit and Technical unit sit to review and resolve SCM process delays other than normal monthly management meetings? | Weekly progress reports and monthly Demand Management Plan reports including KPI monitoring |
| | |
| **Community safety and licensing services** | |

| Description | |
|---|---|
| **Standard** | **Service Level 2025/2026** |
| How long does it take to register a vehicle? (minutes) | 30min |
| How long does it take to renew a vehicle license? (minutes) | 10min |
| How long does it take to issue a duplicate registration certificate vehicle? (minutes) | 72hours |
| How long does it take to de-register a vehicle? (minutes) | 10min |
| How long does it take to renew a drivers license? (minutes) | 30min |
| What is the average reaction time of the fire service to an incident? (minutes) | 4,25 min |
| What is the average reaction time of the ambulance service to an incident in the urban area? (minutes) | 15 min |
| What is the average reaction time of the ambulance service to an incident in the rural area? (minutes) | 40 min |
| | |
| **Economic development** | |
| How many economic development projects does the municipality drive? | 18 |
| How many economic development programme are deemed to be catalytic in creating an enabling environment to unlock key economic growth projects? | 9 |
| What percentage of the projects have created sustainable job security? | 60% |
| Does the municipality have any incentive plans in place to create an conducive environment for economic development? (Yes/No) | Yes ( Investment Incentive policy) |
| | |
| **Other Service delivery and communication** | |
| Is a information package handed to the new customer? (Yes/No) | Yes - available on www.overstrand.gov.za<br>Monthly news letters and Social Media |
| Does the municipality have training or information sessions to inform the community? (Yes/No) | Yes |
| Are customers treated in a professional and humanly manner? (Yes/No) | Yes |

# ANNEXURE G

# WATER & WASTE WATER QUALITY



# BLUE DROP REPORT

## WESTERN CAPE 2023

*" Water is Life, Sanitation is Dignity "*

water & sanitation

Department:
Water and Sanitation
**REPUBLIC OF SOUTH AFRICA**

2030 NDP

## 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 Buffelsriver 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 Kraaibsoch 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)

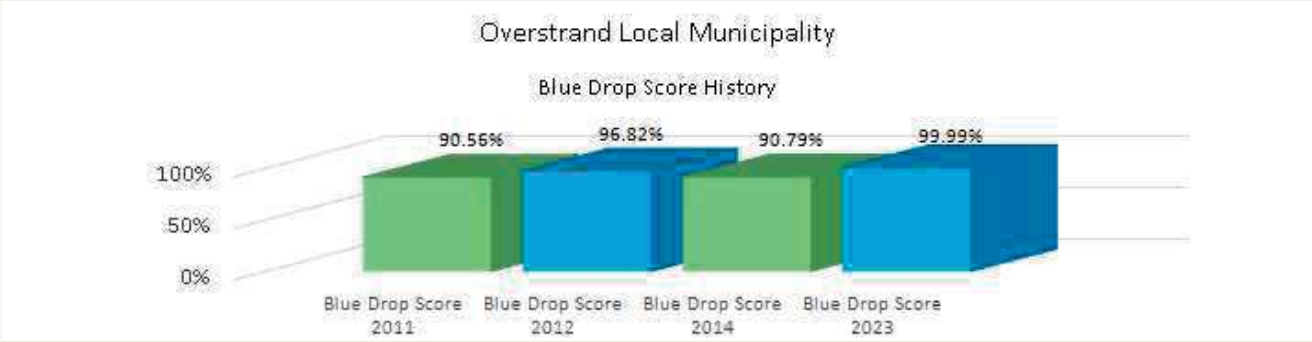
Capital projects implemented by the Municipality:

- 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 Overstand 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 ($KMnO_4$), 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*

# GREEN DROP

## Western Cape

# 2022



*" Water is Life, Sanitation is Dignity "*

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

2030 NDP

green drop
CERTIFICATION
waste water service
REGULATION

## 4.18 Overstrand Local Municipality

| | |
|---|---|
| *Water Service Institution* | **Overstrand Local Municipality** |
| *Water Service Provider* | Veolia Water |

| Municipal Green Drop Score | |
|---|---|
| 2021 Green Drop Score | 89%→ |
| 2013 Green Drop Score | 89% |
| 2011 Green Drop Score | 89% |
| 2009 Green Drop Score | 63% |

**VROOM Impression (Towards restoring functionality):**

1. Flow distribution to SSTs
2. Lime storage facility
3. Security
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 | Ml/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** | Ml/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 highlight 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 $CO_2$ 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 $W_2$RAP 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. $W_2$RAPs are in place and implemented, and its impact monitored though operational monitoring and compliance monitoring
3. All systems presented financial evidence viz. allocated budgets and expenditure, treatment cost (R/$m^3$ 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

NATIONAL TREASURY

**MFMA Circular No. 129**

**Municipal Finance Management Act No. 56 of 2003**

# Municipal Budget Circular for the 2025/26 MTREF

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# Introduction

This budget circular provides guidance to municipalities with their compilation of the 2025/26 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 (*m*SCOA) and strives to support municipalities' budget preparation processes so that the minimum requirements are achieved.

Among the objectives of this budget circular is to demonstrate how municipalities should undertake annual budget preparation in accordance with the budget and financial 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, *m*SCOA is implemented correctly and that audit findings are addressed. Municipalities are reminded to refer to the annual budget circulars of the previous years for guidance in areas of the budget preparation that are not covered in this circular.

# 1. The South African economy and inflation targets

The National Treasury has lowered its 2024 economic growth forecast to 1.1 per cent, from the 1.3 per cent projected in the 2024 Budget Review, weighed down by stop-start economic growth and stubborn inflation in the first half of the year. The economy has since strengthened in response to the suspension of power cuts since March 2024, improved confidence following the formation of the government of national unity in June, better than-expected inflation outcomes in recent months and reduced borrowing costs. All these factors are expected to continue to support the economy over the period ahead.

GDP growth is projected to average 1.8 per cent from 2025 to 2027, up from 1.2 per cent in the preceding three years. The pace of growth is still being limited by persistent – though gradually easing – constraints, particularly in logistics infrastructure. Faster growth depends largely on maintaining macroeconomic stability, the continued implementation of structural economic reforms, improving state capabilities and supporting higher infrastructure investment.

The following macro-economic forecasts must be considered when preparing the 2025/26 MTREF municipal budgets.

**Table 1: Macroeconomic performance and projections, 2023 - 2027**

| Fiscal year | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
|---|---|---|---|---|---|
| | Actual | Estimate | Forecast | | |
| CPI Inflation | 5.9% | 4.6% | 4.4% | 4.5% | 2.5% |

*Source: Medium Term Budget Policy Statement 2024.*

*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.*

Growth in household consumption expenditure is expected to improve to 1.2 per cent in 2024, up from 0.7 per cent in 2023. Households have seen growth in real incomes as this year progressed and inflation has cooled, while consumer confidence has been buoyed by several factors, including stable electricity supply and expectations of improving financial conditions following a September cut in interest rates. Real purchasing power is expected to be bolstered by a further moderation in inflation and lower interest rates supporting household balance sheets. The newly implemented two-pot retirement system, which allows consumers to withdraw a portion of their savings before retirement, may also boost household consumption over the next few years depending on the eventual use of the withdrawn funds.

During 2024, headline inflation has cooled to its lowest rate in over three years, supported by lower food and transport prices. Underlying inflation – measured by the core inflation rate, which excludes volatile items such as food, non-alcoholic beverages, fuels, and energy – has also moderated to two-year lows, supported by lower imported inflation. Headline inflation is projected to stabilise around the midpoint of the 3–6 per cent inflation target range in the medium term. Lower food prices, a stronger rand and comparatively low oil prices present favourable risks. Meanwhile, unfavourable risks to the outlook include higher administered prices and unfavourable weather conditions for agriculture.

Even though confidence of the consumers has been uplifted by the improved economy, households are still struggling to pay municipal accounts and that has a negative impact 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 2025/26 budget process

## 2.1 Local government conditional grants allocations

Over the 2025 Medium-Term Expenditure Framework (MTEF), the government proposes an allocation of 9.8 per cent to local government. Local government funding is projected to increase from R184.8 billion in 2025/26 to R197.9 billion in 2027/28. In 2025/26, this comprises R106.1 billion for the local government equitable share, R16.8 billion from the general fuel levy sharing with metros, and R61.8 billion for both direct and indirect conditional grants. The increased allocations to local government reflect the government's commitment to social protection as a cornerstone of its fiscal strategy, ensuring ongoing support for indigent populations and the expansion of critical infrastructure through conditional grants. These figures represent the preliminary fiscal framework outlined in the 2024 Medium Term Budget Policy Statement. The final details will be provided in the 2025 Budget Review.

### Notable changes to the conditional grants system

Government has finalised its review of the conditional grant system and developed a range of reforms based on the results. These reforms are aimed to rationalise conditional grants and enhance their effectiveness and will be implemented from 2025/26.

In the metro space, National Treasury remain committed to consolidating grants to improve efficiency and effectiveness. Starting with the 2025 Budget, the Neighbourhood Development Partnership Grant (NDPG direct) and the Programme and Project Preparation Support Grant (PPPSG)will be consolidated. Over the 2025 Medium-Term Revenue and Expenditure Framework (MTREF), further reforms will include integrating the Municipal Systems Improvement Grant (MSIG) and the Neighbourhood Development Partnership Grant (NDPG indirect) into the budget baselines of the Department of Cooperative Governance and the National Treasury, respectively. Both departments will still earmark these to ensure that these allocations are used for their original purposes.

Additionally, the non-metro components of the NDPG direct will be merged with a portion of the PPPSG, and the grant will be redesigned to better serve its objectives. Most of other proposed reforms being discussed currently are planned for medium- to long-term implementation.

NT advise municipalities to utilise the indicative numbers that were presented in the 2024 Division of Revenue Act when developing the 2025/26 MTREF calculations. It is crucial to also consider the

proposed changes to baselines that were presented in the 2024 MTBPS, as they may have an impact. NT recommend this must be prioritised in all budgetary planning for the upcoming fiscal year. In terms of the outer year allocations (2027/28 financial year), it is proposed that municipalities conservatively limit funding allocations to the indicative numbers as presented in the 2024 Division of Revenue Act for 2025/26. The Division of Revenue Bill, 2024, which includes the annexures outlining allocations to each municipality is available at:
https://www.treasury.gov.za/documents/national%20budget/2024/default.aspx

***Division Of Revenue Amendment Bill, 2024 (DoRAB)***

**Additional funding to the Municipal Disaster Recovery Grant** – R684 million is added to the Municipal Disaster Recovery Grant (MDRG – Recovery) to fund the reconstruction and rehabilitation of municipal infrastructure damaged by the flood and storm surges that occurred in various parts of the country between December 2023 and July 2024. This will benefit several municipalities in five provinces with the following breakdown: Eastern Cape municipalities (10): R319 million; Free State municipalities (4): R48 million; KwaZulu-Natal municipalities (7): R152 million; Limpopo municipalities (4): R88 million; and Mpumalanga municipalities (4): R77 million.

**Reprioritisation from the Public Transport Network Grant** – R300 million is shifted from the Public Transport Network Grant (PTNG) to the Taxi Relief Fund to fund the extension of the programme. While the fund was introduced as a relief measure during the height of the COVID- 19 pandemic, it has been extended and forms part of the work that the Department of Transport is undertaking in the formalisation of the taxi industry.

**Rescheduling of BFI funding in the Regional Bulk Infrastructure Grant** – reduction of R225 million to the allocation of Drakenstein Local Municipality in the Regional Bulk Infrastructure Grant (RBIG) to align to the revised implementation plan and cashflow projections for the sanitation infrastructure upgrade project funded through the BFI.

**Roll-over** – R29 million is rolled over in the MSIG to complete projects related to the development of the Smart Cities Framework, Capital Expenditure Framework, Data Management Project, and Records Management Project.

**Changes to conditional grant frameworks and allocations**

The framework of the MDRG – recovery will be amended to ring-fence the additional funds for the repair and reconstruction of municipal infrastructure damaged by the disasters that occurred between December 2023 and June 2024.

The framework of the RBIG will be updated to amend the ring-fenced BFI amount for Drakenstein Local Municipality's sanitation infrastructure upgrade project.

The framework of the PTNG is amended to reflect the revised 2024/25 baseline following the reprioritisation towards the Taxi Relief Fund.

The framework of the MSIG is amended to account for the approved roll-over in the 2024/25 financial year.

Details per municipality, of the changes to allocations for the municipal disaster recovery grant, municipal systems improvement grant, public transport network grant and regional bulk infrastructure grant that have been described in Part 2 of the explanatory memorandum to the DoRAB will be gazetted. These changes per municipality are shown in **Annexures D** to **E and Appendix A** of the DoRAB.

All amended frameworks will be gazetted in terms of section 15(2) of the 2024 DoRA, after consulting Parliament.

## 2.2 Metropolitan Municipalities Trading Services Reform performance incentive

The provision of water, sanitation, electricity, and solid waste management are in a significant decline, resulting in poor reliability, safety, and accessibility of these services. The immediate cause of service decline is long-term and systemic underinvestment in maintaining, rehabilitating, and expanding infrastructure assets. Fundamental weaknesses in the structure and management of trading services underpin and exacerbate underinvestment in trading services infrastructure and assets. Currently, trading services face negative cash flows, placing at risk overall metropolitan municipalities (refers herein as metros)'s finances and their ability to support the necessary investments and contribute to the financial health of the entire municipality. Thus, there is a growing risk to municipal finances from the impact of failing trading services and an urgent need to incentivise the turnaround of trading services/ utilities to improve performance and increase investment in infrastructure.

A new feature of the conditional grant structure from 2024/25 is a performance incentive for metros who agree to embark upon specific trading services reforms, subject to performance on accountability, financial and operational performance metrics. The purpose of the Metro Trading Services performance incentive is to support and incentivise the turnaround of metro trading services to functional utilities that can access loan finance.

The incentive programme is currently planned to run over six years, from 2024/25 to 2030/31, and will cover water and sanitation (W&S), electricity and energy (E&E), and solid waste management (SWM). Maximum performance incentive amounts will be allocated to metros through the annual Division of Revenue Act, based on household and poverty indices. The envisaged scale of the incentive is such that, with commensurate internally generated funding, metro trading services capital expenditure can more than double compared to the current baseline.

To access the performance incentive, most metros have already developed Trading Services Reform Strategies, with two annexures (A1: Institutional Road Map, and A2: Business and Investment Plans) for their Water and Sanitation and Electricity and Energy Trading Services. (See Guidance Note 2: Assessment Criteria, Process and Timeframes, Metro preparations for the introduction of trading services infrastructure financing reforms). The date for submission of Solid Waste Management A, A1 and A2s is 31 July 2025. The guidance note is accessible at this link on the National Treasury website.

Metros with acceptable reform strategies for W&S and E&E will need to develop a third Annexure to their sector-specific Trading Services Reform Strategies, namely Annexure 3: Performance Improvement Action Plan (PIAP). Each A3: PIAP will have approximately 40 indicators across three performance areas (Accountability, Financial and Operational (W&S or E&E or SWM).

For each indicator, metros will specify their starting points, ambitions, programmes to accomplish the ambitions, and annual targets for the six years of the programme. The A3: PIAP as agreed to by National Treasury and passed by the metro council will become the metro's trading service **performance contract** against which incentive allocations are confirmed or adjusted, through the Division of Revenue Act. The Council-approved sector-specific A3: PIAP must be submitted to National Treasury as part of the metro's submission of budget documentation.

Metros are currently receiving formal feedback on submissions already made. Workshop briefings, a Guidance Note, and direct support will be provided to enable metros to complete the A3: PIAP template.

For metros seeking to access the incentive, the second day of the Mid-year Budget and Performance Review (MYBR) engagements will be dedicated in assessing the readiness for trading services reform and the details of A3: PIAP. Metros should submit a complete first draft A3: PIAP prior to the MYBR engagement.

Similarly, for metros seeking to access the incentive, the Budget and Benchmark engagements will devote time to assess investment plans, commercial initiatives, of trading services. Metros should be ready for the meeting with a final A3: PIAP.

Metros who have been or are unable to generate satisfactory Trading Services Reform Strategy documents will have further opportunities (with assistance of NT) to join the programme in future.

### 2.3. Reporting requirements for Disaster Allocations

National Treasury has in the previous circular (MFMA Circular No. 126 dated 07 December 2023) indicated that municipalities that receive their disaster funding before the start of the municipal year, i.e., 01 July, but after the end of the national financial year, 31 March, do not need to request a rollover as any deemed unspent disaster fund transferred to municipalities during that period (01 April to 30 June) will be regarded as an automatic rollover. This consideration is done because funding for this form of a disaster would have been transferred from the new year's allocation. Therefore, National Treasury will support that these unspent monies be carried over into the new municipal year's budget. The contents of MFMA Circular No 126 are not repeated here as the position still holds.

Disaster response funding for local government is provided for in the Division of Revenue Act, 2024 (Act No. 24 of 2024) (DoRA) through the Municipal Disaster Response Grant schedule 7B (MDRG 7B); and the Municipal Recovery Grant schedule 5B (MDRG 5B).

Funds from the MDRG 7B allocations are unallocated until a classification of a disaster by the Head of National Disaster Management Centre (NDMC) in terms of Section 23(1)(b) of the Disaster Management Act, 2002 (Act No. 57 of 2002). This grant provides for the immediate release of funds for disaster response if an occurrence cannot be adequately addressed in line with section 2(1)(b) of the Disaster Management Act, 2002 (Act No. 57 of 2002).

The MDRG 5B funds longer-term rehabilitation and reconstruction of municipal infrastructure damaged by a disaster.

Section 25 of the 2024 DoRA provides that:

*(3) (a) The transferring officer may, with the approval of the National Treasury, make one or more transfers of a Schedule 7 allocation to a province or municipality for a classified disaster, within 100 days after the date of the classification of the disaster.*
*(c) The National Treasury must, within 21 days after the end of the 100-day period envisaged in paragraph (a), by notice in the Gazette, publish all transfers of a Schedule 7 allocations made for a classified disaster.*
*(f) The funds approved in terms of paragraph (a) must be included in municipal adjustments budgets.*

Any additional disaster funding that may be approved by the National Treasury through section 19 (6) of the DoRA which states that "On a joint request by the transferring officer and the National Disaster Management Centre (NDMC), the National Treasury may approve that a conditional allocation in Schedule 4, 5 or 6, or a portion thereof, be reallocated to pay for the alleviation of the impact of a classified disaster or the reconstruction or rehabilitation of infrastructure damage caused by a classified disaster", must comply with all the reporting requirements in the DoRA. Before the National Treasury approves a reallocation, the receiving officer of the conditional allocation in Schedule 4 or 5 or the transferring officer of a Schedule 6

allocation must confirm that the affected funds are not committed in terms of any statutory or contractual obligation". These funds upon approval constitute a part of the total disaster allocation for that financial year and must comply with the framework conditions of the disaster funding.

Upon approval by the National Treasury either through section 25(3)(a) or section 19(6), municipalities are required to follow all reporting prescripts in terms of the DoRA. In terms of the duties of receiving officer in respect of schedule 5 or 7 allocations, section 12 requires municipalities to report expenditure and transfers received monthly, not later than 10 working days after the end of each month. Further, a municipality must submit a quarterly non-financial performance report within 30 days after the end of each quarter. Lastly, municipalities must evaluate the financial and non-financial performance of the municipality, in respect of programmes partially or fully funded by a schedule 5 allocation and submit such evaluation to the transferring officer and the relevant provincial treasury within two months after the end of the 2024/25 financial year applicable to a municipality. The reporting must also comply with the framework of the Disaster grant.

In addition to the reporting requirements outlined in section 12 of the DoRA, municipalities must adhere to the reporting guidelines specified in the disaster management frameworks. Municipalities are required to implement all approved projects and ensure that allocated funds are used for their intended purposes. Municipalities should submit disaster assessment reports and funding requests, signed by the Accounting Officer, to the Provincial Disaster Management Centre (PDMC) within 14 days of the disaster classification. Additionally, municipalities must provide a performance report, including supporting evidence (such as payment certificates, photographs, and invoices) demonstrating the progress of project implementation, to the PDMC within 30 days after the end of the quarter in which the funds were utilised. National Treasury may withhold and / or stop any funds due to the municipality that does not adhere to the reporting requirements in the DoRA.

In terms of any disaster funding that municipalities receive between 01 July and 31 March and have not been spent by the end of the municipal year, 30 June, a request for a rollover is required and it is not deemed automatic. This is slightly different from an instance wherein disaster response funds are transferred to municipalities after the end of the national financial year, 31 March.

### 2.4. Budgeting and reporting of the Integrated National Electrification Programme (INEP)

The DoRA provides for the allocation to ensure access to electricity through provision of capital subsidies to Eskom and municipalities for the eradication of the household's electrification backlogs and to ensure universal access to electricity.

These allocations are made to Eskom for the Eskom areas of supply and to municipalities for their areas of supply. This allocation criteria on the electrification programme follows the powers and functions (licensed and unlicensed) to both municipalities and Eskom. However, there are instances where some allocations that are within the Eskom areas of supply, are made to municipalities. This is done to accelerate the delivery of the electrification services and the eradication of backlogs.

National Treasury has therefore issued the *m*SCOA Circular No. 16 dated 16 October 2024 to provide more detailed guidance on the budgeting for these forms of funding. Municipalities are therefore requested to follow the *m*SCOA Circular No. 16.

## 2.5. Stopping and reallocation guidelines

The Division of Revenue Act provides that in instances where municipalities reflect a serious or persistent material breach of the Act (DoRA and MFMA), i.e., non-compliance against the provisions of the Acts, non-compliance against grant framework and significant under-expenditure, National Treasury may at its discretion or at the request of the transferring officer stop and reallocate the conditional grants from non-complying municipalities to best performing municipalities.

Following the 2024/25 mid-year expenditure reports (second quarter report) in terms of section 10 of the 2024 DoRA and sections 71 and 72 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA), National Treasury annually considers invoking sections 18 and 19 of DoRA.

In terms of DoRA, National Treasury utilises the reported information from both municipalities and the transferring officers in terms of section 10 and section 71 of the DoRA and MFMA, respectively. The second quarter reports dated 31 December annually is targeted as a benchmark to determine whether municipalities have adequately performed against the total allocations made. Various conditional grant frameworks give guide on the conditions required for compliance and as a measure of the performance of the municipalities.

Transferring officers are required as part of section 12 of DoRA (duties of the transferring officer) to assess and monitor the performance of the municipalities against the conditional grants and recommend to National Treasury that underperforming municipalities should be considered for stopping, while best performing municipalities are considered for additional funding in terms of sections 18 and 19 of DoRA (stopping and reallocation). In terms of section 18(2) of DoRA, a request by a transferring officer or a receiving officer to stop the transfer of a schedule 4B or 5B allocation, or a portion thereof must be submitted to the National Treasury by **31 January 2025**.

National Treasury is required in terms of sections 17, 18 and 19 of DoRA and section 38 of the MFMA to consult municipalities and afford them an opportunity to make a written representation as to why their conditional grants should not be stopped. Only after National Treasury has consulted and engaged municipalities on this intention (stopping), would the Treasury decide to either stop or not stop. Therefore, the stopping and reallocation process is a consultative "process" for which National Treasury must decide on. Recommendations from all relevant stakeholders, i.e., transferring officers and provincial treasuries are considered before the National Treasury decides.

The following questions form part of the decision when National Treasury writes to municipalities to consider stopping the allocation due to persistent underspending and non-compliance against the provisions of the legislations:

- Why expenditure reported as at 31 December 2024 is below 40 per cent;
- Progress report against approved projections (provide list/ names of approved projects);
- Representation on the cash coverage for grants transferred (Liquidity ratio) and all committed unspent funds must be ringfenced;
- Representation on the initial cash flow projections against actual performance;
- Progress report on any approved rolled over for 2023/24 financial year;
- Commitment that the allocated funds are committed and that they will be fully spent by the end of the financial year, 30 June 2025, i.e., commitment that the municipality will not request rollover against the funds proposed to be stopped;
- Representation on all projects awarded after the second quarter of the municipal financial year as at 31 December 2024;

- Representation on any commitments made against Supply Chain Management Regulation 32 projects in terms of the Supply Chain Management policy and chapter 11 of the MFMA and progress made against these projects;
- Declaration by the municipality on the amount that should be stopped by National Treasury;
- All reporting must be accurate and aligned to *m*SCOA system and
- An acceleration plan against the 2024/25 approved implementation plan.

According to section 19 of DoRA, when a schedule 4B or 5B allocation, or a portion thereof, is stopped in terms of section 18, the National Treasury may, after consultation with the transferring officer and the relevant provincial treasury, determine the portion of the allocation to be reallocated, as the same type of allocation as it was allocated originally, to one or more provinces or municipalities, on condition that the allocation must be spent by the end of the 2024/25 financial year.

Reallocation is therefore based on availability of funding, with priority being reallocation of funds within the same district or a province. Priority is also given to the best performing municipalities, municipalities with ready projects for implementation, committed multi-projects that could be brought forward, etc i.e., A maximum expenditure of 70 per cent against original allocation is used as an indicator for reallocation. In terms of stopping of the allocations against slow spending municipalities, a 40 per cent benchmark is used to engage municipalities whether their funds should be stopped or not. It is important to note that a representation from municipalities in terms of section 38(2) (a) of the MFMA and a recommendation from the transferring officer/ provincial treasury is considered before National Treasury can stop the funds.

# 3. Revenue Management

The weak economic growth continues to impact municipal finances, and this has strained consumers' ability to pay for services as communicated in MFMA Circular No. 89. 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 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 that the tariffs are cost reflective for the financial sustainability of the municipality. The Consumer Price Index (CPI) inflation is forecasted to be 4.4 per cent; therefore, municipalities are required to justify all increases more than the projected inflation target for 2025/26 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 Revenue enhancement and Improved debt collection

Although different methods and tools are available to municipalities for improving revenue and debt collection through external sources, National Treasury would like to encourage municipalities to productively make use of the available revenue tools developed and available.

A useful method to ensure that all properties in the municipality are levied as per the 2014 Amended Property Rates Act and the municipality's tariffs and rates policies, is the correct use of the **National Treasury Valuation Roll Reconciliation Tool**. Except for property rates, other statistical data of consumers, like the number of users for different services (although it will not perfectly match) can also be benchmarked against.

The correct use of **National Treasury Cost Reflective Tariff** and **Valuation Roll Reconciliation Tools**, together with the statistical data from the municipal billing system, must be utilised to ensure the maximum levying of revenue. Unfortunately, these tools cannot be used successfully if the input data is not correct and / or output is not correctly interpretated.

The **Smart Meters Grant Roll-Out and RT29-2024** Transversal Tender (available to all government institutions) are both useful not only to improve revenue in municipalities, but also to assist in improving debt collection. Not only can water and electricity losses be reduced, but cash can be generated up front.

By making use of the available tools and smart metering systems, municipalities will be in a better position to prepare cost-reflective tariffs and credible funded budgets, budgets that align with actual revenues and expenditures.

***Municipalities must focus on increasing collection rates, curbing material losses, and aligning their budgets with actual financial realities.***

### 3.2 Maximising 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 these MFMA Circulars is to ensure that municipalities are using their entire revenue base for the revenue budget projections. The status quo remains; however, it is essential that municipalities reconcile their most recent consolidated valuation roll data to that of the current billing system 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.

The periodic general valuation of properties can result in significant changes in the market values of properties, especially where regular supplementary valuations are not done during the period of validity of the valuation roll. In the year in which a new valuation roll is implemented, where the general valuation of properties results in significant increases in the market values of a significant proportion of the properties, it would be advisable to reduce the cent in the Rand rates for categories of rateable properties for which the greater proportion of the market values increased significantly in the general valuation. To do this, the municipality must run various permutations of different cent in the Rand rates against different categories of properties to ascertain the rates payable against the different permutations.

The use of the Valuation Roll Reconciliation tool of National Treasury, can assist to test the various permutations of tariffs. After running the different permutations, the municipality can then determine cent in the Rand rates for the different categories of rateable properties that do not cause rates shocks that increase the rates payable by property owners excessively.

Municipalities are referred to the Department of Cooperative Governance's practice note in this regard, which is contained in the Local Government: Municipal Property Rates Act General Guidelines (March 2020) which can be found at the following link:

https://www.cogta.gov.za/index.php/municipal-property-rates/

***Requirements for 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 standardised 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 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);
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; and
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 of the billing system to 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.

A copy of the Valuation Roll Reconciliation Tool template is available as **Annexure A** of this Circular.

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.

### 3.3 Setting cost reflective tariffs

It is important that municipalities periodically conduct cost of supply studies in the provision of each basic service. Municipalities must ensure that when tariffs are designed that consumption charges for services are only based on consumption and all other variable costs and fixed costs e.g., salary and wages, etc. should be covered by a fixed charge. Municipalities must ensure that when tariffs are designed, capital repayment of loans are included in the provision for depreciation that must be budgeted for.

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. Repairs and Maintenance need to be sufficiently covered in Employee Related Costs, Contracted Services, Operational Expenditure, and Inventory Consumed. New infrastructure developments in a municipal area of jurisdiction should be obliged to consider and incorporate efficiency sources of energy available such as solar or wind to respond to the ongoing global energy crisis. Using the latest format of the Cost Reflective Tariff Tool after the upload of the Adjustments Budget, again after the Tabled Budget (Draft Budget) and again after the Council Approved Budget, municipalities will be able to have a better understanding of the cost reflectiveness of its tariffs and future tariff adjustments successfully explained.

It is important to note that the Cost Reflective Tariff Tool's outcome is dependent on a well-structured budget with all applicable revenue and expenditure items included.

The latest version, National Treasury Tariff Tool Linked Vol. 2 of 27 November 2024, is available as **Annexure B** of this Circular. This latest Volume 2 now replaces the Tariff Setting Tool - 05 November 2019 mentioned in MFMA Circular No. 98.

The populated Cost Reflective Tariff Tool, 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.

### 3.4 Consumer Deposits and securities

Credit control policies must be reviewed and amended to include the raising of consumer deposits, the authority to raise deposits must be deleted where it is still in the Electricity and Water by-laws, this must be included in the credit control and debt collection by-laws. Deposits must be equal or more than two months bulk accounts from water services authorities and Eskom.

### 3.5 Contracts with customers

All municipalities should ensure that their service agreements with customers address the following matters:

- Requirements of POPIA;
- Digital and Physical Domicile 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.

### 3.6 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;
- Use the insight provided regarding indigents to make any necessary amendments to current Indigent Policy; and
- Municipalities are advised to work closely with DCoG and their respective provincial counterparts to simplify its indigent management registration processes – even consider 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. The municipality must therefore focus in its 2024/25 MTREF Schedule A submission to report on all indigent households (also in Eskom supplied areas).

### 3.7. Voluntary restriction of notified maximum demand (NMD)

Municipalities are advised that Eskom agreed with National Treasury that once a municipality in principle agreed to a Notified Maximum Demand (NMD) restriction with National Treasury,

Eskom will within 30 days of National Treasury 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 National Treasury 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.

### 3.8. Pro-actively managing collection of municipal revenue in Eskom supplied areas

The National Treasury 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.

### 3.9. 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 2024/25, bulk electricity costs increased by 12.7 per cent, a slight decrease as compared to 15.0 per cent in the 2023/24 municipal financial year.

Given the absence of an approved tariff increase by Eskom and no approval of Eskom tariff application available yet for the 2025/26 financial year, municipalities are cautioned to not only use the National Treasury Cost Reflective Tariff Tool, but also to do the Cost of Supply Study as prescribed by NERSA.

### 3.10. Organ of State Debt

The reconciliation of Organ of State debt begins with the municipal statement as the foundational document, serving as the baseline for reviewing and verifying all transactions, balances, and outstanding amounts between the municipality and the respective organ of state. This statement ensures that the reconciliation process is rooted in the municipality's official financial records. Technical and provincial advisors must meticulously analyse the statement to confirm that it accurately reflects all billed amounts, payments received, adjustments made, and any interest or penalties applied. By starting with the municipal statement, the process systematically identifies discrepancies and allows for their resolution through collaboration with the municipality and the organ of state.

Using the municipal statement as the starting point, the municipality will cross-check it against the organ of state's financial records, identifying mismatches or omissions. The detailed analysis will uncover issues such as unrecorded payments, incorrect billing, or misallocated funds. Once all discrepancies are resolved and the accounts are reconciled, the verified amounts become final and binding. It is imperative that all accounts verified during this reconciliation process are settled in full. This ensures that both the municipality and the organ of state fulfil their financial obligations, promoting accountability and reducing long-standing debt burdens.

As part of the reconciliation, municipalities must apply their credit control and debt collection policies, which are also applicable to Organ of State accounts. These policies ensure structured and proactive debt management, including efforts to engage the organ of state to finalise payment agreements for the settled amounts. Additionally, any credits or overpayments identified during reconciliation must be processed promptly by the municipality through issuing credit notes or adjusting in their financial systems. Evidence supporting reconciled balances, credits, or any adjustments must be retained to ensure compliance with financial management standards and to maintain transparency.

Finally, once the reconciliation is complete and all parties agree on the verified balances, the municipality must formally sign off on the reconciled accounts. This step signifies the accuracy and acceptance of the financial records. The organ of state must then ensure that all verified accounts are settled in full without delay, demonstrating its commitment to sound financial management and equitable treatment of debtors. By enforcing credit control measures and focusing on timely settlement, the municipality not only improves its financial position, but also strengthens relationships with organs of state, fostering a culture of accountability and mutual respect.

# 4. Funding of municipal budgets and other management issues

## 4.1. Funding of municipal budgets

National Treasury has observed over the years that many municipalities that adopt unfunded budgets are adopting budget funding plans as a mere compliance exercise. There is very little progress made to turn around from an unfunded budget position, to a funded one. To this effect, National Treasury will only allow municipalities to turn around from an unfunded budget position to a funded position within three years, of which in each year there should be measurable progress in terms of the improvement in the collection rate and cost containment initiatives. Failure for the municipalities to show visible progress each year, such municipality will not be allowed to table an unfunded budget. On monthly basis, these municipalities are required to submit progress reports to the GoMuni Portal which must be closely monitored by the respective Provincial Treasuries.

Also note that all municipalities that adopted funded budgets in 2024/25, will not be allowed to adopt unfunded budgets in 2025/26 and going forward, this implies that such budget will be referred by National/ Provincial treasury for review until the funded position is achieved. This is to enforce compliance with Section 18 of the MFMA and to encourage prudent financial management which includes collecting what is due to a municipality and paying for services rendered.

## 4.2. Employee related Costs

The salary and wage collective agreement were signed by the parties of the South African Local Government Bargaining Council (SALGBC) on Friday, 6 September 2024 and municipalities are expected to implement the agreement with immediate effect as from 1 July 2024.

In respect of the 2025/26 financial year, all employees covered by this agreement shall receive, with effect from 1 July 2025, an increase based on the average CPI percentage for the period 1 February 2024 until 31 January 2025, plus 0.75 per cent. The publications of Statistics South Africa shall be used to determine the average CPI.

In case the average CPI percentage for the period 1 February 2025 until 31 January 2026 is less than 4 per cent, it will be deemed to be 4 per cent, and if the average CPI percentage for this period is higher than 7 per cent, it will be deemed to be 7 per cent.

Municipalities that wish to be exempted from the collective agreement for this financial year, should apply 30-days from the date of approval of the budget of the municipality by the municipal council, or 30 June 2025. The onus to prove the case for the granting of exemption lies with the applicant municipality, and guidance is provided by SALGA.

If the municipality has missed the deadline to apply for exemption, and still wishes to do so, then the municipality will have to apply for condonation for the late referral and must show good cause of the referral as the panellist has the power to condone any failure to meet timelines. The panellist has the powers to grant full or partial exemption, and a municipality can apply to be exempted from any provision in the agreement.

In addition, the municipality must ensure that it enlists responses to all the indicators in terms of Sections 138 and 140 of the Municipal Finance Management Act. All the above are intended to ensure that municipalities find it easier to file appropriate exemption applications backed by relevant financial information.

### 4.3. 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 the guidance provided above on salary increases for municipal officials during this process. Any overpayment to councilors contrary to the upper limits as published by the Minister of Cooperative Governance and Traditional Affairs will be irregular expenditure in terms of section 167 of the MFMA and must be recovered from the councilor(s) concerned.

### 4.4. Municipal Pension Fund Contributions

It has been observed that municipalities have defaulted on their responsibility to ensure that 3rd party payment obligations are met, despite deductions being made from employees' salaries. This has put several municipal employees in a very unfortunate situation where they have no funds in their pension fund accounts despite salary deductions having been made.

We wish to refer accounting officers to their fiduciary responsibilities as outlined in section 61(2)(a) of the MFMA, in terms of which an accounting officer may not act in a way that is inconsistent with the duties assigned to accounting officers of municipalities in terms of the MFMA. The failure to pay over deductions to pension funds is inconsistent with section 65(2)(f) of the MFMA which requires the accounting officer to ensure that the municipality complies with its tax, levy, duty, pension, medical aid, audit fees and other statutory commitments. Equally of importance is to ensure that payments to these statutory bodies are prioritised, or suitable arrangements are made with them towards settling their accounts.

Such failure constitutes an act of financial misconduct in terms of section 171(1)(b) of the MFMA, which provides that the accounting officer of a municipality commits an act of financial misconduct if he or she deliberately or negligently fails to comply with a duty imposed by a provision of the Act on the accounting officer of a municipality.

Additionally, the above failure also constitutes a financial offence in terms of section 173 of the MFMA, read together with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings. Section 173 of the MFMA provides that the accounting officer is guilty of an offence if that accounting officer, amongst others, deliberately or in a grossly negligent way contravenes or fails to comply with section 65(2)(f) of the MFMA.

Municipalities must therefore ensure that measures are put in place to ensure that salary deductions for pension fund contributions are paid over to the pension funds. In addition, those municipalities who have outstanding pension fund contributions are advised to ensure that any outstanding payments are paid over by latest end of the 2024/25 financial year, failure which will result in punitive measures being implemented against relevant municipalities.

Equally important is to ensure that payments to these statutory bodies are prioritised, or suitable arrangements are made with them towards settling their accounts. The two bodies must be equally urged to ensure that they provide suitable attachments when they issue their invoices to the municipality so that there is clarity of payments being made.

### 4.5. Unauthorised, irregular, fruitless and wasteful expenditure reduction and implementation of consequence management

Section 62(1)(d) of the Local Government: Municipal Finance Management Act, 2003 (MFMA) requires an accounting officer of a municipality to take reasonable steps to prevent unauthorised, irregular, or fruitless and wasteful expenditure (UIFWE) and other losses. Section 62(1)(e) of the MFMA obligates the accounting officer to ensure that disciplinary or, when appropriate, criminal proceedings are instituted against any municipal official who has allegedly committed an act of financial misconduct or an offence in terms of Chapter 15 of the MFMA.

We have noted that many municipalities still have high UIFWE disclosed in their annual financial statements. The high UIFWE balances confirms that more still needs be done by the Municipal Public Accounts Committee (MPAC) in line with section 32 of the MFMA to address the balance of UIFWE. Municipalities are continuing to incur UIFWE year-on-year, which is indicative of ineffective preventative.

In addition to the above, many municipalities are still not establishing disciplinary boards or ensuring that the board in place to investigate allegations or instances of financial misconduct are functional. The disciplinary board is an independent advisory body that assists the council with the investigation of allegations of financial misconduct and is required in terms of regulation 4(1) of the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014. Therefore, the establishment of a disciplinary board is a legislative requirement.

Therefore, municipalities are required to submit an action plan that must address timelines for the establishment of the disciplinary board (where one does not exist) as well as addressing the backlogs of financial misconduct investigations. The action plan must address the period from 02 January 2024 to 31 August 2025. The action plan should include monthly calendar actions that will allow the monitoring of the compiled action plan.

***The action plan should include the following information:***

a. a plan to process the UIFWE balances up to 30 June 2024 by 31 August 2025 and how future UIFWE will be prevented with specific UIFWE prevention controls;
b. the key process changes (including administrative processes) the municipality will implement to ensure that the UIFWE balances are processed to adhere to the August 2025 deadline; and
c. the process to be followed to establish and appoint members of the disciplinary board and address the backlog of financial misconduct referrals to the disciplinary board.

The above action plan must be approved by council together with the 2024/25 adjustments budget and should be submitted to the National Treasury through the MFMA helpdesk at mfma@treasury.gov.za by the latest end of February 2025.

### 4.6. Special Adjustment Budget to authorise 2023/24 Unauthorised Expenditure

Section 28(2)(g) of the MFMA, read with regulation 23(6) of the Municipal Budget and Reporting (MBRR), provides the circumstances and the timelines within which the municipality must adjust its budget in relation to the unauthorised expenditure incurred during the previous financial year.

Regulation 23(6)(a) of the MBRR requires that the budget be dealt with as part of the adjustments budget contemplated in sub-regulation (1) of the MBRR. In terms of sub-regulation (1), an adjustments budget referred to in sections 28(2)(b), (d) and (f) of the MFMA may be tabled in the municipal council at any time after the mid-year budget and performance assessment has been tabled in the council but not later than 28 February of the current year. Additionally, in terms of regulation 23(6)(b), a special adjustments budget must be tabled in the municipal council when a mayor tables the annual report in terms of section 127(2) of the MFMA, which may only deal with unauthorised expenditure from the previous financial year which the council is being requested to authorise in terms of section 32(2)(a)(i) of the MFMA.

Therefore, municipalities are reminded to take this opportunity to table and approve an adjustments budget in relation to the unauthorised expenditure which was incurred during the 2023/24 financial year in line with section 28(2)(g) of the MFMA, read with regulation 23(6).

## 5. Municipal Standard Chart of Accounts (*m*SCOA)

### 5.1. Release of Version 6.9 of the Chart

On an annual basis, the *m*SCOA chart is reviewed to address implementation challenges and correct chart related errors. Towards this end, Version 6.9 is released with this circular. Version 6.9 of the chart will be effective from 2025/26 and must be used to compile the 2025/26 MTREF. The linkages to chart version 6.9 can be downloaded from GoMuni on the following link under the *m*SCOA/ List *m*SCOA 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 the linkages on GoMuni referred to above and not the formulas in the regulated MBRR Schedules when generating their data strings.

The MBRR Schedules (A to F) and non-financial data string (A1S) was also aligned to chart version 6.9. A protected version of the MBRR Schedules for version 6.9 of the A1S are 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 2025/26 MTREF budgets using the budget modules of their integrated systems solution, generate their financial and non-financial data string and produce the Schedule A1 directly from the integrated systems solution. The manual preparation of these documents outside the integrated systems solution is not allowed in terms of the *m*SCOA Regulations.

For the National Treasury to consider a new chart change in version 6.10 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 2025. 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@treaury.gov.za.

It should also be noted that *m*SCOA Circulars No 9, 10, 11 and 12 have also been aligned to *m*SCOA chart version 6.9 and the addendums to these circulars are released with this circular and will be published on the MFMA webpage. The addendums to these circulars can be accessed on the following link:

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

### 5.2. Future chart changes

The following chart changes are still under consultation and if approved, it will be effected in chart version 6.10:

#### 5.2.1. Cost capitalisation to assets (current and non-current)

The National Treasury has received multiple requests through the *m*SCOA FAQ database to include items for Cost Capitalisation to Assets (current and non-Current) in alignment with the principle applied to Employee Related Costs (Cost Capitalisation to PPE). The requested items pertain mainly to the following categories:

- Employee Related Cost
- Depreciation
- Contracted services (such as maintenance)
- Consumables and materials
- Other operating costs etc

In terms of the Generally Recognised Accounting Practice (GRAP), GRAP 1.104 states that *an entity shall present an analysis of expenses using a classification based on either the nature of expenses or their function within the entity, whichever provides information that is reliable and more relevant.*

Municipalities provide this analysis based on the nature of the expenses.

GRAP 12 further requires that *Inventories paragraphs 19 to 28 must be considered to determine which costs must be included in the cost price of inventory.* In terms of paragraph 19 *the cost of inventories shall comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.*

This GRAP standard specifically requires that any conversion costs be accounted for as part of the cost of inventory, rather than being expensed according to their nature. These costs may include labour and other expenses for personnel directly involved in the conversion process, such as water purification, as well as any attributable overheads.

When costs related to water inventory are capitalised in accordance with GRAP 12.19, no expense is recognised at the time of incurrence since a capital item is created. The expense is only recognised when the water inventory is distributed, at which point it is recorded as "Inventory consumed". This will reflect the nature of the expense incurred.

This is similar in principle to costs that are capitalised to property, plant, and equipment in accordance with GRAP 17.22. GRAP 17.22 outlines that examples of directly attributable costs that should be capitalised as part of the cost of an item of property, plant, and equipment (PPE) include expenses such as employee costs related to the construction or acquisition of the PPE, site preparation, delivery, installation, and assembly costs, among others. Once the PPE is ready for use (i.e., when it becomes available for its intended purpose), an expense is recognised in the form of "Depreciation". This depreciation represents the nature of the expense incurred over time, rather than the individual costs that were initially capitalised.

Therefore, it would not be correct to analyse and present the cost items incurred per GRAP 12.19 as the expense items outlined in the requirements of GRAP 1.104. The actual expense, by nature, is the "inventory consumed" expense, which reflects the consumption of the inventory rather than the individual costs incurred during its acquisition or conversion.

Given the current lack of consistency and the fact that only a few municipalities are accurately accounting for cost capitalisation, a guide will be issued once the consultation process with National Treasury's Office of the Accountant-General, the Accounting Standards Board (OAG), and the Auditor-General (AGSA) has been concluded.

### 5.2.2. Entity reporting

Currently the Local Government Database and Reporting System (LGDRS) does not make provision for the separate submission of data strings for municipal entities. However, NT is in the process of developing data strings for entities for implementation in chart version 6.10. In the interim, municipalities must verify the VAT 201 return information directly with their entity. It should be emphasised that SARS is using the *m*SCOA data strings submitted to the GoMuni Upload portal for their verification processes relating to VAT 201 returns, and municipalities should ensure that their consolidated data strings are credible, as incorrect data will negatively impact this process.

### 5.2.3. SARS binding general ruling BGR74

This binding general ruling issued by SARS under section 89 of the Tax Administration Act 28 of 2011 sets out the VAT treatment of supplies of goods or services made by municipalities to the national or provincial government under each contracting method. This BGR does not determine the contractual agreement between the parties but gives the VAT implications based on the nature of the transaction and the contractual capacity of the parties to the agreement. Note that the BGR 74 must be interpreted with the Value-Added Tax Act 89 of 1991.

In applying the principles of BGR 74, it is possible for municipalities to recognise output tax liabilities which they previously did not recognise. Municipalities must make appropriate payment arrangements with SARS to settle their previous unrecognised output tax liabilities due to SARS while ensuring that current output tax liabilities are settled without delay. While municipalities under BGR 74 may need to recognise output tax liabilities, municipalities should

also recognise possible previously unrecognised input tax deductions, for example, in the case of VAT expenditure incurred while completing certain housing programmes.

In accordance with the guidelines outlined in mSCOA Circular No. 12: Guidance on Value Added Tax (VAT), where municipalities are the developers for housing projects (excluding where the housing project relates to rental stock), municipalities can deduct the input tax on VAT expenditure incurred in the payment of housing and other contractors, which they have contracted in the course of constructing the houses. The VAT 409 Guide for Fixed Property and Construction for Vendors provides further guidance on the issue of low-cost housing.

In accordance with section 65(2)(f) of the MFMA, the municipality must comply with its tax commitments. Failure by the accounting officer of a municipality to comply with the duty imposed by section 65(2)(f) of the MFMA, which relates to tax commitments, not only constitutes an act of financial misconduct in terms of section 171(1)(b) of the MFMA, but also a financial offence in terms of section 173 of the MFMA. In terms of MFMA Circular No. 74, municipalities were advised to refrain from engaging tax consultants or other external service providers in preparing and reviewing their VAT returns. Where municipalities appoint tax consultants and other service providers to assist with the preparation, submission, review or correcting of VAT returns, the expenditure incurred in paying for the tax consultants and other service providers constitutes fruitless and wasteful expenditure.

#### 5.2.4. Costing segment

The costing segment includes provisions for secondary cost allocation and categorise charge-out and recoveries separately. This approach ensures that there is a clear distinction in costs associated with both internal allocations and external recoveries, allowing for more accurate financial management and reporting. Due to the inconsistent implementation of the costing segment across municipalities, the National Treasury will review the costing segment in 2025. Changes to the principles in the Project Summary Document (PSD) as well as the *m*SCOA chart version 6.10 are envisaged.

### 5.3. Improving *m*SCOA data strings credibility

#### 5.3.1 Balance Sheet Budgeting

Balance sheet budgeting refers to the practise where the revenue and expenditure transactions, as well as the financial impact of these transactions on the statement of financial position, are included in the budget. In other words, all the planned transactions must be included in the budget. The debiting and crediting of all the transactions that will transpire in the ensuing financial year equates to balance sheet budgeting; thus, planning for the expense as well as the accrual, and payment of the liability. The revenue and expenditure must be accrued in the control accounts at correct posting levels and payments made and received. The correct combination of the *m*SCOA segments must also be used to ensure that data strings are credible. The PSD provides guidance on data string combinations.

Financial system solutions should be set-up correctly for balance sheet budgeting.

#### 5.3.2 Use of external service providers

When municipalities appoint external service providers, they must ensure that these service providers have the expertise and skills to comply with the *m*SCOA Regulations. Section 5(2) of these regulations states that:

(2) The financial and business applications or systems used by a municipality or municipal entity must—

(a) provide for the hosting of the general ledger structured in accordance with the classification framework determined in terms of regulation 4(2);

(b) be capable of accommodating and operating the standard chart of accounts;

(c) provide a portal allowing for free access, for information purposes, to the general ledger of the municipality or municipal entity, by any person authorised by the Director-General or the Accounting officer of the municipality.

This means that service providers appointed by the municipality **must** comply with the following requirements when performing the work that they were appointed to do:

- Have sufficient working knowledge to use the *m*SCOA accounts and regulated segments correctly;
- Use systems and tools that comply with the provisions of the *m*SCOA Regulation 5(1) and (2);
- Use the data available on the integrated financial system solution of the municipality to:
  - Prepare key documents such as the IDP, budget, in-year reports, AFS, asset registers, etc.; and
  - Develop analysis tools and dashboards for the municipality.

When an external service provider uses excel spreadsheets or systems and tools that are not *m*SCOA compliant and populate these spreadsheets and tools from data outside of the system solution, it has a detrimental impact on the credibility of data string submitted to the GoMuni Upload portal as the data will not be aligned to the data in the spreadsheets and tools of the external service provider. This compromises the intention of *m*SCOA to have one version of the truth for reporting to municipal management, council, provincial and national government.

*m*SCOA requires planning, budgeting, transacting, and reporting to be done directly in and from the integrated financial system solution. Furthermore, the MFMA and the Preferential Procurement Regulations (2022) that became effective on 16 January 2023 allows for the blacklisting of companies to do business with the state for a period of up to 10 years for non-performance and other malpractices such as not complying with legislative requirements.

### 5.3.4 Use of modules on integrated system solution

The *m*SCOA Regulations required municipalities to acquire integrated system solutions from 01 July 2017 to enable the seamless integration of information to the General Ledger on the core financial system. Whereas most municipalities have complied with the Regulations, a number of municipalities are not fully utilising the modules available on their integrated system solution. Instead, they are purchasing the same modules from third-party system providers, and this constitutes fruitless and wasteful expenditure.

Often these third-party modules and sub-systems do not integrate seamlessly with the core system solution to ensure smooth and efficient operations; thereby necessitating manual intervention to integrate and consolidate reporting.

Where third-party modules/ sub-systems are being used by municipalities, it is important to ensure that monthly and year-end adjustments are processed in the core system solution and not in the third-party modules/ sub-systems to achieve accuracy in financial reporting and

prevent discrepancies in information. It should also be noted that the rules for integration between the core system solution and third-party modules/ sub-systems must be set by the core system provider and the latter is not required to integrate with any third-party module/ sub-system provider unless this has been agreed upon in the service level agreement.

### 5.3.5 Audited Actuals (AUDA) Data String vs Annual Financial Statements (AFS)

The *m*SCOA data string assessments performed by the national and provincial treasuries identified that there is generally poor alignment between the audited data strings submitted to the GoMuni Upload portal and the AFS submitted and audited by the Auditor-General South Africa (AGSA).

Adjusting journals agreed upon with AGSA must be processed in the core financial system and not in the AFS Tool. The misalignment has a direct impact on the opening balances that is critical to the statement of financial position and cash flow.

Municipalities must ensure that the pre-audited (PAUD), audited (AUDA) and restated (RAUD) data strings are carefully reviewed before submission thereof to the GoMuni Upload portal. The Trial Balance, audit data strings and AFS must be in perfect alignment before submission.

## 5.4. Ownership of data on municipal systems

Section 65(2)(e) of the MFMA requires that monies owed by the municipality must be paid within 30 days of receipt of an invoice. Often when municipalities default for extended periods on payments to municipal system providers, system support is suspended until payment has been received or a payment plan has been agreed to. National Treasury supports that penalties are imposed by creditors for the non-payment of services and goods that were delivered. However, it must be emphasised that the ownership of the data contained in municipal systems rests with the municipality and in cases where services are suspended, the municipality should still be able to access their data. Also, where there is a migration to another system solution, the data on the legacy system must be transferred to the municipality. This applies to data stored on a server owned by the municipality, off-site server owned by a third party or in the cloud.

It is therefore important that the service level agreement entered with system providers clearly outlines the format and procedures related to access to data to minimise operational disruptions and ensure that legislative deadlines are met.

## 5.5. Budget override and virement

In terms of Sections 15 of the MFMA, a municipality may incur expenditure only within the limits of the amounts appropriated for the different votes in a council approved budget. However, National and Provincial Treasuries often identify transactions against items where no budget has been allocated in their data string analysis. This is a clear indication that the budget controls in the integrated system solution have been overridden. The National Treasury has instructed system vendors to ensure that strict controls are in place when the budget is overridden on the system as this bad practice circumvents the build-in system controls that should eliminate unauthorised and irregular expenditure.

Municipalities must review their Virement policy annually and ensure that it aligns with the principles and guidance in *m*SCOA Circular No. 8 (29 April 2020). Virements may only be made between existing budget provisions and must be included in an adjustments budget.

Accounting Officers are reminded that once the council has approved the annual budget for the financial year, it must be locked, and any amendments to the budget can only be made through the adjustments budget process, in accordance with the MBRR.

From the 2025/26 MTREF, municipalities will be required to report on their virements through the submission of a separate data string on virements in the form of a virement string and budget report. Validation rules applicable to the virement data string will be communicated in due course.

### 5.6. Regulation of the minimum business processes and technical specifications for *m*SCOA

In terms of Regulation 6(1) and 7(1) of Municipal Regulations on Standard Chart of Accounts (2014), the Minister of Finance may determine the minimum business process requirements and system requirements for municipalities and municipal entities to enable the implementation of the regulations.

In 2024, extensive work was done regarding the regulations. The project consists of the following main outputs and planned time frames:

| No | Output | Planned Time Frame |
|---|---|---|
| 1 | Review and update the minimum business processes for *m*SCOA | April 2024 to March 2025 |
| 2 | Develop standard operating procedures for *m*SCOA | February 2025 to April 2025 |
| 3 | Review and update the minimum technical specifications for *m*SCOA | April 2025 to Oct 2025 |
| 4 | Align the current ICT due diligence assessment for mSCOA to the updated *m*SCOA requirements | |
| 5 | Develop Regulations on the minimum business processes and technical specifications for *m*SCOA | Oct/November 2025 |
| 6 | Training on the new Regulations | November 2025 to Feb 2026 |

The comments and inputs received at the working groups engagements and via the dedicated email box on the minimum business processes for *m*SCOA have been considered and incorporated as applicable. Stakeholders are encouraged to provide their final inputs **by 31 January 2025** to *m*SCOARegs@treasury.gov.za

All presentations and draft documents for comments can be located on the MFMA Webpage under *m*SCOA – Municipal Standard Chart of Accounts/ Regulations on Minimum Business Processes and Technical Specifications for *m*SCOA/ Working Groups on the following link:

https://mfma.treasury.gov.za/RegulationsandGazettes/MunicipalRegulationsOnAStandardChartOfAccountsFinal/mSCOA%20Minimum%20Requirements/Forms/AllItems.aspx

# 6. Muni eMonitor, FMCMM and Audit Action Plan System

### 6.1 Muni eMonitor

National Treasury launched and rolled out the Muni eMonitor System in November 2023 to strengthen the capacity and capability of municipalities and municipal entities to comply with the provisions of the MFMA and its regulations, to improve information flows for public accountability, to enhance monitoring, oversight, support measures and effective reporting by various stakeholders in municipalities, municipal entities, provincial treasuries, and National Treasury. Numerous capacity-building sessions were undertaken with various stakeholders, and Muni eMonitor champions were identified in every municipality and provincial treasury. More information on the system is also provided in MFMA Circular No. 125 on National Treasury's website.

The system consists of two main components, namely: the MFMA legislated calendar with the Actions Management function and the Evaluations Questionnaire function. The implementation plan of the two main components is as follows:

*MFMA legislated calendar with the Actions Management function* – All Actions appearing under the legislative calendar for each month must be processed within the specific month that they appear in the calendar.

***Evaluations Questionnaire*** – Evaluations (covering various financial management disciplines) will be published by National Treasury (on a quarterly and ad hoc basis) for municipalities to complete and submit on the system within the deadlines stipulated by National Treasury (These evaluations replace the previous reporting requirements that municipalities were required to complete in Excel).

It has been noted that since the launch and rollout of the system, there are still municipalities/ municipal entities that have not completed and submitted the Actions Management and Evaluation Questionnaire on the Muni eMonitor system. Please note that sections 74 and 104 of the MFMA state that the Accounting Officer of a municipality/ municipal entity must submit to the National Treasury such information, returns, documents, explanations, and motivations as may be prescribed or as may be required. Therefore, to avoid any possible non-compliance, municipalities are requested to complete and submit both the Actions Management and Evaluation Questionnaires within the timeframes/ deadlines stipulated in the system.

Furthermore, it has also been noted that some municipalities are reporting information without adequate review and verification of the accuracy of the information provided by the municipality/ municipal entity. Municipalities/ municipal entities are advised that National Treasury will be using the information submitted on the Muni eMonitor system as input into the MFMA Compliance report, and thus, the onus lies with municipalities/municipal entities to submit credible information on the system to ensure that the report correctly reflects the situation at their institution.

### 6.2 Audit Action Plans

It is mandatory that municipalities and municipal entities develop their Audit Action plans on the FMCMM and Audit Action Plan web-enabled system and monitor and report on the implementation of the developed action plans to address the findings on the system. It has been noted that a few municipalities are still preparing and monitoring audit action plans outside of the web-enabled system.

Municipalities are reminded that the completion of the Audit Action Plan on the web-enabled system is one of the criteria required for the disbursement of the Equitable Share. Therefore, to avoid any possible withholding of the grant, municipalities are requested to develop, monitor, and report on the implementation of the Audit Action Plan on the FMCMM and Audit Action Plan web-enabled system.

### 6.3 Financial Management Capability Maturity Model (FMCMM)

MFMA Circular No. 114 documents the annual implementation plan for the completion of the FMCMM assessment. It breaks down the completion of the 21 modules over a 12-month period. It has been noted that many municipalities are still not completing the FMCMM on the web-enabled system and/ or are not developing action plans to address internal control deficiencies identified through the assessment.

The Auditor General of South Africa has repeatedly reported that the system of internal controls at municipalities is either not in place or ineffective. Furthermore, the 2022/23 audit outcomes indicate that 42 per cent of municipalities (excluding outstanding audits) are still receiving

negative audit outcomes, thereby highlighting weaknesses in financial management and internal control deficiencies.

We have also noted a strong correlation between municipalities scoring low in specific modules and them having audit findings in those same disciplines. Therefore, it is requested that municipalities prioritise the completion of the FMCMM assessment (in line with MFMA Circular No. 114) as well as complete the development and implementation of the generated action plans to address the internal control deficiencies identified and to put in place risk mitigation strategies to ensure that weaknesses identified are addressed proactively so that they do not adversely impact on the future audit outcomes.

# 7. SERVICE DELIVERY BUDGET AND IMPLEMENTATION PLANS (SDBIP)

## 7.1. Key Performance Indicators (KPIs) in the top-layer of SDBIP

SDBIPs serve as a critical performance management tool, aligning municipal KPIs with budgets and Integrated Development Plans (IDPs) to enable effective monitoring of service delivery performance, as emphasised in MFMA Circular No. 13. To operationalise IDPs, municipalities translate the broader strategic objectives outlined in IDPs into specific, measurable, and monitorable performance indicators and targets in the SDBIP. A distinguishing feature of the SDBIP is its emphasis on measurability. National Treasury has observed ongoing challenges in structuring and revising key KPIs within the SDBIP during the financial year. These challenges stem from misalignment between the Integrated Development Plan (IDP), budget, and SDBIP, leading to ineffective performance monitoring and reporting.

To address these issues, municipalities are advised to adhere to the Municipal Finance Management Act (MFMA) and guidance outlined in related MFMA Circulars. Specifically, MFMA Circular No. 13 emphasises the importance of aligning the SDBIP with the IDP and budget to ensure cohesive planning and execution. Additionally, MFMA Circular No. 88 provides guidance on standardised set of indicators, aiming to improve the quality of performance information across municipalities.

*Overcrowding of KPIs in the SDBIP*

Municipalities continue to include an extensive number of KPIs in their strategic scorecard or top-layer SDBIP or without aggregating departmental output indicators or lower layer SDBIP, despite the guidance outlined in MFMA Circular No. 13. This high volume of indicators in top-layer SDBIPs can dilute focus and make monitoring cumbersome. Municipalities are therefore encouraged to streamline their indicators by consolidating KPIs in the top-layer SDBIP, focusing on most critical indicators in achieving strategic objectives, ensuring a more manageable and effective monitoring process.

*Clarity of objectives*

Many KPIs lack clarity regarding their alignment with municipal objectives and intended service delivery outcomes outlined in the IDPs. This raises concerns about the 'ultimate objective' of these indicators, questioning their relevance and purpose. Additionally, municipalities duplicate KPIs across multiple functional areas or departments, resulting in redundant reporting efforts. Municipalities are urged to align all KPIs with the SMART criteria (Specific, Measurable, Achievable, Relevant, and Time-bound) and strategic objectives or priorities outlined in IDPs, this will enable better monitoring of progress, identifying performance challenges, and taking

timely corrective actions. Reference is made to the Framework of Managing Performance and Programme Information (FMPPI) for further guidance on performance management.

### 7.2. Adjustments to the SDBIP

Municipalities adjust KPIs during the financial year, generally following adjustments budgets under Section 28 of the MFMA. While these KPI adjustments may be necessary to respond to unforeseen circumstances, underperformance of revenue or policy changes, some municipalities use this process to manipulate original KPIs to avoid accountability for underperformance. This practice undermines transparency, as original KPIs are excluded from Section 52(d) reports or Annual Performance Reports (APRs), compromising the municipal council's role to exercise oversight, and limiting stakeholders' ability to assess actual performance against initial KPIs and targets.

Adjustments to KPIs are driven by either external or internal factors. External factors include but are not limited to, significant changes in external circumstances, unforeseeable or unavoidable expenditure referred to in Sections 28(2)(c) and 29, national policy developments or changes to nationally prescribed indicators. Internal factors include, adjustments budgets as contemplated in Section 28(2) (a, b, d, e, and f), wording errors and poorly defined KPIs.
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### 7.3. Criteria for adjusting KPIs in the SDBIP

The following criteria outline the conditions under which a municipality may amend the KPIs in the SDBIP during the financial year:

| **Internal factors** |
|---|
| • Only KPI targets may be adjusted due to under-collection of revenue or reprioritisation of funds, in terms of the council-approved adjustments budget referred to in Section 28(2) (a, e & d) of the MFMA.<br>• Only KPI targets may be adjusted during the financial year, in line with Section 28(2)(b), to account for additional funding or resources that have become available during the financial year, enabling the revision or acceleration of spending programme already prioritised in the IDP.<br>• KPI description may be revised to correct errors in the wording. An explanation for the correction must accompany the revision.<br>• KPIs may be adjusted to align with changes in municipal circumstances or emergencies, provided these adjustments remain consistent with the strategic objectives and priorities outlined in the IDP. The reasons for these changes must be clearly explained in the revised SDBIP. |
| **External factors** |
| • KPIs may be adjusted in response to amendments to legislation, government policies, or frameworks introduced by national or relevant provincial departments, affecting original KPIs. The related legislation or policy must be referenced and documented as evidence for the change.<br>• KPIs may be changed to respond to natural disasters, unforeseeable or unavoidable expenditures referred to in Sections 28(2)(c) and 29 of the MFMA. The reasons for these changes must be adequately justified.<br>• KPIs may change because of revisions to nationally prescribed indicators as contemplated by the applicable legislation or circular. An explanation for these KPI revisions must be articulated in the SDBIP, referencing the relevant legislation, framework or circular. |
| **Cross-cutting conditions** |
| • Municipalities must reflect all KPI changes in their SDBIPs and APRs, providing clear and justifiable reasons for each change and detailing the process followed. |

| |
|---|
| • Both the original and revised KPIs must continue to be reported on in the Section 52(d) of the MFMA and the APR for accountability and transparency. |
| • KPI changes are prohibited during the fourth quarter of the financial year (April – June). Only KPI changes in relation to natural disaster or unavoidable or unforeseen expenditure will be permitted during the fourth quarter of the financial year. |

### 7.4. Alignment of the adjustments budget and adjustments to the SDBIP

When a municipality adjusts its KPIs during the financial year, it must align the changes with the provisions of Section 28 of the MFMA and the Municipal Budgeting and Reporting Regulations (MBRR). The table below outlines the different types of adjustments budgets and their linkage to SDBIP adjustments:

| **Types of adjustments budget** | **Timeframes** | **Sections of MFMA and MBRR** | **SDBIP KPIs in-year changes** |
|---|---|---|---|
| Adjustments due to under-collection of revenue | Anytime | S.28(2)(a) | Only changes to KPI targets are allowed |
| Main adjustments budget | February – after the tabling of the mid-year budget assessment and performance<br><br>Only one adjustments budget referred to in Section 23(1) except S.28(2)(b) | S.28(2) (b, d & f) Reg. 23(1&2) | Allows for amendments to the SDBIP to address underperformance or realignment with revised priorities and allocations. This is subjected to the conditions outlined above |
| Additional funds from national / provincial government | 60 days after the approval of the relevant national / provincial adjustments budget | S.28(2)(b) Reg. 23(3) | Only changes to KPI targets are allowed |
| Unforeseen and unavoidable expenditure | Within 60 days of expenditure being incurred | S.28(2)(c), 29(3) & 32 Reg. 23(4), 71 & 72 | KPIs may be adjusted to reflect changes in resources or priorities caused by these expenditures |
| Roll-over of municipal funds | Before 25 August | S.28 (2)(e), Reg. 23(5) | Linked to revisions of the SDBIP to include projects and targets funded by rolled-over amounts |
| Authorisation of unauthorised expenditure | During main adjustments budget in February. After tabling of the annual report for that year (7 months after the financial year end) | S. 28(g), 32, 127(2) Reg. 23(6) | No changes to KPIs are allowed |

**All SDBIP adjustments must be tabled and approved in council.**

National Treasury further discourages excessive or unjustified KPI revisions during the financial year as such practices distort municipal performance monitoring and reporting.

**N.B This guidance relating to in-year KPI changes in SDBIP should be read in conjunction with guidance provided in the MFMA Circular No. 88 – Addendum 6.**

# 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 | Matjatji Mashoeshoe | 012-315 5553 | Matjatji.Mashoeshoe@treasury.gov.za |
| | Pitso Zwane | 012-315 5171 | Pitso.Zwane@Treasury.gov.za |
| Buffalo City | Mandla Gilimani | 012-315 5807 | Mandla.Gilimani@treasury.gov.za |
| Free State | Sifiso Mabaso | 012-315 5952 | Sifiso.mabaso@treasury.gov.za |
| | Cethekile Moshane | 012-315 5079 | Cethekile.moshane@treasury.gov.za |
| Gauteng | Matjatji Mashoeshoe | 012-315 5553 | Matjatji.Mashoeshoe@treasury.gov.za |
| | Pitso Zwane | 012-315 5171 | Pitso.Zwane@Treasury.gov.za |
| | Oreal Tshidino | 012 315 5090 | Oreal.Tshidino@Treasury.gov.za |
| City of Tshwane and | Willem Voigt | 012-315 5830 | WillemCordes.Voigt@treasury.gov.za |
| City of Johannesburg | Makgabo Mabotja | 012-315 5156 | Makgabo.Mabotja@treasury.gov.za |
| | Enock Ndlovu | 012-315 5866 | Enock.Ndlovu@treasury.gov.za |
| City of Ekurhuleni | Kgomotso Baloyi | 012-315 5866 | Kgomotso.Baloyi@treasury.gov.za |
| | Lunathi Dumani | | Lunathi.dumani@treasury.gov.za |
| KwaZulu-Natal | Kgomotso Baloyi | 012-315 5866 | Kgomotso.Baloyi@treasury.gov.za |
| | Lunathi Dumani | | Lunathi.dumani@treasury.gov.za |
| | Kevin Bell | 012-315 5725 | Kevin.Bell@treasury.gov.za |
| eThekwini | Sifiso Mabaso | 012-315 5952 | Sifiso.mabaso@treasury.gov.za |
| uMhlathuze | Matjatji Mashoeshoe | 012-315 5553 | Matjatji.Mashoeshoe@treasury.gov.za |
| | Pitso Zwane | | Pitso.Zwane@Treasury.gov.za |
| Limpopo | Sifiso Mabaso | 012-315 5952 | Sifiso.Mabaso@treasury.gov.za |
| | Jabulile Ngwenya | | Jabulile.ngwenya@treasury.gov.za |
| Mpumalanga | Mandla Gilimani | 012-315 5807 | Mandla.Gilimani@treasury.gov.za |
| | Liyasa Nxozi | 012 315 5613 | liyasa.nxozi@treasury.gov.za |
| Northern Cape | Mandla Gilimani | 012-315 5807 | Mandla.Gilimani@treasury.gov.za |
| | Liyasa Nxozi | 012 315 5613 | liyasa.nxozi@treasury.gov.za |
| North West | Willem Voigt | 012-315 5830 | WillemCordes.Voigt@treasury.gov.za |
| | Makgabo Mabotja | 012-315 5156 | Makgabo.Mabotja@treasury.gov.za |
| | Khanyisile Khosa | | khanyisile.khoza@treasury.gov.za |
| Mafikeng | Cethekile Moshane | 012-315 5079 | Cethekile.moshane@treasury.gov.za |
| Western Cape | Willem Voigt | 012-315 5830 | WillemCordes.Voigt@treasury.gov.za |
| | Enock Ndlovu | 012-315 5385 | Enock.Ndlovu@treasury.gov.za |
| | Khanyisile Khoza | | khanyisile.khoza@treasury.gov.za |
| Cape Town | Kgomotso Baloyi | 012-315 5866 | Kgomotso.Baloyi@treasury.gov.za |
| George | Sifiso Mabaso | 012-315 5952 | Sifiso.Mabaso@treasury.gov.za |
| Technical issues on GoMuni Website | Data management | | lgdataqueries@treasury.gov.za |

# 9. Submitting budget documentation and A schedules for the 2025/26 MTREF

### 9.1. 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: *m*SCOA Data Strings; Budget-related, in-year and year-end documents and schedules (A, B and C); Revenue and MFRS Documents (as per MFMA Circular No. 126) procurement spent reports, etc.:
- lgdataqueries@treasury.gov.za – Database related and submission queries;
- lgdocuments@treasury.gov.za – Only Provincial Treasuries may send contact details to lgdocuments@treasury.gov.za ; and
- *m*SCOA Regulations@treasury.gov.za – all inputs and comments relating to the intended mSCOA Regulations on the minimum business processes and system specifications; and
- Rolloverapplication@treasury.gov.za – all rollover applications and queries related to the conditional grants.

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.

### 9.2. 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. In 2025, functionality will be added to the GoMuni Upload portal that will require accounting officers and Chief Financial Officers to sign-off on the accuracy and completeness of the data strings prior to the submission thereof.

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.**

### 9.3. Updating of contact details on GoMuni

Municipalities are reminded to update their contact details on the LGDRS as and when changes occur. Often emails containing important information and deadlines are returned and do not reach the intended LGDRS users due to outdated contact information of users. From 01 July 2024, municipal officials must update their own contact details on the LGDRS. Updates made by municipal officials on the LGDRS are validated and approved for upload by the Contacts Administrators within each municipality that was nominated by the Municipal Manager for this purpose.

Municipalities that have not yet nominated Contact Administrators to validate and approve changes in contact details for their municipality are requested to nominated two officials by 30 January 2025 to ensure that the contact details for their respective municipality are always up

to date. Nomination forms can be requested from lgdataqueries@treasury.gov.za. Municipal Contacts Administrators will be trained in a virtual session to perform this task.

Registered LGDRS users can download the contact details for their municipality on the LGDRS by logging-in to GoMuni on the following link and then accessing the report under Database/Contacts/Reporting/Contact information:

https://lg.treasury.gov.za/ibi_apps/signin

### 9.4. Training on GoMuni

The training schedule and GoMuni links for 2025 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**
**06 December 2024**

NATIONAL TREASURY

**MFMA Circular No. 130**

**Municipal Finance Management Act No. 56 of 2003**

# Municipal Budget Circular for the 2025/26 MTREF

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# Introduction:

This budget circular provides guidance to municipalities with their compilation of the 2025/26 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 (*m*SCOA) and strives to support municipalities' budget preparation processes so that the minimum requirements are achieved.

Among the objectives of this budget circular is to demonstrate how municipalities should undertake annual budget preparation in accordance with the budget and financial 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, *m*SCOA is implemented correctly and that audit findings are addressed. Municipalities are reminded to refer to the annual budget circulars of the previous years for guidance in areas of the budget preparation that are not covered in this circular.

# 1. The South African economy and inflation targets:

GDP growth is expected to average 1.8 per cent from 2025 to 2027. Medium-term growth will be underpinned by household consumption on the back of rising purchasing power, moderate employment recovery and wealth gains. Continued investments in renewable energy and easing structural constraints are expected to support higher investment. Key factors for achieving faster economic growth and creating much-needed jobs include greater collaboration with the private sector in energy and transport, rapid implementation of structural reforms, easing of regulatory constraints and increased infrastructure investment.

The following macro-economic forecasts must be considered when preparing the 2025/26 MTREF municipal budgets.

**Table 1: Macroeconomic performance and projections, 2023 - 2028**

| Fiscal year | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
|---|---|---|---|---|---|
| | Actual | Estimate | Forecast | | |
| CPI Inflation | 6.0% | 4.4% | 4.3% | 4.6% | 4.4% |

*Source: National Treasury Budget Review 2025.*

*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 declined to 2.9 per cent in the fourth quarter of 2024, resulting in average inflation of 4.4 per cent for the year. Consumer inflation is projected to average 4.3 per cent in 2025 and 4.6 per cent in 2026, picking up slightly as the value-added tax (VAT) increase pushes up prices. The VAT effect is seen mainly in core inflation, which, after averaging 4.3 per cent in 2024, is projected to rise to 4.6 per cent in 2026. Lower global crude oil prices are expected to support muted fuel price inflation.

Due to weaker economic growth and other economic factors such as the current VAT increase which puts added pressure on households, households will likely struggle to pay municipal accounts which will impact negatively 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 or for clear articulation of all the factors affecting the tariffs.

***VAT Increase***

In the Minister's Budget speech on 12 March 2025, two increases in the standard rate of VAT were announced. The first-rate increase of 0.5 percentage point applies from 1 May 2025, and the second-rate increase of 0.5 percentage point will apply from 1 April 2026. SARS has issued the following guidelines in this regard:

- A Pocket Guide on the VAT rate increase on 1 May 2025; and
- Frequently Asked Questions (FAQs) to guide vendors and the public on the first rate increase effective from 1 May 2025 and to ensure consistency on certain practical and technical aspects of implementing the change to the VAT rate. More guidance on the second-rate increase will be communicated in due course.

Municipalities should also refer to **VAT 404 – Guide for Vendors**. These guidelines are available on the SARS website **www.sars.gov.za**.

# 2. Key focus areas for the 2025/26 budget process:

## 2.1. Local government allocations

Over the 2025 MTEF, the local government equitable share and direct conditional grants amount to a total of R552.7 billion, made up of R332.4 billion in the local government equitable share, R52.9 billion in the general fuel levy sharing with metros and R167.4 billion in direct conditional grants. Direct transfers to local government grow in line with inflation, increasing at an annual average of 4.4 per cent over the MTEF, with the local government equitable share growing at a slightly higher rate (5.2 per cent).

***Review of the Municipal Capacity Building Programme***

As part of the next phase of the ongoing review of local government capacity-building programmes, the National Treasury will consolidate its financial management support initiatives into a unified Local Government Financial Management Capability Development Programme. This integrated programme will provide a comprehensive framework for equipping municipalities with the tools, knowledge and resources needed to strengthen governance and improve service delivery. By streamlining existing initiatives and fostering collaboration, the programme aims to deliver targeted, impactful and sustainable support to municipalities across the country.

The programme will align with the National Treasury's Capability Development Framework and adopt a differentiated approach tailored to the unique needs and maturity levels of municipalities. Key features include pre-grant capacity assessments to identify gaps, multi-year grants to build sustainable in-house capabilities and a municipal scorecard to monitor progress and link it to grant allocations. Collaboration with partners such as South African Local Government Association (SALGA), the Department of Cooperative Governance (DCoG) and academic institutions will ensure the design and delivery of customised capacity-building packages. Beyond financial management, the programme will serve as a foundation for a broader government-wide initiative to integrate capability development across all municipal functions, including governance and service delivery. This cohesive, long-term strategy underscores the importance of a unified effort to achieve sustainable municipal development and improve outcomes for communities nationwide.

***Update on the conditional grant for smart prepaid meters***

As indicated in the 2024/25 financial year, the National Treasury now oversees the smart meters grant as an indirect grant through a transversal contract to regulate distribution quality and costs. This grant aims to enhance energy efficiency and support the integration of renewable energy to better meet consumer needs.

Over the 2025 MTEF period, the grant will continue to support municipal debt relief efforts by focusing on municipalities already enrolled in the program. Over time, the grant is expected to expand to additional municipalities, aiming to enhance financial sustainability and management. This grant is allocated R2.3 billion over the 2025 MTEF.

***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), municipal infrastructure grant (MIG) and the urban settlements development grant (USDG) 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 2024 MTBPS changes

Since the tabling of the 2024 MTBPS, additional changes have been proposed to local government allocations. These include:

- Shifting R245 million over the MTEF period from the MIG to the IUDG. This follows Alfred Duma Local Municipality qualifying to participate in the IUDG;
- Shifting R494 million in 2025/26 from the direct component of the MIG to the indirect component to address wastewater infrastructure issues in 21 municipalities;
- Introducing a new Urban Development Financing Grant (UDFG). The baseline of this grant is funded from the metro component of the neighbourhood development partnership grant (NDPG) (R924 million over the MTEF period) and 80 per cent of the programme and project preparation support grant (PPPSG) (R981 million over the MTEF period);
- Introducing a new Urban Development Financing Grant (UDFG). The baseline of this grant is funded from the component of the neighbourhood development partnership grant (NDPG) (R924 million over the MTEF period) and 80 per cent of the programme and project preparation support grant (PPPSG) (R981 million over the MTEF period);
- Expansion of the Water Financing Component in the 2024/25 Urban Settlement Development Grant to electricity and solid waste management, in addition to water and sanitation, in the Trading Services Component of the 2025/26 Urban Settlement Development Grant framework. This component introduces a condition that a minimum of 56 per cent of the USDG be allocated to water and sanitation, electricity and energy; and solid waste management services capital infrastructure projects aligned to metro-approved trading services investment plans of the grant;
- An additional R450 million in 2025/26, from the Public Employment Programme;
- Additional funding from the Budget Facility for Infrastructure that will flow through the UDFG is as follows:
    - City of Johannesburg: R578 million in 2026/27 and R533 million in 2027/28 for a wastewater project.

  - eThekwini Metropolitan Municipality: R56 million in 2025/26, R109 million in 2026/27 and R101 million in 2027/28 for a project to address non-revenue water.

- Merging the non-metro component of the NDPG and the remaining 20 per cent of the PPPSG into a single grant (called NDPG), with a baseline of R1.4 billion over the MTEF period;
- A reduction of R435 million in 2025/26 and increases of R425 million in 2026/27 and R660 million in 2027/28 to the public transport network grant (PTNG) to align with the revised implementation plan and cash flow projections for the City of Cape Town's MyCiTi programme, funded from the Budget Facility for Infrastructure;
- An additional R225 million in 2026/27 to the regional bulk infrastructure grant (RBIG) allocation for Drakenstein Local Municipality. This adjustment, carried through from the 2024 Division of Revenue Amendment Act, aligns with the municipality's revised implementation plan and cash flow projections; and
- Discontinuing the municipal systems improvement grant (MSIG). Its baseline will be redirected to the Department of Cooperative Governance and earmarked for national government to support municipalities.

### 2.3. Review of the local government fiscal framework

The aim of the review is to critically examine the financial viability of the local government fiscal framework (LGFF) and identify key factors influencing its effectiveness, stability, and long-term sustainability. This will be achieved by conducting an in-depth examination of existing policies, practices, and mechanisms governing the allocation, management, and utilisation of fiscal resources at the local government level. The review will be mainly centred around the following thematic areas:

- Overall LGFF baseline profile of distressed and optimally functioning local governments institutions and refinement of LGFF problem statement;
- LGES formula;
- Local government expenditure reviews;
- Fiscal leakages in local government; and
- Additional revenue considerations, including existing revenues options, including those that are undersubscribed, and exploring new additional own revenue sources and improved municipal borrowing for strengthening infrastructure investment and maintenance.

### 2.4. Update on the review of the conditional grants

In September 2024, government concluded a comprehensive review of the conditional grant system and developed reforms based on the findings. These reforms, which will be implemented progressively over the next three years, are designed to rationalise the conditional grant framework, integrate certain grants into the provincial equitable share and national departments' budget vote, and enhance the overall effectiveness of the system. This initiative underscores government's commitment to improving service delivery while ensuring the prudent management of public resources.

The review process was underpinned by an extensive consultation phase conducted between July and December 2024 during which the National Treasury presented the findings and recommendations arising from the review. Most of the proposed reforms are intended for medium- to long-term implementation, with a select number of reforms being prioritised for the short-term and will be introduced during the 2025 MTEF period.

Further consultations are planned to follow the tabling of the 2025 Budget. These engagements will include impact assessments and preparatory work to ensure the successful rollout of the proposed changes. The reforms aim to address systemic challenges within the grant system and are guided by the principles of equity, efficiency, and sustainability. Key areas of reform include the following:

*I)* *Enhancing differentiation and effectiveness in the grant system:* A central objective of the reforms is to introduce greater differentiation within the grant system to address the diverse needs of municipalities. This includes reducing the growing reliance on grants by metropolitan municipalities while providing targeted support to municipalities with limited capacity. By addressing service delivery challenges and locational disparities, the reforms aim to create a more responsive and equitable system. Specific measures under this initiative include refining allocation methodologies to balance equity and efficiency considerations, strengthening co-funding requirements to promote shared responsibility and sustainability, reducing restrictive earmarking and ring-fencing to allow for greater flexibility in the use of funds, introducing or enhancing performance-based incentives to drive accountability and improve outcomes, and improving the alignment of related grants to reduce fragmentation and duplication; and

*II)* *Rationalising the number of grants:* As part of the reforms, the number of conditional grants allocated to subnational governments will be streamlined to address the duplication of grants and mitigate the administrative burdens associated with the proliferation of funding streams. By simplifying the grant system, government aims to improve efficiency and reduce reporting requirements, enabling municipalities to focus on service delivery. Proposed measures include:

- Merging water reticulation grants to create a unified funding mechanism for water infrastructure;
- Consolidating energy grants to streamline support for energy-related projects;
- Combining urban development grants to enhance the coordination of urban infrastructure investments; and
- Discontinuing grants that are better suited as provincial programmes, such as those for road maintenance, sports development, and capacity-building initiatives.

These reforms represent a decisive step towards a more efficient and effective intergovernmental fiscal framework. By addressing systemic inefficiencies and aligning resources with service delivery priorities, government reaffirms its commitment to fostering sustainable development and improving the quality of life for all citizens. The implementation of these reforms will be closely monitored to ensure that they achieve their intended objectives while maintaining fiscal discipline and accountability.

## 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 the creation of a 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. Metro Trading Services Reform Incentive

**Background** – the background to the metro trading services performance incentive grant was outlined in the 2024/25 Budget Circular under the heading `Reforms to improve the efficiency and financial sustainability of metro trading services. The local government grant review process and the metro trading services reform process are converging into an incentive grant to incentivise a turnaround in the performance of metro trading services.

**Progress made** – Over the last year metro municipalities have engaged in substantial preparatory work regarding turnaround and reform strategies in Water and Sanitation and Electricity and Energy. Metros have in respect of each of these trading services prepared Trading Services Reform Strategies (A) with annexures A1 (Institutional Road Maps), and A2 (Business and Improvement Plans). They are currently preparing Annexure A3 (Performance Improvement Action Plans)[1]. All submissions are assessed by interdepartmental teams from the Departments of Water and Sanitation, Mineral Resources and Energy, DCoG, DHS, National Treasury and SALGA.

**Programme planning and assessment framework** – the incentive grant framework is currently planned to run for six years from 2025/26 (Year 1) to 2030/31 (Year 6). Year 1 focuses on establishing the necessary accountability, financial transparency, and strategic planning foundations for the five subsequent years (Years 2 to 6) of strategy implementation.

***Metros will have three planning opportunities***

Development of version 1 of the Annexure A3: Performance Improvement Action Plan (A3: PIAP v1) (indicative targets for all indicators, accompanied by firm targets to achieve minimum commitments in year 1) to be approved by Council alongside metro budget documents by June 2025.

Development of version 2 of the A3: PIAP v2 (with minimum commitments achieved, and realistic annual targets for all indicators) to be approved by Council with metro budget documents by June 2026.

Development of version 3 of the A3: PIAP v3 (with minimum commitments retained and an opportunity to reset annual targets) to be approved by Council with metro budget documents by June 2028 (details provided in Guidance Note 4).

The intention of the incentive programme is that incentive grant allocations should be awarded to metros according to independently assessed performance against the targets of their reform strategies as set out in the relevant A3-PIAP.

Special arrangements are necessary to determine the provisional incentive allocations provided for under the Division of Revenue Bill (2025) for years 1 and 2 of the programme. In these

[1] See https://mfma.treasury.gov.za/Guidelines/Documents/Trading%20Services for Guidance Notes and Resource Documents issued to assist.

cases, performance will be assessed against the commitment to (year 1) and achievement of (year 2) minimum commitments as follows:

- **YEAR 1**: Metro Councils who in Year 0 (2024/25, i.e. by the end of this municipal financial year), pass a satisfactory A3 PIAP v1 with minimum commitments, will be awarded the Year 1 allocation as finalised in the National Adjusted Budget process;

- Draft submissions from participating metros were reviewed during the 2025 Mid-year Budget, and final submissions will similarly be assessed during 2025 Budget and Benchmarking engagements during April to May 2025. Assessment and independent confirmation will be undertaken and submitted to the National Treasury;

- **YEAR 2 and 3:** Similarly, Metro Councils who in Year 1 (2025/26, i.e. by the end of June 2026) achieve the eight minimum commitments and pass a satisfactory A3 PIAP v2, will be awarded the Year 2 and Year 3 allocations as finalised. This is appropriate since planned spending for those years will by then be based upon well-substantiated business turnaround and financial strategies;

- Draft and final submissions will be reviewed and assessed during the Mid-year Budget and Performance and Budget and Performance engagements, and final submissions to metro Council will need NT approval. Assessment and independent confirmation will be undertaken and submitted to the National Treasury; and

- **YEARS 4, 5 and 6:** Once strategy implementation is underway, incentive allocations for any year (Y) will depend upon metro performance against numerical targets set for year (Y-2). This must be assessed after financial year end, but early enough during year (Y-1) to enter the budget process for Year (Y). The earliest this can apply is for Year 4, based on assessed performance in Year 2. This arrangement will determine incentive allocations for Years 4, 5 and 6.

- Independent assessments will be conducted annually, to confirm that minimum commitments remain in place, and to assess performance against targets.

### *Indicative incentive allocations*

The indicative incentive allocations per metro per financial year are based on poverty-weighted population formula. Annexure W1 to the 2025 division of revenue sets out indicative figures which represent the maxima potentially available to metros currently participating in the programme, based on the assessed status of each metro trading services strategy as at 15th of January 2025 (they include solid waste management from Year 2 (2026/27).

The indicative allocations are not yet actual budget allocations. Firm announcements regarding Year 1 (2025/26) incentive grant allocations will be included in the National Adjusted Budget in October 2025 and confirmed in allocation letters. Metros will accommodate these incentive allocations in their own adjustments budget as soon as possible but not later than the 28th of February 2026.

### *Adverse or disclaimed audit findings*

No metro which has received an adverse or disclaimed financial audit for the previous financial year will be eligible to access their incentive grant award in the forthcoming year.

### *Re-opening of incentive grant window*

As previously communicated, Solid Waste Management is scheduled for inclusion in the incentive programme from Year 2 (2026/27) onwards. Metros wishing to include solid waste

management in their trading services reform strategies should submit the necessary documentation according to the following schedule:

a. **Council-approved Trading Services Reform Strategy (A)** which is due on 31st of July 2025 which includes Annexure A1 (Institutional Road Map) and Annexure A2 (Business and Improvement Plan);
b. **Draft Annexure A3 version 1 (Performance Improvement Action Plan)** at the Mid-year review stage which is due in January 2026;
c. **Final draft Annexure A3-PIAP version 1** at the Budget and Benchmark stage during April 2026; and
d. **Council approved A3-PIAP version 1** due by June 2026.

Note: This re-opening of the incentive grant window also applies to metros which (a) have not previously met eligibility requirements in the water and sanitation or electricity and energy trading services, and (b) seek another opportunity to enter the programme. Such metros should follow the same schedule as above.

### 2.7. Alignment between the Metro Trading Service Reform and MFMA Circular No.88

The implementation of MFMA Circular No. 88 continues in all categories of municipalities. In December 2024, Addendum 6 of the MFMA Circular No. 88 was published providing an update on the preparation of statutory planning and reporting documents required for the 2025/26 Medium Term Revenue and Expenditure Framework (MTREF). Addendum 6 provided guidance to the municipalities on in-year changes to indicators in the Service Delivery Budget and Implementation Plan (SDBIP) and guidance for 'estimate' values in indicator reporting. Further guidance on indicator revisions and definitional clarification was also provided.

Selected MFMA Circular No. 88 indicators are also being used to track the performance of the metros as part of the A3 PIAP: Performance Improvement Action Plan of the Metro Trading Service Reform (MTSR). In line with the rationalisation and standardisation objective of the MFMA Circular No. 88 reform, this ensures that there is alignment and line of sight across various reporting frameworks. Furthermore, this promotes consistency in planning, budgeting, and reporting while reinforcing the overall objectives of the reform agenda. The MTSR targets water and sanitation, electricity and energy and solid waste management in the metropolitan municipalities focusing on institutional performance and accountability, financial performance, governance and operational or service delivery performance. Although the MFMA Circular No. 88 reporting and the MTS reforms are complementary reforms, the MTS is a targeted reform linked to a performance incentive grant. Where possible the MTSR utilises the MFMA Circular No. 88 indicators, as reflected in MTSR Guidance Note 4 Addendum that was circulated to the metros on the 3rd of March 2025. However, noting the targeted business operations turnaround required of MTS, several performance indicators outside the MFMA Circular No. 88 process have been developed for operational monitoring and reporting distinct from the statutory plans and reports in which all MFMA Circular No. 88 indicators find expression.

Future reporting on the selected MFMA Circular No. 88 indicators that form part of the A3 PIAP should be sourced from the MFMA Circular No. 88 reporting platform to ensure seamless integration between the two reforms. At this stage, the exact modalities and protocols to derive reporting efficiencies between the A3 PIAP and the MFMA Circular No. 88 reporting platform are still being confirmed, and municipalities should expect further guidance from the National Treasury on the coordination and synchronisation of reporting.

This section should be read in conjunction with paragraph 2.3 of the MFMA Circular No. 88 Addendum 6.

## 2.8. Three-year and one-year capital appropriations

To facilitate the delivery of large capital projects, section 16(3) of the MFMA allows a municipality to appropriate capital budgets for three financial years, i.e. the budget year and the following two years of the MTREF. The aim of such multi-year capital appropriations is to:

- lock the council into funding the full cost of large capital projects so as to ensure their successful completion;
- facilitate the forward planning of capital projects and programmes; enable the municipality to initiate procurement processes for capital projects in the two outer years of the MTREF (given the funds are appropriated) and so ensure improved levels of capital spending; and
- enable funding for such capital projects to be brought forward in terms of section 31 of the MFMA to facilitate more rapid project implementation (although National Treasury would prefer municipalities to the use of the mid-year adjustments budget for this purpose).

Municipalities are encouraged to use these provisions of the MFMA appropriately, and ensure they divide their capital budgets correctly between the 'multi-year expenditure' and the 'single year expenditure' sections on Tables A5A and A5. Further information can be obtained in MFMA Circular No. 58.

## 2.9. Criteria for the release of the Equitable Share

The criteria for the release of the equitable share which were covered in MFMA Circulars No. 122 remains relevant, and are still applicable for the release of equitable share instalments in the 2025/26 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.

## 2.10. Criteria for the rollover of conditional grant funds

In terms of Section 21 of the Division of Revenue Act, 2024 (Act No.24 of 2024) (DoRA) in conjunction with the Division of Revenue Amendment Act, 2024 (Act No. 48 of 2024), any conditional allocation or a portion thereof that is not spent at the end of the 2024/25 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 2024 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 2024 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 31 March 2025; or
b) Proof of project tender and tender submissions published and closed before 31 March 2025 or with the appointment of contractor or service provider for delivery of service before 30 June 2025 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 2025 (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 2025, 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 2024 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 2025;
3. Accurate disclosure of grant performance in the 2024/25 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 2024/25 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 2025 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 2024/25 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 2024/25 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 2025. All invoices issued to the municipality before 31 March 2025 should be paid within the same year against the allocated conditional grants. i.e. invoices must be paid within 30 days.

### 2.11. Unspent conditional grant funds for 2024/25

The process to ensure the return of unspent conditional grants for the 2024/25 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 2025 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 2025. The unspent grant values must be determined based on the guidance that was provided in *m*SCOA 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 2024 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 2025.

***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 2025;
Step 5: National Treasury will communicate the unspent conditional grants amount by 12 November 2025. A municipality must return the remaining unspent conditional grant funds that are not subject to a specific repayment arrangement to the National Revenue Fund (NRF) by 19 November 2025; and
Step 6: Any unspent conditional grant funds that should have but has not been repaid to the National Revenue Fund (NRF) by 19 November 2025, and for which a municipality has not requested a repayment arrangement, will be offset against the municipality's December 2025 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.***

### 2.12. Rollover of the Urban Development Financing Grant : metro trading services component

The normal rules regarding rollovers will apply to the incentive grant. Essentially the Budget allocated during the National MTEF and reflected in the annual Division of Revenue Bill will make provision that the cash flows be synchronised to achievements in line with the Annexure A3: Performance Improvement Action Plan (A3: PIAP).

Municipalities must submit all rollover applications and queries related to the conditional grants to Rolloverapplication@treasury.gov.za.

## 3. Revenue Management

### 3.1. Prioritise funding the Electricity Revenue Protection Program

Past years' increasing electricity tariffs continue to strain consumers' ability to afford this service. Municipalities as a result are at higher risk of non-technical losses particularly related to theft and illegal by-passing. Many municipalities do not have dedicated Revenue Protection staff in place or have reduced their operational funding for Revenue Protection culminating in an overall reduced collection and related strain on cash flow and the ability to pay creditors. Municipalities are advised to prioritise the following Revenue Protection measures in the 2025/26 and future MTREFs:

- A dedicated Revenue Protection Unit for Electricity administered by the senior manager responsible for the municipal Electricity Infrastructure Directorate taking into consideration the recommendations and standards the recommendations and standards set-out in NRS055 (Code of Practice for Revenue Protection);
- Allocating adequate funds in the budget to fund the municipality's Electricity Revenue Protection Unit's operational needs;
- In allocating funding, the business threat of increasing non-technical losses to the municipality's particular specifics must be considered to achieve a balance, while ensuring the Revenue Protection staff organogram and operational program is adequately funded and able to fulfil its role; and
- The municipality to demonstrate in its MTREF submission that a percentage of the revenue from the Energy function is ring-fenced to fund the municipal Revenue Protection Program operational need(s) towards developing the program to fruition.

### 3.2. Revenue Management Assessment Tool

Every municipality, in anticipation of the annual budget process and the review of critical revenue management related policies should assess and review its revenue management value chain to identify any gaps, duplications and / or inefficiencies for alignment with the approved organogram and related delegations. Refer to MFMA Budget Circular No. 126 (Annexure B: Submission checklist: Revenue Management Documents) and MFMA Budget Circular No. 128 (Item 7.3 contained in Annexure A). The municipality must submit its review to the National Treasury in the format of the Municipal Revenue Management Assessment Tool – to be uploaded to the National Treasury GoMuni upload portal annually as part of the Revenue Management Documents that are required.

The Revenue Assessment Tool was developed through the collaboration of the National Treasury, the Department of Cooperative Governance (DCoG) and SALGA. The initiative created the opportunity for stakeholders to acknowledge the fragmented and diverse nature of support provided to municipalities in this area often resulting in duplicated efforts and little

systemic change across municipalities and the need for a Single Integrated Revenue Management Framework (SIRMF).

The SIRMF is a national framework for revenue management that guides and outlines the intervention and leadership role both municipalities and oversight bodies should play in addressing challenges relating to the revenue management value chain and ultimately financial sustainability. The SIRMF emphasises the significant role of National and Provincial Government in supporting municipalities in the process of revenue management improvement and how the relevant departments will coordinate their support and their monitoring and evaluation role(s).

The SIRMF was designed on the existing statutory framework, with an emphasis on compliance. Within the scope of related tasks and responsibilities, the SIRMF provides direction on how municipalities may enhance revenue management as a major approach for increasing the municipality's viability and sustainability. Completing the Municipal Revenue Assessment Tool can assist the municipal council, senior management team and oversight bodies to assess, understand and improve critical revenue management practices of the municipality.

The tool provides an indication of gaps, flaws, duplications, inefficiencies and risks in the existing revenue value chain that could compromise or affect whether the revenue component of the budget sufficiently caters for long-term planning and is credible and funded. It further provides a comprehensive overview of current revenue management processes by identifying strengths, weaknesses, and areas that need improvement. The tool focuses on eighteen (18) critical areas within the revenue management value chain and helps pinpoint specific areas for optimising revenue collection processes.

National Treasury is in the process of institutionalising and implementing the tool, this includes conducting training throughout provinces.

The tool is comprehensive and must be completed by all municipalities during the 2025/26 MTREF with a thorough review of the revenue value chain, thereafter this exercise will only be necessary in every alternate year. However, municipalities with revenue collection rates below 85 per cent and all municipalities participating in Debt Relief must annually undertake this exercise until they achieve an average annual collection of 95 per cent as outlined in MFMA Circular No. 71.

The tool was already rolled out during the 2024/25 financial year and the National Treasury provided training. The Municipal Revenue Assessment Tool is attached as **Annexure A** of this Circular.

### 3.3. Cost Reflective Tariff Tool

As part of the budget process, the municipality must annually undertake an assessment to determine if the intended / implemented tariffs are cost reflective, whether all critical cost components were considered in the tariff calculation(s), whether the Local Government Equitable Share component relating to basic services were allocated to the actual service(s) and to demonstrate that the Revenue Component of the budget is credible and funded; etc. To facilitate this exercise, the municipality must complete and submit this calculation(s) / tariff assessment in the format of the National Treasury Tariff Tool as part of its tabled, adopted and adjustment MTREF submissions to the National Treasury GoMuni portal. The Cost Reflective Tariff Tool outcomes must also be reported to and approved by Council as part of the respective tabled and adopted MTREF submissions.

If the Tariff Tool indicates significant tariff shortfalls, any major tariff increases should be phased-in over two to three years and can be approved for the outer years (2026/27, 2027/28 and 2028/29). Thus, the indicative tariffs can be phased in over a period of three years.

The latest format of the National Treasury Tariff Tool that must be used and submitted is attached as **Annexure B** of this circular.

### 3.4. Electricity Tariffs

***Cost of Supply Study (COS) for electricity tariff applications***

On 20 October 2022, the Nelson Mandela Bay Chamber of Business issued a ruling outlining the requirements that municipalities must comply with when determining tariffs. The ruling found NERSA's Guideline and Benchmark method for approving municipal electricity tariffs unlawful and invalid. The court ordered that all electricity tariff applications from 2024/25 Financial Year, should be supported by a Cost of Supply (COS) study. Municipalities are reminded of the critical importance of complying with the court order, failing which, municipalities would be in breach of the court order and in contempt of court. The need for conducting a COS timeously and adhering to the timelines set by NERSA for the submission of applications is imperative as these cannot be approved by NERSA without the COS.

NERSA has indicated that it will be able to process and decide on municipal tariff applications based on Cost of Supply (COS) studies for the financial year 2025/26 by the end of June 2025 for the implementation in the new Financial Year. However, the Minister of Finance will engage NERSA to conclude this process sooner, to allow municipalities sufficient time to take account of the approved tariffs in the finalisation of their budgets. Tariff applications will not be considered unless they are supported by a Cost of Supply study. NERSA has indicated that the approval of Eskom's Retail Tariff Plan (RTP) and Eskom's Retail Tariff Structural Adjustment (ERTSA) for FY2025/26 is anticipated prior to 15 March 2025. Following the ERTSA decision, municipalities will be informed of the outcome to assist them in formulating their individual tariffs, which will then be approved for implementation in FY2025/26.

From the 2025/26 MTREF, municipalities will be required to submit the following documents pertaining to electricity tariff applications to the GoMuni Upload portal:

- NERSA D Form and COS study submitted to NERSA. For the 2025/26 tariff increase, municipalities with the tabled budget and thereafter 31 October 2025 (i.e. applications pertaining to 2026/27 tariff increases and beyond); and
- NERSA tariff approval with the tabled budget.

### 3.5. Municipal Valuation Roll Reconciliation Tool

Reference is made to MFMA Circulars No. 93 (paragraph 3), No. 98 (paragraph 4.1), No. 123 (paragraph 5.1), and particularly No. 126, (paragraph 3.1). To ensure the municipality's rates base is complete, and aligns to the business process and system requirements articulated in Annexure B of MFMA Circular No. 80 (08 March 2016) and the Municipal Property Rates Act (MPRA) (section 23): Part A: Register of the latest consolidated general valuation roll (GVR), and the MPRA categories, the municipality need to monthly perform the reconciliation in the format of the National Treasury Municipal Valuation Roll Reconciliation Tool.

| **The municipality must submit the completed tool together with the related documentation to the National Treasury GoMuni portal as follows:** | **Timeframe** |
|---|---|
| 1. The municipality's list of Property Rates tariffs approved by council for the financial year reported on together with the Council resolution that approved such. | Annually |

| | | |
|---|---|---|
| 2. | The municipality's time schedule for implementing its new general valuation roll (GVR) (aligned to the MPRA). | Annually |
| 3. | The Municipal Property Rates Act (MPRA) (section 23): Part A Register of the latest consolidated general valuation roll (GVR). | Annually |
| 4. | Municipality Valuation Roll Reconciliation – undertake monthly but only required to submit quarterly. | Quarterly |
| 5. | Property Rates Transaction List (for the 3rd month of every quarter). | Quarterly |

To assist municipalities in complying with these requirements, the National Treasury will provide follow-up training.

### 3.6. Prohibition on vending system(s) / third party vending solutions without consulting the National Treasury

Recently there have been several iterations on private service offerings of vending system(s) / solution(s) offered to municipalities. These include service provider(s) funding metering solutions for municipalities parallel to a pre-paid solution (requiring a vending platform) – these service providers then collect on behalf of the municipality in exchange for a fee. However, in several cases, the service provider does not pay over to the municipality what is collected and / or claim a fee that is out of proportion to what is reasonable. This is worsened by many municipalities not weekly / monthly undertaking the appropriate reconciliation of what they provide / sell (also via pre-paid) against what revenue they receive in return from the service provider(s). *As an Example*: Most recently a municipality in Eastern Cape was victim to an arrangement where the service provider offered the municipality R60 million funding but will takeaway almost R540 million at the end of the arrangement causing significant harm to the community and official(s) of that municipality and may leave the municipality worse off than initially.

The MFMA, read together with the recently assented Public Procurement Act, provide a clear framework for procurement in local government. The MFMA regulatory framework in terms of section 116 read with MFMA Circular No. 62 furthermore provide clear guidance on how amendments to contracts should be undertaken. Any offerings beyond the initial scope of the contract, in our view, should not be considered as a contract amendment, but rather a change or extension of scope, which warrants a whole new or separate procurement process.

The National Treasury therefore confirms that with immediate effect, no municipality may enter into and / or extend any related vending system(s) / solution(s) without consulting and obtaining the written input of the National Treasury and the relevant Provincial Treasury. Should any municipal official and / or political office bearer fail to honour this prohibition, she/ he could render themselves personally liable for any related financial loss over and above potential criminal liability for financial misconduct.

In addition, third party vending solutions used by municipalities must align to the integration requirements set out in Annexure B of MFMA Circular No. 80 (08 March 2016). In terms of the requirements, third party solutions must, without (manual) intervention or manipulation, integrate and constantly balance with the core financial system solution. The rules for integration are determined by vendor of the core system solution. Where the core system solution already provides the necessary functionality offered by the third-party vendor and the municipality has already paid for the functionality and / or are paying annual licencing fees to access this functionality, such expenditure will constitute wasteful and fruitless expenditure and should be dealt worth accordingly.

The municipality should send any request for the written input of the National Treasury together with the signed and / or proposed contract for such a service offering to: both RevenueManagement@treasury.gov.za and mfma@treasury.gov.za for the attention of Mr. Sadesh Ramjathan, Director: Local Government Budget Analysis: Revenue Section, and Mr. Wayne McComans, Chief Director: MFMA Implementation and parallel to the relevant Provincial Treasury.

### 3.7. Training Tools by the National Treasury

***Revenue Management Assessment Tool***

Municipalities must submit the Revenue Management Assessment Tool annually as set-out above. Training was already undertaken across all provinces during the 2024/25 financial year. The National Treasury will facilitate follow-up training during 2025/26 upon request only to municipalities, provincial treasuries and technical advisors deployed to municipalities and provincial treasuries. Municipalities and provincial treasuries can request training via the relevant Provincial Treasury who is responsible to coordinate requests for training. It is noted that any National Treasury deployed technical advisor may directly request training from the National Treasury as may be required. Requests for training and any related queries must be directed to RevenueManagement@treasury.gov.za and Sadesh.ramjathan@treasury.gov.za for the attention of Mr. Sadesh Ramjathan.

***Tariff Tool***

Municipalities must undertake a tariff assessment in the format of the National Treasury Tariff Tool as explained above. The National Treasury will facilitate follow-up training during the first quarter of the financial year 2025 and thereafter upon request only to municipalities, provincial treasuries and technical advisors deployed to municipalities and provincial treasuries. Training must be scheduled for a **full day** and would be more relevant towards municipal processes if scheduled:

- Before and/ or during the **Adjustments Budget preparation** (for re-allocations);
- Before and/ or during the **Tabled Budget process** (to evaluate tariff changes); or
- Before the **final MTREF submission** to Council for approval.

Municipalities and provincial treasuries can request training via the relevant Provincial Treasury. Any National Treasury deployed technical advisor may directly request training as may be directed to National Treasury as may be required. Requests for training and any related queries must be directed to RevenueManagement@treasury.gov.za and Sadesh.ramjathan@treasury.gov.za for the attention of Mr. Sadesh Ramjathan.

***Municipal Valuation Roll Reconciliation Tool***

The National Treasury confirms the guidance already provided in MFMA Circular No. 129 to the effect that municipalities must reconcile valuation rolls monthly and submit such quarterly to the National Treasury together with the related documentation set-out above.

The National Treasury will facilitate follow-up training during the first quarter of the financial year and thereafter upon request only to municipalities, provincial treasuries and technical advisors deployed to municipalities and provincial treasuries on Municipal Valuation Roll Reconciliation Tool. Training must be scheduled for at least **two full days** and can be facilitated at any time since municipalities perform this task monthly. Municipalities and provincial treasuries can request training via the relevant Provincial Treasury. Any National Treasury deployed technical

advisor may directly request training as may be required. Requests for training and any related queries must be directed to RevenueManagement@treasury.gov.za and Sadesh.ramjathan@treasury.gov.za for the attention of Mr. Sadesh Ramjathan.

# 4. Budget and other management issues:

## 4.1. 2025/26 Municipal Budget Tabling Timelines

The National Treasury would like to advise the municipalities that late tabling of the 2025 National Budget in Parliament does not really affect the timelines of the preparations/ conclusion of the municipal budget process. The 2025 National Budget was tabled by the Minister of Finance on 12 March 2025 which implies that Provincial Governments have two weeks thereafter to table the 2025 Provincial Budgets in the Provincial Legislatures, i.e. 31 March 2025. This is in line with the PFMA – Treasury Regulations. Municipalities have sufficient time to accommodate the allocations in the DOR Bill in their 2025/26 MTREF Budgets before tabling on 31 March 2025, that is 19 days or two weeks to table the budget before 31 March 2025.

The transfers from provinces to municipalities which are supposed to be included in provincial budgets and gazetted by provinces, should for all practical reasons also be available on the 27 March 2025. Given that municipalities have 10 months to prepare their upcoming budgets prior to tabling it in Council for consideration, National Treasury has previously advised municipalities to use the outer years of the Annual DoRA as projections, add inflation to calculate the third year of the MTREF, when finalising the tabled budget.

For those municipalities where the budgets were already in an advance stage of preparations, they will have between tabling and the adoption stage of the budget (end of May 2025) to include and accommodate all the transfers for both national and provincial governments. This will allow National and Provincial Treasuries to verify and reconcile the transfers with the DoR Bill and provincial Gazettes.

## 4.2. Management of Water Tankers

There is a growing trend of water challenges in most municipalities in the country which is spiraling out of control. This is a direct threat to municipalities' financial sustainability and could lead to a lack of trading in this key source of municipal revenue.

Most municipalities have tried to procure water tankers to close the gap in areas which are increasingly experiencing sporadic water supply challenges. As a result, the municipalities are not able to trade, leading to less revenue and an unprofitable water business.

It has emerged in the recent Mid-year Budget and Performance Review engagements that contracted water tankers have developed as a business rather than a stop gap measure.

As such, municipalities are encouraged to protect their revenue through avoiding protracted long contracts of water tankers. Where possible the municipality should use its internal water tankers as a temporary measure with a clear intention to restore the service.

If the municipality provides a long-term service, such as water for informal settlements, it is advised that tanks should be purchased and refilled with municipal water tankers. The aim should always be to strike a balance between the provision of service and protecting municipal revenue. Proper checks and balances must be considered as well as internal controls to avoid abuse in this regard and to ensure that in the event that the Office of the Auditor General Africa of South investigates these services, the use of water tankers and water tanks is based on sound business principles.

### 4.3. Asset Management

According to Municipal Budget and Reporting Regulations (Table A9), the municipalities were advised to allocate 60 per cent of the total Capital Expenditure budget to new acquisition while the remaining 40 per cent to renewal and upgrading of the new assets.

Given the current challenges of aging and dilapidated infrastructure faced by the municipalities, which contributes to high level of losses, municipalities are advised **to allocate at least 60 per cent** of the capital expenditure to renewal/ upgrading of the existing assets while 40 per cent should acquire new assets.

The National Treasury realised that year-on-year, municipalities priorities the acquisition of new assets and the existing assets are being neglected to a dilapidated condition. Another factor which causes a factor is lack of maintenance during the lifespan of the assets which National Treasury encourages the municipalities to allocate at least 8 per cent towards repairs and maintenance as outlined in MFMA Circulars No. 55 and 71.

## 5. Municipal Standard Chart of Accounts (*m*SCOA):

### 5.1. Go Live on Version 6.9 of the Chart

*m*SCOA version 6.9 will go live on 24 March 2025, whereafter municipalities will be able to upload their tabled budget (TABB) and tabled project files (PRTA) data strings for the 2025/26 MTREF on the GoMuni portal.

After going live on version 6.9 of the chart, all the reports available on the LGDRS will be aligned to *m*SCOA chart version 6.9. This includes the format of the Section 71 report for Q3 and Q4 of 2024/25 and the adjustments budget for 2024/25.

The Municipal Budget and Reporting Regulations (MBRR) Schedules (A to F) and non-financial data string (A1S) was also aligned to version 6.9 of the chart. A **protected** version of the MBRR Schedules for version 6.9 of the chart and A1 Schedule 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 and both strings are required for the data to pull through correctly on the reports available on the LGDRS. 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 integrated financial system solutions and not import or captured it on their system solutions at a later stage. This is necessary to ensure that there is 'one version of the truth', namely the data in the integrated financial system solutions is the same as the report tabled and adopted by Council and the information submitted to the National Treasury and other stakeholders.

### 5.2. mSCOA 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

### 5.3. Submission of virement information

From the 2025/26 MTREF, municipalities will be required to report on their virements through the submission of a separate data string, as well as a report on virements done by the municipality. This submission must be done monthly to the GoMuni Upload Portal and should be generated from the core financial system. The validation rules applicable to the monthly IYM submission will also be applied to the virement data strings.

The attached **Annexure D** provides guidance on the layout and information required on the virement budget report, while **Annexure E** provides the layout of the virement data strings.

This will enable national and provincial treasuries to keep track of the virements done when they do their Section 71 analysis. The virements will be reflected in a separate report and will not form part of the consolidated Section 71(7) reporting to provincial legislatures or the consolidated Section 71 publication issued by the National Treasury. For the consolidated S71 reporting and publication, performance will only be compared to the adopted budget in the first eight months of the year and the adjustments budget in the last four months of the year.

Municipalities must review their virement policy annually and ensure that it aligns with the principles and guidance in MFMA Circulars No 12, 51 and 88 and *m*SCOA Circular No. 8 (29 April 2020). Virements may only be made between existing budget provisions and must be included in an adjustments budget. The Council approved virement policy must be submitted as part of the budget documents on Go Muni. Please note that documents must be submitted individually and not as a batch.

### 5.4. Medium-Term Development Plan (MTDP)

Cabinet has recently approved the Medium-Term Development Plan (MTDP) for 2024 to 2029. The Department of Planning, Monitoring and Evaluation (DPME) will issue the MTDP in due course. These revised priorities, reflecting the new administration's vision, will be integrated into *m*SCOA version 6.10. For *m*SCOA budgeting and reporting in the 2025/26 MTREF, municipalities should continue using the IUDF and MTSF priorities as per *m*SCOA version 6.9.

### 5.5. Upgrading and procurement of *m*SCOA system solutions and/or functionality

From March 2023, the National Treasury has alerted municipalities that the minimum business processes and system specifications for *m*SCOA will be regulated and that municipalities should exercise extreme caution when changing or upgrading their integrated financial system solutions to avoid procuring system functionality that might not comply with the said regulations. Municipalities are reminded to implement the due diligence processes set out in MFMA Budget Circulars No. 93, 98, 107, 112, 123 and *m*SCOA Circulars No. 5 and 6 **prior** to procuring new or upgrading system functionality to protect them from making incorrect decisions in this regard.

This also applies when 3rd party system functionality is procured that is required to integrate with the core system solution.

Importantly, if an open tender process is not followed (e.g. when Section 33 or 116 of the MFMA and SCM Regulations 36 (deviations) are utilised), **the market must be tested prior to embarking on procurement**. The municipality must be able to substantiate that the product, service or similar offering is not available elsewhere in the market at a cheaper cost and that using these procurement vehicles have significant economic or financial value benefits to the municipality. Where legislation requires that the views of the National Treasury must be sought, the relevant documentation must be emailed to mfma@treasury.gov.za. If the processes required in term of legislative are not followed, a contract might be found invalid by a court of law.

### 5.6. Issues pertaining to the regulations on the minimum *m*SCOA requirements

National Treasury is currently in the process of developing business processes, standard operating procedures (SOPs) and minimum system specifications to underpin the Regulations of the minimum business processes and system specifications for *m*SCOA.

All the required business processes, procedures and systems functionality pertaining to the Regulations will be made available to municipalities **at no cost** in a format that can be imported, customised and utilised in a process modelling tool of their choice. Municipalities are cautioned against incurring unnecessary expenditure to procure specialised software and tools or appoint service providers to adapt and customize their business processes, especially as the requirements have not been finalised yet.

It must further be emphasized that the documents released for comments on the MFMA Webpage are the sole property of the National Treasury and may only be used for the intended purpose of providing comments on the proposals. **Any company that sells or distributes these documents or parts thereof for any other purposes without the explicit written permission of the National Treasury will be blacklisted on the basis of Intellectual Property Violations (i.e. unauthorized distribution of government documents)**.

It should also be noted that the intention of the recent demonstrations on the systems used by municipalities that was conducted by the National Treasury was to determine key implementation gaps as per MFMA Circular No. 80 (dated 08 March 2016). These gaps must be addressed by the respective municipalities in their *m*SCOA municipal road maps. National Treasury shared the observations with system vendors with a view that gaps in system functionality should be further explored and addressed by them. The demonstrations were not on any specific systems in the market but on modules used by a specific municipality to give effect to the requirements of MFMA Circular No 80. **It will therefore be unacceptable and a misrepresentation for any system vendor to claim that their respective system was found compliant by the National Treasury**.

### 5.7. Special adjustments budget to authorise unauthorised expenditure

In terms of regulation 23(6)(b) of the MBRR, council may authorise unauthorised expenditure in a special adjustments budget tabled in council when the mayor tables the annual report in terms of section 127(2) of the MFMA. This special adjustments budget **may only deal with unauthorised expenditure from the previous financial year which the council is being requested to authorise in terms of section 32(2)(a)(i) of the MFMA**. This process may not be used to condone poor planning, budgeting, or financial management after the adoption of the budget.

Detailed guidance in this regard was provided in MFMA Circular No. 68 (dated 13 October 2021).

Further development work with regard to this matter will be undertaken during 2025 and proper guidance will be provided in subsequent MFMA Budget Circulars. For now, municipality should continue with the current practices until further notice. Under no circumstances should municipalities require their systems vendors to open their financial systems especially where the Auditor General of South Africa have already signed off on their annual audited financial statements.

Municipalities are also reminded of the guidance provided in our email dated 21 August 2024 on the *Submission of the 2023/24 Annual Financial Statements (AFS) – (Pre-Audit Information)* and *m*SCOA Circular No. 15 (08 July 2024) on the period closures controls for the following periods.

- **Month 12**: The financial year ends in month 12 (as at 30 June of the financial year). Month 12 (4th Quarter section 71 reports) represents the **preliminary outcome** information. The closing balances of month 12 must be programmatically transferred in the core financial system to the opening balances of the new financial year in month 01 of the new reporting period;
- **Period 13** when the AFS are prepared during July and August annually. Period 13 represents the **pre-audit outcome** information (the AFS as submitted to the AG;
- **Period 14** represents the **audit outcome** information (the AFS on which the AGSA has expressed an opinion. Audit approved journals must be processed in period 14; and
- **Period 15** when the adjustments to the AFS following the approval of the adjustments budget to authorise and legalise unauthorised expenditure referred to in Regulation 28(6) of the MBRR is effected.

The AFS submitted to AGSA must reconcile with the pre-audited (PAUD, CRPA and DBPA), audited (AUDA, CRAU, DBAU) and restated (RAUD) data strings submitted to the GoMuni Upload portal and these data strings must be submitted as end-results and NOT movements when submitting the *m*SCOA data strings. Importantly, any transactions that were processed as part of the preparation and auditing of the AFS after year-end (month 12) in period 13, 14 and 15 must be reflected in the corresponding month of the new financial year by using net movements. The net movements will result in either an increase or decrease in the new financial year in the corresponding month of month 01 to 03 of the current financial year. E.g. changes in period 13 must be reflected in month 02 or 03 of the new financial year. A similar process is applicable when restatements of previous financial year figures occur and when material errors are identified which impacts on the previous years' AFS and must be corrected in period 15.

With regards to year-end information, the aim is to collect three sets of information (preliminary, pre-audited and audited). This ensures that the latest outcome information is always available to inform planning and budget decision making process for national, provincial and local government.

# 6. Submitting documents to the GoMuni Upload Portal:

## 6.1. Submission of additional reports

In addition to the virement policies that must be uploaded to GoMuni Upload portal from 01 July 2025, the following changes pertaining to document submissions to the GoMuni Upload portal must be noted:

***Uploading of Section 41 Reports on prices and payments for bulk resources***

From the 2025/26 MTREF, the Department of Water and Sanitation, Eskom, and Water Boards will be required to upload their monthly Section 41 reports on the GoMuni Upload portal to enhance transparency and oversight. This will replace the current email submission process. Training on the upload procedure will be provided to all relevant stakeholders to ensure a smooth transition.

***Municipal Procurement Plans***

MFMA Circulars No. 62 (dated 20 August 2012) and 94 (dated 08 March 2019) requested for the submission of annual municipal procurement plans. From the 2025/26 MTREF, municipalities will be required to upload their annual procurements plans in PDF format on the GoMuni Upload portal. These plans should encompass comprehensive information on planned procurements, estimated costs, and the proposed procurement strategies. Both draft and final procurement plans should be submitted with the annual tabled and adopted budget documentation.

***Revenue related and debt relief documentation***

All municipalities are required to annually upload the Revenue Management related documents as per the Document Submission Checklist attached as **Annexure C** to the GoMuni Upload Portal. These documents must be submitted in the specified format and within the timeframes indicated. Also note that items 15 and 17 in **Annexure C** are only relevant to Municipal (Eskom) Debt Relief participants and item 19 to both Municipal (Eskom) and Water Debt Relief participants. In relation to items 15, 17 and 19, all other municipalities must submit a "Not Applicable" form to prevent these items reflecting as outstanding.

### 6.2. Submission and sign-off of key tabling dates

In the past, the National Treasury requested information on an annual basis from municipalities on the actual tabling dates of legislated processes such as the various budget processes, AFS and Annual Report. This information was submitted through an excel spreadsheet. From 01 July 2025, municipalities will be required to enter the legislative tabling dates directly on the GoMuni portal, replacing the manual spreadsheet process.

Additionally, the Accounting Officer of each municipality will be required to sign-off on the accuracy of the captured dates on the LGDRS.

Further guidance on the submission and sign-off procedures will be provided in due course.

# 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<br><br>Buffalo City | Matjatji Mashoeshoe<br>Pitso Zwane<br>Mandla Gilimani | 012-315 5553/ 0609242914<br>012-315 5171<br>012-315 5807/0661198036 | Matjatji.Mashoeshoe@treasury.gov.za<br>Pitso.Zwane@Treasury.gov.za<br>Mandla.Gilimani@treasury.gov.za |

| | | | |
|---|---|---|---|
| Free State | Cethekile Moshane | 012-315 5079 | Cethekile.moshane@treasury.gov.za |
| Gauteng<br><br>City of Tshwane and City of Johannesburg<br><br>City of Ekurhuleni | Matjatji Mashoeshoe<br>Pitso Zwane<br>Willem Voigt<br>Makgabo Mabotja<br><br>Kgomotso Baloyi<br>Lunathi Dumani | 012-315 5553<br>012-315 7538<br>012-315 5830<br>012-315 5156<br><br>012-315 5866/082 887 2968 | Matjatji.Mashoeshoe@treasury.gov.za<br>Pitso.Zwane@Treasury.gov.za<br>WillemCordes.Voigt@treasury.gov.za<br>Makgabo.Mabotja@treasury.gov.za<br><br>Kgomotso.Baloyi@treasury.gov.za<br>Lunathi.dumani@treasury.gov.za |
| KwaZulu-Natal<br><br><br>eThekwini<br>uMhlathuze | Kgomotso Baloyi<br>Lunathi Dumani<br>Kevin Bell<br>Sifiso Mabaso<br>Matjatji Mashoeshoe<br>Pitso Zwane | 012-315 5866<br><br>012-315 5725<br>012-315 5952/060 923 7343<br>012-315 5553/060 326 6885<br>012 315 7538 | Kgomotso.Baloyi@treasury.gov.za<br>Lunathi.dumani@treasury.gov.za<br>Kevin.Bell@treasury.gov.za<br>Sifiso.mabaso@treasury.gov.za<br>Matjatji.Mashoeshoe@treasury.gov.za<br>Pitso.Zwane@Treasury.gov.za |
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| North West<br><br><br>Mafikeng | Willem Voigt<br>Makgabo Mabotja<br>Khanyisile Khosa<br>Cethekile Moshane | 012-315 5830<br>012-315 5156<br><br>012-315 5079 | WillemCordes.Voigt@treasury.gov.za<br>Makgabo.Mabotja@treasury.gov.za<br>khanyisile.khoza@treasury.gov.za<br>Cethekile.moshane@treasury.gov.za |
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**Chief Director: Local Government Budget Analysis**
**19 March 2025**

Western Cape Government

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## TREASURY CIRCULAR MUN. NO. 02/2025

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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 PROVINCIAL AUDITOR

MASTER RECORDS OFFICIAL: BUSINESS INFORMATION AND DATA MANAGEMENT

THE DEPUTY DIRECTOR-GENERAL: CORPORATE ASSURANCE, DEPARTMENT OF THE PREMIER (MS H ROBSON)

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# MUNICIPAL BUDGET CIRCULAR FOR THE 2025/26 MTREF AND ASSOCIATED 2025 STRATEGIC INTEGRATED MUNICIPAL ENGAGEMENTS

## 1. INTRODUCTION

This Circular should be read in conjunction with National Treasury (NT) MFMA Circular No. 129 which, inter alia, outlines the South African economy and inflation targets, key focus areas for the budget process, revenue management, funding of municipal budgets and other management issues, Municipal Standard Chart of Accounts (mSCOA).

**The purpose of this circular is to:**

- Provide an overview of the current fiscal and economic context;
- Provide municipalities with guidance on the finalisation of the 2025/26 Medium-Term Revenue and Expenditure Framework (MTREF) Budgets and accompanied budget documentation;
- Brief municipalities on the 2025 Strategic Integrated Municipal Engagements (SIME 2) process and related matters.

## 2. LEGISLATIVE CONTEXT

The Western Cape Provincial Government (WCG) has institutionalised the Strategic Integrated Municipal Engagements (now SIME 2; previously referred to as LG MTEC/ SIME) 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).

In November 2024, the Department of Local Government reintroduced its Strategic Integrated Municipal Engagements (SIME), emphasizing strategic and integrated planning while seeking out alignment with Provincial planning within the municipal context. The reintroduction of SIME (SIME 1) sessions represents a dedication to strengthening collaboration and alignment between municipal and Provincial planning and budgeting efforts. This initiative holds the potential to improve decision-making, optimize resource allocation, and ensure that local and provincial government strategies are more in sync.

The November SIME (SIME 1) sessions will be followed up by the annual Strategic Integrated Municipal Engagements (SIME 2) sessions in May 2025, which has a stronger budget and implementation focus,

following the tabling of municipal Integrated Development Plans (and associated sector plans) and budgets. Municipalities are also advised of the new 2025-2030 Provincial Strategic Plan (PSP) and the forthcoming (end of March 2025) Western Cape Infrastructure Implementation Plan (WCIIP) and Pipeline, as well as the need to align planning and budgeting efforts with these Provincial plans in order to strengthen alignment between municipal and provincial planning and budgeting. The 2025 SIME 2 sessions builds on the 2024 processes and continues to drive the theme of "**Integrated service delivery**", as municipalities are preparing for the fourth year of the 2022 - 2027 Integrated Development Planning Cycle. This integrated planning aims to strengthen governance, planning and budgeting, ultimately improving service delivery at the local level.

## 3. FISCAL AND ECONOMIC CONTEXT

### 3.1 Economic and Fiscal Environment

For more than ten years, South Africa's economy has experienced slow growth, further entrenching the country's high rates of unemployment and poverty. NT also lowered its 2024 economic growth forecast to 1.1 per cent, from the 1.3 per cent projected in the 2024 Budget Review, weighed down by stop-start economic growth and stubborn inflation in the first half of the year. The economy has since strengthened in response to the suspension of power cuts since March 2024, improved confidence following the formation of the government of national unity in June, better than-expected inflation outcomes in recent months and reduced borrowing costs. All these factors are expected to continue to support the economy over the period ahead.

GDP growth is projected to average 1.8 per cent from 2025 to 2027, up from 1.2 per cent in the preceding three years. The pace of growth is still being limited by persistent – though gradually easing constraints, particularly in logistics infrastructure. Faster growth depends largely on maintaining macroeconomic stability, the continued implementation of structural economic reforms, improving state capabilities and supporting higher infrastructure investment.

The following macro-economic forecasts must be considered when preparing the 2025/26 MTREF municipal budgets.

**Table 1 Macroeconomic performance and projections, 2023 – 2027**

| Fiscal year | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
|---|---|---|---|---|---|
| | Actual | Estimate | Forecast | | |
| **CPI Inflation** | 5.9% | 4.6% | 4.4% | 4.5% | 4.5% |

*Source: NT MFMA Budget Circular No. 129 based as sourced from the Medium Term Budget Policy Statement 2024 (note that the CPI projection for 2027/28 was misstated in Circular 129)*

Growth in household consumption expenditure is expected to improve to 1.2 per cent in 2024, up from 0.7 per cent in 2023, supported by growing real household incomes as inflation fell, stable electricity supply, and reduced interest rates. Headline inflation has eased to its lowest rate in over three years, driven by lower food and transport prices, and is expected to stabilize within the 3–6 per cent target range. Despite improved consumer confidence, households are still facing challenges with municipal payments, which negatively impact 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.

### 3.2 National and Provincial Budget Delays

The postponement of South Africa's 2025/26 national budget to 12 March 2025 has generated significant attention, particularly regarding anticipated fiscal policies and allocations. The delay stems from disagreements within the coalition government over a proposed increase in the value-added tax (VAT) from 15 per cent to 17 per cent, aimed at addressing the nation's fiscal challenges.

On 26 February 2025, the Western Cape Premier tabled the State of the Province address outlining its medium-term objectives for growing businesses and creating jobs, leading South Africa's economic resurgence as the Western Cape, enabling a healthy and cared for population, infrastructure investment for job creation, safety and security and securing reliable, affordable and renewable water and energy. The Western Cape Provincial Budget has been delayed due to the postponement of the National Budget to 12 March 2025. Based on this, the Provincial Budget Day has been consequently rescheduled to 27 March 2025.

**Guidance for Municipal Budgeting**

- Municipalities should use the **indicative allocations** from the **2024 Division of Revenue Act** when preparing their **2025/26 MTREF budgets**; and
- Consider the **proposed changes to grant baselines** outlined in the **2024 Medium Term Budget Policy Statement (MTBPS)**, as they may impact funding.
- For 2027/28 outer-year allocations, municipalities are advised to conservatively limit funding to the indicative numbers from the 2024 Division of Revenue Act. Allocations for the previous financial year can be inflated with the projected inflation rate of 4.5 per cent.

The Division of Revenue Bill, 2024, which includes the annexures outlining allocations to each municipality is available at:

https://www.treasury.gov.za/documents/national%20budget/2024/default.aspx

Municipalities must update their budget figures with allocations from the 2025 Division of Revenue Bill and 2025 Western Cape Appropriations Bill, once these are tabled. In many cases budget preparation timelines will only allow for these allocations to be updated in the adopted budget. In such cases, tabled budget documents should make clear that such updates must be expected.

## 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 2025/26 MTREF budgets.

- Municipalities MUST include the National and Provincial Treasury Budget Circulars as part of the source documents consulted in the preparation of the 2025/26 MTREF Budget documents and table it as part of the budget documentation in the municipal council.

### 4.1 Key focus areas for consideration in the 2025/26 budget process

The 2025/26 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 the 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 grant allocations

Over the 2025 Medium-Term Expenditure Framework (MTEF), the government proposes an allocation of 9.8 per cent to local government. Local government funding is projected to increase from R184.8 billion in 2025/26 to R197.9 billion in 2027/28. In 2025/26, this comprises R106.1 billion for the local government equitable share, R16.8 billion from the general fuel levy sharing with metros, and R61.8 billion for both direct and indirect conditional grants. The increased allocations to local government reflect the government's commitment to social protection as a cornerstone of its fiscal strategy, ensuring ongoing support for indigent populations and the expansion of critical infrastructure through conditional grants. These figures represent the preliminary fiscal framework outlined in the 2024 MTBPS. The final details will be provided in the 2025 Budget Review.

- **Changes to the conditional grants system**

Government has finalised its review of the conditional grant system and developed a range of reforms based on the results. These reforms are aimed to rationalise conditional grants and enhance their effectiveness. Targeted reforms are to be phased in over the next three years. Further preparation (including consultations and impact assessments) will follow the tabling of the 2025 Budget, to ensure the successful rollout of longer-term reforms.

### 4.1.2 Metropolitan Municipalities Trading Services Reform performance incentive

A new feature of the conditional grant structure from 2024/25 is a performance incentive for metros who agree to embark upon specific trading services reforms, subject to performance in accountability, financial and operational performance metrics. The purpose of the Metro Trading Services performance initiative is to support and incentivise the turnaround of metro trading services to functional utilities that can access loan finance.

The incentive programme is currently planned to run over six years, from 2024/25 to 2030/31, and will cover water and sanitation, electricity and energy, and solid waste management. Maximum performance incentive amounts will be allocated to metros through the annual Division of Revenue Act, based on household and poverty indices. The envisaged scale of the incentive is such that, with commensurate internally generated funding, metro trading services capital expenditure can more than double compared to the current baseline.

### 4.1.3 Reporting requirements for Disaster Allocations

National Treasury has in a previous circular (MFMA Circular No. 126 dated 7 December 2023) indicated that municipalities that receive their disaster funding before the start of the municipal year, i.e., 1 July, but after the end of the national financial year, 31 March, do not need to request a rollover as any deemed unspent disaster fund transferred to municipalities during that period (1 April to 30 June) will be regarded as an automatic rollover. This consideration is done because funding for this form of a disaster would have been transferred from the new year's allocation. Therefore, National Treasury will support that these unspent monies be carried over into the new municipal year's budget. The contents of MFMA Circular No 126 are not repeated here as the position still holds.

In terms of any disaster funding that municipalities receive between 1 July and 31 March and have not been spent by the end of the municipal year, 30 June, a request for a rollover is required and it is not deemed automatic. This is slightly different from an instance wherein disaster response funds are transferred to municipalities after the end of the national financial year, 31 March.

### 4.1.4 Budgeting and reporting of the Integrated National Electrification Programme (INEP)

The DoRA provides for the INEP allocation to ensure access to electricity through provision of capital subsidies to Eskom and municipalities for the eradication of the household's electrification backlogs and to ensure universal access to electricity.

These allocations are made to Eskom and municipalities for their respective supply areas. This allocation criteria on the electrification programme follows the powers and functions (licensed and unlicensed) to both municipalities and Eskom. However, there are instances where some allocations that are within the Eskom areas of supply, are made to municipalities. This is done to accelerate the delivery of the electrification services and the eradication of backlogs.

National Treasury has therefore issued the mSCOA Circular No. 16 dated 16 October 2024 to provide more detailed guidance on the budgeting for these forms of funding. Municipalities are therefore requested to follow the mSCOA Circular No. 16.

## 4.2 The Revenue Budget

Municipal finances are under increasing strain due to weak economic growth and limited national transfers. In this challenging environment, municipalities are compelled to optimize operations, enhance revenue collection efforts, and eliminate wasteful spending to maintain financial stability and ensure the continued delivery of essential services.

### 4.2.1 Setting cost reflective tariffs

It is important that municipalities conduct cost of supply studies in the provision of each basic service as and when financial and service delivery needs change. Municipalities must ensure that when tariffs are designed that they move towards achieving consumption charges for services that are based on consumption-related costs and all other variable costs and fixed costs e.g., salary and wages, etc. should be covered by a fixed charge. Municipalities must ensure that when tariffs are designed, capital repayment of loans are included in the provision for depreciation that must be budgeted for to ensure financial sustainability.

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. Repairs and Maintenance need to be sufficiently covered in Employee Related Costs, Contracted Services, Operational Expenditure, and Inventory Consumed. To balance cost recovery with affordability, municipalities must also align tariff adjustments with indigent policies and consider the socio-economic impact on vulnerable households. New infrastructure developments in a municipal area of jurisdiction should be obliged to consider and incorporate efficiency and renewable sources of energy available such as solar or wind to respond to the ongoing global energy crisis. Municipalities must also assess long-term operational costs when approving new infrastructure projects to avoid excessive future tariff increases. Using the latest format of the Cost Reflective Tariff Tool after the upload of the Adjustments Budget, again after the Tabled Budget (Draft Budget) and again after the Council Approved Budget, municipalities will be able to have a better understanding of the cost reflectiveness of its tariffs and justify future tariff adjustments in a transparent and evidence-based manner.

It is important to note that the Cost Reflective Tariff Tool's outcome is dependent on a well-structured budget with all applicable revenue and expenditure items included. The latest version, National Treasury Tariff Tool Linked Vol. 2 of 27 November 2024, is available as Annexure B of MFMA Circular No. 129. This latest Volume 2 now replaces the Tariff Setting Tool - 05 November 2019 mentioned in MFMA Circular No. 98. The populated Cost Reflective Tariff Tool must be uploaded by the municipality's approved registered user(s) using the GoMuni Upload Portal. Failure to upload the populated tool will be flagged in PT's compliance overview.

### 4.2.2 Indigent Management

It is critical to progressively align the provision 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 clearly justify the funding source and demonstrate how this aligns to sound asset management, adequate provision for debt impairment and ability to sustain payment of Eskom, bulk water, and other creditors.

Establishing and maintaining credible indigent register – it is important that the municipalities undertake to conduct quality control and monitor the indigents. Municipalities should ensure the accuracy of reported indigent debtor numbers by identifying and verifying indigent citizens through data-driven methods, and proactively updating the indigent register to reduce the risk of ineligible individuals receiving subsidies.

Municipalities are advised to work closely with DLG to simplify its indigent management registration processes – even consider 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 essential that municipalities report on all indigent households within their jurisdiction, including those in Eskom-supplied areas, as the Local Government Equitable Share FBS allocation is based on the full municipal demarcation. The municipality must therefore focus in its 2024/25 MTREF Schedule A submission to report on all indigent households (also in Eskom supplied areas).

### 4.2.3 Pro-actively managing collection of municipal revenue in Eskom supplied areas

National Treasury notes that in the context of the Electricity Regulation Act, 2006 (ERA), the 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 the 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 (Act 108 of 1997).

### 4.2.4 Eskom Bulk Tariff increases

The National Energy Regulator of South Africa (NERSA) is responsible for the price determination of the bulk costs of electricity. For the 2025/26 national financial year, NERSA approved an average tariff increase of 12.7 per cent, effective from April 1, 2025. Section 43 of the MFMA requires that Eskom table the bulk increase applicable to municipalities for the 2025/26 municipal financial year by 15 March 2025 (this will differ from the increase applicable for the national financial year as Eskom will only have the period from July 2025 to March 2026 to recover from municipalities the additional revenue allowed by NERSA for the 2025/26 national financial year).

In addition to the tariff increase, NERSA has approved a restructuring of Eskom's tariffs, reducing the previous 15 tariff categories to three simplified categories: one for large power users, one for small power users, and one for public lighting. Municipalities will be required to align their tariff structures accordingly. More guidance will be provided in due course.

Municipalities are advised to make use of NT's Cost Reflective Tariff Tool when developing their electricity tariffs. Municipalities are reminded that municipal tariff applications to NERSA must be

accompanied by a credible electricity cost of supply study (COSS). No tariff applications will be approved by NERSA if not supported by a COSS.

## 4.3 The Expenditure Budget

### 4.3.1 Funding of municipal budgets

National Treasury has observed that many municipalities that adopt unfunded budgets, are adopting budget funding plans as a mere compliance exercise. There is very little progress made to turn around from an unfunded budget position, to a funded one. To this effect, NT will only allow municipalities to turn around from an unfunded budget position to a funded position within three years, of which in each year there should be measurable progress in terms of the improvement in the collection rate and cost containment initiatives.

To this end, municipalities must take a proactive, strategic approach to cost containment, aligning efforts to optimize expenditure with the goal of long-term operational efficiency. This involves not only reducing non-essential costs but also leveraging innovative practices such as automation, process optimization, and the efficient use of resources. A strategic focus on both revenue enhancement and expenditure containment will ensure that municipalities can balance their budgets effectively and sustainably. Failure for the municipalities to show visible progress each year, such municipality will not be allowed to table an unfunded budget. On a monthly basis, these municipalities are required to submit progress reports to the GoMuni Portal which must be closely monitored by the respective Provincial Treasuries.

Also note that all municipalities that adopted funded budgets in 2024/25, will not be allowed to adopt unfunded budgets in 2025/26 and going forward, this implies that such budget will be referred by National/ Provincial Treasury for review until the funded position is achieved. This is to enforce compliance with Section 18 of the MFMA and to encourage prudent financial management which includes collecting what is due to a municipality and paying for services rendered.

Measures to secure a funded budget will be a key focus of the 2025 SIME 2 process for municipalities that table unfunded budgets.

### 4.3.2 VAT and the assignment of the library function

Binding General Ruling 74 issued by the South African Revenue Service on 3 October 2024 clarifies the "VAT consequences of functions assigned to or performed by a municipality under an agency or delegation basis".

In preparing their budgets for the 2025/26 MTRREF, municipalities should note that the WCG is in the process of assigning the library services function to municipalities. The Western Cape Public Library Services Bill, which will enable this assignment, was gazetted on 13 February 2025, and the window for submitting public comments on the Bill closes on 14 March 2025. Once the Bill is enacted, provincial government intends to assign the function by agreement with all local and metropolitan municipalities in the province. In line with Binding General Ruling 74 this will mean that once a municipality accepts the assignment by agreement, all payments from the province will meet the definition of a grant for an assigned function. Municipalities should therefore budget for the VAT implications of these payments based on their intention regarding the assignment of the function.

### 4.3.3 Employee related costs

Municipalities are required to implement the salary and wage collective agreement were signed by the parties of the South African Local Government Bargaining Council (SALGBC) on Friday, 6 September 2024 with immediate effect as from 1 July 2024. In respect of the 2025/26 financial year,

all employees covered by this agreement shall receive, with effect from 1 July 2025, an increase based on the average CPI percentage for the period 1 February 2024 until 31 January 2025, plus 0.75 per cent. The publications of Statistics South Africa shall be used to determine the average CPI.

In case the average CPI percentage for the period 1 February 2025 until 31 January 2026 is less than 4 per cent, it will be deemed to be 4 per cent, and if the average CPI percentage for this period is higher than 7 per cent, it will be deemed to be 7 per cent. Municipalities must ensure that these potential increases are fully budgeted for within their MTREF to avoid financial strain or unexpected funding shortfalls. Municipalities that wish to be exempted from the collective agreement for this financial year, should apply 30-days from the date of approval of the budget of the municipality by the municipal council, or 30 June 2025. The onus to prove the case for the granting of exemption lies with the applicant municipality, and guidance is provided by SALGA.

Municipalities are further advised to take note of the national minimum wage increases promulgated in Government Gazette No. 52053 and to factor the new rates into the budget calculations for 2025/26.

### 4.3.4 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 the guidance provided above on salary increases for municipal officials during this process. Any overpayment to councilors contrary to the upper limits as published by the Minister of Cooperative Governance and Traditional Affairs will be irregular expenditure in terms of section 167 of the MFMA and must be recovered from the councilor(s) concerned.

### 4.3.5 Municipal pension fund contributions

Municipalities must prioritize third-party payment obligations, particularly pension fund contributions, to avoid financial misconduct and legal consequences. Despite salary deductions, some municipalities have failed to transfer these funds, leaving employees without pension savings.

Accounting officers have a fiduciary duty under Section 61(2)(a) of the MFMA to ensure compliance with financial obligations. Failure to pay deductions violates Section 65(2)(f) and constitutes financial misconduct under Section 171(1)(b), as well as a financial offence under Section 173 of the MFMA.

To maintain compliance, municipalities must:

- Ensure timely payments of pension fund contributions and other statutory obligations.
- Settle outstanding pension contributions by the end of the 2024/25 financial year to avoid punitive measures.
- Strengthen internal controls to monitor compliance and ensure that contributions are consistently paid.
- Make suitable arrangements with statutory bodies for outstanding debts.
- Ensure invoice clarity by engaging statutory bodies to provide proper documentation for payment processing.

Adherence to third-party payment obligations is a key consideration when NT reviews the release of Local Government Equitable Share allocations. Municipalities are reminded that proof of such payments must each month be uploaded to the GoMuni platform.

### 4.3.6 Unauthorised, irregular, fruitless and wasteful expenditure reduction and implementation of consequence management

Municipalities must strengthen measures to prevent unauthorised, irregular, fruitless, and wasteful expenditure (UIFWE) and ensure accountability for financial misconduct. Accounting officers are legally required under Sections 62(1)(d) and (e) of the MFMA to prevent financial losses and initiate disciplinary or criminal proceedings against officials responsible for financial misconduct.

Key Issues for municipalities:

- Persistent UIFWE: High UIFWE balances in annual financial statements indicate weak preventative controls and ineffective oversight by Municipal Public Accounts Committees (MPACs).
- Disciplinary Boards: Many municipalities have not established functional disciplinary boards, as required by regulation, to investigate financial misconduct.
- Mandatory Action Plan: Municipalities must submit an action plan covering 2 January 2024 – 31 August 2025 to:
    - Process UIFWE balances up to 30 June 2024 and implement preventative controls.
    - Implement process improvements to meet the August 2025 deadline.
    - Establish a disciplinary board and address backlogs in financial misconduct cases.

  Submission Deadline: The action plan must be approved with the 2024/25 adjustments budget and submitted to National Treasury by February 2025.

## 4.4 MUNICIPAL STANDARD CHART OF ACCOUNTS (*m*SCOA)

### 4.4.1 Release of Version 6.9 of the Chart

National Treasury has released Version 6.9 of the mSCOA Chart, effective for the 2025/26 MTREF. This update addresses implementation challenges and corrects errors. Municipalities must use this version for budgeting and reporting, ensuring compliance with the Municipal Budget and Reporting Regulations (MBRR).

**Key Updates & Requirements - Accessing Version 6.9**

- The updated chart and account linkages can be downloaded from GoMuni.
- MBRR Schedules (A to F) and non-financial data string (A1S) have been aligned to Version 6.9.
- Municipalities must ensure A1S data does not contain spaces or special characters before submission.

**Financial & Non-Financial Data Submission**

- Budgets must be prepared using integrated system solutions; manual preparation is not permitted.
- mSCOA data strings should be used instead of formulas in the MBRR schedules.

### 4.4.2 Future Chart Changes (Version 6.10)

- Cost capitalisation to assets: Requested items include employee costs, depreciation, contracted services, consumables and materials and other expenses.

- Costing segment review: Ensuring accurate financial management by distinguishing internal allocations and external recoveries.
- Entity Reporting: Development of separate data strings for municipal entities.

#### 4.4.3 Improving mSCOA data strings credibility

- Balance Sheet Budgeting: Transactions must align with financial position statements.
- Use of External Service Providers: Must comply with mSCOA regulations and avoid reliance on non-integrated third-party tools.
- Alignment of Audited Data & AFS: Data strings submitted to GoMuni must match audited financial statements.

#### 4.4.4 Ownership of data on municipal systems

Section 65(2)(e) of the MFMA requires that monies owed by the municipality must be paid within 30 days of receipt of an invoice. Often when municipalities default for extended periods on payments to municipal system providers, system support is suspended until payment has been received or a payment plan has been agreed to. National Treasury supports that penalties are imposed by creditors for the non-payment of services and goods that were delivered. However, it must be emphasised that the ownership of the data contained in municipal systems rests with the municipality and in cases where services are suspended, the municipality should still be able to access their data. Also, where there is a migration to another system solution, the data on the legacy system must be transferred to the municipality. This applies to data stored on a server owned by the municipality, off-site server owned by a third party or in the cloud.

It is therefore important that the service level agreement entered with system providers clearly outlines the format and procedures related to access to data to minimise operational disruptions and ensure that legislative deadlines are met.

#### 4.4.5 Budget override and Virement

Municipalities must review their Virement policy annually and ensure that it aligns with the principles and guidance in mSCOA Circular No. 8 (29 April 2020). Virements may only be made between existing budget provisions and must be included in an adjustments budget.

Accounting Officers are reminded that once the council has approved the annual budget for the financial year, it must be locked, and any amendments to the budget can only be made through the adjustments budget process, in accordance with the MBRR.

### 4.5 Muni eMonitor, FMCMM and Audit Action Plan System

#### 4.5.1 Muni eMonitor

National Treasury launched and rolled out the Muni eMonitor System in November 2023 to strengthen the capacity and capability of municipalities and municipal entities to comply with the provisions of the MFMA and its regulations, to improve information flows for public accountability, to enhance monitoring, oversight, support measures and effective reporting by various stakeholders in municipalities, municipal entities, provincial treasuries, and NT. Numerous capacity-building sessions were undertaken with various stakeholders, and Muni eMonitor champions were identified in every municipality and provincial treasury. More information on the system is also provided in MFMA Circular No. 125 on NT's website.

To ensure sustained compliance and improvement in financial management, municipalities must institutionalize the use of the Muni eMonitor system within their routine financial processes going forward. This involves embedding the system into regular workflows, assigning clear responsibilities for oversight, ensuring regular training for staff, and developing internal procedures to verify and validate all information submitted. By institutionalizing the system, municipalities will enhance their reporting accuracy, improve transparency, and better manage their financial obligations under the MFMA.

### 4.5.2 Audit Action Plans

It is mandatory that municipalities and municipal entities develop their Audit Action plans on the FMCMM and Audit Action Plan web-enabled system and monitor and report on the implementation of the developed action plans to address the findings on the system. It has been noted that a few municipalities are still preparing and monitoring audit action plans outside of the web-enabled system.

Municipalities are reminded that the completion of the Audit Action Plan on the web-enabled system is one of the criteria required for the disbursement of the Equitable Share. Therefore, to avoid any possible withholding of the grant, municipalities are requested to develop, monitor, and report on the implementation of the Audit Action Plan on the FMCMM and Audit Action Plan web-enabled system.

### 4.5.3 Financial Management Capability Maturity Model (FMCMM)

MFMA Circular No. 114 documents the annual implementation plan for the completion of the FMCMM assessment. It breaks down the completion of the 21 modules over a 12-month period. It has been noted that many municipalities are still not completing the FMCMM on the web-enabled system and/ or are not developing action plans to address internal control deficiencies identified through the assessment.

The Auditor General of South Africa has repeatedly reported that the system of internal controls at municipalities is either not in place or ineffective. Furthermore, the 2022/23 audit outcomes indicate that 42 per cent of municipalities (excluding outstanding audits) are still receiving negative audit outcomes, thereby highlighting weaknesses in financial management and internal control deficiencies.

A strong correlation is noted between municipalities scoring low in specific modules and them having audit findings in those same disciplines. Therefore, it is requested that municipalities prioritise the completion of the FMCMM assessment (in line with MFMA Circular No. 114) as well as complete the development and implementation of the generated action plans to address the internal control deficiencies identified and to put in place risk mitigation strategies to ensure that weaknesses identified are addressed proactively so that they do not adversely impact on the future audit outcomes.

## 4.6 Service Delivery and Budget Implementation Plans (SDBIP)

- **Key Performance Indicators (KPIs) in the top-layer of SDBIP**

SDBIPs serve as a critical performance management tool, aligning municipal KPIs with budgets and Integrated Development Plans (IDPs) to enable effective monitoring of service delivery performance, as emphasised in MFMA Circular No. 13. To operationalise IDPs, municipalities translate the broader strategic objectives outlined in IDPs into specific, measurable, and monitorable performance indicators and targets in the SDBIP. A distinguishing feature of the SDBIP is its emphasis on measurability. National Treasury has observed ongoing challenges in structuring and revising key

KPIs within the SDBIP during the financial year. These challenges stem from misalignment between the Integrated Development Plan (IDP), budget, and SDBIP, leading to ineffective performance monitoring and reporting.

To address these issues, municipalities are advised to adhere to the Municipal Finance Management Act (MFMA) and guidance outlined in related MFMA Circulars. Specifically, MFMA Circular No. 13 emphasises the importance of aligning the SDBIP with the IDP and budget to ensure cohesive planning and execution. Additionally, MFMA Circular No. 88 provides guidance on standardised set of indicators, aiming to improve the quality of performance information across municipalities.

- **Overcrowding of KPIs in the SDBIP and Clarity of objectives**

Municipalities are encouraged to streamline KPIs in their top-layer SDBIP by focusing on the most critical indicators to improve monitoring and avoid overcrowding, in line with MFMA Circular No. 13. Additionally, KPIs should be aligned with the SMART criteria and the strategic objectives outlined in IDPs to ensure clarity, relevance, and efficient reporting, while reducing redundancy across departments.

- **Adjustments to the SDBIP**

Municipalities adjust KPIs during the financial year, generally following adjustments budgets under Section 28 of the MFMA. While these KPI adjustments may be necessary to respond to unforeseen circumstances, underperformance of revenue or policy changes, some municipalities use this process to manipulate original KPIs to avoid accountability for underperformance. This practice undermines transparency, as original KPIs are excluded from Section 52(d) reports or Annual Performance Reports (APRs), compromising the municipal council's role to exercise oversight, and limiting stakeholders' ability to assess actual performance against initial KPIs and targets.

Adjustments to KPIs are driven by either external or internal factors. External factors include but are not limited to, significant changes in external circumstances, unforeseeable or unavoidable expenditure referred to in Sections 28(2)(c) and 29, national policy developments or changes to nationally prescribed indicators. Internal factors include, adjustments budgets as contemplated in Section 28(2) (a, b, d, e, and f), wording errors and poorly defined KPIs.

- **Municipalities may amend KPIs during the financial year under specific conditions:**

**Internal factors** allow adjustments primarily to KPI targets due to under-collection of revenue or fund reprioritization, as per the council-approved adjustments budget (Section 28(2)(a, e & d) of the MFMA). Additionally, KPI targets may be revised when additional funding or resources become available, enabling the acceleration of IDP-prioritized programs (Section 28(2)(b)). KPI descriptions can also be corrected to address errors, with clear explanations provided. Moreover, adjustments may be made to align KPIs with changing municipal circumstances or emergencies, ensuring consistency with the strategic objectives outlined in the IDP.

**External factors** include adjustments in response to changes in legislation, government policies, or national and provincial frameworks that affect the original KPIs. These changes must be documented and referenced appropriately. Furthermore, KPIs may be altered to address natural disasters, unforeseen or unavoidable expenditures (as per Sections 28(2)(c) and 29 of the MFMA), or revisions to nationally prescribed indicators, with clear explanations provided in the SDBIP.

**Cross-cutting conditions** mandate that all KPI changes be reflected in the SDBIP and Annual Performance Reports (APRs), with justifications and detailed processes clearly outlined. Both original and revised KPIs must be reported in Section 52(d) of the MFMA and the APRs to ensure transparency and accountability.

Both the original and revised KPIs must continue to be reported on in the Section 52(d) of the MFMA and the APR for accountability and transparency.

KPI changes are prohibited during the fourth quarter of the financial year (April – June), except when related to natural disasters or unavoidable or unforeseen expenditures.

- **SDBIP alignment and legislative requirements**

In-year performance reports must be directly aligned with the KPIs outlined in the SDBIP to ensure accurate monitoring and assessment of municipal performance. These reports should reflect the progress made against the targets and strategic objectives outlined in the SDBIP. By aligning in-year performance reports with the SDBIP, municipalities ensure consistency in performance tracking, allowing for timely interventions where performance deviates from initial plans all while upholding transparency and accountability.

MFMA (Section 53) clearly states that the Mayor of a municipality must take reasonable steps to ensure that the municipality's SDBIP is approved by the mayor within 28 days after the approval of the budget and ensure that the annual performance agreements as required in terms of section 57(1)(b) of the Municipal Systems Act for the municipal manager and all senior managers, are linked to the measurable performance objectives approved within the SDBIP.

The Mayor must further ensure that the SDBIP as well as the performance agreements of the municipal manager, senior managers and any other categories of officials as may be prescribed, is made public no later than 14 days after the approval of the SDBIP.

## 5. 2025/26 STRATEGIC INTEGRATED MUNICIPAL ENGAGEMENTS (SIME 2) 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) 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 2025

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 (MFMA Section 27), upon becoming aware of any impending 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 impending 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 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 2025**.

### 5.3 Submitting Budget Documentation and Schedules for 2025/26 MTREF

#### 5.3.1 Budget Format

A tabled budget must be in the prescribed format as envisaged in section 215(2)(a) of the Constitution, and more specifically, as outlined in section 17 of the MFMA, read together with Schedule A of the MBRR. Failure to table budgets in this prescribed format will constitute non-compliance with sections 16(2) and 17 of the MFMA.

#### 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.

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 2025/26 MTREF in terms of legislation, via the **GoMuni Upload Portal**. Municipalities must ensure that all relevant officials have access to the GoMuni 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** or **We Transfer** 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 |
| | Wafeeqah Mohamed | 021 483 8648 | Wafeeqah.Mohamed@westerncape.gov.za |
| **Budget Office** | Kim Engel | 021 483 8459 | Kim.Engel@westerncape.gov.za |
| | Keith Roman | 021 483 8692 | Keith.Roman@westerncape.gov.za |
| **Fiscal Policy** | Malcolm Booysen | 021 483 3386 | Malcolm.Booysen@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<br>Enock Ndlovu<br>Khanyisile Khoza | 012 315 5830<br>021 315 5385 | WillemCordes.Voigt@treasury.gov.za<br>Enock.Ndlovu@treasury.gov.za<br>Khanyisile.Khoza@treasury.gov.za |
| **Cape Town** | Kgomotso Baloyi | 012 315 5866 | Kgomotso.Baloyi@treasury.gov.za |
| **George** | Sifiso Mabaso | 012 315 5952 | Sifiso.Mabaso@treasury.gov.za |
| **Technical issues with Excel formats** | Data management | | 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 2) 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 2 engagements, which takes place in May 2025, 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 2025 MTREF.

The assessments reflect 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 2 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 2025/26 SIME 2 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, infrastructure investments, including ecological infrastructure, resilience approaches 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 2025 SIME 2 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 2 engagements are provisionally scheduled to take place from 5 May 2025 to 16 May 2025, 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.
- SIME 2 engagements will be co-chaired by the Provincial Treasury and Municipal Managers.

## 6. CONCLUSION

Municipalities should consider and apply the contents of this budget circular in the 2025/26 planning and budgeting process. We wish you well in the finalization of your 2025/26 MTREF budgets.

Please direct any queries regarding this circular to Kim Engel at Kim.Engel@westerncape.gov.za.

Digitally signed
by Isac Smith
Date: 2025.03.13
16:09:43 +02'00'

**MR I SMITH**
**HEAD OFFICIAL: PROVINCIAL TREASURY(ACTING)**

**ANNEXURE A**

## CONFIRMED 2025 BUDGET TABLING DATES

| Municipality | Confirmed date |
|---|---|
| Cape Town | Thursday, 27 March 2025 |
| Matzikama | Tuesday, 25 March 2025 |
| Cederberg | Monday, 31 March 2025 |
| Bergrivier | Tuesday, 25 March 2025 |
| Saldanha Bay | Thursday, 27 March 2025 |
| Swartland | Monday, 31 March 2025 |
| West Coast | Friday, 28 March 2025 |
| Witzenberg | Wednesday, 26 March 2025 |
| Drakenstein | Friday, 28 March 2025 |
| Stellenbosch | Wednesday, 26 March 2025 |
| Breede Valley | Tuesday, 25 March 2025 |
| Langeberg | Wednesday, 26 March 2025 |
| Cape Winelands DM | Thursday, 20 March 2025 |
| Theewaterskloof | Thursday, 27 March 2025 |
| Overstrand | Wednesday, 26 March 2025 |
| Cape Agulhas | Friday, 28 March 2025 |
| Swellendam | Thursday, 27 March 2025 |
| Overberg | Monday, 31 March 2025 |
| Kannaland | Thursday, 27 March 2025 |
| Hessequa | Wednesday, 26 March 2025 |
| Mossel Bay | Monday, 31 March 2025 |
| George | Thursday, 27 March 2025 |
| Oudtshoorn | Monday, 31 March 2025 |
| Bitou | Monday, 31 March 2025 |
| Knysna | Monday, 31 March 2025 |
| Garden Route | Tuesday, 25 March 2025 |
| Laingsburg | Thursday, 27 March 2025 |
| Prince Albert | Thursday, 27 March 2025 |
| Beaufort West | Monday, 31 March 2025 |
| Central Karoo | Thursday, 27 March 2025 |

**ANNEXURE B**

## DOCUMENT SUBMISSION CHECKLIST FOR THE 2025/26 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 6.9*** 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. Full set of budget schedules (requested in both PDF and Excel formats) | | | |
| 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. Budget Related Policies on: | | | |
| a. Tariff Policy on Property Rates and Service Charges | | | |
| b. Borrowing Policy | | | |
| 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. Cost Containment | | | |
| j. Management and Disposal of Assets | | | |
| k. Infrastructure Investment and Capital Projects | | | |
| l. Supply Chain Management, including all policies relating to preferential procurement and Infrastructure Delivery & Procurement Management (FIDPM) | | | |
| 14. mSCOA Road Map | | | |
| 15. Cost Reflective Tariff Tool | | | |

| Budget Documentation | Yes | No | N/A |
|---|---|---|---|
| 16. Valuation Roll Reconciliation Tool | | | |
| 17. Fixed Asset Register | | | |
| 18. Budget Funding Plan | | | |
| 19. Indigent Register | | | |
| 20. General Valuation Roll (GVR) | | | |
| 21. Procurement Plan | | | |
| **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, inclusive of Capital Expenditure Framework | | | |
| *Council Resolution in terms of the adoption of the Spatial Development Framework* | | | |
| Applicable Disaster Management Plan | | | |
| *Council Resolution in terms of the adoption of the Disaster Management Plan* | | | |
| Integrated Waste Management Plan | | | |
| *Council Resolution in terms of the adoption of the Integrated Waste Management Plan* | | | |
| Air Quality Management Plan | | | |
| *Council Resolution in terms of the adoption of the Air Quality Management Plan* | | | |
| Coastal Management Plan *(Coastal Municipalities only)* | | | |
| *Council Resolution in terms of the adoption of the Coastal Management Plan* | | | |
| 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:**

**Name and Designation:** _____

**Signature:** _____

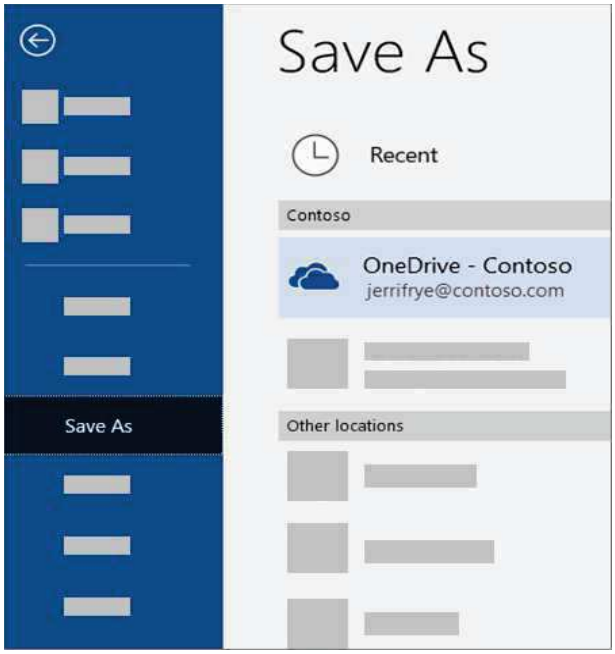
**Date:** _____

**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 2025 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.2025)
  - Name of document submitted (e.g. Draft Budget, Draft IDP, Draft SDBIP etc.)

    E.g.: DC1 2025 Draft Amended IDP

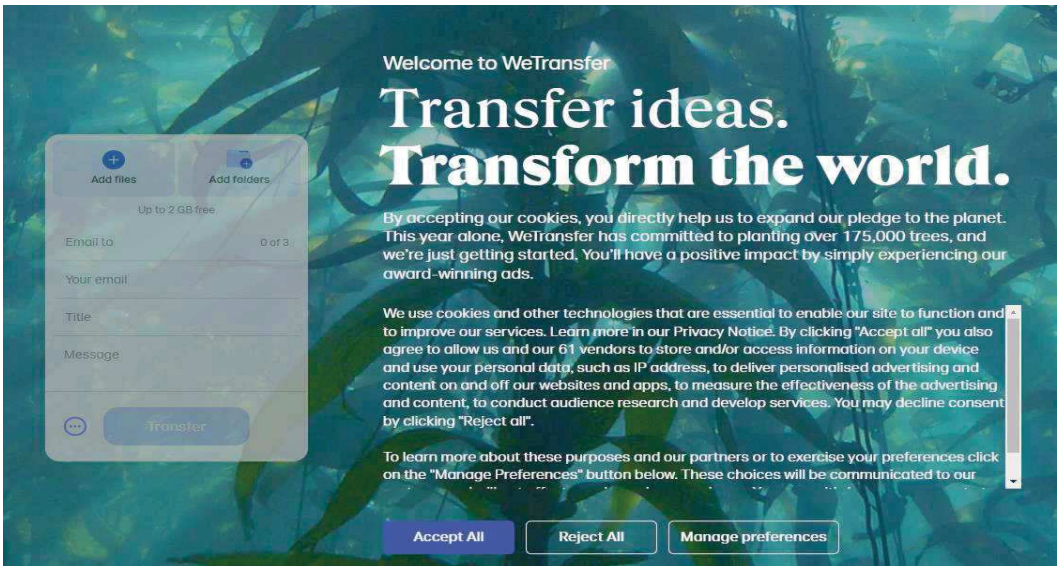
    E.g.: DC1 2025 MTREF Main Budget

    E.g.: DC1 2025 Draft SDBIP

**NB! Please note the Dropbox option is blocked on the government network and the OneDrive option is to be utilised.**

**The following instructions provide a guide for the upload of budget documentation to We Transfer.**

- **How to upload documents on WeTransfer**




**1. Go to the WeTransfer Website:**

Open your web browser and go to WeTransfer.

**2. Choose the Free or Pro Option:**

WeTransfer offers a free and paid Pro version. The free version allows you to send files up to 2GB in size.

If you don't have a WeTransfer account, you can use the free version. For the Pro version, you'll need to sign in.

**3. Upload Your Files:**

On the homepage, you'll see a large "+" button or an area saying, "Add your files."

Click on the "Add your files" or "+" button to open your file explorer, then select the document(s) you want to upload.

**4. Enter Recipient Details:**

After your files are uploaded, you'll be asked to enter the recipient's email address.

You can also add your own email address (this is important for receiving notifications).

**5. Optional Message:**

You can include a message to the recipient in the provided message box.

**6. Send the Files:**

Once you've added the recipient's email, your email (if required), and any message, click the **Transfer** button.

WeTransfer will start uploading the files. Once the upload is complete, it will send an email to the recipient with a link to download the files.

**7. Confirmation:**

Once the transfer is successful, you'll see a confirmation message.

The recipient will receive an email with a link to download the files.

**8. Download Expiration:**

Note that for free accounts, files are available for 7 days before being deleted. If you're using a Pro account, you can customize the expiration period.

That's it! Your document is now uploaded and ready for the recipient to download.

# ANNEXURE I

# mSCOA IMPLEMENTATION STATUS

**MUNICIPAL REGULATIONS ON A STANDARD CHART OF ACCOUNTS (mSCOA):**

**POST IMPLEMENTATION STATUS OF mSCOA PROJECT – MARCH 2025**

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## 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 2024/2025: March 2025 (Quarter 3)

The latest developments with regard to the phasing-out of the current SAMRAS Classic version of the financial system was reported at the end of December 2024 (Quarter 2), the following details are though highlighted again, inclusive of feedback on the SAMRAS Platinum Demonstration at Goudini Spa on 11 & 12 February 2025 –

At the most recent User group meeting (11 December 2024) Solvem, as the current Service provider of the SAMRAS financial system, announced that the SAMRAS Web development would be discontinued and replaced by the SAMRAS Platinum version, due to the following reasons –

- The SAMRAS Classic version of the system is old technology – thus presenting numerous challenges.
- The SAMRAS Web Development (2016) intended to upgrade the Classic version, has a slow uptake, with less than half of customers not yet moved over.
- Furthermore, with the Billing Module not ready to roll out, full implementation of this version will be a lengthy and time-consuming process taking too long.
- This status also posed major challenges for municipalities who has already migrated to the Budget Module and attempted to implement some of the other modules in the web environment, with daily obstacles to manage on both the municipality's side and for Solvem.
- These issues related to the current hybrid approach, referring to some modules of the system running in the Classic environment whilst a few modules in the Web environment also cater for transactions and processes. Before-mentioned scenario is undesirable and administratively painful for all parties to ensure compliance, also in view of day-to-day operational requirements.

The Solvem presentation at this Usergroup furthermore also include confirmation of a relationship between sister companies, being R Data with their Promun system, Solvem with the SAMRAS system and lastly Inzalo, with their system, referred to as EMS (enterprise Management System). The service offering thus referenced as the best of three top systems in the SA LG market, which would allow the following -

- Allocation of resources between 3 companies;
- Customer support in an enhanced and expanded manner;
- An ERP with additional benefits, stated as fully functioning; and
- A Hosted cloud environment.

Solvem explained that before-mentioned will result in cost savings for all clients.

Feedback shared regarding financial systems evaluation done by the National Treasury-

- On-site visits at multiple municipalities - these exercises included all system vendors.
- Assessments entailed testing of ERP financial systems functionality in terms of compliance with the key business processes (Annexure B of MFMA Circular No 80).
- It was confirmed to the meeting that the SAMRAS Platinum version of Solvem was presented as a demo to National Treasury, with a positive response received from them.

The presentation was concluded with introduction of the *Solvem Upgrade Roadmap*, listing the following areas –

- Client engagements
- Demonstrations
- Proposal
- Implementation plan
- Upgrade to platinum
- Roll out of enhanced services
- Replacement of run-out 3rd party contracts

Solvem also hosted a SAMRAS Platinum Demonstration on 11 - 13 February 2025 at Goudini Spa. These sessions were attended by an Overstrand delegation, inclusive of representation of mSCOA Implementation Steercom members. Before-mentioned however provided limited understanding of the functionality of the new Platinum version.

IMPORTANT TO NOTE - Although the budget module in the WEB PORTAL does provide improved capabilities regarding mSCOA, the SAMRAS CLASSIC financial system, where the budget will reside in the transacting environment, poses certain challenges. These challenges relate to mSCOA segmentation, which cannot be accommodated on a multi-dimensional level. This leads to errors when validating monthly closes and inaccurate datastrings being extracted from the financial system, this is also applicable with regard to the budgeting cycle as well as all reporting cycles. The datastring extracts for revenue, expenditure and capital budgets and transactions are usually accurate, but information for the main ledger and cash flows are incorrect in many instances, as explained above. This situation will persist while on the SAMRAS CLASSIC version.

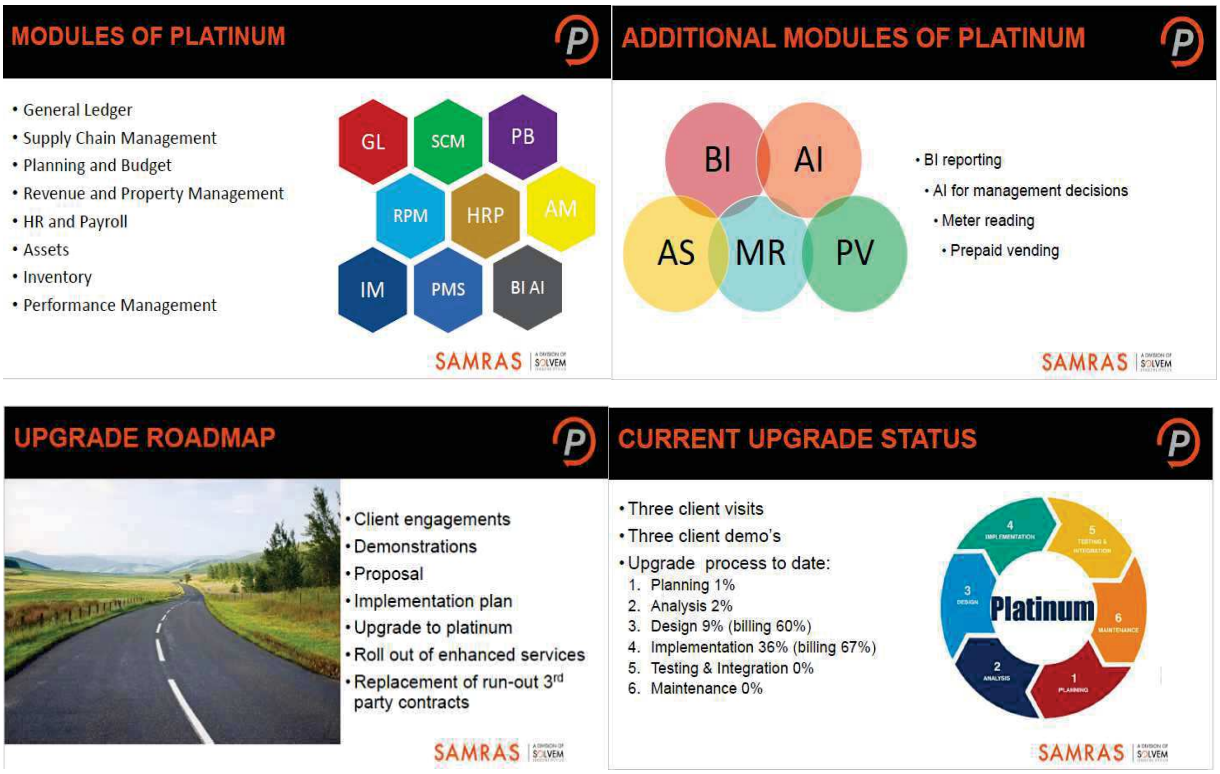
Future system User group meetings, as well as any other platforms will serve as vehicle to gain insight and obtain more detail in assisting the municipality to navigate through this transition period as well.

For Overstrand Municipality the current status will be maintained in further considerations with regard to a financial system implementation for Overstrand Municipality, pending the outcome of a written response from National Treasury, taking into account before-mentioned developments, inclusive of their intended transversal tender on a national level, and any other considerations as might be relevant, in the best interest of the municipality, in ensuring final conclusion of the successful implementation of the mSCOA Regulations.

The mSCOA committee still follows a process of monthly monitoring with regard to before mentioned. Assurance of successful implementation of mSCOA in compliance with the regulations, are regarded as a pre-requisite for good governance practices. Further developments will be closely monitored and any important matters impacting on the current contract with the service provider, will be reported to Council, with the continuation of quarterly reports as part of the Budget Report to Council.

The mSCOA Regulations are not yet fully implemented by municipalities, and the promulgation of the final mSCOA Regulations by National Treasury are only due on a future date, thus not enabling conclusion and presenting Council with a close-out report in this regard.

***** Solvem: SAMRAS Financial System - Platinum Upgrade Roadmap:**




## 3. Updated status 2024/2025: December 2024 (Quarter 2)

There has been little progress regarding the migration to an Assets Web Module on the SAMRAS system. The service provider has not conducted further meetings during the

second quarter of 2024/2025. An invitation has however been circulated for an Asset Indaba Invitation (4 – 5 February 2025), Bishops Lodge in Gqeberha (Port Elizabeth).

The Samras usergroup meeting was held on **11 December 2024.** It was expected that a presentation would be done regarding the Samras Web Based Roadmap. Instead, Solvem introduced its collaboration with the newly formed sister companies and launched their newest product for Local Government, namely: Platinum. The following slides were flighted at the launch.

Solvem will be hosting a full **SAMRAS Platinum Demonstration** to be held 11 – 13 February 2025 at Goudini Spa.

## 4. Updated status 2024/2025: September 2024 (Quarter 1)

The status remains essentially the same as the previous quarter regarding system developments.

No further feedback has been given, since the 3rd quarter (2023/2024), the from the service provider to municipalities with regard to progress made with development of the respective Web Modules (Solvem roadmap included in the Q3/2024 report), as well as updates from these municipal sites where specific web module testing was in progess.

The annoucement made at the Usergroup meeting in June 2024 regarding the Asset Implementation Project has commenced. This was annouonced by the newly elected Usergroup Steering Committee, in an effort to assist/ create synergy/momentum among municipalities to migrate to the Assets Web Module on the SAMRAS system. Overstrand municipality has completed the initial documentation that was distributed by the service provider. Further engagement to be held in October 2024, at which Overstrand municipality will be in attendence.

National Treasury has embarked on an extensive consultative process for the drafting of reulations for the the minimum business processes and system specifications for mSCOA. Overstrand municipality is represented on numerous of the established working groups, by officials from the municipality.

The next Usergroup meeting will be held in December 2024.

**Updated status 2023/2024: June 2024 (Quarter 4)**

A Usergroup meeting was held on 6 June 2024. No feedback was given from the service provider to municipalities with regard to progress made with development of the respective Web Modules (Solvem roadmap included in the Q3/2024 report), as well as updates from these municipal sites where specific web module testing was in progess. The only annoucement made at the meeting was the Asset Implementation Project.

This was annouonced by the newly elected Usergroup Steering Committee, in an effort to assist/ create synergy/momentum among municipalities to migrate to the Assets Web Module on the SAMRAS system.

The project will officially commence on 15 July 2024, with a Planning Phase throughout July, and in August, detailed planning and resource allocation will take place. As for the Implementation Timeline: Phase-wise implementation will begin in September, with completion targeted by the end of November 2024.

The municipality is prepared and will consider its position and the appropriate strategy to proceed, in the instance that approval be obtained from the Overstrand mSCOA Governance Structure, and the ICT Steering Committee of the municipality.

National Treasury has embarked on an extensive consultative process for the drafting of reulations for the the minimum business processes and system specifications for mSCOA. Overstrand municipality is represented on numerous of the established working groups by officials from the municipality.

**Updated status 2023/2024: Mar 2024 (Quarter 3)**
MFMA Budget Circular No. 126 (7 Dec 2023) (See attached) guided as follows:

"**6.6 *m*SCOA 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 sucessfull 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 mangement. 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.

**5. 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 occuring 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 sucessfull 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 mangement. It is however important to note that the following status update for March 2022, is still relevant to the extent that none of those impelmentations 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 admnistration 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.

## 6. National Treasury budgetary mSOCA 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). Anumber 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 monitary perspective in this regard, this also in accordance with previous confirmations in this regard.

## 7. 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 hibrid 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 phost-phoned 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 funtional, 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 sucessfull implementation of web-based modules is regarded as a pre-requisite for embarking on implementation of these modules.

Matters regarded of impportance 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.

## 8. Previous quarter/historic status up to December 2021

<u>mSCOA Project Governance and Management: Solvem (previously Bytes Systems Integration) and engagements with regard to the Samras Financial System)</u>

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 monitary 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.

# ANNEXURE J

# DRAFT DMP

## DRAFT DEMAND MANAGEMENT PLAN 2025/2026

| | | | | | | | | | Planned / Estimated dates | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 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 | Submission of specifications | BSC | Advert | Closing Date | BEC | BAC | Commencement of contract | New Contract expiry date |
| | **SECTION A: REPEATABLE / MULTI-YEAR CONTRACTS** | | | | | | | | | | | | | | | |
| A1 | COMMUNITY SERVICES | PROVISION OF SPORTS FIELD AERATION SERVICES FOR A CONTRACT PERIOD ENDING 30 JUNE 2026 | SC2346/2022 | 2026/06/30 | TBC | NEL D | TBC | TENDER | 2025/10/06 | 2025/10/15 | 2025/10/31 | 2025/11/28 | 2026/01/29 | 2026/02/06 | 2026/07/01 | 2029/06/30 |
| A2 | COMMUNITY SERVICES | REPAIR AND MAINTENANCE OF IRRIGATION SYSTEMS IN OVERSTRAND MUNICIPAL AREA | SC2378/2023 | 2026/06/30 | TBC | NEL D | TBC | TENDER | 2025/10/06 | 2025/10/15 | 2025/10/31 | 2025/11/28 | 2026/01/29 | 2026/02/06 | 2026/07/01 | 2029/06/30 |
| A3 | COMMUNITY SERVICES | SUPPLY & DELIVERY OF POOL CHEMICALS FOR A CONTRACT PERIOD ENDING 30 JUNE 2026 | SC2404/2023 | 2026/06/30 | TBC | NEL D | TBC | TENDER | 2025/10/06 | 2025/10/15 | 2025/10/31 | 2025/11/28 | 2026/01/29 | 2026/02/06 | 2026/07/01 | 2029/06/30 |
| A4 | CORPORATE SERVICES | PROPOSED AMENDMENT: UPGRADE, MAINTENANCE AND SUPPORT OF OVERSTRAND MUNICIPALITY'S RADIO FREQUENCY NETWORK FOR A CONTRACT PERIID ENDING 30 JUNE 2026 | SC1675C/2016 | 2026/06/30 | TBC | JOHNSON C | TBC | SECTION 116 (3) | 2026/04/06 | 2026/04/15 | 2026/04/23 | 2026/05/14 | 2026/06/04 | 2026/06/12 | 2026/07/01 | TBC |
| A5 | CORPORATE SERVICES | SUPPLY AND INSTALLATION OF WEB-BASED / ONLINE BULK SMS SENDING SOFTWARE / SERVICES | SC2372/2023 | 2026/06/30 | TBC | VAN ASPEREN J | R 250 000.00 | TENDER | 2025/10/20 | 2025/10/29 | 2025/11/14 | 2025/12/12 | 2026/02/12 | 2026/02/20 | 2026/07/01 | 2029/06/30 |
| A6 | FINANCIAL SERVICES | RECEIVER AGREEMENT | | 2026/06/30 | TBC | HOONEBERG E | TBC | TBC | 2025/10/20 | 2025/10/29 | 2025/11/14 | 2025/12/12 | 2026/02/12 | 2026/02/20 | 2026/07/01 | TBC |
| A7 | FINANCIAL SERVICES | PROVISION OF METER READING SOFTWARE FOR MOBILE DEVICES FOR A CONTRACT PERIOD ENDING 30 JUNE 2024 | SC2152A/2020 | 2026/06/30 | TBC | HOONEBERG E | TBC | TENDER | 2025/10/20 | 2025/10/29 | 2025/11/14 | 2025/12/12 | 2026/02/12 | 2026/02/20 | 2026/07/01 | 2029/06/30 |
| A8 | FINANCIAL SERVICES | PRINTING AND DISTRIBUTION OF MUNICIPAL ACCOUNTS AND NEWSLETTERS FOR A CONTRACT PERIOD ENDING 30 JUNE 2026 | SC2348/2022 | 2026/06/30 | TBC | HOONEBERG E | TBC | TENDER | 2025/10/20 | 2025/10/29 | 2025/11/14 | 2025/12/12 | 2026/02/12 | 2026/02/20 | 2026/07/01 | 2029/06/30 |
| A9 | FINANCIAL SERVICES | DISCONNECTION AND RECONNECTION OF ELECTRICITY SUPPLY AND INSTALLATIONAND REMOVAL OF WATER FLOW RESTRICTORS FOR A CONTRACT PERIOD ENDING 30 JUNE 2026 | SC2349/2022 | 2026/06/30 | TBC | HOONEBERG E | TBC | TENDER | 2026/01/05 | 2026/01/14 | 2026/01/30 | 2026/02/27 | 2026/04/30 | 2026/05/08 | 2026/07/01 | 2029/06/30 |
| A10 | FINANCIAL SERVICES | SUPPLY AND DELIVER PRINTING PAPER, INK TONER, CARTRIDGES AND RIBBONS TO OVERSTRAND MUNICIPALITY (OM) FOR A CONTRACT PERIOD ENDING 30 JUNE 2026 | SC2347/2022 | 2026/06/30 | TBC | ROETS C | R 805 000.00 | TENDER | 2025/09/29 | 2025/10/08 | 2025/10/24 | 2025/11/21 | 2026/01/22 | 2026/01/30 | 2026/07/01 | 2029/06/30 |
| A11 | FINANCIAL SERVICES | SUPPLY AND DELIVERY OF PRINTER CARTRIDGES | SC2347/2022 | 2026/06/30 | TBC | ROETS C | R 280 000.00 | FORMAL QUOTATION | 2025/10/31 | 2025/11/09 | 2025/11/25 | 2025/12/23 | 2026/02/23 | 2026/03/03 | 2026/07/01 | 2029/06/30 |
| A12 | FINANCIAL SERVICES | SUPPLY AND DELIVERY OF WATER METERS TO OVERSTRAND MUNICIPALITY FOR A CONTRACT PERIOD ENDING 30 JUNE 2026 | SC2365/2023 | 2026/06/30 | TBC | ROETS C | R 3 000 000.00 | TENDER | 2025/09/29 | 2025/10/08 | 2025/10/24 | 2025/11/21 | 2026/01/22 | 2026/01/30 | 2026/07/01 | 2029/06/30 |
| A13 | FINANCIAL SERVICES | SUPPLY AND DELIVERY OF PVC,UPVC AND HDPE PIPE AND CONNECTORS | SC2365/2023 | 2026/06/30 | TBC | ROETS C | R 3 000 000.00 | TENDER | 2025/08/31 | 2025/09/09 | 2025/09/25 | 2025/10/23 | 2025/12/24 | 2026/01/01 | 2026/07/01 | 2029/06/30 |
| A14 | FINANCIAL SERVICES | SUPPLY AND DELIVERY OF COPPER PIPE AND COMPRESSION FITTINGS | SC2365/2023 | 2026/06/30 | TBC | ROETS C | R 1 500 000.00 | TENDER | 2025/08/31 | 2025/09/09 | 2025/09/25 | 2025/10/23 | 2025/12/24 | 2026/01/01 | 2026/07/01 | 2029/06/30 |
| A15 | FINANCIAL SERVICES | SUPPLY AND DELIVERY OF REPAIR CLAMPS | SC2365/2023 | 2026/06/30 | TBC | ROETS C | R 1 500 000.00 | TENDER | 2025/08/31 | 2025/09/09 | 2025/09/25 | 2025/10/23 | 2025/12/24 | 2026/01/01 | 2026/07/01 | 2029/06/30 |
| A16 | FINANCIAL SERVICES | SUPPLY AND DELIVERY OF MANHOLE COVERS | SC2365/2023 | 2026/06/30 | TBC | ROETS C | R 2 000 000.00 | TENDER | 2025/08/31 | 2025/09/09 | 2025/09/25 | 2025/10/23 | 2025/12/24 | 2026/01/01 | 2026/07/01 | 2029/06/30 |
| A17 | FINANCIAL SERVICES | SUPPLY AND DELIVERY OF WATER HYDRANTS, VALVES AND TEES | SC2365/2023 | 2026/06/30 | TBC | ROETS C | R 500 000.00 | TENDER | 2025/08/31 | 2025/09/09 | 2025/09/25 | 2025/10/23 | 2025/12/24 | 2026/01/01 | 2026/07/01 | 2029/06/30 |
| A18 | FINANCIAL SERVICES | SUPPLY AND DELIVERY OF IRRIGIATION MATERIAL | SC2365/2023 | 2026/06/30 | TBC | ROETS C | R 300 000.00 | FORMAL QUOTATION | 2026/02/28 | 2026/03/09 | 2026/03/25 | 2026/04/22 | 2026/06/23 | 2026/07/01 | 2026/07/01 | 2029/06/30 |
| A19 | FINANCIAL SERVICES | SUPPLY AND DELIVERY OF ELECTRICAL ITEMS AND ELECTRICAL METERS TO OVERSTRAND MUNICIPALITY FOR A CONTRACT PERIOD ENDING 30 JUNE 2026 | SC2366/2023 | 2026/06/30 | TBC | ROETS C | TBC | TENDER | 2025/09/29 | 2025/10/08 | 2025/10/24 | 2025/11/21 | 2026/01/22 | 2026/01/30 | 2026/07/01 | 2029/06/30 |
| A20 | FINANCIAL SERVICES | SUPPLY AND DELIVERY OF ELECTRICAL CABLE AND WIRING | SC2366/2023 | 2026/06/30 | TBC | ROETS C | R 3 500 000.00 | TENDER | 2025/10/31 | 2025/11/09 | 2025/11/25 | 2025/12/23 | 2026/02/23 | 2026/03/03 | 2026/07/01 | 2029/06/30 |
| A21 | FINANCIAL SERVICES | SUPPLY AND DELIVERY OF CIRCUIT BREAKERS | SC2366/2023 | 2026/06/30 | TBC | ROETS C | R 900 000.00 | TENDER | 2025/10/31 | 2025/11/09 | 2025/11/25 | 2025/12/23 | 2026/02/23 | 2026/03/03 | 2026/07/01 | 2029/06/30 |
| A22 | FINANCIAL SERVICES | SUPPLY AND DELIVERY OF GENERAL ELECTRICAL ITEMS | SC2366/2023 | 2026/06/30 | TBC | ROETS C | R 300 000.00 | FORMAL QUOTATION | 2025/10/31 | 2025/11/09 | 2025/11/25 | 2025/12/23 | 2026/02/23 | 2026/03/03 | 2026/07/01 | 2029/06/30 |
| A23 | FINANCIAL SERVICES | SUPPLY AND DELIVERY OF MINISUBS AND TRANSFORMERS | SC2366/2023 | 2026/06/30 | TBC | ROETS C | R 2 000 000.00 | TENDER | 2025/10/31 | 2025/11/09 | 2025/11/25 | 2025/12/23 | 2026/02/23 | 2026/03/03 | 2026/07/01 | 2029/06/30 |
| A24 | FINANCIAL SERVICES | SUPPLY AND DELIVERY OF RETICULATION AND CABLE ACCESSORIES | SC2366/2023 | 2026/06/30 | TBC | ROETS C | R 500 000.00 | TENDER | 2025/10/31 | 2025/11/09 | 2025/11/25 | 2025/12/23 | 2026/02/23 | 2026/03/03 | 2026/07/01 | 2029/06/30 |
| A25 | FINANCIAL SERVICES | SUPPLY AND DELIVERY OF STREET POLES AND ACCESSORIES | SC2366/2023 | 2026/06/30 | TBC | ROETS C | R 2 500 000.00 | TENDER | 2025/10/31 | 2025/11/09 | 2025/11/25 | 2025/12/23 | 2026/02/23 | 2026/03/03 | 2026/07/01 | 2029/06/30 |
| A26 | FINANCIAL SERVICES | SUPPLY NAD DELIVERY OF STREETLIGHTS & GENERAL LIGHT FITTINGS | SC2366/2023 | 2026/06/30 | TBC | ROETS C | R 2 500 000.00 | TENDER | 2025/10/31 | 2025/11/09 | 2025/11/25 | 2025/12/23 | 2026/02/23 | 2026/03/03 | 2026/07/01 | 2029/06/30 |
| A27 | FINANCIAL SERVICES | SUPPLY AND DELIVERY OF ELECTRICAL TERMINATIONS & JOINTS | SC2366/2023 | 2026/06/30 | TBC | ROETS C | R 1 000 000.00 | TENDER | 2025/10/31 | 2025/11/09 | 2025/11/25 | 2025/12/23 | 2026/02/23 | 2026/03/03 | 2026/07/01 | 2029/06/30 |
| A28 | FINANCIAL SERVICES | SUPPLY AND DELIVERY OF LUGS, FERULLES, LINE TAPS & ELECTRCIAL CONNECTORS | SC2366/2023 | 2026/06/30 | TBC | ROETS C | R 300 000.00 | FORMAL QUOTATION | 2025/10/31 | 2025/11/09 | 2025/11/25 | 2025/12/23 | 2026/02/23 | 2026/03/03 | 2026/07/01 | 2029/06/30 |
| A29 | FINANCIAL SERVICES | SUPPLY AND DELIVERY OF ELECTRICAL LAMPS AND GEAR | SC2366/2023 | 2026/06/30 | TBC | ROETS C | R 2 400 000.00 | TENDER | 2025/10/31 | 2025/11/09 | 2025/11/25 | 2025/12/23 | 2026/02/23 | 2026/03/03 | 2026/07/01 | 2029/06/30 |
| A30 | FINANCIAL SERVICES | SUPPLY AND DELIVERY OF ELECTRICAL ITEMS | SC2366/2023 | 2026/06/30 | TBC | ROETS C | R 300 000.00 | FORMAL QUOTATION | 2025/10/31 | 2025/11/09 | 2025/11/25 | 2025/12/23 | 2026/02/23 | 2026/03/03 | 2026/07/01 | 2029/06/30 |
| A31 | FINANCIAL SERVICES | PROVISION OF CASEWARE WORKING PAPERS PROGRAMME | SCD3578/2023 | 2025/07/31 | TBC | KING B | TBC | DEVIATION | 2025/06/02 | N/A | N/A | N/A | N/A | N/A | 2025/08/01 | TBC |
| A32 | FINANCIAL 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, FOR PURPOSES OF THIS REPORT IN AWARDING THIS CONTRACT FOR A PER | SC2214/2021 | 2026/03/31 | TBC | ROETS C | TBC | TRANSVERSAL | TBC | TBC | TBC | TBC | TBC | TBC | TBC | TBC |

## DRAFT DEMAND MANAGEMENT PLAN 2025/2026

| | | | | | | | | | Planned / Estimated dates | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 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 | Submission of specifications | BSC | Advert | Closing Date | BEC | BAC | Commencement of contract | New Contract expiry date |
| A33 | INFRASTRUCTURE SERVICES | PROVISION OF LABORATORY SERVICES FOR THE MONITORING OF WATER QUALITY IN THE OVERSTRAND MUNICIPAL AREA FOR A CONTRACT PERIOD ENDING 30 JUNE 2026 | SC2367/2023 | 2026/06/30 | TBC | BLIGNAUT H | R 5 500 000.00 | TENDER | 2026/01/05 | 2026/01/14 | 2026/01/30 | 2026/02/27 | 2026/04/30 | 2026/05/08 | 2026/07/01 | 2029/06/30 |
| A34 | INFRASTRUCTURE SERVICES | APPOINTMENT OF CONSULTANTS FOR VARIOUS ENGINEERING AND GROUNDWATER PROJECTS IN THE OVERSTRAND MUNICIPAL AREA FOR A CONTRACT PERIOD ENDING 30 JUNE 2026 | SC2296/2023 | 2026/06/30 | TBC | BLIGNAUT H | TBC | TENDER | 2026/01/05 | 2026/01/14 | 2026/01/30 | 2026/03/06 | 2026/05/07 | 2026/05/15 | 2026/07/01 | 2029/06/30 |
| A35 | INFRASTRUCTURE SERVICES | HIRING OF VACUUM AND JETTING COMBINATION UNITS FOR THE MAINTENANCE OF SEWER AND STORMWATER NETWORKS IN THE OVERSTRAND ON AN "AS AND WHEN REQUIRED" BASIS FOR A CONTRACT PERIOD ENDING 30 JUNE 2026 | SC2394/2023 | 2026/06/30 | TBC | STEENBERG T | TBC | TENDER | 2026/01/12 | 2026/01/21 | 2026/02/06 | 2026/03/06 | 2026/05/07 | 2026/05/15 | 2026/07/01 | 2029/06/30 |
| A36 | INFRASTRUCTURE SERVICES | SERVICE, REPAIR AND MAINTENANCE OF DIESEL GENERATORS AT OVERSTRAND MUNICIPALITY FOR A CONTRACT PERIOD ENDING 30 JUNE 2026 | SC2379/2023 | 2026/06/30 | TBC | MULLER S | TBC | TENDER | 2026/01/19 | 2026/01/28 | 2026/02/13 | 2026/03/13 | 2026/05/14 | 2026/05/22 | 2026/07/01 | 2029/06/30 |
| A37 | INFRASTRUCTURE SERVICES | SUPPLY AND DELIVERY OF BITUMEN PRODUCTS TO OVERSTRAND MUNICIPALITY FOR A CONTRACT PERIOD ENDING 30 JUNE 2026 | SC2417/2023 | 2026/06/30 | TBC | MARX T | TBC | TENDER | 2026/01/19 | 2026/01/28 | 2026/02/13 | 2026/03/13 | 2026/05/14 | 2026/05/22 | 2026/07/01 | 2029/06/30 |
| A38 | INFRASTRUCTURE SERVICES | SUPPLY AND DELIVERY OF CONSTRUCTION MATERIALS TO OVERSTRAND MUNICIPALITY FOR THE CONTRACT PERIOD ENDING 30 JUNE 2026. | SC2411/2023 | 2026/06/30 | TBC | MARX T | TBC | TENDER | 2026/01/26 | 2026/02/04 | 2026/02/20 | 2026/03/20 | 2026/05/21 | 2026/05/29 | 2026/07/01 | 2029/06/30 |
| A39 | INFRASTRUCTURE SERVICES | AUDITING OF ELECTRICITY METERS, CONNECTIONS AND AUTOMATIC GEYSERS CONTROL DEVICES IN THE OVERSTRAND MUNICIPAL AREA FOR A CONTRACT PERIOD ENDING 30 JUNE 2026 | SC2434/2023 | 2026/06/30 | TBC | MULLER S | TBC | TENDER | 2026/02/02 | 2026/02/11 | 2026/02/27 | 2026/03/27 | 2026/05/28 | 2026/06/05 | 2026/07/01 | 2029/06/30 |
| A40 | INFRASTRUCTURE SERVICES | MV/LV UPGRADE AND REPLACEMENT IN HERMANUS, HAWSTON AND KLEINMOND FOR A CONTRACT PERIOD ENDING 30 JUNE 2026 | SC2437/2023 | 2026/06/30 | TBC | MULLER S | TBC | TENDER | 2026/02/02 | 2026/02/11 | 2026/02/27 | 2026/03/27 | 2026/05/28 | 2026/06/05 | 2026/07/01 | 2029/06/30 |
| A41 | INFRASTRUCTURE SERVICES | LABOUR TENDER FOR MV/LV ELECTRICAL RETICULATION FOR A CONTRACT PERIOD ENDING 30 JUNE 2026 | SC2435/2023 | 2026/06/30 | TBC | MULLER S | TBC | TENDER | 2026/02/02 | 2026/02/11 | 2026/02/27 | 2026/03/27 | 2026/05/28 | 2026/06/05 | 2026/07/01 | 2029/06/30 |
| A42 | MUNICIPAL MANAGER | PROFESSIONAL SERVICE PROVIDERS FOR THE PROVISION OF LANGUAGE END EDITING SERVICES | SC2539/2024 | 2025/11/30 | TBC | LOUW R | R 270 000.00 | FORMAL QUOTATION | 2025/06/09 | 2025/06/18 | 2025/07/04 | 2025/08/01 | 2025/10/02 | 2025/10/10 | 2025/12/01 | 2026/11/30 |
| A43 | MUNICIPAL PUBLIC SAFETY | INTERGRATED CLOUD AIDED DISPATCH SOLUTION | SC2156A/2020 | 2026/06/30 | TBC | SMITH L | TBC | SECTION 116 (3) | 2026/04/06 | 2026/04/15 | 2026/04/23 | 2026/05/14 | 2026/06/04 | 2026/06/12 | 2026/07/01 | TBC |
| A44 | MUNICIPAL PUBLIC SAFETY | CALIBRATE AND REPAIR OF BW GAS ALERT MONITORS | SCD3519/2023 | 2026/06/30 | TBC | SMITH L | TBC | DEVIATION | 2026/05/02 | N/A | N/A | N/A | N/A | N/A | 2026/07/01 | TBC |
| A45 | MUNICIPAL PUBLIC SAFETY | SUPPLY, INSTALLATION, MONITORING AND ARMED RESPONSE OF ALARM SYSTEMS AND CCTV CAMERA CALL OUTS FOR A CONTRACT PERIOD ENDING 30 JUNE 2026 | SC2406/2023 | 2026/06/30 | TBC | ESAU D | TBC | TENDER | 2025/09/22 | 2025/10/01 | 2025/10/17 | 2025/11/14 | 2026/01/15 | 2026/01/23 | 2026/07/01 | 2029/06/30 |
| A46 | PLANNING & DEVELOPMENT | APPOINTMENT OF A PROFESSIONAL CONSULTANT TO CONDUCT NOISE IMPACT ASSESSMENTS AS AND WHEN NEEDED IN THE OVERSTRAND AREA. | SC2382/2023 | 2026/06/30 | TBC | DE VILLIERS L | R 100 000.00 | FORMAL QUOTATION | 2026/02/04 | 2025/02/11 | 2026/02/20 | 2026/03/04 | 2026/04/23 | 2026/05/08 | 2026/07/01 | 2028/06/30 |
| A47 | PLANNING & DEVELOPMENT | ENVIRONMENTAL MANAGEMENT MAINTENANCE | SC2388/2023 | 2026/06/30 | TBC | DE VILLIERS L | R 14 270 240.00 | TENDER | 2025/06/20 | 2025/07/09 | 2025/07/18 | 2025/08/29 | 2025/10/23 | 2025/10/31 | 2026/07/01 | 2028/06/30 |
| A48 | PLANNING & DEVELOPMENT | SUPPLY AND DELIVERY OF ENVIRONMENTAL UNIFORMS AND PROTECTIVE CLOTHING FOR A CONTRACT PERIOD ENDING 30 JUNE 2026 | SC2443/2023 | 2026/06/30 | TBC | DE VILLIERS L | R 55 000.00 | TENDER | 2025/06/20 | 2025/07/09 | 2025/07/18 | 2025/08/20 | 2025/10/23 | 2025/10/31 | 2026/07/01 | 2028/06/30 |
| A49 | PLANNING & DEVELOPMENT | ARCHIVE SHELVING | SC24882024 | TBC | TBC | R KUCHAR | TBC | FORMAL QUOTATION | 2024/10/02 | 2024/10/16 | 2024/11/01 | 2024/12/06 | 2025/03/06 | 2025/03/14 | 2025/04/04 | 2026/06/30 |
| A50 | PLANNING & DEVELOPMENT | GANSBAAI / STANFORD CBD REVITALISATION STUDY | TBC | TBC | TBC | R KUCHAR | TBC | TENDER | 2024/10/02 | 2024/10/16 | 2024/11/01 | 2024/12/06 | 2025/03/06 | 2025/03/14 | 2025/04/04 | 2026/06/30 |
| A51 | INFRASTRUCTURE SERVICES | GANSBAAI AND STANFORD MV/LV UPGRADE AND REPLACEMENT FOR A CONTRACT PERIOD ENDING 30 JUNE 2026 | SC2536_2024 | 2026/06/30 | TBC | LOTTER G | R 7 000 000.00 | TENDER | 2024/10/02 | 2024/10/16 | 2024/11/01 | 2024/12/06 | 2025/03/06 | 2025/03/14 | 2025/04/04 | 2026/06/30 |
| A52 | INFRASTRUCTURE SERVICES | ADDITIONS TO THE ELECTRICAL DEPARTMENT BUILDING FOR NEW OFFICES, ONRUS | SC2538/2024 | 2025/12/31 | TBC | LOTTER G | R 1 500 000.00 | TENDER | 2024/11/19 | 2024/11/27 | 2024/12/11 | 2025/01/31 | 2025/04/03 | 2025/04/17 | 2025/05/08 | 2025/12/31 |
| A53 | INFRASTRUCTURE SERVICES | ADDITIONS TO THE ELECTRICAL DEPARTMENT BUILDING FOR NEW OFFICES, ONRUS: PHASE 2 | N/A | N/A | TBC | LOTTER G | R 1 500 000.00 | TENDER | 2025/07/31 | 2025/08/09 | 2025/08/25 | 2025/09/24 | 2025/11/25 | 2025/12/03 | 2026/01/13 | 2026/06/30 |
| A54 | INFRASTRUCTURE SERVICES | NEW STILL STREET 66/11KV SUBSTATION | N/A | N/A | TBC | LOTTER G | R 95 000 000.00 | TENDER | 2025/07/31 | 2025/08/09 | 2025/08/25 | 2025/09/24 | 2025/11/25 | 2025/12/03 | 2026/01/13 | 2028/06/30 |
| A55 | INFRASTRUCTURE SERVICES | PROVISION OF SCADA, POWER QUALITY AND LOAD CONTROL SERVICES FOR THE OVERSTRAND MUNICIPALITY | N/A | N/A | TBC | LOTTER G | TBC | TENDER | 2025/07/31 | 2025/08/09 | 2025/08/25 | 2025/09/24 | 2025/11/25 | 2025/12/03 | 2026/01/13 | 2028/06/30 |
| A56 | PLANNING & DEVELOPMENT | VETERINARY HEALTH CARE SERVICES FO VARIOUS WILDLIFE SPECIES | SC2555/2024 | 2026/06/30 | TBC | DE VILLIERS L | R 336 000.00 | TENDER | 2026/01/15 | 2026/01/21 | 2026/02/06 | 2026/03/10 | 2026/04/30 | 2026/05/08 | 2026/07/01 | 2027/06/30 |
| A57 | MUNICIPAL MANAGER | PROVISION OF GRAPHIC DESIGN SERVICES | SC2337/2022 | 2026/06/30 | TBC | LOUW R | R 280 000.00 | FORMAL QUOTATION | 2026/01/12 | 2026/01/21 | 2026/02/06 | 2026/03/06 | 2026/05/07 | 2026/05/15 | 2026/07/01 | 2029/06/30 |
| A58 | MUNICIPAL MANAGER | SUPPLY AND DELIVER SIGNAGE FOR OVERSTRAND MUNICIPAL BUILDINGS | NEW | N/A | TBC | LOUW R | R 50 000.00 | FORMAL QUOTATION | 2025/09/01 | 2025/09/10 | 2025/09/26 | 2025/10/24 | 2025/12/25 | 2026/01/02 | 2026/02/02 | 2026/06/30 |
| A59 | MUNICIPAL MANAGER | SUPPLY AND DELIVER MARKETING MATERIAL | NEW | N/A | TBC | LOUW R | R 200 000.00 | FORMAL QUOTATION | 2025/08/18 | 2025/08/27 | 2025/09/12 | 2025/10/10 | 2025/12/11 | 2025/12/19 | 2026/01/02 | 2028/06/30 |
| A60 | MUNICIPAL MANAGER | SUPPLY AND DELIVER BRANDED PEAK CAPS (1500) | NEW | N/A | TBC | LOUW R | R 120 000.00 | FORMAL QUOTATION | 2025/07/31 | 2025/08/09 | 2025/08/25 | 2025/09/22 | 2025/11/23 | 2025/12/01 | 2026/01/02 | 2026/06/30 |
| A61 | MUNICIPAL MANAGER | SUPPLY AND DELIVER PROMOTIONAL ITEMS | SC2552/2024 | 2025/06/30 | TBC | LOUW R | R 500 000.00 | TENDER | 2025/05/04 | 2025/05/13 | 2025/05/29 | 2025/06/26 | 2025/08/27 | 2025/09/04 | 2025/10/01 | 2028/06/30 |
| A62 | CORPORATE SERVICES | ONLINE SUBSCRIPTION FOR ACCESS TO LEGAL INFORMATION FOR A 3-YEAR CONTRACT PERIOD | SC2566/2025 | IN PROCESS OF AWARD | TBC | JOHNSON C | R 150 000.00 | TENDER | 2025/10/06 | 2025/10/15 | 2025/10/31 | 2025/11/28 | 2026/01/29 | 2026/02/06 | 2026/07/01 | 2029/06/30 |
| A63 | MUNICIPAL PUBLIC SAFETY | K9 VETERINARY SERVICES | TBC | N/A | TBC | DU TOIT J | TBC | TENDER | 2025/10/06 | 2025/10/15 | 2025/10/31 | 2025/11/28 | 2026/01/29 | 2026/02/06 | 2026/07/01 | 2029/06/30 |
| A64 | MUNICIPAL PUBLIC SAFETY | ULTIMATE TRAFFIC SOLUTIONS - TCMS SYSTEM FOR LAW ENFORCEMENT | TBC | N/A | TBC | DU TOIT J | TBC | TENDER | 2025/10/06 | 2025/10/15 | 2025/10/31 | 2025/11/28 | 2026/01/29 | 2026/02/06 | 2026/07/01 | 2029/06/30 |
| A65 | MUNICIPAL PUBLIC SAFETY | APPOINTMENT OF A SERVICE PROVIDER FOR THE INSTALLATION IMPLEMENTATION, OPERATION, SUPPORT AND MAINTENANCE OF AN ADVANCE TRAFFIC CONTRAVENTION MANAGEMENT SYSTEM FOR A CONTRACT PERIOD ENDING 30 JUNE 2024 | SC2183A/2021 | N/A | TBC | FRASER R | TBC | TENDER | 2025/09/01 | 2025/09/10 | 2025/09/26 | 2025/10/24 | 2025/12/25 | 2026/01/02 | 2026/02/02 | 2026/06/30 |

## DRAFT DEMAND MANAGEMENT PLAN 2025/2026

| | | | | | | | | | Planned / Estimated dates | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 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 | Submission of specifications | BSC | Advert | Closing Date | BEC | BAC | Commencement of contract | New Contract expiry date |
| A66 | MUNICIPAL PUBLIC SAFETY | HIRING OF SHIPPING CONTAINERS FOR OFFICE AND STORAGE SPACE FOR THE OVERSTRAND MUNICIPALITY | SC2472/2024 | N/A | TBC | FRASER R | TBC | TENDER | 2025/09/01 | 2025/09/10 | 2025/09/26 | 2025/10/24 | 2025/12/25 | 2026/01/02 | 2026/02/02 | 2026/06/30 |
| A67 | MUNICIPAL PUBLIC SAFETY | SERVICE PROVIDER FOR TOW-IN SERVICES IN THE OVERSTRAND AREA | SC2509/2024 | N/A | TBC | FRASER R | TBC | TENDER | 2025/07/01 | 2025/07/10 | 2025/07/26 | 2025/08/23 | 2025/10/24 | 2025/11/01 | 2026/01/02 | 2026/06/30 |
| A68 | MUNICIPAL PUBLIC SAFETY | SUPPLY AND DELIVERY OF FINE BOOKS, CONFISCATION BOOKS, POCKET BOOKS, NOTICE BOOKS, V2 AND WARRANT OF ARREST PAPER FOR A CONTRACT PERIOD ENDING 30 JUNE 2025 | SC2557/2025 | N/A | TBC | FRASER R | TBC | FORMAL QUOTATION | 2024/11/19 | 2024/11/27 | 2024/12/11 | 2025/01/31 | 2025/04/03 | 2025/04/17 | 2025/05/08 | 2025/12/31 |
| | | | | | | | | | | | | | | | | |
| | **SECTION B: CAPITAL PROJECTS** | | | | | | | | | | | | | | | |
| B1 | PLANNING & DEVELOPMENT | BUILDING OF OFFICES | N/A | N/A | TBC | R KUCHAR | TBC | TENDER | 2026/01/19 | 2026/02/02 | 2026/02/09 | 2026/03/09 | 2026/04/09 | 2026/04/16 | 2026/05/01 | 2026/06/30 |
| B2 | INFRASTRUCTURE SERVICES | REPLACEMENT OF HIGH MAST LIGHTS IN OVERSTRAND | TBC | N/A | TBC | LOTTER G | R 700 000.00 | TENDER | 2025/07/31 | 2025/08/09 | 2025/08/25 | 2025/09/24 | 2025/11/25 | 2025/12/03 | 2026/01/13 | 2026/06/30 |
| B3 | INFRASTRUCTURE SERVICES | ELECTRIFICATION OF LOW COST HOUSING AREAS IN OVERSTRAND | TBC | N/A | TBC | LOTTER G | R 15 000 000.00 | TENDER | 2025/07/10 | 2025/07/19 | 2025/08/04 | 2025/09/03 | 2025/11/04 | 2025/11/12 | 2025/12/03 | 2026/06/30 |
| B4 | INFRASTRUCTURE SERVICES | HERMANUS TRANSFER STATION PERIMETER WALL | TBC | TBC | TBC | MITCHELL C | R 3 300 000.00 | TENDER | 2025/07/18 | 2025/07/31 | 2025/08/23 | 2025/09/20 | 2025/11/28 | 2005/12/05 | 2026/02/02 | 2026/06/30 |
| B5 | INFRASTRUCTURE SERVICES | GANSBAAI LANDFILLWEIGHBRIDGE NEW REPLACEMENT DECK | TBC | TBC | TBC | MITCHELL C | R 840 000.00 | TENDER | 2025/07/18 | 2025/07/31 | 2025/08/23 | 2025/09/20 | 2025/11/28 | 2005/12/05 | 2026/02/02 | 2026/06/30 |
| B6 | INFRASTRUCTURE SERVICES | PRINGLE BAY DROP OFF | TBC | TBC | TBC | MITCHELL C | R 200 000.00 | FORMAL QUOTATION | 2025/07/05 | 2025/07/16 | 2025/08/09 | 2025/08/23 | 2025/10/30 | 2025/11/07 | 2025/12/01 | 2026/06/30 |
| B7 | INFRASTRUCTURE SERVICES | REPLACEMENT OF OVERSTRAND WATER PIPES | SC2490/2024 | 2026/06/30 | TBC | BLIGNAUT H | R 17 000 000.00 | TENDER | 2026/04/24 | 2026/05/06 | 2026/06/20 | 2026/07/25 | 2026/09/11 | 2026/09/19 | 2027/01/15 | 2028/06/30 |
| B8 | INFRASTRUCTURE SERVICES | REFURBISHMENT OF BUFFELS RIVER WTW | N/A | N/A | TBC | BLIGNAUT H | R 45 000 000.00 | TENDER | 2025/05/30 | 2025/06/13 | '2025/06/27 | 2025/08/01 | 2025/09/12 | 2025/09/20 | 2025/10/06 | 2028/06/30 |
| B9 | INFRASTRUCTURE SERVICES | PREEKSTOEL WTW OFFICE SPACE | N/A | N/A | TBC | BLIGNAUT H | R 2 000 000.00 | TENDER | 2025/10/08 | 2025/10/22 | 2025/11/07 | 2025/12/12 | 2026/02/05 | 2026/02/13 | 2026/03/03 | 2027/06/30 |
| B10 | INFRASTRUCTURE SERVICES | UPGRADE WELLFIELDS HERMANUS AND PEARLY BEACH | SC2282/2021 | 2025/06/30 | TBC | BLIGNAUT H | R 7 000 000.00 | TENDER | 2025/08/29 | 2025/09/17 | '2025/09/26 | 2025/10/31 | 2025/12/11 | 2025/12/19 | 2026/01/11 | 2027/06/30 |
| B11 | INFRASTRUCTURE SERVICES | UPGRADE ONRUS MAIN SEWERAGE PUMPSTATION AND RISING MAIN | N/A | N/A | TBC | BLIGNAUT H | R 30 000 000.00 | TENDER | 2025/08/29 | 2025/09/17 | '2025/09/26 | 2025/10/31 | 2025/12/11 | 2025/12/19 | 2026/01/11 | 2028/06/30 |
| B12 | INFRASTRUCTURE SERVICES | REHABILITATE ROADS AND SIDEWALKS MASAKHANE | TBC | TBC | TBC | HENDRIKS H | TBC | TENDER | 2026/04/01 | 2026/04/08 | 2026/04/23 | 2026/05/29 | 2026/07/30 | 2026/08/07 | 2026/09/11 | 2027/06/30 |
| B13 | INFRASTRUCTURE SERVICES | REHABILITATE ROADS MOUNT PLEASANT | TBC | TBC | TBC | HENDRIKS H | TBC | TENDER | 2026/04/01 | 2026/04/08 | 2026/04/23 | 2026/05/29 | 2026/07/30 | 2026/08/07 | 2026/09/11 | 2027/06/30 |
| B14 | INFRASTRUCTURE SERVICES | REHABILITATE ROADS & SIDEWALKS PROTEADORP | TBC | TBC | TBC | HENDRIKS H | TBC | TENDER | 2026/04/01 | 2026/04/08 | 2026/04/23 | 2026/05/29 | 2026/07/30 | 2026/08/07 | 2026/09/11 | 2027/06/30 |
| B15 | COMMUNITY SERVICES | PURCHASING OF WENDY HOUSE IN HERMANUS FOR STORAGE OF RECYCLING | TBC | TBC | TBC | PLAATJIES B | R 60 000.00 | FORMAL QUOTATION | 2025/06/30 | 2025/07/09 | 2025/07/24 | 2025/08/07 | 2025/08/28 | 2025/09/05 | 2025/10/06 | 2025/10/31 |
| B16 | INFRASTRUCTURE SERVICES | REPLACEMENT OF WATERMAIN -PEARLY BEACH | TBC | TBC | TBC | SOLOMONS J | R 900 000.00 | TENDER | 2026/01/19 | 2026/02/02 | 2026/02/09 | 2026/03/09 | 2026/04/09 | 2026/04/16 | 2026/05/01 | 2026/06/30 |
| B17 | INFRASTRUCTURE SERVICES | SEWERAGE-SMALL BORE SYSTEM & OUTFALL SEWER(OGS 7.1, 7,3 & 7.4) | TBC | TBC | TBC | SOLOMONS J | R 5 500 000.00 | TENDER | 2026/01/19 | 2026/02/02 | 2026/02/09 | 2026/03/09 | 2026/04/09 | 2026/04/16 | 2026/05/01 | 2026/06/30 |
| B18 | INFRASTRUCTURE SERVICES | STORMWATER & SUBSURFACE DRAINAGE SYSTEM | TBC | TBC | TBC | SOLOMONS J | R 5 000 000.00 | TENDER | 2026/01/19 | 2026/02/02 | 2026/02/09 | 2026/03/09 | 2026/04/09 | 2026/04/16 | 2026/05/01 | 2026/06/30 |
| B19 | MUNICIPAL PUBLIC SAFETY | K9 TRAILER | TBC | TBC | TBC | DU TOIT J | R 250 000.00 | TENDER | 2025/10/08 | 2025/10/22 | 2025/11/07 | 2025/12/12 | 2026/02/05 | 2026/02/13 | 2026/03/03 | 2027/06/30 |
| B20 | MUNICIPAL PUBLIC SAFETY | INSTALLATION OF SEPTIC TANKS X 2 - BESEMHOUTSKLOOF FARM | TBC | TBC | TBC | DU TOIT J | R 600 000.00 | TENDER | 2025/08/29 | 2025/09/17 | '2025/09/26 | 2025/10/31 | 2025/12/11 | 2025/12/19 | 2026/01/11 | 2027/06/30 |
| B21 | MUNICIPAL PUBLIC SAFETY | VEHICLES: TOYOTA C/C X 6; 4 X 4 D/C X 7; S/C X 2 & HIGH PERFORMANCE VEHICLE X 1 | TBC | TBC | TBC | DU TOIT J | R 8 000 000.00 | TENDER | 2025/08/29 | 2025/09/17 | '2025/09/26 | 2025/10/31 | 2025/12/11 | 2025/12/19 | 2026/01/11 | 2028/06/30 |
| B22 | MUNICIPAL PUBLIC SAFETY | FIREARMS: 9MM X 20; SHOTGUNS X 12 & 9MM RIFLE X 12 | TBC | TBC | TBC | DU TOIT J | R 400 000.00 | TENDER | 2026/01/19 | 2026/02/02 | 2026/02/09 | 2026/03/09 | 2026/04/09 | 2026/04/16 | 2026/05/01 | 2026/06/30 |
| B23 | MUNICIPAL PUBLIC SAFETY | GATE MOTORS X 2 | TBC | TBC | TBC | DU TOIT J | R 100 000.00 | FORMAL QUUOTATION | 2026/01/19 | 2026/02/02 | 2026/02/09 | 2026/03/09 | 2026/04/09 | 2026/04/16 | 2026/05/01 | 2026/06/30 |
| B24 | MUNICIPAL PUBLIC SAFETY | FURNITURE: DESK WITH CONFERENCE EXTENTION X 9 | TBC | TBC | TBC | DU TOIT J | R 120 000.00 | FORMAL QUUOTATION | 2026/01/19 | 2026/02/02 | 2026/02/09 | 2026/03/09 | 2026/04/09 | 2026/04/16 | 2026/05/01 | 2026/06/30 |
| B25 | MUNICIPAL PUBLIC SAFETY | PURCHSE OF K9 DETECTION DOGS X 3 | TBC | TBC | TBC | DU TOIT J | R 400 000.00 | TENDER | 2026/04/01 | 2026/04/08 | 2026/02/09 | 2026/03/17 | 2026/05/18 | 2026/05/26 | 2026/06/30 | 2027/06/30 |
| B26 | MUNICIPAL PUBLIC SAFETY | REPLACEMENT OF TRAFFIC DEPARTMENT ROOF - WARD 3 | TBC | TBC | TBC | FRASER R | R 3 847 800.00 | TENDER | 2025/10/08 | 2025/10/22 | 2025/11/07 | 2025/12/12 | 2026/02/05 | 2026/02/13 | 2026/03/03 | 2027/06/30 |
| | | | | | | | | | | | | | | | | |
| | **SECTION C: AD-HOC PROCJECTS FUNDED FROM OPERATIONAL BUDGET** | | | | | | | | | | | | | | | |
| C1 | CORPORATE SERVICES | FIRST AID, FIRE MARSHALL & HEALTH & SAFETY REPS | N/A | N/A | N/A | ARRISON D | R 80 000.00 | FORMAL QUOTATION | 2025/07/31 | 2025/08/20 | 2025/08/27 | 2025/09/23 | 2025/11/20 | 2025/11/28 | 2025/11/04 | 2025/06/30 |
| C2 | CORPORATE SERVICES | ROADWORKS | N/A | N/A | N/A | ARRISON D | R 120 000.00 | FORMAL QUOTATION | 2025/07/31 | 2025/08/20 | 2025/08/27 | 2025/09/23 | 2025/11/20 | 2025/11/28 | 2025/11/04 | 2025/06/30 |
| C3 | CORPORATE SERVICES | BASIC ROAD CONSTRUCTION PRINICIPLES | N/A | N/A | N/A | ARRISON D | R 120 000.00 | FORMAL QUOTATION | 2025/07/31 | 2025/08/20 | 2025/08/27 | 2025/09/23 | 2025/11/20 | 2025/11/28 | 2025/11/04 | 2025/06/30 |
| C5 | CORPORATE SERVICES | PUMP OPERATOR NFPA1002 | N/A | N/A | N/A | ARRISON D | R 95 000.00 | FORMAL QUOTATION | 2025/07/31 | 2025/08/20 | 2025/08/27 | 2025/09/23 | 2025/11/20 | 2025/11/28 | 2025/11/04 | 2025/06/30 |
| C6 | CORPORATE SERVICES | FIRE INVESTIGTOR NFPA1033 | N/A | N/A | N/A | ARRISON D | R 95 000.00 | FORMAL QUOTATION | 2025/07/31 | 2025/08/20 | 2025/08/27 | 2025/09/23 | 2025/11/20 | 2025/11/28 | 2025/11/04 | 2025/06/30 |

## DRAFT DEMAND MANAGEMENT PLAN 2025/2026

| | | | | | | | | | Planned / Estimated dates | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 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 | Submission of specifications | BSC | Advert | Closing Date | BEC | BAC | Commencement of contract | New Contract expiry date |
| C7 | CORPORATE SERVICES | FIRE SAFETY COURSE | N/A | N/A | N/A | ARRISON D | R 95 000.00 | FORMAL QUOTATION | 2025/07/31 | 2025/08/20 | 2025/08/27 | 2025/09/23 | 2025/11/20 | 2025/11/28 | 2025/11/04 | 2025/06/30 |
| C8 | CORPORATE SERVICES | HIGH ANGLE I | N/A | N/A | N/A | ARRISON D | R 95 000.00 | FORMAL QUOTATION | 2025/07/31 | 2025/08/20 | 2025/08/27 | 2025/09/23 | 2025/11/20 | 2025/11/28 | 2025/11/04 | 2025/06/30 |
| C9 | CORPORATE SERVICES | INVESTIGATION INTO GROSS/SERIOUS MISCONDUCT | N/A | N/A | N/A | ARRISON D | R 100 000.00 | FORMAL QUOTATION | 2025/07/31 | 2025/08/20 | 2025/08/27 | 2025/09/23 | 2025/11/20 | 2025/11/28 | 2025/11/04 | 2025/06/30 |
| C10 | CORPORATE SERVICES | MEDICAL SERVICES FOR MEDICAL WORKPLACE ASSESSMENT | N/A | N/A | N/A | ARRISON D | R 100 000.00 | FORMAL QUOTATION | 2025/07/31 | 2025/08/20 | 2025/08/27 | 2025/09/23 | 2025/11/20 | 2025/11/28 | 2025/11/04 | 2025/06/30 |
| C11 | CORPORATE SERVICES | EMPLOYEE ASSISTANCE: EMPLOYEE COUNSELLING | N/A | N/A | N/A | ARRISON D | R 120 000.00 | FORMAL QUOTATION | 2025/07/31 | 2025/08/20 | 2025/08/27 | 2025/09/23 | 2025/11/20 | 2025/11/28 | TBC | TBC |
| C12 | INFRASTRUCTURE SERVICES | INVERTER CHARGER FOR THE ELECTRICAL TEST VEHICLE | N/A | N/A | TBC | LOTTER G | R 120 000.00 | FORMAL QUOTATION | 2025/08/10 | 2025/08/19 | 2025/09/04 | 2025/10/02 | 2025/12/03 | 2025/12/11 | 2026/01/11 | N/A |
| C13 | PLANNING & DEVELOPMENT | SUPPLY AND DELIVERY OF EQUIPEMENT REQUIRED FOR BABOON MANAGEMENT IN URBAN AREAS | TBC | TBC | TBC | DE VILLIERS L | R 150 000.00 | FORMAL QUOTATION | 2025/04/24 | 2025/04/30 | 2025/05/09 | 2025/05/20 | 2025/07/10 | 2025/07/18 | 2025/07/25 | 2026/06/30 |
| C14 | PLANNING & DEVELOPMENT | COMPILATION OF CLIMATE CHANGE RESPONSE PLAN | TBC | TBC | TBC | DE VILLIERS L | R 200 000.00 | FORMAL QUOTATION | 2025/05/20 | 2025/06/04 | 2025/06/13 | 2025/06/26 | 2025/07/24 | 2025/08/01 | 2025/09/01 | 2026/06/30 |
| C15 | PLANNING & DEVELOPMENT | APPOINTMENT OF PROFESSIONAL CONSULTANT TO CONDUCT ENVIRONMENTAL IMPACT ASSESSMENT FOR FERNKLOOF RESERVE COMPLEX | TBC | TBC | TBC | DE VILLIERS L | R 1 200 000.00 | TENDER | 2026/01/15 | 2026/01/21 | 2026/02/06 | 2026/03/10 | 2026/04/30 | 2026/05/08 | 2026/07/01 | 2027/06/30 |
| C16 | COMMUNITY SERVICES | REPLACEMENT OF BLINDS | TBC | TBC | TBC | PLAATJIES B | R 200 000.00 | FORMAL QUOTATION | 2025/08/29 | 2025/09/10 | 2025/09/18 | 2025/10/03 | 2025/10/23 | 2025/10/31 | 2025/12/01 | 2026/06/30 |
| C17 | COMMUNITY SERVICES | UPGRADE OF KITCHENS IN HALLS AND OFFICES (DESIGN AND FITTING) | TBC | TBC | TBC | PLAATJIES B | R 400 000.00 | TENDER | 2025/08/18 | 2025/08/27 | 2025/09/10 | 2025/10/10 | 2025/11/06 | 2025/11/14 | 2025/12/15 | 2026/06/30 |
| C18 | COMMUNITY SERVICES | REPLACEMENT OF STAGE CURTAINS AND RAILS | TBC | TBC | TBC | PLAATJIES B | R 300 000.00 | FORMAL QUOTATION | 2025/09/05 | 2025/09/17 | 2025/09/25 | 2025/10/10 | 2025/10/30 | 2025/11/07 | 2025/12/12 | 2026/06/30 |
| C19 | COMMUNITY SERVICES | REPLACEMENT OF THEATRE CHAIRS | TBC | TBC | TBC | PLAATJIES B | R 500 000.00 | TENDER | 2025/07/04 | 2025/07/16 | 2025/07/24 | 2025/08/22 | 2025/09/18 | 2025/09/26 | 2025/10/31 | 2026/06/30 |
| C20 | COMMUNITY SERVICES | BUILDING MAINTENANCE: ELECTRICAL WORK | TBC | TBC | TBC | PLAATJIES B | R 500 000.00 | TENDER | 2025/11/03 | 2025/11/12 | 2025/11/20 | 2025/12/31 | 2026/01/29 | 2026/02/05 | 2026/03/02 | 2028/06/30 |
| C21 | MUNICIPAL PUBLIC SAFETY | K9 STEEL KENNELS X 3 | TBC | TBC | TBC | DU TOIT J | R 150 000.00 | FORMAL QUOTATION | 2026/01/15 | 2026/01/21 | 2026/02/06 | 2026/03/10 | 2026/04/30 | 2026/05/08 | 2026/07/01 | 2027/06/30 |
| | | | | | | | | | | | | | | | | |
| | **SECTION D: LAND SALES / LEASING** | | | | | | | | | | | | | | | |
| D1 | PLANNING & DEVELOPMENT | LEASE OF ERF 88 ZWELIHLE FOR COMMUNITY PURPOSES | N/A | N/A | TBC | A LE ROUX | INCOME | TENDER | 2025/09/03 | 2025/09/10 | 2025/09/26 | 2025/10/31 | 2026/01/13 | 2026/01/23 | 2026/04/01 | TBC |
| D2 | PLANNING & DEVELOPMENT | SALE OF TWO PORTIONS OF ERF 3374 GANSBAAI (MASAKHANE) FOR CHURCH PURPOSES | N/A | N/A | TBC | A LE ROUX | INCOME | TENDER | 2026/02/04 | 2026/02/11 | 2026/02/25 | 2026/03/27 | 2026/06/05 | 2026/06/12 | N/A | N/A |
| D3 | PLANNING & DEVELOPMENT | SALE OF A PORTION OF ERF 210 GANSBAAI FOR THE DEVELOPMENT OF INDUSTRIAL PROPERTIES | N/A | N/A | TBC | A LE ROUX | INCOME | TENDER | 2026/02/04 | 2026/02/11 | 2026/02/25 | 2026/03/27 | 2026/06/05 | 2026/06/12 | N/A | N/A |
| D4 | PLANNING & DEVELOPMENT | SALE OF ERF 1070 DE KELDERS FOR NATURE RESERVE, CONSERVATION USE, TOURIST ACCOMMODATION, TOURIST FACILITIES AND/OR ENVIRONMENTAL FACILITIES | N/A | N/A | TBC | A LE ROUX | INCOME | TENDER | 2026/02/04 | 2026/02/11 | 2026/02/25 | 2026/03/27 | 2026/06/05 | 2026/06/12 | N/A | N/A |
| D5 | PLANNING & DEVELOPMENT | SALE OF UNREGISTERED ERF 12889 HERMANUS FOR OFFICE PURPOSES | N/A | N/A | TBC | A LE ROUX | INCOME | TENDER | 2026/02/04 | 2026/02/11 | 2026/02/25 | 2026/03/27 | 2026/06/05 | 2026/06/12 | N/A | N/A |
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# ANNEXURE K

# BUDGET RELATED POLICIES

Munisipaliteit • U-Masipala • Municipality
OVERSTRAND

# PROPERTY RATES POLICY

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**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 whole community.

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

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|---|---|
| ***"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 *inter alia*, 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; |





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| ***"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. |
| ***"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 -<br>(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<br>(b) at any time been dedicated to the public<br>(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<br>(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: -<br>(a) national, provincial or other public roads on which goods, services or labour move across a municipal boundary.<br>(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.<br>(c) power stations, power substations or power lines forming part of an electricity scheme serving the public.<br>(d) gas or liquid fuel plants or refineries or pipelines for gas or liquid fuels, forming part of a scheme for transporting such fuels.<br>(e) communication towers, masts, exchanges or lines forming part of a communications system serving the public.<br>(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.<br>(g) rights of way, easement or servitudes in connection with infrastructure mentioned.<br>(h) any other government or government agency-controlled infrastructure as may be described from time to time. |
| ***"Public street"*** | means: -<br>(a) any street which has at any time been-<br>i. dedicated to the public<br>ii. used without interruption by the public for a period of at least thirty years |

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| | iii. declared or rendered such by a council or other competent authority, or<br>iv. constructed by local authority, and<br>(b) any land, with or without buildings or structures thereon, which is shown as a street on-<br>i. any plan of subdivision or diagram approved by a council or other competent authority and acted upon, or<br>ii. any general plan as defined in section 49 of the Land Survey Act, 1927 (Act 9 of 1927), registered or filed in a deed's registry or the Surveyor-Generals' office,<br>unless such land is on such plan or diagram described as a private street. |
| ***"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"*** | means improved property that is:<br>(a) used predominantly (60% or more) for residential purposes, with no more than two dwelling units per property.<br>(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 storeroom. (Any such grouping shall be regarded as one residential property for rate rebate or valuation purposes.) or<br>(c) owned by a share-block company and used predominantly (60% or more) for residential purposes, or<br>(d) a residence used for residential purposes situated on property used for or related to educational purposes. |
| ***"State-owned properties"*** | 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:<br>(a) State properties that provide local services.<br>(b) State properties that provide regional/municipal district-wide/metro-wide service.<br>(c) State properties that provide provincial/national service.<br>(d) Vacant land. |
| ***"Vacant erven"*** | means all undeveloped land irrespective of its current or future intended zoning. Agricultural properties will not be considered as being vacant erven. |
| **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. | |

## 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.

There will be no phasing in of rates based on the new valuation roll, effective from 01 July 2023, 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.
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 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. 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.

**e. 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 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 increase 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.

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 transferring attorney **[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 Supplementary Valuation (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 Supplementary Valuation (SV) to be required.

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 Supplementary Valuation (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 Supplementary Valuation (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 Chief Financial Officer 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 2025** 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**

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| POLICY SECTION: | DIVISIONAL MANAGER: REVENUE MANGEMENT |
|---|---|
| CURRENT UPDATE: | 28 MAY 2025 |
| PREVIOUS REVIEW: | 31 MAY 2024 |
| PREVIOUS REVIEW: | 31 MAY 2023 |
| PREVIOUS REVIEW: | 29 JUN 2022 |
| PREVIOUS REVIEW: | 31 MAY 2022 |
| PREVIOUS REVIEW: | 26 MAY 2021 |
| PREVIOUS REVIEW: | 27 MAY 2020 |
| PREVIOUS REVIEW: | 29 MAY 2019 |
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| APPROVAL BY COUNCIL: | 31 MAR 2008 |

Munisipaliteit • U-Masipala • Municipality
OVERSTRAND

# 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:

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## 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/Erf"** | 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 ≤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; |
| **"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 1kV < Un <- 44kV |
| **"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; |

| | |
|---|---|
| **"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:-<br>(a) acting in such position; and<br>(b) to whom the Municipal Manager has delegated a power, function or duty in respective 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. |
| **Network charges** | charges designed to recover costs (including capital, operations, maintenance and refurbishment) for the provision of network capacity required by and reserved for the customer. |
| **"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

3.2. 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.

3.3. Tariffs for the basic municipal services rendered by the Municipality, namely:





(a) electricity;
(b) water;
(c) sewage (wastewater); and
(d) refuse removal (solid waste),

shall be calculated at a level which will recover all expenses associated with the rendering of these services.

3.4. 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.

3.5. Capital contributions to finance new developments and subdivisions will be required from all developers.

3.6. All users of municipal services, within a category of users, will be treated equitably.

3.7. The amount payable by consumers and/or owners will generally be in proportion to usage of the service.

3.8. 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.

3.9. 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.

3.10. 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.

3.11. Provision may be made in appropriate circumstances for surcharges on tariffs.

3.12. Efficient and effective use of resources may be encouraged by providing for penalties to prohibit or restrict exorbitant use.

3.13. 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.

3.14. 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.

3.15. VAT is included in all tariffs where applicable.

3.16. This policy shall be binding on all tariffs other than those governed by legislation which supersedes the Act.

3.17. 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.

3.18. 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.

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 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 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 Chief Engineer: Infrastructure Services 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 70 free units in the tariff block 0 – 350 kWh with their first purchase each month.

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**.] A fixed charge per capacity category will be charged for each connection within the Overstrand Municipal distribution area. This charge will be based on the size of the connection to the property (i.e the capacity reserved for each customer each month by the municipality).

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 | | | |
|---|---|---|---|---|---|
| | Basic [Fixed] Fixed Charge (Rand/ consumer/ month) | Capacity Charge (Rand/Amp/meter/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 **Flat rate to be phased in** |
| **Single Phase:** (Domestic Pre-paid meters) | X | 30Amp 40Amp 50Amp 60Amp | X | | *Note: IBT BLOCK 1) 0 - 350 kWh 2) 351 – 600 kWh 3) > 600kWh **Flat rate to be phased in** |
| Lifeline One – (pre-paid meters only) | X | 30Amp | X | | 0 – 350 kWh **Flat rate to be phased in** |
| [One] Two Part – (pre-paid meters only) Local Economic Development Projects | X | 30Amp 40Amp 50Amp 60Amp | X | | 0 – 350 kWh **Flat rate to be phased in** |
| **Single Phase:** (Commercial Credit meters) | X | 30Amp 40Amp 50Amp 60Amp | X | | Flat rate |
| **Single Phase:** (Commercial Pre-paid meters) | X | 30Amp 40Amp 50Amp 60Amp | X | | Flat rate |
| **Three Phase:** (Domestic Credit meter) ≤ 100A | X | 40Amp 60Amp 80Amp 100Amp | X | | *Note: IBT BLOCK 1) 0 - 350 kWh 2) 351 – 600 kWh 3) > 600kWh **Flat rate to be phased in** |
| **Three Phase:** (Domestic Pre-paid meter) ≤ 100A | X | 40Amp 60Amp 80Amp 100Amp | X | | *Note: IBT BLOCK 1) 0 - 350 kWh 2) 351 – 600 kWh 3) > 600kWh **Flat rate to be phased in** |
| **Three Phase:** (Commercial Credit meter) ≤ 100A | X | 40Amp 60Amp 80Amp 100Amp | X | | **Flat Rate** |





| | | | | | |
|---|---|---|---|---|---|
| **Three Phase:** (Commercial Pre-Paid meter) ≤100A | X | 40Amp 60Amp 80Amp 100Amp | X | | **Flat Rate** |
| Economic Pre-paid: - ≤ 100A | X | 40Amp 60Amp 80Amp 100Amp | X | | **Flat Rate** |
| Time of Use Tariff (.70kVA) | X | X | X | X | X |
| Service Charge (per month) for MV and LV consumers | X | X | X | X | X |
| Medium Voltage Metering Points (11000V) >500kVA | X | X | X | X | X |
| Low Voltage Metering Points (400V) >70kVA ≤ 500kVA | X | X | X | X | X |
| Small Customer <100kVA | X | X | X | X | X |

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 set out in the Indigent policy and 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. 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 consecutive12 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 residential single-phase customers above 30 Amp will be given the opportunity to change their connection size at the prescribed annual rate [**once during 2024/2025, free of charge]**. They may choose to change their connection size to one of the following:

- 30Amp
- 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 their connection size without [**if they can provide]** providing a COC or changing a circuit breaker. [**for the change of their main circuit breaker and proof of payment of the relevant conversion fee as approved by council annually]**. Should the municipality however be called out for the overloading of the meter more than once, a call-out fee will be charged (per visit) and the customer will be required to change their main circuit breaker and provide a COC. Should the customer refuse to do so, they will be changed back to a suitable connection size to prevent any further overload.

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 remain on their existing connection size or have the option to downgrade to 30Amp, free of charge. **[be limited to 60Amp supply]**. Subsidy for indigent customers will be the equivalent of 30Amp.

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 As per National Regulations, the approval of SSEG systems (for own use or grid export) are to be based on the size of the municipal connection. The size of the system may not exceed the size of the municipal connection. As such, a minimum connection size for all properties with approved SSEG systems





will be determined and no applications will be accepted that do not adhere to these requirements. [**Due to the approval of SSEG connections being capacity dependent, applications for decreased capacity will only be approved by the Senior Manager: Electrical Services]**.

9.2.32 Capacity charges for Uilenkraalsmond will be calculated at 30Amp.

9.2.33 Wheeling energy through the Municipal network are permitted and based on the published tariffs. The requirements for wheeling energy are contained in the wheeling of energy policy.

## 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<br>Flats<br>Group Housing (including Townhouse Developments)<br>Retirement Villages<br>Guest Houses | X | X | **HOUSEHOLD**<br>0 - 6 kℓ<br>7 - 18 kℓ<br>19 - 45 kℓ<br>46 - 60 kℓ<br>>60 kℓ |
| Indigent Households | X | X | **HOUSEHOLD**<br>0 - 10 kℓ<br>11 - 18 kℓ<br>19 - 45 kℓ<br>46 - 60 kℓ<br>>60 kℓ |
| Churches<br>Caravan Parks<br>Boutique Hotels and Hotels<br>Other Consumers | X | X | **NON-HOUSEHOLD**<br>0 - 18 kℓ<br>19 - 45 kℓ<br>46 - 60 kℓ<br>>60 kℓ |
| **RESTRICTION TARIFF 1 (LEVELS 2 & 3 WATER RESTRICTIONS) PLUS 30% on Normal Tariff)** | | | |
| Single Residential<br>Flats<br>Group Housing (including Townhouse Developments)<br>Retirement Villages<br>Guest Houses | X | X | **HOUSEHOLD**<br>7 - 18 kℓ<br>19 - 45 kℓ<br>46 - 60 kℓ<br>>60 kℓ |
| Indigent Households | X | X | **HOUSEHOLD**<br>0 - 10 kℓ<br>11 - 18 kℓ<br>19 - 45 kℓ |

| | | | |
|---|---|---|---|
| | | | 46 - 60 kℓ<br>>60 kℓ |
| Churches<br>Caravan Parks<br>Boutique Hotels and Hotels<br>Other Consumers | X | X | **NON-HOUSEHOLD**<br>0 - 18 kℓ<br><br>19- 45 kℓ<br>46 - 60 kℓ<br>>60 kℓ |
| **RESTRICTION TARIFF 2 (LEVELS 4 & 5 WATER RESTRICTIONS) PLUS 60% on Normal Tariff)** | | | |
| Single Residential<br>Flats<br>Group Housing (including Townhouse Developments)<br>Retirement Villages<br>Guest Houses | X | X | **HOUSEHOLD**<br>7 - 18 kℓ<br><br>19- 45 kℓ<br>46 - 60 kℓ<br>>60 kℓ |
| Indigent Households | X | X | **HOUSEHOLD**<br>0 - 10 kℓ<br>11 - 18 kℓ<br>19 - 45 kℓ<br>46 - 60 kℓ<br>>60 kℓ |
| Churches<br>Caravan Parks<br>Boutique Hotels and Hotels<br>Other Consumers | X | X | **NON-HOUSEHOLD**<br>0 - 18 kℓ<br><br>19 - 45 kℓ<br>46 - 60 kℓ<br>>60 kℓ |
| **RESTRICTION TARIFF 3 (LEVEL 6 WATER RESTRICTION) PLUS 100% on Normal Tariff)** | | | |
| Single Residential<br>Flats<br>Group Housing (including Townhouse Developments)<br>Retirement Villages<br>Guest Houses | X | X | **HOUSEHOLD**<br>7 - 18 kℓ<br><br>19 - 45 kℓ<br>46 - 60 kℓ<br>>60 kℓ |
| Indigent Households | X | X | **HOUSEHOLD**<br>0 - 10 kℓ<br>11 - 18 kℓ<br>19 - 45 kℓ<br>46 - 60 kℓ<br>>60 kℓ |
| Churches<br>Caravan Parks<br>Boutique Hotels and Hotels<br>Other Consumers | X | X | **NON-HOUSEHOLD**<br>0 - 18 kℓ<br><br>19 - 45 kℓ<br>46 - 60 kℓ<br>>60 kℓ |

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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 RUEs to categories of Household consumers:

| | |
|---|---|
| **Clinics – Outpatients** | ▫ 1 RUE |
| **Flats** | ▫ 1 RUE per residential 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<br>▫ 1 RUE per 7 Frail care beds |
| **Single Residential erven** | ▫ 1 RUE |
| **Townhouse and group developments** | ▫ 1 RUE per unit<br>▫ Townhouse/Group Developments must apply should they require more than 1 rue during development phase)<br>▫ 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<br>(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) |
|---|---|---|---|
| Normal Tariff | **X** | **X** | (i) 0 – 500 kℓ<br>(ii) 501 – 1 000 kℓ<br>(iii) > 1 000 kℓ |
| Restriction Tariff 1 (levels 2 & 3 water restrictions)<br>**PLUS 30% of Normal Tariff** | **X** | **X** | (i) 0 – 300 kℓ<br>(ii) 301 – 700 kℓ<br>(iii) > 700 kℓ |
| Restriction Tariff 2 (levels 4 & 5 water restrictions)<br>**PLUS 60% of Normal Tariff** | **X** | **X** | (i) 0 – 250 kℓ<br>(ii) 251 – 500 kℓ<br>(iii) > 500 kℓ |
| Restriction Tariff 3 (level 6 **water** restrictions)<br>**PLUS 100% of Normal Tariff** | **X** | **X** | (i) 0 – 100 kℓ<br>(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<br>(ii) >5 800 kℓ |
| Restriction Tariff 1 (levels 2 & 3 water restrictions)<br>**PLUS 30% of Normal Tariff** | X | X | (i) 0 – 5 800 kℓ<br>(ii) >5 800 kℓ |
| Restriction Tariff 2 (levels 4 & 5 water restrictions)<br>**PLUS 60% of Normal Tariff** | X | X | (i) 0 – 5 800 kℓ<br>(ii) >5 800 kℓ |
| Restriction Tariff 3 (level 6 **water** restrictions)<br>**PLUS 100% of Normal Tariff** | X | X | (i) 0 – 5 800 kℓ<br>(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 Services, no restriction tariffs will be implemented.

9.3.13.2. When level 2 water restrictions are implemented by the Directorate Infrastructure Services, level 1 restriction tariffs will be implemented.

9.3.13.3. When level 3 water restrictions are implemented by the Directorate Infrastructure Services, level 1 restriction tariffs will remain applicable.

9.3.13.4. When level 4 water restrictions are implemented by the Directorate Infrastructure Services, level 2 restriction tariffs will be implemented.

9.3.13.5. When level 5 water restrictions are implemented by the Directorate Infrastructure Services, level 2 restriction tariffs will remain applicable.

9.3.13.6. When level 6 water restrictions are implemented by the Directorate Infrastructure Services, 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).

(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.

9.6.3. Minor tariffs may include fees for the following: -

| | | | |
|---|---|---|---|
| **A** | Administration | ▪ Access to information<br>▪ Administration Costs<br>▪ Advertisements / Advertising<br>▪ Bank cost on foreign accounts<br>▪ Deposit<br>▪ Duplicate Accounts<br>▪ Duplicate Pay Day Slip<br>▪ Facsimiles<br>▪ Interest on Accounts in Arrear<br>▪ Laminated documents | ▪ Photocopies<br>▪ Placard / Poster Costs<br>▪ Section 62 Appeals<br>▪ Tender Objections<br>▪ Top Management Consultation<br>▪ Top Management Deposit<br>▪ Trace of Direct Deposits |
| **B** | Building Control | ▪ Administration / Viewing Request, Filing retrieval and Copying of Plans<br>▪ Building Plans<br>▪ Demolition application<br>▪ Heritage Investigations | ▪ Plan Printing Fees<br>▪ Plan Scrutiny Fees<br>▪ Plan validity extension<br>▪ Re-inspection fees<br>▪ Signage |
| **C** | Cemeteries | ▪ Grave-depths<br>▪ Indication of grave | ▪ Plot Cost<br>▪ Wall of Remembrance |
| **D** | Business License | ▪ Application for extended Liquor hours<br>▪ Duplicates<br>▪ License- Formal | ▪ License - Informal<br>▪ Liquor License<br>▪ Re-inspection Fee |
| **E** | Commercial Filming/Photographing | ▪ Animals<br>▪ Application Fee | ▪ Environmental Control Officer<br>▪ Permits |





| | | | |
|---|---|---|---|
| | | ▪ Area required for production and catering<br>▪ Cancellation Fee | ▪ Vehicles off Public Roads per Parking Bay |
| **F** | Credit Control & Debt Collecting | ▪ Administration fee<br>▪ Notices<br>▪ Sheriff fee<br>▪ | ▪ SMS<br>▪ Tracing fee |
| **G** | Development Contributions | ▪ Water<br>▪ Electricity<br>▪ Sewerage<br>▪ Roads<br>▪ Sanitation | ▪ Storm water<br>▪ Solid Waste<br>▪ Off Grid Developments<br>▪ Evaluations/Investigations Levies |
| **H** | Electricity | ▪ Builders' connection<br>▪ Call-out fee<br>▪ Cancellation Fee<br>▪ Capital Contributions<br>▪ Casual Supplies<br>▪ Change to SSEG or Time of Use<br>▪ Change of Circuit Breaker<br>▪ Commission of Bulk Meter<br>▪ Connection and Disconnection of Service<br>▪ Consumer Deposits<br>▪ Contractor inspections<br>▪ Conversion of meters<br>▪ Credit Control and Debt Collection<br>▪ Damaged cables<br>▪ Damaged meter<br>▪ Deposits cables etc.<br>▪ Development Contribution<br>▪ Erection & Removal of Banners<br>▪ Fee recalculation – no access<br>▪ Hire of temporary distribution kiosk<br>▪ Hire of Sleeve Space for fiber optic cable | ▪ Illegal Connection/Tampering Fee<br>▪ Illuminated Signs<br>▪ Small Scale Embedded Generation (SSEG)<br>▪ Meter Testing<br>▪ Meter Verification<br>▪ MV Switching<br>▪ Public Lighting & CCTV<br>▪ Removal of meter<br>▪ Replacement<br>▪ Repositioning of Meter<br>▪ Service Connections<br>▪ Special Meter Readings<br>▪ Sundry Services<br>▪ Tariff change<br>▪ Unsafe/illegal connections per visit<br>▪ Upgrading extension Fee<br>▪ Way leave |
| **I** | Fire Services & Disaster Management | ▪ Assistance of motor vehicle accidents and rescues<br>▪ Burn Permits<br>▪ Events<br>▪ Extinguishing of Fires<br>▪ Fire Prevention inspections<br>▪ Fire Safety | ▪ Plot Clearing<br>▪ Re-inspection Fee under the By-law<br>▪ Special Services<br>▪ Standby at fire scene |
| **J** | Housing | ▪ Administration | ▪ Rental |
| **K** | Law Enforcement | ▪ Business & Other Events<br>▪ Bylaw on outdoor advertising<br>▪ Impoundment of Informal Traders (Hawkers) goods<br>▪ Impoundment of illegal Advertising/Agent boards<br>▪ Inspection Fees<br>▪ Impoundment of Abandoned/ Obstructing Items<br>▪ Pound Fee Cattle<br>▪ Pound fee Dogs and Cats<br>▪ Pound fee Horses | ▪ Pound fee other animals<br>▪ Pound fee Pigs<br>▪ Pound Fee Poultry<br>▪ Pound fee Sheep and Goats<br>▪ Pound fee Shopping Trolley<br>▪ Re-inspection Fee<br>▪ Removal of illegal structure<br>▪ Storage Fee |

| | | | |
|---|---|---|---|
| **L** | Libraries | ▪ Damage or lost Library material<br>▪ Deposits<br>▪ Facsimiles<br>▪ Laminated documents<br>▪ Lost Cards<br>▪ Penalty for Late Return | ▪ Photocopies<br>▪ Rental of Library Amenities<br>▪ Scanning<br>▪ Special Requests<br>▪ Subscription<br>▪ Visitors Fee (Handling) |
| **M** | Municipal Buildings | ▪ Deposits<br>▪ Rental of Amenities | ▪ Rental of Equipment |
| **N** | Off-Grid Developments/Units | ▪ Development Contribution | |
| **O** | Operational Cost | ▪ Street Signage | |
| **P** | Parking Fees | * Metered Parking | * Monthly Parking Permit |
| **Q** | Property Administration | ▪ Application lease/ purchase/ Encroachment<br>▪ Leases | ▪ Memorial Benches<br>▪ Radio Mast |
| **R** | Public Works | ▪ Felling and Pruning of Trees<br>▪ Private Work<br>▪ Sale of Miscellaneous Items<br>▪ Storm Water Drainage<br>▪ | ▪ Street Signage<br>▪ Tar and Patch Work<br>▪ Vehicle Entrances |
| **R** | Recreational Amenities | ▪ Affiliated Members<br>▪ Beaches<br>▪ Boat Launching<br>▪ Boat License/Permits<br>▪ Caravan Parks<br>▪ Change Rooms<br>▪ Clubhouses<br>▪ Commercial Fishing Vessels<br>▪ Community Halls<br>▪ Day Camping Site<br>▪ Deposit<br>▪ Entrance Fee<br>▪ Formal Shop Rental<br>▪ Frank Robb Hut<br>▪ Hawker Stalls<br>▪ Informal Trader under cover rental<br>▪ Kelp Collectors, Whale Watching and Shark Diving | ▪ Leases of stalls/containers<br>▪ Non-Affiliated Members<br>▪ Office Rental<br>▪ Open Spaces<br>▪ Parking<br>▪ Passenger Boats<br>▪ Plett House<br>▪ Public Open Space<br>▪ Recreational Fishing Vessels<br>▪ Rental Units Kleinmond<br>▪ Rental Wet core Stands<br>▪ Schuss Houses<br>▪ Spaces for Sport<br>▪ Sport Events<br>▪ Sport Grounds<br>▪ Support Services<br>▪ Use of Tractor |
| **T** | Roads | ▪ Capital Contributions | ▪ Development Contribution |
| **U** | Refuse Removal | ▪ Asbestos Sheet removal<br>▪ Baboon Resistant Bins<br>▪ Deposits<br>▪ Rental of Bulk Containers | ▪ Self-Dumping<br>▪ Replacement of lock on baboon resistant wheelie bin<br>▪ Weigh Bridge weighing vehicles |
| **V** | Sewage | ▪ Capital Contributions<br>▪ Connection of tanks<br>▪ Development Contribution | ▪ Disposal<br>▪ Tank Services<br>▪ Testing of tanks |
| **W** | Storm water | ▪ Development Contribution | |
| **X** | Swimming Pool | ▪ Entrance Fee<br>▪ Galas | ▪ Training session |
| **Y** | Town Planning | ▪ Advertising Cost<br>▪ Application Fee<br>▪ Closure of Public Place<br>▪ Contravention | ▪ Formal Structure<br>▪ Informal Structures<br>▪ Land use planning Fee<br>▪ Permission ito Zoning Scheme |





| | | | |
|---|---|---|---|
| | | ▪ Penalty<br>▪ Demolition of Administrative Penalty<br>▪ Departure<br>▪ Deposit – Appeal<br>▪ Determination of Zoning<br>▪ Exemption ito Section 26<br>▪ Extension of Time | ▪ Relaxation of Title Deed<br>▪ Registered Letter<br>▪ Removal of Title Deed Restrictions<br>▪ Search Fee<br>▪ Section 30(2) Certification/Clearance<br>▪ Spatial Development Framework<br>▪ Sub-division<br>▪ Zoning Certificate |
| **Z** | Traffic | ▪ Business and Other Events<br>▪ Disabled Parking Tokens<br>▪ Driver's Licenses<br>▪ Escorting and Other Services<br>▪ Hiring Traffic cones<br>▪ Impoundment of Boats<br>▪ Impoundment of Public Transport Vehicles<br>▪ Leaner's Licenses<br>▪ Parking Meters<br>▪ Professional Driver's Permits | ▪ Removal of Vehicles<br>▪ Roadworthy Certificates<br>▪ Storage Fees<br>▪ Taxi Rank Tokens<br>▪ Traffic Cones<br>▪ Towing Charge<br>▪ Vehicle Registration<br>▪ Wheel clamping fee |
| **AA** | Valuation (Property Information) | ▪ Access to Information<br>▪ Clearance Certificates<br>▪ Deeds Office Registrations<br>▪ Extract from Valuation Roll | ▪ Revaluation<br>▪ Valuation Certificates<br>▪ Valuation Roll<br>▪ Voters' Roll |
| **BB** | Water | ▪ Administration Fee – recalculation no meter access<br>▪ Call-out Fee<br>▪ Capital Contributions<br>▪ Connection & Disconnection<br>▪ Consumer Deposits<br>▪ Convert to water flow restrictor meter<br>▪ Credit Control and Debt Collection<br>▪ Damaged Water Meter; Water main & Service Connection<br>▪ Development Contribution<br>▪ Final meter reading<br>▪ Irrigation Water<br>▪ Illegal Connection/Tampering Fee | ▪ Meter Testing<br>▪ Meter verification<br>▪ Rebates<br>▪ Reconnection<br>▪ Registration of borehole<br>▪ Removal of meter<br>▪ Repair of meter<br>▪ Replacement of Damage meter<br>▪ Repositioning of meter<br>▪ Service Connections<br>▪ Special Meter Readings<br>▪ Still-off' inspections<br>▪ Sundry Services<br>▪ Temporary connections |
| **CC** | Wayleaves and the use of Municipal Road Reserves for the Installation of services | ▪ Administration and Supervision Fee<br>▪ Roadway Trench Fee<br>▪ 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.

## 13. IMPLEMENTATION AND REVIEW PROCESS

This policy will come into effect on 01 July 2025 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: | DIVISIONAL MANAGER: REVENUE MANGEMENT |
|---|---|
| CURRENT UPDATE: | 28 MAY 2025 |
| PREVIOUS REVIEW: | 11 DEC 2024 |
| PREVIOUS REVIEW: | 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 |

Munisipaliteit • U-Masipala • Municipality
OVERSTRAND

# 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: -

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## 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: -<br>(a) acting in such position; and<br>(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: -<br>(a) acting in such position; and<br>(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 of 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. |

| | |
|---|---|
| ***"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"*** | 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: -<br>(a) show the levies for assessment rates and/or building clause; and<br>(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"*** | 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: -<br>(a) acting in such position; and<br>(b) to whom the Municipal Manager has delegated a power, function or duty in respective 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"*** | (a) the person in whom the legal title to the property is vested.<br>(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:<br>(i) A trustee, in the case of a property in a trust excluding state trust land;<br>(ii) an executor or administrator, in the case of a property in a deceased estate;<br>(iii) a trustee or liquidator, in the case of a property in an insolvent estate or in liquidation;<br>(iv) a judicial manager, in the case of a property in the estate of a person under judicial management;<br>(v) a curator, in the case of a property in the estate of a person under curator ship;<br>(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;<br>(vii) a lessee, in the case of a property that is registered in the name of a municipality and is leased by the lessee;<br>(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;<br>(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;<br>(d) in the case of a property for which a lease agreement of 30 years or more has been entered into, the lessee thereof;<br>(e) regarding:-<br>(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<br>(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;<br>(i) any legal entity, including but not limited to:- |





| | |
|---|---|
| | (i) a company registered in terms of the Companies Act, 2008 (Act No 71 of 2008), a trust *inter vivos*, trust *mortis causa*, a closed corporation registered in terms of the Closed Corporations Act, 1984 (Act No 69 of 1984), and any voluntary organisation;<br>(ii) any local, provincial or national government,<br>(iii) any council, board or entity established in terms of any legislation applicable to the Republic of South Africa; and<br>(iv) any embassy or other foreign entity.<br>(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<br>(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. |
| ***"premises"* or *"property"*** | any portion of land, the external surface boundaries of which are delineated on: -<br>(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<br>(b) a sectional plan registered in terms of the Sectional Titles Act, 1986 (Act No 95 of 1986);<br>which is situated within the area of jurisdiction of the Municipality. |
| ***"Residential"*** | means improved property that is:<br>(a) used predominantly (60% or more) for residential purposes, with not more than two dwelling units per property.<br>(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<br>(c) owned by a share-block company and used predominantly (60% or more) for residential purposes, or<br>(d) a residence used for residential purposes situated on property used for or related to educational purposes. |

## 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.

3.3 Application forms, agreements and documents relating to this Policy must be available in Afrikaans and English. Officials designated to control and managed 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.
3.19 Council reserves the right to increase/decrease deposits once a year to reflect consumption patterns for the preceding 12 months, to be equal to twice the average consumption during the preceding 12 months.

## 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.

## 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.

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**

6.4.9 The Municipality will as far as possibly 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.

6.4.10 Accounts will be produced in accordance with the meter reading cycle and due dates will be linked to the statement date.

6.4.11 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.

6.4.12 If no official complaint in writing is received by the 15th of the month it will be considered that the account delivered is correct.

6.4.13 Accounts will be rendered monthly in cycles of approximately 30 days at the address last recorded with the Municipality or its authorised agent.

6.4.14 It is the customer's responsibility to ensure that his/her postal address and all other required details are correct.

6.4.15 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.

6.4.16 (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.

6.4.17 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 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 weekend.
(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.

6.4.18 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.

6.4.19 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 Divisional Manger: Revenue Management, or delegated official, authorises otherwise.

6.4.20 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.

6.4.21 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.

6.4.22 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.

6.4.23 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;

(b) the customer is a contractor for municipal projects

6.4.24 When tenants are in default, the service contract with the tenant will be cancelled and services transferred to the owner.

6.4.25 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

6.4.26 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**

6.5.9 The Municipality will operate and maintain suitable payment facilities, which facilities will be accessible to all customers.

6.5.10 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.

6.5.11 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.

6.5.12 The Municipality will endeavour to appoint a variety of agents (supermarkets, 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.

6.5.13 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 sent 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, 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 plumbers report as well as the date of the repair. [**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.

(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.



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**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 with 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.

**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 an tenants account will be opened.

## 7. 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 Senior Accountant: Collections can be made for further arrangements in excess of the two



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occasions mentioned above, to be considered by the Divisional Manger: Revenue Management, 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, 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 and brought into line with relevant tariffs and policies of Council.
7.4.8 Defaulters' deposits will be reviewed annually on request, 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.

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.



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**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.

(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.

## 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/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.

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 more than 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, wherever 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 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 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.

**9. SHORT TITLE**

This Policy shall be called the **Customer Care, Credit Control and Debt Collection Policy Overstrand Municipality**.

**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 one (1) year, in one payment**,** the Municipal Manager will approve the write off of all interest charged with regard to afore mentioned period;

10.1.3. An agreement to pay off the debt not older than 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 all interest charged to date for the total period.

10.1.5. If a customer sells their property and apply for a clearance certificate to benefit from the Incentive, in this instance the Incentive will not be applicable.

**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.

**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



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consider and approve any extension on these arrangements on receipt of a written recommendation by the Divisional Manager: Revenue Management.

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]** Senior Accountant: Collections can be made for further arrangements to be considered by the Divisional Manager: Revenue Management, 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 Divisional Manager: Revenue Management 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: -
  (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.





There are no limitations on debtors at any time to pay amounts in excess of arrangements towards outstanding debt, then prescribed above.

**12. IMPLEMENTATION AND REVIEW PROCESS**

This policy will come into effect on 01 July 2025 and will be reviewed at least annually or when required by way of a Council resolution.

| | |
|---|---|
| **POLICY SECTION:** | **DIVISIONAL MANAGER: REVENUE MANGEMENT** |
| **CURRENT UPDATE:** | 28 MAY 2025 |
| **PREVIOUS REVIEW:** | 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 |

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OVERSTRAND

# INDIGENT POLICY



## PREAMBLE

**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: -

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## 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: -<br>a. acting in such position; and<br>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 living on a stand or site on a permanent basis and who receive electricity and/or water from one meter, regardless of whether the person rents or owns the property. |
| ***"Income"*** | Income is the gross sum of all monthly income of the occupier received from all sources, including wages, salaries, profits, dividends, pensions, interest received, or investment income received by the occupier including income received by spouses/partners. In the instance where a spouse/partner is no longer part of the household, the applicant must submit an affidavit to declare that (i) the spouse/partner is on a permanent basis no longer part of the household; and (ii) the relationship with the spouse/partner was ended.<br>Discretionary grants/contributions and Government Support (including Child Support grants) will not be added as a financial contribution towards the Occupier's income. Particulars of any Government Support grants received by any Occupier 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: -<br>(a) show the levies for assessment rates and/or building clause; and<br>*"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. |
| ***"Occupier"*** | A person, including such person's spouse/life partner, who occupies any premises or part thereof and is primarily responsible for financially supporting and maintaining the household, without regard to the title under which he or she so occupies the premises and includes –<br>(a) any person in actual occupation of those premises;<br>(b) any person legally entitled to occupy those premises;<br>(c) in the case of those premises being subdivided and let to lodgers or various tenants, the person receiving the rent payable by such lodgers or tenants whether on the person's own account or as agent for any person entitled thereto or interested therein;<br>(d) any person having the charge of or management of those premises, and includes the agent of any such person when the person is absent from the Republic of South Africa or his whereabouts are unknown; or<br>(e) the owner of those premises. |
| ***"The Act"*** | The Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000) as amended from time to time. |

## 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 regarding 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 are 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.
6. Provide for the right of appeal to the Municipal Manager**.**

## 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 meets 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, except for Temporary employees/EPWP workers not appointed on a permanent basis, who qualify for the subsidy according to the Indigent criteria as set out in section 5 below retrospectively from 1 July 2023.
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.

## 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.

## CRITERIA OF SUBSIDY

The subsidy for needy households is recognised for purposes of receiving an indigent subsidy.

(i) The total income of the Occupier 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 veteran's 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 and capacity charge - 30Amp 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 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, or 1 x vacuum tanker per month if not able to connect to the sewer; and
(ix) R11.84 in regard of Infrastructure Levy.

## 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

**B. Incomplete forms or forms without the required documentation attached thereto will be rejected**.





## 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.

## 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.

## 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.

## 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.

## 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**.**

## 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.

## 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 anymore, 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 and may institute appropriate legal action civil or otherwise, against guilty party(ies).

## 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.

## 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.

## ENCOURAGEMENT

Councillors should encourage ratepayers/customers in their various wards to apply for participation in the indigent subsidy scheme.

## REVIEW AND IMPLEMENTATION PROCESS

This policy will come into effect on 01 July 2025.

This policy will be reviewed at least annually or when required by way of a Council resolution.

| POLICY SECTION: | DIVISIONAL MANAGER: REVENUE MANGEMENT |
|---|---|
| CURRENT UPDATE: | 28 MAY 2025 |
| PREVIOUS REVIEW | 25 SEPT 2024 |
| PREVIOUS REVIEW | 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 |

Munisipaliteit • U-Masipala • Municipality
OVERSTRAND

# SPECIAL RATING AREA POLICY

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## 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 i n 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; |
| ***"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 are 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.

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

6.12 ultimately, the decision whether or not to determine a special rating area rest 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),

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) and

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.

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

(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.

### 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.

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

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.

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
- 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.

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 2025.**
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: | DIVISIONAL MANAGER: REVENUE MANGEMENT |
|---|---|
| CURRENT UPDATE: | 28 MAY 2025 |
| PREVIOUS REVIEW: | 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 |
| PPROVAL BY COUNCIL: | 25 MAY 2016 |

Munisipaliteit • U-Masipala • Municipality
OVERSTRAND

# ASSET MANAGEMENT POLICY



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## 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

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| ***"Accounting Standards Board"*** | *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.* |
| ***"Amortization"*** | *is the systematic allocation of the depreciable amount of an intangible asset over its useful life.* |
| ***"Assets"*** | *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.* |
| ***"Assets below capitalization threshold"*** | *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.* |
| ***"Asset categories"*** | *are the asset categories as per the Overstrand Asset Register.* |
| ***"Basic Municipal Services"*** | *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.* |
| ***"Capitalization"*** | *is the recognition of expenditure as an Asset in the Financial Asset Register.* |
| ***"Carrying amount"*** | *is the amount at which an asset is included in the Statement of Financial Position after deducting any accumulated depreciation and accumulated impairment thereon.* |
| ***"Cost"*** | *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.* |
| ***"Cost of acquisition"*** | *is all the costs incurred in bringing an asset item to the required condition and location for its intended use.* |
| ***"Depreciation"*** | *is the systematic allocation of the depreciable amount of an asset over its useful life.* |
| ***"Depreciable amount"*** | *is the cost of an asset, or other amount substituted for cost in the financial statements, less its residual value.* |
| ***"Director"*** | *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.* |

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| ***"Disposal"*** | *in relation to a capital asset, includes:*<br>*(a) the demolition, dismantling or destruction of the capital asset; or*<br>*(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.* |
| ***"Fair value"*** | *is the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction.* |
| ***"Finance Lease"*** | *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.* |
| ***"Financial asset register"*** | *is the control register recording the financial and other key details for all municipal assets recognized in accordance with this policy.* |
| ***"Fixed Asset"*** | *(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.* |
| ***"Grantor"*** | *is the entity that grants the right to use the service concession asset to the operator.* |
| ***"Heritage Assets"*** | *are assets defined as culturally, environmental, historical, natural, scientific, technological or artistic significant and are held indefinitely for te benefit of present and future generations. Examples are works of art, historical buildings and statues.* |
| ***"Immovable Assets"*** | *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).* |
| ***"Impairment loss" of a cash-generating asset*** | *is the amount by which the carrying amount of an asset exceeds its recoverable amount.* |
| ***"Impairment loss" of a non-cash-generating asset*** | *is the amount by which the carrying amount of an asset exceeds its recoverable service amount.* |
| ***"Infrastructure assets"*** | *are defined as any assets that are part of a network of similar assets. Examples are roads, water reticulation schemes, sewerage purification and trunk mains.* |
| ***"Intangible assets"*** | *are defined as identifiable non-monetary assets without physical substance.* |
| ***"Investment properties"*** | *are defined as properties that are acquired for economic and capital gains.* |
| ***"Mandated Function"*** | *involves the delivery of a public service by an operator on behalf of a grantor that falls within the grantor's mandate.* |
| ***"Minor Assets"*** | *are moveable assets with the exception of items specifically excluded in Annexures 1, 2 & 3 of this Policy* |





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| ***"Movable Assets"*** | *are the stock of equipment owned or leased by the municipality such as office equipment and furniture, motor vehicles and mobile plant.* |
| ***"Operator"*** | *is the entity that uses the service concession asset to provide a mandated function subject to the grantor's control of the asset.* |
| ***"Organ of State"*** | *in terms of this policy, means –*<br>*(a) a national department or national public entity;*<br>*(b) a provincial department or provincial public entity;*<br>*(c) a municipality or municipal entity; or*<br>*(d) any other organ of state within the meaning assigned to "organ of state" in section 239 of the Constitution.* |
| ***"Other assets"*** | *are defined as assets utilized in normal operations. Examples are plant and equipment, motor vehicles and furniture.* |
| ***"Prescribe"*** | *means as prescribed by the Minister of Finance by regulation.* |
| ***"Property, plant or equipment" (PPE)*** | *Means tangible assets that:*<br>*(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*<br>*(b) are expected to have a useful life extending for more than one financial year.* |
| ***"Recoverable amount"*** | *is the amount that the municipality expects to recover from the future use of an asset, including its residual value on disposal.* |
| ***"Residual value"*** | *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.* |
| ***"Service concession arrangement"*** | *is a contractual arrangement between a grantor and an operator in which:*<br>*(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*<br>*(b) the operator is compensated for its services over the period of the service concession arrangement.* |
| ***"Service concession asset"*** | *is an asset used to provide a mandated function in a service concession arrangement that:*<br>*a) is provided by the operator which:*<br>*i. the operator constructs, develops, or acquires from a third party; or*<br>*ii. is an existing asset of the operator; or*<br>*b) is provided by the grantor which:*<br>*i. is an existing asset of the grantor; or*<br>*ii. is an upgrade to an existing asset of the grantor.* |
| ***"Useful life"*** | *is either:*<br>*(a) 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*** |

| | |
|---|---|
| | *(b) 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.* |

## 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 Die 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 |
|---|---|
| ▪ Acquiring a new asset<br>▪ Replacing an existing asset<br>▪ Enhancing an existing asset so that its use is expanded<br>▪ Further developing an existing asset so that its original useful life is extended | ▪ Restoring an asset so that it can continue to be used for its intended purpose<br>▪ 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 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 CFO 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 2025**

**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: | DIVISIONAL MANAGER: EXPENDITURE, FLEET AND ASSET MANAGEMENT |
|---|---|
| CURRENT UPDATE | 28 MAY 2025 |
| PREVIOUS 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 |
| APPROVAL BY COUNCIL | 26 MAY 2010 |
| APPROVAL BY EXECUTIVE MAYOR: | 10 DEC 2004 |

## *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.

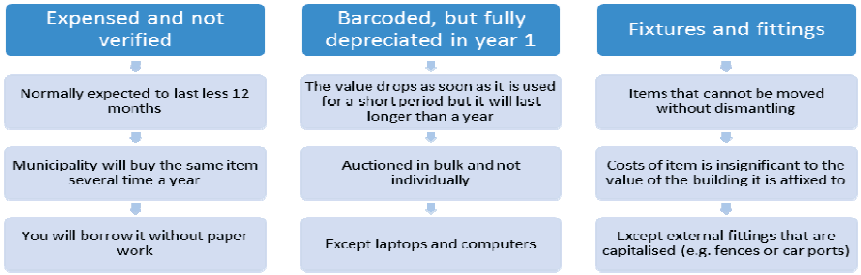
The GRAP discussion paper on materiality states the following: "Information in the financial statements is therefore relevant when it meets these information needs. The relevance of information is affected by its nature and materiality." This implies that certain information would not be relevant to 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 exceeds 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 to 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 is 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.**

## 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 |





## 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) | Ladders (All) |
| Air gun | Lighting System |
| Alcohol Tester | Link Stick |
| Angle grinder | Lockers |
| Audio and video recorders | Megaphone |
| Benches (All) | Meter Wheel |
| Bicycles | Microscope |
| Binoculars | Microwave |
| Blood Pressure Monitor | Mitre Saw |
| Cameras | Mobile Dash Light |
| Case: Mayors chains | Monitors for PC's (excluding Televisions) |
| Cash Drawer, register | Nail Gun |
| Cell Phone | Optical Camera |
| Chairs and Couches (All, except plastic stackable) | Ottoman |
| Circular Saw | PH Meter |
| Coffin Hoist | Piano Chair |
| Colorimeter | Polisher |
| Cut-off Saw | Punch Heavy Duty |
| Decoder | Radio - for communication |
| Decontamination Pack | Refracto Meter |
| Drawing board | Rotary saw |
| Drill set | Safe – Loose Standing |
| DVD, Tape Players | Sander Machine |
| Electric Spray Gun | Scale (Weight) |
| Electrical saw | Scanner |
| Electrical Screwdriver | Sound Bar |
| Examination table | Speakers (Auditorium, etc. Not office use) |
| External hard drives | Spectro Photometer |
| Fire Body Siren | Spine board |
| Flip charts | Spotlight Scope |
| FM/AM Radio | Spray trolley |
| Gas Burners (1 or 2 plate) | Stands (All) |
| Grease Pump | Stapler Heavy Duty |
| Griller | Stretcher |
| Guillotine | Table (Foldable - steel) |
| Hand drill | Table (Learner/Training) |
| Heat gun | Table (Wooden / plastic in community halls) |
| Hose Washer | Tester battery car |
| Hot plate/tray | Timing Light |
| Jack trolley | Tripods (All) |
| Jigsaw | Trolleys (All) |

| Description | Description |
|---|---|
| Turbidi meter | Vice grip – steel (heavy duty) |
| Typewriter | Water cooler/dispenser |
| Urn – Loose Standing | Winch and winch bracket |
| Vacuum cleaner | 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) | Pigeonhole With Credenza |
| Boards (All) | Projector Screen |
| Bookcase bolted to floor or wall | Safe – Wall Mounted |
| Clocking devices | Screen (Other) |
| Cupboard – built in | Shelving, wood and steel |
| Divider Stand | Strobe Lights |
| Extractor fan | Swing Cabinet (IT) – Wall Mounted |
| Flagpole | Urn – Wall Mounted |
| Jet master | Workstation divider |
| Key cabinet | |

| Capital Expenditure | Operational Expenditure (Maintenance) |
|---|---|
| ▪ Acquiring a new asset<br>▪ Replacing an existing asset<br>▪ Enhancing an existing asset so that its use is expanded<br>▪ Further developing an existing asset so that its original useful life is extended | ▪ Restoring an asset so that it can continue to be used for its intended purpose<br>▪ Maintaining an asset so that it can be used for the period for which it was initially intended. |

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OVERSTRAND

# TRAVEL & SUBSISTENCE POLICY



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## 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:-

| | |
|---|---|
| *"Accommodation"* | The rental of lodging facilities while away from the traveller's place of residence while on authorized official duty. |
| *"Accounting Officer" / "Municipal Manager"* | 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. |
| *"Air Travel"* | Travel by airline on official duty. |
| *"Car Rental"* | The rental of a vehicle for a short period of time by a traveller for official purposes. |
| *"Chief Financial Officer"* | 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. |
| *"Council"* | 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). |
| *"Councillor"* | A member of the Overstrand Municipal Council. |
| *"Day"* | A completed period of twenty-four hours away from normal place of domicile and employment of official business of the Municipality. |
| *"Director"* | 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. |
| *"Domestic Travel"* | Travel within the boundaries of the Republic of South Africa. |
| *"Essential User Transportation Allowance"* | Transportation allowance paid in accordance with the Essential User Transport Allowance Scheme to employees participating in the scheme. |
| *"Executive Management Team"* | 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). |
| *"Executive Mayor"* | 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. |
| *"Fixed Transportation Allowance"* | Transportation allowance linked directly to the managerial post level of the incumbent, also referred to as the "Old Perk Scheme". |
| *"Host"* | 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. |
| *"Incidentals"* | Any minor expenses normally associated with business travel. |
| *"International Travel"* | Travel to a location beyond the territorial boundaries of the Republic of South Africa. |

| | |
|---|---|
| *"Municipality"* | Overstrand Municipality, established in terms of sections 12 and 14 of the Structures Act. |
| *"Official"* | A person employed by the Municipality. |
| *"Official Business"* | 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. |
| *"Place of Work"* | The place where the principal duties of the Councillor or Official are performed. |
| *"Sponsored Trip"* | 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). |
| *"Subsistence allowance"* | 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). |
| *"Travel Allowance"* | 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. |
| *"Traveller"* | 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 re-imbursement 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 need 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 **maximum** rate **per night (including Tourism Levy)** for a single room will be payable **as follows:**

**a) Graded Hotel or Boutique Hotel:**

**(i) Room Only : R1'360-00 (incl VAT);**
**(ii) Room & Breakfast : R1'470-00 (incl Vat);**
**(iii) Room, Breakfast & Dinner : R1'700-00 (incl VAT)**

**b) Graded Bed & Breakfast, County Houe or Guest House:**

**(i) Room Only : R1'090-00 (incl VAT);**
**(ii) Room & Breakfast : R1'260-00 (incl Vat);**
**(iii) Room, Breakfast & Dinner : R1'460-00 (incl VAT)**

**c) Graded Self-Catering Establishment:**

**(i) Room Only : R1'360-00 (incl VAT).**

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 = **R120-00 [R 80-00]**;

b) Lunch = **R170-00 [R120-00]** (if not provided / included at the event);

c) Dinner = **R190-00 [R150-00]**.

10.3. Meal Expenses – International Trips

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-imbursement, 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 authorized 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 2025;**

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:** | **DIVISIONAL MANAGER: EXPENDITURE, FLEET AND ASSET MANAGEMENT** |
| **CURRENT UPDATE** | **28 MAY 2025** |
| **PREVIOUS 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** |
| **APPROVAL BY COUNCIL** | **26 MAY 2010** |
| **APPROVAL BY EXECUTIVE MAYOR:** | **10 DEC 2004** |



OVERSTRAND MUNICIPALITY – TRAVEL AND SUBSISTENCE POLICY

Munisipaliteit • U-Masipala • Municipality
OVERSTRAND

# PETTY CASH POLICY



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## 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, monitory 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 2025.**

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.

| POLICY SECTION: | DIVISIONAL MANAGER: EXPENDITURE, FLEET AND ASSET MANAGEMENT |
|---|---|
| CURRENT UPDATE | 28 MAY 2025 |
| PREVIOUS UPDATE | 31 MAY 2024 |
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| PREVIOUS REVIEW | 31 MAY 2022 |
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| PREVIOUS REVIEW | 29 MAY 2019 |
| PREVIOUS REVIEW | 30 MAY 2018 |
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| PREVIOUS REVIEW | 30 MAY 2012 |
| PREVIOUS REVIEW | 04 MAY 2011 |
| APPROVAL BY COUNCIL | 26 MAY 2010 |

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OVERSTRAND

# PAYDAY POLICY



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## 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:

| | |
|---|---|
| *"Councillor"* | A member of the Overstrand Municipal Council. |
| *"Permanent Employee"* | An official or worker appointed with paid leave and other entitlements / benefits in a position with unlimited duration. |
| *"Contractual Employee"* | 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. |
| *"Temporary Employee"* | 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. |
| *"Seasonal Employee"* | 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 2025.**

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:** | **DIVISIONAL MANAGER: EXPENDITURE, FLEET AND ASSET MANAGEMENT** |
| **CURRENT UPDATE** | **28 MAY 2025** |
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**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.





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## 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)

## 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 –

| | |
|---|---|
| *"Accounting Officer"* | 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. |
| *"Act" or "MFMA"* | means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003); |
| *"Budget Holder"* | 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. |
| *"Capital Asset"* | means<br>a) any immovable asset such as land, property or buildings; or<br>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. |
| *"CFO"* | means Chief Financial Officer of the Municipality or Director of Finance in this instance; |
| *"CIDB"* | means Construction Industry Development Board |
| *"close family member"* | a person's spouse, whether in a marriage or in a customary union according to indigenous law, domestic partner in a civil union, or child, parent, brother, sister, whether such a relationship results from birth, marriage or adoption |
| *"closing date"* | means the time and day specified in the bid documents and/or advertisement of the receipt of bids. |
| *"competitive bidding process"* | means a competitive bidding process referred to in paragraph 12(1)(c) of this Policy; |
| *"competitive bid"* | means a bid in terms of a competitive bidding process; |
| *"Construction Works"* | means any work in connection with:<br>c) the erection, maintenance, alteration, renovation, repair, demolition or dismantling of or addition to a building or any similar structure;<br>d) the installation, erection, dismantling or maintenance of a fixed plant;<br>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<br>*f)* the moving of earth, clearing of land, the making of an excavation, piling or any similar type of work. |
| *"Consultant"* | means a person or entity providing services requiring knowledge based expertise |
| *"contract"* | means the agreement that results from the acceptance of a bid by the Municipality; |
| *"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. |
| *"day(s)"* | Means calendar days unless the context indicates otherwise; |
| *"delegation"* | in relation to a duty, includes an instruction a request to perform, or to assist in performing the duty. |
| *"Direct purchase"* | means the procurement of goods and/or services whereby only one written quote is required to be obtained. |
| *"director"* | means a manager referred to in section 56 of the Municipal Systems Act. |
| *"emergency"* | an emergency is an unforeseeable and sudden event with harmful or potentially harmful consequences for the municipality which requires urgent action to address. |
| *"emerging enterprise"* | 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. |
| *"essential community services"* | 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:<br>I. Municipal traffic services and policing. |





| | |
|---|---|
| | II. Municipal health<br>III. Municipal security.<br>IV. Supply and distribution of water.<br>VI. Generation, transmission and distribution of power.<br>VII. Fire- fighting.<br>XXVI. The following parts of sanitation services:<br>a) Maintenance and operation of water borne sewerage systems, including pumping stations and the control of discharge of industrial effluent into the system;<br>b) Maintenance and operation of sewerage purification works;<br>c) Collection of refuse of an organic nature;<br>d) Collection of infectious refuse from medical and veterinary hospitals or practices;<br>e) Collection and disposal of refuse at a disposal site;<br>f) Collection of refuse left uncollected for fourteen (14) days or longer, including domestic refuse and refuse on public roads and open spaces. |
| *"final award"* | in relation to bids or quotations submitted for a contract, means the final decision on which a bid or quote is accepted; |
| *"financial interest"* | 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; |
| *"financial year"* | means a twelve-month period ending 30 June of every year. |
| *"formal written price quotation"* | means quotations referred to in paragraph 12(1)**[(d)]**(b) of this Policy; |
| *"Granting of Rights"* | 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. |
| *"Head: Supply Chain Management"* | Any post in the approved organisational structure to whom the entire SCM Unit reports to functionally |
| *"IDP"* | means Integrated Development Plan; |
| *"in the service of the state"* | means to be –<br>a member of –<br>a) any municipal council;<br>b) any provincial legislature; or<br>c) the National Assembly or the National Council of Provinces;<br>d) a member of the board of directors of any municipal entity;<br>e) an executive member of the accounting authority of any national or provincial public entity; or<br>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);<br>g) a member of the accounting authority of any national or provincial public entity; or<br>*h)* an employee of Parliament or a provincial legislature; |
| *"long term contract"* | means a contract with a duration period exceeding one year; |
| *"list of accredited prospective providers"* | means the list of accredited prospective providers which the Overstrand Municipality must keep in terms of paragraph 14 of this policy; |
| *"municipality"* | means the Overstrand Municipality; |
| *"notice boards"* | means the official notice boards at the municipal offices and libraries; |
| *"other applicable legislation"* | means any other legislation applicable to municipal supply chain management, including –<br>a) the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000);<br>b) the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);<br>c) the Construction Industry Development Board Act, 2000 (Act No.38 of 2000);<br>d) the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);<br>e) the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000);<br>f) the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998);<br>g) the Prevention and Combating of Corrupt Activities Act, 2000 (Act No. 12 of 2004);<br>h) the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003): Municipal Supply Chain Management Regulations;<br>i) the Preferential Procurement Regulations The Competitions Act 1998 (Act No. 89 of 1998), 2017 |
| *"Policy"* | means the Supply Chain Management Policy of the Overstrand Municipality; |

| | |
|---|---|
| *"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 I 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"]** Competitive Bidding Process; |
| *"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. |
| *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.* | |
| *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.* | |
| *All amounts / limits stated in this document shall be deemed to be inclusive of Value Added Tax (VAT).* | |

## 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;





   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.

## 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

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 –
      (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.]**

      (i) Service/product providers must submit their applications on the prescribed form and be accompanied by the following documentation:
         (a) Proof of company/close corporation registration (CIPC);
         (b) The company and the owner/director(s)/member(s)/shareholder(s)/partners proof of municipal account(s) not older than 3 months:
         (c) Certified ID copy(ies) of the owner/director(s)/member(s)/shareholder(s)/partners of the company;
         (d) A valid Tax Compliance Status (TCS) Pin;
         (e) The owner/company's bank confirmation letter/cancelled cheque or a copy thereof if the Credit Order Instruction on the form is not stamped by the bank;

(f) Proof of VAT registration, where applicable;

(g) Certificate of Acceptability for Food Premises;

(h) Proof of registration at the Construction Industry Development Board (CIDB), where applicable;

(i) Accreditation certificate if selling IT equipment;

(j) An originally certified copy of a valid B-BBEE status level verification certificate. Exempted Micro Enterprises (EME's) and Qualifying Small Enterprises (QSE's) may submit an originally certified Sworn Affidavit as per their sector codes.

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.

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)(a)**[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;

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;
      (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;
      (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 chairperson of 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.
   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.
   c) The budget holder must approach the SCM member of 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

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 five members and must include the Chief Financial Officer and the senior supply chain management practitioner.

   a) In the event of an equality of votes the chairperson shall have a casting vote over and above a deliberate vote.

5) The chairperson of the Bid Evaluation Committee and the budget holder, or their delegates, must be present at the Bid Adjudication Committee meetings without voting rights, to clarify issues that were dealt with in the Bid Evaluation Committee meetings.

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.

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;

   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;
   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.
      (c) Procurement in the case of emergencies must be explicitly approved by the Municipal Manager or delegated authority **[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.

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





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.

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.





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.

## 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** | **Initiation Report or Pre-feasibility Report**<br>(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.<br><br>Or<br>(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.<br><br>**Stage 1 is complete when the Initiation Report or Pre-feasibility Report is approved.** |
| **2** | **Concept** | **Concept Report or Feasibility Report**<br>(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.<br><br>(ii) The Concept Report should provide the following minimum information:<br>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.<br>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.<br>c) Provide an indicative schedule for documentation and construction, or maintenance services, associated with the project.<br>d) Include a site development plan, or other suitable schematic layouts, of the works.<br>e) Describe the statutory permissions, funding approvals and utility approvals required to proceed with the works associated with the project.<br>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.<br>g) Contain a risk report, need for further surveys, tests, investigations, consents and approvals, if any, during subsequent stages.<br>(iii) A Feasibility Report must provide the following minimum information:<br>a) Details regarding the preparatory work covering:<br>• A needs and demand analysis with output specifications.<br>• An options analysis.<br>b) A viability evaluation covering:<br>• A financial analysis.<br>• An economic analysis, if necessary.<br>c) A risk assessment and sensitivity analysis;<br>d) A professional analysis covering:<br>• A technology options assessment.<br>• An environmental impact assessment.<br>• A regulatory due diligence.<br>e) An implementation readiness assessment covering:<br>• Institutional capacity.<br>• A procurement plan.<br><br>**Stage 2 is complete when the Concept Report or the Feasibility Report is approved.** |
| **3** | **Design Development** | **Design Development Report**<br>(i) The Design Development Report must, as necessary:<br>a) Develop, in detail, the approved concept to finalise the design and definition criteria.<br>b) Establish the detailed form, character, function and costings.<br>c) Define the overall size, typical detail, performance and outline specification for all components.<br>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.<br>e) Confirm that the project scope can be completed within the budget or propose a revision to the budget.<br><br>**Stage 3 is complete when the Design Development Report is approved.** |
| **4** | **Design Documentation** | **Design Documentation**<br>(i) Design documentation provides:<br>a) the production information that details performance definition, specification, sizing and positioning of all systems and components that will enable construction;<br>b) the manufacture, fabrication and construction information for specific components of the work, informed by the production information.<br><br>**Stage 4 is complete when the Design Documentation Report is approved.** |

| | | |
|---|---|---|
| **5** | **Works** | **Completed Works capable of being used or occupied**<br>(i) Completion of the Works Stage requires:<br>a) Certification of the completion of the works in accordance with the provisions of the contract; or<br>b) Certification of the delivery of the goods and associated services in accordance with the provisions of the contract.<br><br>**Stage 5 is complete when the Works Completion Report is approved.** |
| **6** | **Handover** | **Works which have been taken over by the user or owner; Completed Training; Record Information**<br>(i) The handover stage requires the following activities to be undertaken:<br>a) Finalise and assemble record information which accurately reflects the infrastructure that is acquired, rehabilitated, refurbished or maintained;<br>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.<br><br>**Stage 6 is complete when the Handover/Record Information Report is approved.** |
| **7** | **Close-Out** | **Defects Certificate or Certificate of Final Completion; Final Account; Close-Out Report**<br>(i) The Close-Out Stage commences when the end user accepts liability for the works. It is complete when:<br>a) Record information is archived;<br>b) Defects certificates and certificates of final completion are issued in terms of the contract;<br>c) Final amount due to the contractor is certified in terms of the contract;<br>d) Close-Out Report is prepared by the Implementer and approved by the Municipality.<br><br>**Stage 7 is complete when the Close-out Report is approved.** |

## 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





(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.

(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.

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 2025** and will be reviewed at least annually by way of a Council resolution.

| POLICY SECTION: | DIVISIONAL MANAGER: SUPPLY CHAIN MANAGEMENT | | | | |
|---|---|---|---|---|---|
| CURRENT UPDATE | 2025/05/28 | PREVIOUS REVIEW: | 2020/03/25 | PREVIOUS REVIEW: | 2014/05/28 |
| PREVIOUS REVIEW | 2024/10/30 | PREVIOUS REVIEW: | 2019/06/26 | PREVIOUS REVIEW: | 2013/05/29 |
| PREVIOUS REVIEW | 2024/05/31 | PREVIOUS REVIEW | 2019/05/29 | PREVIOUS REVIEW: | 2012/11/28 |
| PREVIOUS REVIEW: | 2024/02/28 | PREVIOUS REVIEW: | 2018/05/30 | PREVIOUS REVIEW: | 2012/06/26 |
| PREVIOUS REVIEW: | 2024/01/31 | PREVIOUS REVIEW: | 2017/11/29 | PREVIOUS REVIEW: | 2012/05/30 |
| PREVIOUS REVIEW: | 2023/05/31 | PREVIOUS REVIEW: | 2017/05/31 | PREVIOUS REVIEW: | 2011/11/30 |
| PREVIOUS REVIEW: | 2022/12/14 | PREVIOUS REVIEW: | 2017/03/29 | PREVIOUS REVIEW: | 2011/05/04 |
| PREVIOUS REVIEW: | 2022/05/31 | PREVIOUS REVIEW: | 2016/05/25 | PREVIOUS REVIEW: | 2010/05/26 |
| PREVIOUS REVIEW: | 2021/05/26 | PREVIOUS REVIEW: | 2016/02/24 | PREVIOUS REVIEW | 2009/05/27 |
| PREVIOUS REVIEW: | 2020/05/27 | PREVIOUS REVIEW: | 2015/05/28 | APPROVAL | 2008/06/25 |





| **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]** Manager: Electrical | |
| **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.





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



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## 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** ***(in relation to a municipality)*** | 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** ***(in relation to a duty)*** | 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** (***In relation to a municipality)*** | means:<br>• an employee of a municipality;<br>• a person seconded to a municipality to work as a member of the staff of the municipality; or<br>• 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. ABREVIATIONS:

| | |
|---|---|
| **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 2025**;

This policy will be reviewed at least annually or when required by way of a Council resolution.

| POLICY SECTION: | DIVISIONAL MANAGER: SUPPLY CHAIN MANAGEMENT |
|---|---|
| CURRENT UPDATE | 28 MAY 2025 |
| PREVIOUS 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:

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## 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<br>b) to whom the Chief Financial Officer has delegated a power, function or duty in respective 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:-<br>a) acting in such position; and<br>b) to whom the Municipal Manager has delegated a power, function or duty in respective 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

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);





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, :

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





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

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.





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.

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 2025** 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: | DIVISIONAL MANAGER: FINANCIAL ACCOUNTING |
|---|---|
| CURRENT UPDATE: | 28 MAY 2025 |
| PREVIOUS 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

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# 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

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.





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.

**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





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. |

| | |
|---|---|
| **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-subsidiary 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. |





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| **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:

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|---|---|
| **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). |

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| **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





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.

### 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 2025** 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: | DIVISIONAL MANAGER: FINANCIAL ACCOUNTING |
|---|---|
| CURRENT UPDATE: | 28 MAY 2025 |
| PREVIOUS 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 |
| PREVIOUS REVIEW: | 30 MAY 2012 |
| APPROVAL BY COUNCIL: | 04 MAY 2011 |

# OVERSTRAND MUNICIPALITY

# VIREMENT POLICY

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## 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**<br>**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

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 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) **(i)** The relevant Director is required to approve **all virements pertaining to their respective directorates**, with a maximum as determined under section 6b. Virements in excess of R20 000 requires the the express approval of the Chief Financial Officer **and virements in excess of R100 000 requires the express approval of the** Municipal Manager. (Section 79 MFMA).

**(ii) All virements generated by the budget section for additional budget line items,**





**where applicable and corrections to budget line items, require the approval of the Chief Financial Officer.**

(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 Officer, Muncipal 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 R20 000 per item.

## 8. IMPLEMENTATION AND REVIEW OF THIS POLICY

This policy shall be implemented on **1 July 2025** 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:** | **DIVISIONAL MANAGER: FINANCIAL ACCOUNTING** |
| **CURRENT UPDATE:** | 28 MAY 2025 |
| **PREVIOUS UPDATE:** | 31 MAY 2024 |
| **PREVIOUS UPDATE:** | 31 MAY 2023 |
| **PREVIOUS UPDATE:** | 31 MAY 2022 |
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| **PREVIOUS UPDATE:** | 27 MAY 2020 |
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| **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 |
|---|---|---|---|---|---|---|
| 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 Technolgy | 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 |
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| 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 |
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| 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 |



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| 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 |
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| 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) |

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|---|---|---|---|---|---|---|
| **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 |



| Directorate | Department | OV CODE | Dept Code |
|---|---|---|---|
| **Municipal Council** | Council:Council's General | OV000012000100 | **8010** |
| **Municipal Council** | Council:Mayors Office | OV000012000200 | **8020** |
| **Municipal Council** | Council:Pensioners & Continued Members | OV000012000300 | **8030** |
| **Office of the Municipal Manager** | MM:Municipal Manager | OV000013000100 | **8040** |
| **Office of the Municipal Manager** | MM:Internal Audit | OV000013000200 | **8050** |
| **Office of the Municipal Manager** | MM:Strategic Support Services | OV000013000300 | **8060** |
| **Office of the Municipal Manager** | MM:Legal Services & Contract Management | OV000013000400 | **8070** |
| **Corporate Services** | Corp:Director:Corporate Services | OV000014000100 | **8080** |
| **Corporate Services** | Corp:Risk Management | OV000014000200 | **8090** |
| **Corporate Services** | Corp:Human Resources Management | OV000014000300 | **8100** |
| **Corporate Services** | Corp:Info & Communication Technolgy | OV000014000400 | **8110** |
| **Corporate Services** | Corp:Business Architecture & CRM | OV000014000500 | **8120** |
| **Corporate Services** | Corp:Administrative Support Services | OV000014000600 | **8130** |
| **Corporate Services** | Corp:Municipal Court | OV000014000700 | **8140** |
| **Financial Services** | Fin:Chief Financial Officer | OV000015000100 | **8150** |
| **Financial Services** | Fin:Financial Accounting | OV000015000200 | **8160** |
| **Financial Services** | Fin:Revenue Management | OV000015000300 | **8170** |
| **Financial Services** | Fin:Expenditure, Fleet & Asset Management | OV000015000400 | **8180** |
| **Financial Services** | Fin:Supply Chain Management | OV000015000500 | **8190** |
| **Infrastructure Services** | Infra:Chief Engineer:Infrastructure Services | OV000016000100 | **8200** |
| **Infrastructure Services** | Infra:Principal Engineer:Civil Infrastructure Planning | OV000016000200 | **8210** |
| **Infrastructure Services** | Infra:Senior Engineer:Waste Management | OV000016000300 | **8220** |
| **Infrastructure Services** | Infra:Waste Management:Transfer Stations & Drop-Offs | OV000016000400 | **8230** |
| **Infrastructure Services** | Infra:Principal Engineer:Civil Enineering Services | OV000016000500 | **8240** |
| **Infrastructure Services** | Infra:Principal Technologist Civil:Gansbaai & Stanford | OV000016000600 | **8250** |
| **Infrastructure Services** | Infra:Principal Technologist Civil:Hermanus | OV000016000700 | **8260** |
| **Infrastructure Services** | Infra:Principal Technologist Civil:Kleinmond | OV000016000800 | **8270** |
| **Infrastructure Services** | Infra:Water:Gansbaai & Stanford | OV000016000900 | **8280** |
| **Infrastructure Services** | Infra:Water:Hermanus | OV000016001000 | **8290** |
| **Infrastructure Services** | Infra:Water:Kleinmond | OV000016001100 | **8300** |
| **Infrastructure Services** | Infra:Sewerage:Gansbaai & Stanford | OV000016001200 | **8310** |
| **Infrastructure Services** | Infra:Sewerage:Hermanus | OV000016001300 | **8320** |
| **Infrastructure Services** | Infra:Sewerage:Kleinmond | OV000016001400 | **8330** |
| **Infrastructure Services** | Infra:Sewerage Tankers:Gansbaai | OV000016001500 | **8340** |
| **Infrastructure Services** | Infra:Sewerage Tankers:Hermanus | OV000016001600 | **8350** |
| **Infrastructure Services** | Infra:Sewerage Tankers:Kleinmond | OV000016001700 | **8360** |
| **Infrastructure Services** | Infra:Roads:Gansbaai & Stanford | OV000016001800 | **8370** |
| **Infrastructure Services** | Infra:Roads:Hermanus | OV000016001900 | **8380** |
| **Infrastructure Services** | Infra:Roads:Kleinmond | OV000016002000 | **8390** |
| **Infrastructure Services** | Infra:Stormwater:Gansbaai & Stanford | OV000016002100 | **8400** |
| **Infrastructure Services** | Infra:Stormwater:Hermanus | OV000016002200 | **8410** |
| **Infrastructure Services** | Infra:Stormwater:Kleinmond | OV000016002300 | **8420** |

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|---|---|---|---|
| **Infrastructure Services** | Infra:Principal Engineer:Electrical Services | OV000016002400 | **8430** |
| **Infrastructure Services** | Infra:Electrical:GB&ST | OV000016002500 | **8440** |
| **Infrastructure Services** | Infra:Electrical:HM&KM | OV000016002600 | **8450** |
| **Infrastructure Services** | Infra:Principal Engineer:Project Management | OV000016002800 | **8470** |
| **Infrastructure Services** | Infra:Housing Development | OV000016002900 | **8480** |
| **Infrastructure Services** | Infra:Revenue:Electricity | OV000016003000 | **8490** |
| **Infrastructure Services** | Infra:Revenue:Water | OV000016003100 | **8500** |
| **Infrastructure Services** | Infra:Revenue:Sewerage | OV000016003200 | **8510** |
| **Infrastructure Services** | Infra:Revenue:Waste Management | OV000016003300 | **8520** |
| **Community Services** | Comm:Director:Community Services | OV000017000100 | **8530** |
| **Community Services** | Comm:Community Services | OV000017000200 | **8540** |
| **Community Services** | Comm:Resorts:Onrus Caravan Park | OV000017000300 | **8550** |
| **Community Services** | Comm:Resorts:Hawston Swimming Pool & Caravan Park | OV000017000400 | **8560** |
| **Community Services** | Comm:Resorts:Kleinmond & Palmiet | OV000017000500 | **8570** |
| **Community Services** | Comm:Resorts:Gansbaai | OV000017000600 | **8580** |
| **Community Services** | Comm:Parks and Open Spaces | OV000017000700 | **8590** |
| **Community Services** | Comm:Sportsfields | OV000017000800 | **8600** |
| **Community Services** | Comm:Beaches | OV000017000900 | **8610** |
| **Community Services** | Comm:Slipways | OV000017001000 | **8620** |
| **Community Services** | Comm:Cemeteries | OV000017001100 | **8630** |
| **Community Services** | Comm:Refuse Removal:Stanford & Gansbaai | OV000017001200 | **8640** |
| **Community Services** | Comm:Refuse Removal:Hermanus | OV000017001300 | **8650** |
| **Community Services** | Comm:Refuse Removal:Kleinmond | OV000017001400 | **8660** |
| **Community Services** | Comm:Hermanus CBD Cleansing | OV000017001500 | **8670** |
| **Community Services** | Comm:Intergrated Human Settlements & Development | OV000017001600 | **8680** |
| **Community Services** | Comm:Library Services | OV000017001700 | **8690** |
| **Community Services** | Comm:Sports Development | OV000017001800 | **8700** |
| **Community Services** | Comm:Housing Administration | OV000017001900 | **8710** |
| **Community Services** | Comm:Halls,Facilities&Building Maintenance | OV000017002000 | **8720** |
| **Community Services** | Comm:Facilities & Halls | OV000017002100 | **8730** |
| **Community Services** | Comm:Building Maintenance | OV000017002200 | **8740** |
| **Community Services** | Comm:Cleaning Services | OV000017002300 | **8750** |
| **Municipal Public Safety** | MPS:Director: Municipal Public Safety | OV000018000100 | **8760** |
| **Municipal Public Safety** | MPS:Traffic Services | OV000018000200 | **8770** |
| **Municipal Public Safety** | MPS:Law Enforcement Services | OV000018000300 | **8780** |
| **Municipal Public Safety** | MPS:Fire, Rescue & Disaster Management | OV000018000400 | **8790** |
| **Municipal Public Safety** | MPS:Disaster Management | OV000018000500 | **8800** |
| **Municipal Public Safety** | MPS:Safety,Security & CCTV | OV000018000600 | **8810** |
| **Planning and Development** | P&D:Director:Planning & Development | OV000019000100 | **8820** |
| **Planning and Development** | P&D:Town Planning & Spatial Planning | OV000019000200 | **8830** |
| **Planning and Development** | P&D:Environmental Management & Conservation | OV000019000300 | **8840** |



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|---|---|---|---|
| **Planning and Development** | P&D:Building Control | OV000019000400 | **8850** |
| **Planning and Development** | P&D:Socio-Economic Programme | OV000019000500 | **8860** |
| **Planning and Development** | P&D:Property Management | OV000019000700 | **8880** |

# OVERSTRAND MUNICIPALITY




# BORROWING POLICY

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## 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.

### 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.





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.

## 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





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

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 2025** 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:** | DIVISIONAL MANAGER: FINANCIAL ACCOUNTING |
| **CURRENT UPDATE:** | 28 MAY 2025 |
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| **APPROVAL BY COUNCIL:** | 27 June 2012 |

# OVERSTRAND MUNICIPALITY

# FUNDING, RESERVES AND PROVISIONS POLICY

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## 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.





### 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 Subsides 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.

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





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.

**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 that 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





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 that 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.

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.





### 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 2025** and shall be reviewed on an annual basis to ensure that it is in line with the municipality's strategic objectives and with legislation.

| | |
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# OVERSTRAND MUNICIPALITY

# LONG TERM FINANCIAL PLANNING AND IMPLEMENTATION POLICY

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## 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);

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





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

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 2025** 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

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# OVERSTRAND MUNICIPALITY

# UNAUTHORISED, IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE POLICY



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## 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:** | 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;<br>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;<br>c) expenditure incurred by the OM in contravention of, or that is not in accordance with, a requirement of the Public Office-Bearers Act;;<br>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<br>e) excludes expenditure by the OM which falls within the definition of "unauthorised expenditure". |
| **"Official", in relation to OM, means:** | a) an employee of OM;<br>b) a person seconded to OM to work as a member of the staff of the OM; or<br>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 operational or capital expenditure, as the case may be;<br>b) In relation to a vote, means causing expenditure under the vote to exceed the amount appropriated for that vote; or<br>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. |
| **"Political Office Bearer" in relation to a municipality, means-** | 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<br>b) a councillor referred to in section 57(1) of the MFMA; |
| **"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:** | any expenditure incurred by the OM otherwise than in accordance with section 15 or 11(3) od the MFMA, and includes-<br>a) overspending of the total amount appropriated in the municipality's approved budget;<br>b) overspending of the total amount appropriated for a vote in the approved budget;<br>c) expenditure from a vote unrelated to the department or functional area covered by the vote;<br>d) expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose;<br>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<br>f) a grant by OM otherwise than in accordance with the MFMA. |
| **"Vote" means:** | a) One of the main segments into which a budget of a municipality is divided for the appropriation of money for the different directorates or functional areas of the municipality; and<br>b) which specifies the total amount that is appropriated for the purposes of the directorate or functional area concerned. |

## 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:

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 GUIDANCE TO BE IMPLEMENTED TO IMPROVE THE INTERNAL CONTROL ENVIRONMENT

### GUIDANCE ONE – IMPROVING THE CONTROL ENVIRONMENT – PREVANTATIVE CONTROLS

| CONTROL | ACTION | TIMELINE | OWNER |
|---|---|---|---|
| 1. Effective leadership is provided based on a culture of honesty, ethical business practices and good governance, protecting and enhancing the interests of the entity | - Ensure that all SCM officials have signed the Code of Conduct<br><br>- Implement Disciplinary or necessary action against staff who breached the code of conduct. | 31 July of each year<br><br>Ongoing as required | Divisional Manager: SCM<br><br>SCM Managers |
| 2. The municipality implements effective human resources management to ensure that adequate and sufficiently skilled resources are in place and that performance is monitored, which should include implementing effective consequences against officials who fail to comply with applicable legislation, continuously underperform or are negligent, as well as against those whose actions and decisions cause financial losses | - Review the SCM Organogram to ensure compliance and efficiency<br><br>- Ensure all SCM staff have signed their job descriptions that reflect assigned tasks and delegations | 31 May 2025<br><br>31 May 2025 | Divisional Manager: SCM<br><br>SCM Managers |





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| 3. The municipality establishes and communicates policies and procedures to enable and support understanding and execution of internal control objectives, processes, and responsibilities<br><br>- an approved SCM policy is in place | - Annually review the SCM Policy and SOPs as part of the Budget process<br><br>- Ensure staff sign acknowledgement of SCM policy and SOP reviews annually<br><br>- Approve UIF&W Policy and Reduction Strategy<br><br>- Communicate to staff and have SCM staff sign acknowledgement.<br><br>- Ensure Consequence Management is enforced in terms of MFMA section 32. | 31 May each year<br><br>31 July of each year<br><br>31 May of each year<br><br>30 June of each year<br><br>Ongoing as required | Divisional Manager: SCM<br><br>SCM Managers<br><br>Municipal Manager |
| 4. Develop and monitor the implementation of action plans to address internal control deficiencies | - Implement Audit Action Plan timeously | 31 July of each year | SCM Managers |
| 5. Implement proper record keeping promptly to ensure that complete, relevant, and accurate information is accessible and available to support financial and performance reporting | - Maintain a suitable hard-copy filing system where applicable<br><br>- Make an electronic backup of hard copies where possible | Immediate & Ongoing<br><br>Immediate & Ongoing | SCM Managers |
| 6. Implement controls over daily and monthly processing and reconciling of transactions | - Maintain Segregation between selecting quotes and making payments<br><br>- Ensure systems are in place to prevent intentional splitting of procurement<br><br>- Evaluate all Service Providers Performance Monthly with minutes of meetings<br><br>- Ensure declarations of interest / gifts or benefits are continuously made | Immediate & Ongoing<br><br>Immediate & Ongoing<br><br>Immediate & Ongoing<br><br>Immediate & Ongoing | Divisional Manager: SCM<br><br>SCM Managers<br><br>Contract Managers<br><br>Principle Clerk |
| 7. Prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information | - Ensure all SCM Regulations reporting requirements are adhered to on a monthly; quarterly; & annual basis | Immediate & Ongoing | Divisional Manager: SCM<br><br>SCM Managers |

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| 8. Review and monitor compliance with applicable laws and regulations | - Ensure all SCM compliance and possible abuse of SCM Policy is reported monthly | Immediate & Ongoing | Divisional Manager: SCM<br><br>SCM Managers |
| 9. Implement appropriate risk management activities to ensure that regular risk assessments, including consideration of IT risk and fraud prevention, are conducted and that a risk strategy to address the risks is developed and monitored | - Conduct annual Risk Assessment of SCM system, procedures, and processes<br><br>- Update SCM areas in Risk registers<br><br>- Review SCM risks in Fraud prevention plan annually | by 30 June of each year<br><br>by 30 June of each year<br><br>by 30 June of each year | Divisional Manager: SCM<br><br>SCM Managers<br><br>Chief Risk Officer |
| 10. There is an adequately resourced and functioning internal audit unit that identifies internal control deficiencies and recommends corrective action effectively | - Ensure SCM findings raised by internal and external audit are addressed. | by 30 June of each year | Divisional Manager: SCM<br><br>SCM Managers |
| 11. The audit committee promotes accountability and service delivery through evaluating and monitoring responses to risks and providing oversight over the effectiveness of the internal control environment including financial and performance reporting and compliance with laws and regulations | - Ensure Internal audit reports on SCM to the AC covers the compliance with laws & regulations and internal controls | 31 December of each year | Chief Audit Executive<br><br>SCM Managers |

**GUIDANCE TWO – PROCUREMENT AND CONTRACT MANAGEMENT – SUGGESTED PREVENTATIVE CONTROLS**

| CONTROL | ACTION | TIMELINE | OWNER |
|---|---|---|---|
| 1. Implementation of demand management and the utilisation of procurement plan goods, service, or infrastructure projects in a proactive manner (to get the right price and at the right location, and that the quantity and quality satisfy the needs of the municipality) instead of merely reacting to purchasing requests | - Develop a Draft procurement plan to be tabled with Draft Budget<br><br>- Develop a Final Procurement plan to be tabled with Final Budget<br><br>- Report adherence & deviations to procurement plan monthly<br><br>- Report contracts; contract extensions and variations that should but | 31 March each year<br><br>31 May each year<br><br>Monthly<br><br>Immediate & Ongoing | Divisional Manager: SCM<br><br>SCM Managers |





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| | did not go through a competitive process | | |
| 2. An effective system of acquisition management to ensure that: • the municipality procures typical goods and services following authorised processes and different threshold values only; • expenditure on goods and services is incurred in terms of an approved budget in terms of section 15 of the Act; • quotes are evaluated following the preference point system as prescribed by the PPPF Act; • bid documentation, evaluation and adjudication criteria, and general conditions of a contract, are in accordance with any applicable legislation. | - Ensure that SOP's are adhered to for procurement thresholds and report variances<br><br>- Ensure Budget Manager / Official signs to confirm correct and available budget;<br><br>- Monitor correct BBBEE / preferential points allocation;<br><br>- Ensure continuous controls over evaluation for bid compliance. | Immediate & Ongoing<br><br>Daily<br><br>Ongoing<br><br>Ongoing | Divisional Manager: SCM<br><br>SCM Managers |
| 3. Appropriate measures are in place and operating effectively where competitive bidding was not followed: • This was done only under the following circumstances: - i) in an emergency - where immediate action is necessary; ii) if goods or services are produced or available from a sole provider; iii) for the acquisition of special works of art or historical objects; iv) acquisition of animals for zoos; or iv) in any other exceptional case where it is impractical or impossible to follow the official procurement process. • The deviation from inviting competitive bids was recorded and approved by the accounting officer or delegated official, was reported to the next council/ board meeting, was disclosed in the notes to the annual financial statements is not indicative of fraud. | - Develop a SOP for deviations.<br><br>- Ensure that all deviations are processed as per the SOP.<br><br>- Ensure deviations are reported to the next Council (Section 80) meeting and in the Annual Financial Statements. | 30 April<br><br>Immediate & Ongoing<br><br>Immediate & Ongoing | Divisional Manager: SCM<br><br>SCM Managers |
| 4. The utilisation of a list of accredited prospective providers or, if not from the list, the providers meet the listing criteria in the SCM policy | - Ensure procurement is only done from registered Service Providers | Immediate & Ongoing | Divisional Manager: SCM<br><br>SCM Managers |
| 5. Proper committee systems exist, and bid documentation is maintained in a manner that is complete, appropriate and accurate | - Ensure all Bid attendance registers Agenda & minutes are signed and filed accordingly | Immediate & Ongoing | Divisional Manager: SCM<br><br>SCM Managers |

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|---|---|---|---|
| 6. Effective measures are implemented to ensure that construction contracts are awarded following the applicable SCM and CIDB legislation | - Ensure that Construction and similar contracts as prescribed by CIDB include the correct CIDB criteria and is advertised on CIDB and correct platforms | Immediate & Ongoing | Divisional Manager: SCM<br><br>SCM Managers |
| 7. Proper mechanisms, controls and safeguards are in place to manage conflict of interest, as it relates to:<br><br>• declarations of interests by SCM officials and role players recorded in a register kept by the accounting officer;<br><br>• declarations by SCM officials or other role players 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;<br><br>• declarations by council members (including the mayor) of their financial interest.<br><br>• controls for staff members to declare their benefits to the council where a staff member, or his/her spouse, partner business associate or close family member, acquired or stands to acquire any direct benefit from a contract concluded with the municipality. | - Ensure all SCM staff sign declarations of interests by 01 July each year<br><br>- Ensure all Directors and MM disclose their interests by 01 July<br><br>- Ensure all other staff complete declarations upon entry to the institution<br><br>- HR to send an annual reminder to all staff to update their declarations of interest<br><br>- Continuously request MBD declarations from service providers and not less than once per year | 01 July each year<br><br>01 July each year<br><br>Ongoing<br><br>by 31 May each year<br><br>Ongoing | Divisional Manager: SCM<br><br>SCM Managers<br><br>Divisional Manager: HR |
| 8. Utilising effective contract management ensures that the extension, expansion, or variation of a contract is justifiable and not indicative of the circumvention of SCM processes. | - send 7-month reminder before contract expiry | Ongoing | Divisional Manager: SCM<br><br>SCM Managers |
| 9. All fruitless and wasteful expenditure identified (whether by the municipality or through the audit process) are disclosed in the municipality's financial statements, together with the relevant details of the non-compliance. | - disclose all F&W expenditure in the AFS | 31 August each year | Divisional Manager: SCM<br><br>SCM Managers |





## GUIDANCE THREE – CONSEQUENCE MANAGEMENT – SUGGESTED PREVENTATIVE CONTROLS

| CONTROL | ACTION | TIMELINE | OWNER |
|---|---|---|---|
| 1. There should be consequences for transgressions, a lack of action and poor performance. Consequences should be instituted against officials who fail to comply with applicable legislation, continuously underperform or are negligent, and against those whose actions and decisions cause financial losses. | - Ensure policies on UIF&W are approved by Council<br><br>- Circulate approved policy to all users<br><br>- Ensure All Managers, Directors and SCM staff are aware of policy contents and consequences of UIF&W and poor performance | 30 June<br><br>31 May<br><br>31 December | Municipal Manager<br><br>Section 56 Managers<br><br>Divisional Manager: SCM<br><br>Divisional Manager: HR |
| 2. Historical irregular expenditure is dealt with expeditiously by the municipal public accounts committee. | - Ensure UIF&W investigation reports are tabled to MPAC at least Quarterly | Every quarter as per calendar of meetings | Municipal Manager<br><br>Section 56 Managers |

## 17 STRATEGIES TO BE IMPLEMENTED TO REDUCE UIF&W INCREMENTAL TARGETS

1. To eliminate Irregular Expenditure by 100% of the 2021/22 baseline by 2026.
2. To eliminate Fruitless & Wasteful Expenditure by 100% of the 2021/22 baseline by 2026.
3. To eliminate Unauthorised Expenditure by 100% of the 2021/22 baseline by 2026.

The above goals will be broken down into the following annual targets and where targets were missed in prior years, additional efforts must be exerted to catch-up to the current financial year target:

| Outcome | Outcome Indicators | Baseline | Incremental Target | | | Main Target |
|---|---|---|---|---|---|---|
| | | | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
| Sound Financial controls and management of public finances. | Percentage reduction of irregular expenditure | 2021/22 Audited AFS baseline of R110,946 | 5% elimination of irregular expenditure incrementally from the baseline of 2021/22 by 2023<br><br>R534,119 **target not met** | 15% elimination of irregular expenditure incrementally from the baseline of 2021/22 by 2024<br><br>R3,836,366 **Target not met** | 50% elimination of irregular expenditure incrementally from the baseline of 2021/22 by 2025 | 100% elimination of irregular expenditure incrementally from the baseline of 2021/22 by 2026 |
| | Percentage reduction of fruitless & wasteful expenditure | 2021/22 Audited AFS baseline of R27,394 | 50% elimination of fruitless & wasteful expenditure incrementally from the baseline of 2021/22 by 2023<br><br>R4,748 **Target met** | 75% elimination of fruitless & wasteful expenditure incrementally from the baseline of 2021/22 by 2024<br><br>R0 **Target met** | 90% elimination of fruitless & wasteful expenditure incrementally from the baseline of 2021/22 by 2025 | 100% elimination of fruitless & wasteful expenditure incrementally from the baseline of 2021/22 by 2026 |
| | Percentage reduction of unauthorised expenditure | 2021/22 Audited AFS baseline of R14,108,285 | 5% elimination of unauthorised expenditure incrementally from the baseline of 2021/22 by 2023<br><br>R26,061,573 **Target not met** | 15% elimination of unauthorised expenditure incrementally from the baseline of 2021/22 by 2024<br><br>R0 **Target met** | 50% elimination of unauthorised expenditure incrementally from the baseline of 2021/22 by 2025 | 100% elimination of unauthorised expenditure incrementally from the baseline of 2021/22 by 2026 |





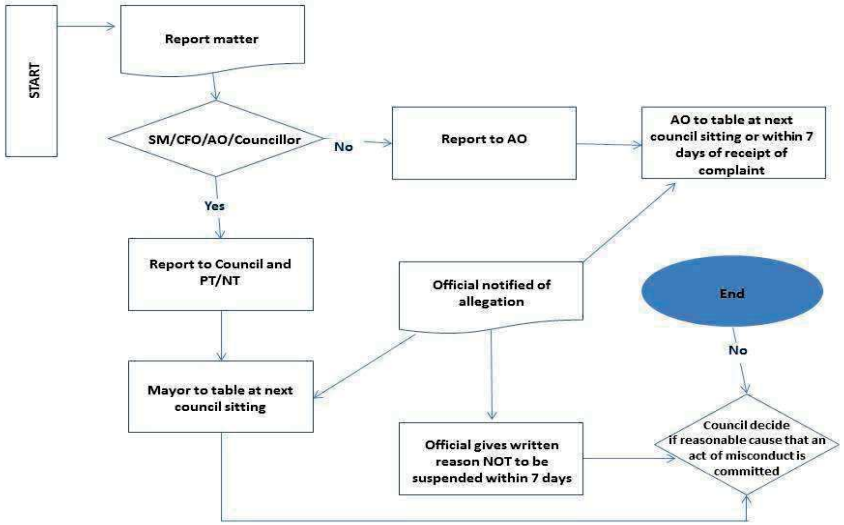
## 18 SHORT TITLE AND COMMENCEMENT

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 2025** and will be reviewed at least annually by way of a Council resolution.

| | |
|---|---|
| **POLICY SECTION:** | **DIVISIONAL MANAGER: SUPPLY CHAIN MANAGEMENT** |
| **CURRENT UPDATE** | **28 MAY 2025** |
| **PREVIOUS REVIEW:** | **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** |

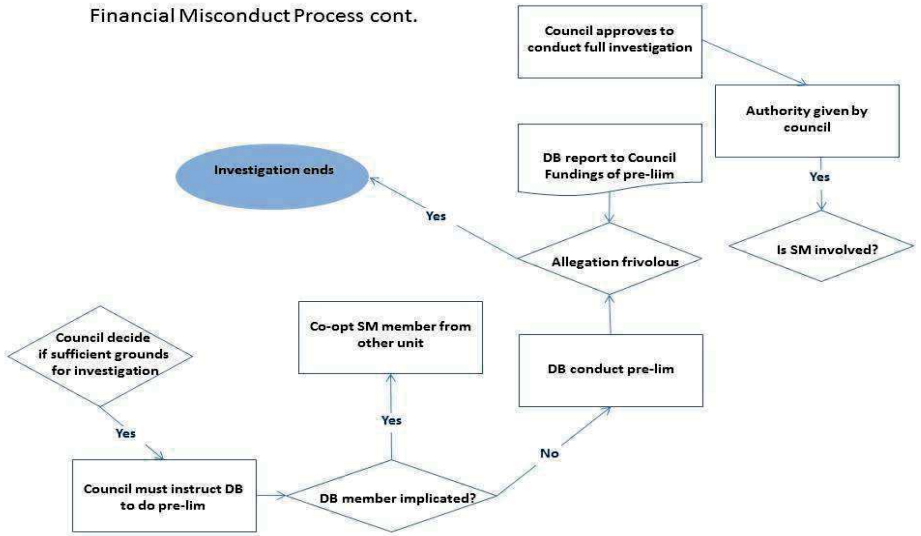
## Financial Misconduct Process



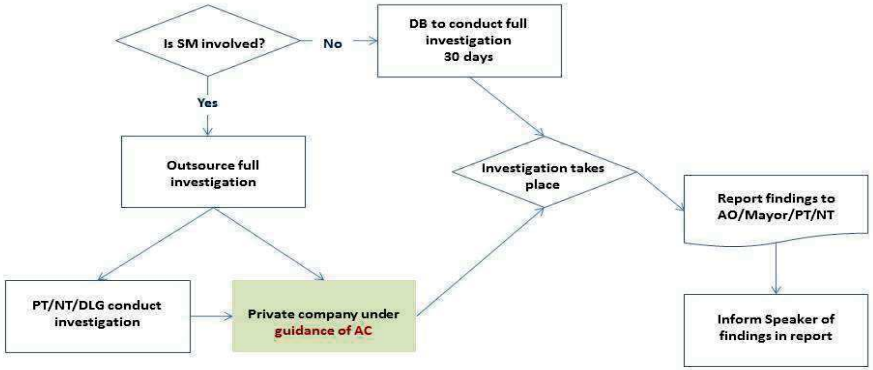





## Financial Misconduct Process cont.



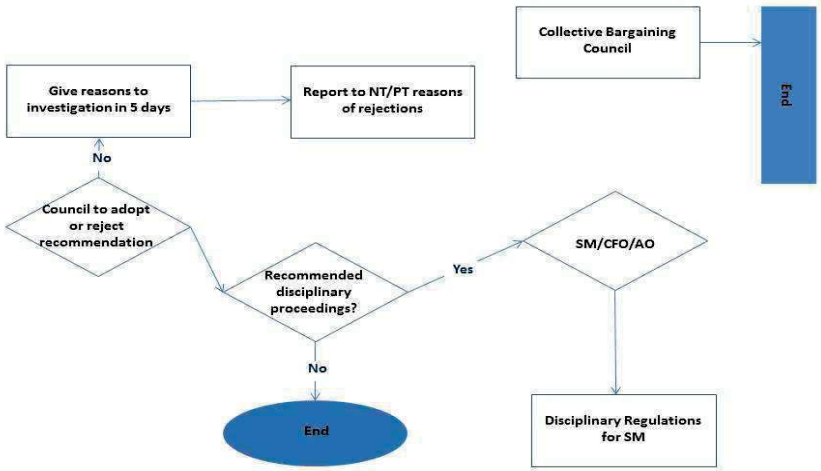
Financial Misconduct Process cont.



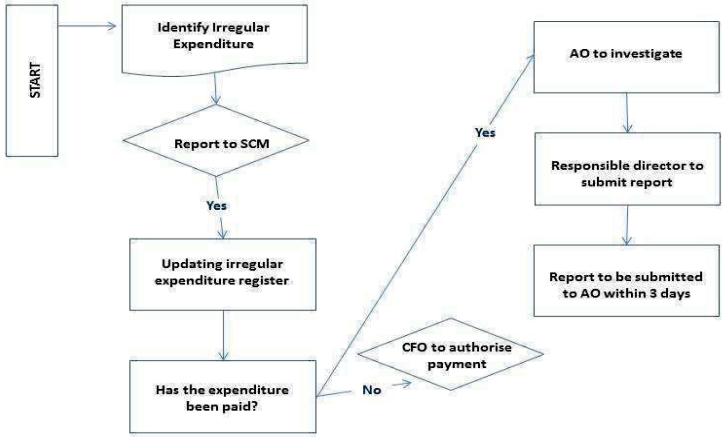





Financial Misconduct Process cont.



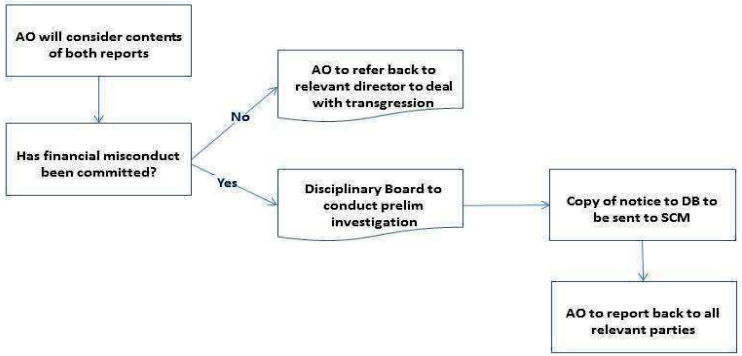
## Irregular Expenditure Process








## Irregular Expenditure Process cont.



# OVERSTRAND MUNICIPALITY

# COST CONTAINMENT POLICY



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15. Short title and commencement

16. Annexure A: Municipal Cost Containment Regulations, 2019

**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 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.

**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**

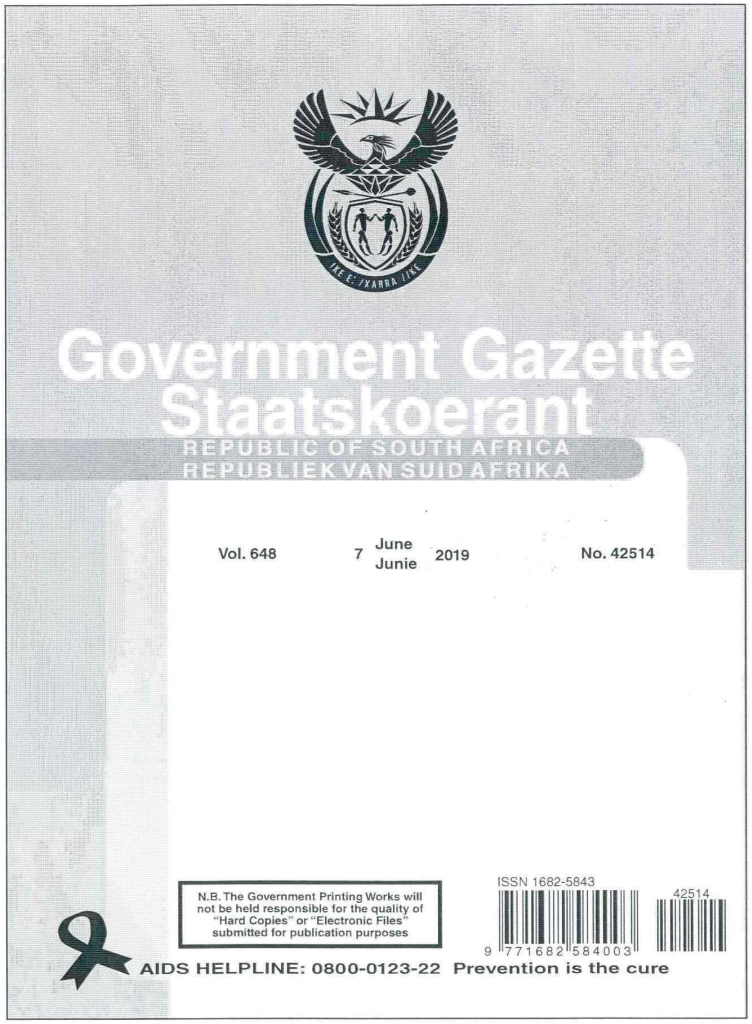
This policy shall be called the Cost Containment Policy of the Overstrand Municipality and will come into effect on **1 July 2025**.

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:** | **DIVISIONAL MANAGER: SUPPLY CHAIN MANAGEMENT** |
| **CURRENT UPDATE** | 28 MAY 2025 |
| **PREVIOUS 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 |







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.

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## SCHEDULE

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3. Application of Regulations
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14. Enforcement procedures
15. Disclosures of cost containment measures
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### 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.

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**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 officer 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.

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(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.

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**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.

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**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.

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## 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"*** | *mean any tender which, in all respects, complies with the specification and conditions of tender as set out in tender document* |
| ***"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"*** | *means a tender that complies with all specifications and conditions of tender and that has the highest price compared to other tenders;* |
| ***"Large Enterprises"*** | *is a company with an annual turnover in excess of R50 million.* |
| ***"Local area"*** | *means the local suppliers and/or service providers whose registered business address is within the Overstrand Municipal area, the Overberg district boundaries, and the Western Cape.* |
| ***"Lowest acceptable tender"*** | *means a tender that complies with all specifications and conditions of tender and that has lowest price compared to other tenders;* |
| **"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 of 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-<br>• a national or provincial department as defined in the Public Finance Management Act, 1999;<br>• a municipality as contemplated in the Constitution;<br>• a constitutional institution as defined in the Public Finance Management Act;<br>• Parliament;<br>• a provincial legislature.<br>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 |

| | |
|---|---|
| | 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-<br>(a) the B-BBEE status level certificate issued by an authorised body or person;<br>(b) a sworn affidavit as prescribed by the B-BBEE Codes of Good Practice; or<br>(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-<br>(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<br>(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"*** | *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;* |
| ***"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"*** | *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* |
| ***"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.





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:

$$Ps = 80\left(1 - \frac{(Pt - Pmin)}{Pmin}\right)$$

*Where;*
*Ps = Points scored for price of tender under consideration.*
*Pt = Price of tender under consideration; and*
*Pmin = 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:





$$Ps = 90\left(1 - \frac{(Pt - Pmin)}{Pmin}\right)$$

*Where;*
*Ps = Points scored for price of tender under consideration;*
*Pt = Price of tender under consideration; and*
*Pmin = 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) $$Ps = 80\left(1 + \frac{Pt - Pmax}{Pmax}\right)$$

*Where*

*Ps = Points scored for price of tender under consideration.*
*Pt = Price of tender under consideration; and*
*Pmax = 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) $$Ps = 90\left(1 + \frac{Pt - Pmax}{Pmax}\right)$$

*Where*

*Ps = Points scored for price of tender under consideration;*
*Pt = Price of tender under consideration; and*
*Pmax = 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.

## 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) (Under R30k) | Number of Points for Preference (80/20) (Over R30k) | Number of Points for Preference (90/10) (Over R30k) |
|---|---|---|---|
| 1 | 20 | 10 | 5 |
| 2 | 18 | 8 | 4 |
| 3 | 14 | 6 | 3 |
| 4 | 12 | 4 | 2 |
| 5 | 8 | 2 | 1 |
| 6 | 6 | 2 | 1 |
| 7 | 4 | 2 | 1 |
| 8 | 2 | 2 | 1 |
| Non-compliant contributor | 0 | 0 | 0 |

4. A tenderer must submit proof of its BBBEE 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 or10 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.

## 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 2025** and will be reviewed at least annually by way of a Council resolution.

| POLICY SECTION: | DIVISIONAL MANAGER: SUPPLY CHAIN MANAGEMENT | | | | |
|---|---|---|---|---|---|
| CURRENT REVIEW | 2025/05/28 | PREVIOUS REVIEW | 2019/05/29 | PREVIOUS REVIEW | 2013/05/29 |
| PREVIOUS REVIEW | 2024/05/31 | 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

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## 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.<br>b) Timeframe commitments for compliant applications are as follows:<br>• Land-use application: six (6) months.<br>• 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 | Applies to all land use and building plan fees.<br>Reduced building plan application fees and land use management application fees apply to non-residential development as follows:<br>i. Building plan application fee.<br>• If the building is less than 1000m² - 30% rebate on scrutiny fees.<br>• If the building plan is more than 1000m² - 50% rebate on scrutiny fees.<br>ii. Land use management application fee:<br>• In economic corridors (Disadvantaged areas) - 100% rebate on land use applications<br>• 50% in economic nodes<br>Applicable to applications relating to:<br>Strategic sectors such as agri/aqua culture, nature conservation, tourism, green energy, the blue economy, warehousing, call centre, financial and medical. |
| 2. | Rebate on Municipal Property Rates portion (Value of improvements) | • 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.<br>• 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 | 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)<br><br>In previously disadvantaged areas value of investment to be > R2 000 000. |
| 2. Sectoral Criteria | a) The Investment incentive package is specifically targeted to businesses operating in the following manufacturing sectors: -<br>i. Agri/Aqua culture and Blue Economy<br>ii. Nature conservation<br>iii. Tourism<br>iv. Green Energy<br>v. Warehousing,<br>vi. Call centre,<br>vii. Financial<br>viii. Medical and Health Care<br><br>b) In line with Council priority projects, incentives will be available for the following Initiatives: -<br>• CBD regeneration projects (mixed use residential and retail facilities) |
| 3. Employment Creation | 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).<br><br>In previously disadvantaged areas (must create 5 or more permanent jobs) |
| 4. General conditions | a) The applicant must be in good legal standing,<br>b) The municipality accounts linked to the property owner or investor must be fully paid before entering into an investment contract. |



| | |
|---|---|
| 5. Counter- performance criteria and proviso's | 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.<br>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.<br>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.<br>d) The applicant and all businesses associated with it must be in good standing, with Council and SARS.<br>e) The premises from which the business will be operating must comply with the National Building Regulations and Standards Act,<br>f) The investment must comply with all applicable legislation or policy, and<br>g) All financial incentives are subject to the Council's budgeting processes as prescribed by National Treasury. |

## 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 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 Responsibilitie |
|---|---|
| Office of the Municipal Manager | ➢ Function as a one-stop shop for investments in the Overstrand area.<br>➢ 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 2025.**
This policy will be reviewed at least annually or when required by way of a Council resolution.

| | |
|---|---|
| **POLICY SECTION:** | Planning & Development |
| **CURRENT UPDATE:** | 28 MAY 2025 |
| **PREVIOUS REVIEW:** | 31 MAY 2024 |
| **APPROVAL DATE** | 29 AUG 2022 |

Munisipaliteit • U-Masipala • Municipality
OVERSTRAND

# FLEET MANAGEMENT POLICY



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## 1. PURPOSE

1.1. Regulate, control and monitor the use of official vehicles of the Overstrand Municipality.

1.2 Ensure that the users of official vehicles comply with a uniform policy and procedures in respect of fleet management.

1.3 Ensure that official vehicles are optimally and effectively used for the rendering of municipal services.

1.4 Ensure cost-effective and efficient usage of available funding in respect of fuel and maintenance.

1.5 Prevent possible abuse/misuse of official vehicles.

1.6 Enhance safe driving and usage practices in respect of official vehicles.

## 2. DEFINITIONS

For this Policy and the following definitions shall apply:

***Officials***
*A*ny person who is permanently or temporary employed or contracted by the Overstrand Municipality.

***Official Vehicle***
All vehicles registered in the name of Overstrand Municipality and all vehicles from the Provincial Government of the Western Cape made available by way of an official agreement to be utilise by Overstrand Municipality.

***Authorised Driver***
An authorised driver is an official of Overstrand Municipality who holds the prescribed applicable valid driver's License and are competent to operate such vehicle, and who has been duly authorised to drive an official vehicle from external service prover by a Vehicle Administrator who has the authority to grant such approval.

***Vehicle Administrator***
Vehicle administrator is a designated Senior-/Manager of Overstrand Municipality who is responsible for the allocation of official vehicles to authorised drivers, in his/her department/directorate.

## 3. STATURORY AND LEGAL FRAMEWORK

This policy must comply with all relevant legislative requirements including:

3.1 The Constitution of the Republic of South Africa, 1996

3.2 Municipal Structures, Act 117 of 1998

3.3 Municipal Systems, Act 32 of 2000

3.4 Municipal Finance Management, Act 56 of 2003

3.5 National Road Traffic (NRTA), Act 93 of 1996





3.6 Occupational Health and Safety, Act 85 of 1993

3.7 Overstrand Municipality: Asset Management Policy

## 4. SCOPE

4.1 This policy applies to all officials and Councillors of Overstrand Municipality and governs the use and maintenance of all the official vehicles of the Overstrand Municipality.

4.2 A councillor may, in exceptional circumstances, upon good cause shown, and with the approval of the Mayor or Speaker, utilize the municipal-owned vehicle for official purposes.

4.3 If a councillor uses a municipal-owned motor vehicle for official purposes such councillor will not be reimbursed for kilometers travelled.

4.4 Members of the public may not operate/drive an official vehicle.

4.5 Any employee who receives essential vehicle assistance, car allowance or any other form of transportation allowance, may not operate/drive an official vehicle, subject to approval being granted as stipulated in 4.6 below.

4.6 If the requirement arises that an unauthorised driver/operator requires to use an official vehicle to fulfil his/her official duties, prior permission can be granted by the relevant Director in writing, to use an official vehicle. The usage may be required either due to:

4.6.1 His/her vehicle not available, in which case repayment or partial repayment may be required,
4.6.2 A requirement to operate a specialised vehicle, such as a cherry picker, refuse compactor truck, emergency services vehicle.
4.6.3 A group of municipal officials/councillors requires the use of the minibus to conduct their official duties. The minibus can be booked at the Fleet Management offices.

4.7 A group of members of a statutory committee(s) of the Municipal Council may be transported for official business in a minibus subject to approval by the relevant Director.

4.8 Authorisation from the relevant Director/Manager of an official vehicle shall be submitted to Fleet Management before the use of the official vehicle.

## 5. VEHICLES OF EXTERNAL SERVICE PROVIDERS (RENTAL VEHICLES)

Where an official of Overstrand Municipality utilised a vehicle from an external service provider, the policies and conditions of the service provider must be accepted and adhered to by such an authorised driver.

## 6. RESPONSIBILITIES OF FLEET MANAGEMENT

The Fleet Management Section is largely responsible for the management and control of the vehicle fleet regarding:

6.1 Procurement of vehicles and related fixtures;

6.2 Maintenance and servicing of vehicles and related fixtures;

6.3 Safeguarding of vehicles;

6.4 Financial and other administrative record-keeping related to vehicles;

6.5 Inspection of all vehicles on at least a quarterly basis;

6.6 Ensure allocation of vehicles to vehicle administrators/authorized drivers;

6.7 Deal/assist with investigations regarding any incidents related to misuse/in appropriate use and accidents; with regard to the vehicle fleet;

6.8 Financial and other administrative duties (including record-keeping) related to the vehicles fleet, and

6.9 Ensure timely communication regarding matters related to fleet management to all affected stakeholders.

## 7. RESPONSIBILITIES OF AUTHORISED DRIVERS

7.1 The full cooperation of all employees that make use and are dependent on the vehicle fleet to execute their official duties are always required to ensure that Overstrand Municipality's Fleet Management System functions in an effective and efficient manner.

7.2 All authorised drivers/ and vehicle administrators are expected to accept and exercise the responsibilities associated with the operation of vehicles, as prescribed in this policy.

7.3 The authorised drivers shall be held accountable for the vehicle in his/her possession.

7.4 **Authorised usage**

7.4.1 The vehicles shall only be driven by appropriately licensed and duly authorised officials on official duty who must ensure that their driving licenses are always valid and are renewed before the expiry date.
7.4.2 All employees shall travel in one official vehicle as far as reasonably possible.
7.4.3 All authorised drivers shall sign the Fleet Management Policy before they are permitted to drive an official vehicle.
7.4.4 All official vehicles must be issued with a logbook (hard copy or electronic). The authorised driver is responsible to record all his/her trips in the logbook on a daily basis.
7.4.5 Officials shall use the official vehicles only for execution of official duties.
7.4.6 Officials may not tamper with the speedometer or any part of an official vehicle.
7.4.7 Official vehicles may only be utilised as per the applicable prescribed license requirements.
7.4.8 No official vehicle shall be used for unofficial training.
7.4.9 When an official vehicle requires fuel/oil, the official vehicle shall obtain the supplies on route, or at the closest filling station if it is safe to do so.





7.4.10 Authorised drivers shall adhere to the manufacturer's specifications and the National Road Traffic, Act 93 of 1996 (NRTA) to prevent overloading or incorrect load distributions.
7.4.11 All loads shall be properly secured.
7.4.12 Authorised drivers shall accept responsibility for the official vehicle and its load, and for safe driving practices.
7.4.13 Authorised drivers shall adhere to all traffic regulations whilst supporting green band driving. (Green band driving is a measure of the use of the most efficient range of the engine).
7.4.14 No water shall be used to top up engine coolant. Only pre-mix antifreeze shall be used that can be obtained from the Municipal Stores.

**7.5 Valid Driver's License**

7.5.1 Officials who are authorised to drive an official vehicle must have of a valid driver's license in terms of the National Road Traffic, Act 93 of 1996 (NRTA) for the particular class of vehicle utilised by him/her.
7.5.2 It is the responsibility of the official to inform his/her dedicated vehicle administrator in the event of his/her driver's license being revoked or suspended.
7.5.3 Vehicle administrators must ensure that no official operates an official vehicle without a valid driver's license.

**7.6 Public Drivers Permit**

7.6.1 Authorised drivers who in terms of prescribed legislation must have of Public Drivers Permits (PDP) must ensure that their Public Drivers Permits (PDP) are always valid and are renewed before the expiry date.
7.6.2 Overstrand Municipality will bear the costs of all authorised drivers who in terms of their job requirements must possess a Public Drivers Permit (PDP).

**7.7 Public Image**

7.7.1 All official vehicles shall be driven safely and courteously, which will promote the Overstrand Municipality's public image.
7.7.2 All official vehicles must be branded with an identifiable approved official logo, excluding official vehicles utilised by Councillors.

**7.8 Tidiness**

7.8.1 Official vehicles should at all times be kept in a neat and tidy condition by employees.
7.8.2 Upon returning from each trip, official vehicles must be cleared of all items not belonging in the vehicle (refuse, personal items, etc.).
7.8.3 Vehicle administrators shall ensure that all official vehicles are washed and vacuumed at least on a bi-weekly basis.

**7.9 Careful Handling**

Official vehicles shall at all times be driven and handled with proper care and attention to obtain the best mechanical service and avoid infringements of the law.

### 7.10 Inspections of Official Vehicles

7.10.1 Pre- and post-inspections of official vehicles are to be carried out by each authorised driver before embarking on a trip and after completion of a trip and/or daily to ensure that the vehicle is in a roadworthy, safe working and clean condition, by also completing the prescribed pre- and post-inspection form.

7.10.2 All yellow machines (i.e. diggers, loaders, graders, excavators, compactors) must be greased as per manufacturer's specifications by the relevant authorised driver.

7.10.3 Refuse compactors will be greased weekly by the relevant authorised driver, based on the schedule provided by the vehicle administrator.

7.10.4 The abovementioned inspection forms must be presented to his/her vehicle administrator on a weekly basis.

7.10.5 Any damage/defects found by the authorised driver during the course of the inspection must be reported in writing the same day to his/her vehicle administrator who must report it to the Fleet Management Department for further action.

7.10.6 The last authorised driver of an official vehicle will be held responsible for any unreported damage/defects/loss.

7.10.7 If during an inspection it is found by an authorised driver that a license disc and/or number plate is lost, destroyed, expired or illegible, matter(s) must be reported without delay to his/her vehicle administrator who must report it to the Fleet Management Department for further action. The vehicle shall not be utilised until at such a time that the vehicle is deemed roadworthy.

7.10.8 All official vehicles must be available for periodical inspection upon the instruction of the Fleet Management Department.

7.10.9 Employees may not display and/or affix any private signs, mascots, stickers or advertising material, on an official vehicle.

7.10.10 All vehicles fitted with a turbocharger must be idled for 2 minutes after start-up, and before switching the engine off the engine must also be idled for 2 minutes.

### 7.11 Safety

7.11.1 Authorised drivers shall adhere to traffic rules and legislation and ensure that their passengers also adhere to such legislation, including the fastening of seat belts.

7.11.2 Any vehicle that is not deemed to be roadworthy will not be allowed to be operated and must be reported to the Fleet Management office by the vehicle administrator immediately.

7.11.3 All hydraulic lifting equipment shall annually be safety tested by an authorised load testing facility as prescribed by the Occupational Health and Safety, Act 85 of 1993. Lifting equipment not tested will be deemed unsafe and will not be used.

7.11.4 Cell phones shall not be used (including texting) whilst the authorised driver is operating an official vehicle.

## 8. SAFE DRIVING

### 8.1 Traffic Fines

8.1.1 Overstrand Municipality will not pay any traffic fines and the authorised driver of the official vehicle, as specified on the vehicle requisition form, will be held liable for all traffic fines issued while the said official vehicle has been entrusted to him/her.

8.1.2 No employee will receive any financial assistance from Overstrand Municipality for payment of any fines and the official driver must ensure that the traffic fine(s) is paid on or before the due date as stipulated in the Fine Notice.

8.1.3 Traffic fines shall be transferred to the authorised driver.





### 8.2 Speed Limit

8.2.1 In terms of section 59(4) of the National Road Traffic, Act 93 of 1996 (NRTA) no person shall drive a vehicle on a public road at a speed in excess of the general speed limit which applies in terms of that road, or at a speed in excess of a speed limit indicated by an appropriate road traffic sign or in excess of the speed limit prescribed by the Minister in respect of the class of vehicle concerned.

8.2.2 Official vehicles may not be driven at a speed limit that may endanger the lives of passengers and/or other road users.

8.2.3 The speed must be adjusted to suit weather conditions, road conditions and the particular type of vehicle being used.

### 8.3 Night Driving: Correct use of Vehicle Lights

All authorised drivers of official vehicles must strictly adhere to Regulation 157 of the National Road Traffic, Act 93 of 1996 (NRTA) which requires, inter alia, that vehicle lights be operational at any time from sunset to sunrise and "at any other time when, due to insufficient light or unfavourable weather conditions, persons and vehicles upon the public road are not clearly visible at a distance of 150 meters".

### 8.4 Unattended Official Vehicles

The authorised driver of an official vehicle must turn off the ignition, close all windows and lock the doors and, if applicable, close and lock the boot or canopy windows and doors of the vehicle, whenever the vehicle is left unattended, excluding emergency vehicles when operationally active.

### 8.5 Testing of Authorised Drivers

Any authorised driver can at any time be instructed by Fleet Management to pass a competency test at the Traffic Department.

## 9. DUTIES OF VEHICLE ADMINISTRATORS

9.1 When an official vehicle is issued to an authorised driver, the vehicle keys vehicle logbook and, if applicable, fuel card must be handed over to the driver and care must be exercised that all the issued items are returned to the vehicle administrator.

9.2 The authorised driver must, at the end of his/her trip record the details as required in the official vehicle logbook and sign off the logbook, before handing the logbook back to the vehicle administrator.

9.2.1 On receipt of the vehicle logbook, the vehicle administrator must check that all trips that were undertaken by the authorised driver are recorded on the vehicle log sheet to ensure accuracy and completeness.

9.2.2 If the vehicle administrator is satisfied that the information on the vehicle log sheet is correct, he/she must sign off the vehicle log sheet(s) as evidence that the information is correct, where after it must be submitted to the Fleet Management Department by no later than the 7th working day of each month.

9.2.3 The vehicle administrator must submit to the Fleet Management Department, by no later than the 7th working day of each month, fuel slips, attached to the relevant copies of the vehicle log sheets for fuel/oil and tolls.

9.2.4 Vehicle inspection sheets will be kept on file by the vehicle administrator and shall be made available to the Fleet Management Department for inspection from time to time.

9.3 It is the responsibility of the vehicle administrator to ensure that all vehicles are timeously cleaned, greased, booked for services and repairs with the Fleet Management Department.

## 10. VEHICLE LOGBOOKS

Each authorised driver shall record in the vehicle logbook legibly and accurately details of the trip, as well as the closing kilometer reading of the odometer upon return of the official vehicle to establish the distances travelled per journey.

## 11. VEHICLE KEYS

11.1 All official vehicle keys must be safely secured in a lockable storage facility (provided by the vehicle administrator) when the vehicle is not in use.

11.2 A designated driver to whom an official vehicle is entrusted must personally and at all times ensure that the vehicle keys are in safe custody and that they are not lost or do not fall into the hands of unauthorised persons.

11.3 Should vehicle keys be lost, measures should immediately be taken by the authorised driver to safeguard the vehicle against theft or unauthorised usage. The loss of the vehicle keys must be reported immediately to the vehicle administrator and Fleet Management.

## 12. SAFEGUARDING OF VEHICLES

The authorised driver of the official vehicle of Overstrand Municipality must take all reasonable steps to ensure the safeguarding of municipal property in official vehicles (i.e. fuel, accessories, and tools) against theft and/or damage, even in instances when the official vehicle is vacated by the authorised driver.

## 13. FUEL, OIL AND TOLL GATE SLIPS

The fuel, oil and toll gate slips must be attached to the trip sheet and must be handed in by the relevant authorised driver of an official vehicle to the vehicle administrator, for dispatch to the Fleet Management Department as prescribed in this policy.





## 14. AFTER HOUR USAGE

14.1. Authorised drivers of Overstrand Municipality may be approved to utilise official vehicles after normal working hours or over weekends based on operational requirements.

14.2. Where official vehicles have to be utilised after normal working hours the applicable vehicle administrator must authorise the prescribed official vehicle for overnight usage.

14.3. The authorised driver shall ensure that the official vehicle is parked at a secure location, as the authorized driver will be held accountable for any damages or loss whilst the vehicle is in his/her possession.

## 15. IRREGULAR USE OF OFFICIAL VEHICLES

### 15.1 Alcohol/Drugs/Prescribed Medicine/Personal Gain

15.1.1 Authorised drivers may not drive an official vehicle when under the influence of alcohol or drugs.

15.1.2 Authorised drivers may not smoke any tobacco products while in an official vehicle.

15.1.3 Authorised drivers may not drink any liquor and/or take any illegal drugs while being in or on an official vehicle.

15.1.4 Authorised driver who are on any form of prescribed medication which may affect his/her driving capabilities must notify his/her supervisor accordingly by providing a letter from a registered medical practitioner.

### 15.2 Passengers

15.2.1 Any passenger who is not in the employment of Overstrand Municipality must be authorized by the relevant Director (Departmental Head) to be transported for the purposes of official business of the Municipality.

15.2.2 The last-mentioned approved passenger must sign the prescribed indemnity form before embarking on a journey.

## 16. PROHIBITION OF EMPLOYEES FROM DRIVING OFFICIAL VEHICLES

The Municipal Manager reserves the right to prohibit an employee from driving an official vehicle, either on a temporary or permanent basis, should circumstances deem it necessary.

## 17. LIABILITY FOR LOSS OR DAMAGE

An employee of Overstrand Municipality, who has been found guilty in terms of the Disciplinary Procedure and Code Collective Agreement for the loss of or damage to an official vehicle, may be held liable for such loss or damage.

## 18. PUBLIC LIABILITY

The use of official vehicles may expose an employee to public liability in the event of an accident if the accident is found to be caused by the driver's negligence.

## 19. MAINTENANCE OF OFFICIAL VEHICLES

19.1 The vehicle administrator must keep a record for the servicing of vehicles to ensure that all official vehicles are released for servicing timeously and that the vehicle is delivered (and collected) to the identified Mechanical Workshop.

19.2 Any defects, faults or breakdowns which are experienced on the route during official journeys, must be reported by the authorised driver to the vehicle administrator, who must make the necessary arrangements with Fleet Management Department for repairs to be executed.

## 20. TRACKING DEVICE

All employees should take cognisance of the fact that official vehicles may be equipped with a tracking device.

## 21. MECHANICAL OR OPERATIONAL FAILURE

21.1 When mechanical or operational deficiencies occur while an official vehicle is being used, the employee must immediately contact the relevant vehicle administrator who must arrange with the Fleet Management Department to attend to the matter.

21.2 Under no circumstances may an employee of Overstrand Municipality continue to operate an official vehicle if the operation could endanger any person, property or the vehicle itself.

22.3 When official vehicles are experiencing breakdowns or are stuck, the authorised driver of such a vehicle shall inform his vehicle administrator who must arrange with the Fleet Management Department for the recovery of the vehicle. No person is authorised to tow an official vehicle unless approved by the Fleet Management Department.

## 22. ACCIDENTS

In the event of an accident/ incident the following procedures shall apply, irrespective of the severity of the accident/incident:

22.1 Where possible authorised driver/employees on the scene must contact the law enforcement officers for assistance and also inform the Fleet Management Department.

22.2 Under no circumstances shall liability be admitted or unguarded statements be made to any person or payment offered or made to a third party.

22.3 Obtain as soon as possible the following information:

- 22.3.1 Registration number, make and type of vehicle involved in accident
- 22.3.2 Names and addresses of persons involved in the accident/incident
- 22.3.3 Insurance particulars of involved parties
- 22.3.4 Names and addresses of any person that can act as a witness, including occupants of involved vehicles
- 22.3.5 Take photos of the accident/ incident with your cell phone if available.

22.4 It is the responsibility of the authorised driver of an official vehicle to also immediately report any accident/incident to the relevant vehicle administrator and





the South African Police Service, subject thereto that if it is not possible to report the accident immediately, it must be reported within 24 hours.

22.5 If involved in any kind of accident/incident the authorised driver where possible, shall submit within 24 hours after the accident to his/her vehicle administrator all documentation as per the Overstrand Municipality: Asset Management Policy.

22.6 The vehicle administrator shall within 48 hours submit the documentation as prescribed above (in 22.3) to the Assets Department.

22.7 The vehicle administrator shall return the affected vehicle and copies of documentation prescribed above (in 22.3) to the Fleet Management Department within 48 hours.

## 23. DISCIPLINARY ACTION

An employee who transgresses the prescriptions of this Fleet Management Policy will be subject to the possibly disciplinary action.

## 24. CRIMINAL PROCEDURES

The Municipal Manager, a third party or the National Prosecuting Authority of South Africa may institute criminal charges against an employee in a court of law should applicable legislation deemed it necessary.

## 25. EFFECTIVE DATE

The Fleet Management Policy will become effective on **01 July 2025** upon approval by the Council of Overstrand Municipality.

| | |
|---|---|
| **POLICY SECTION:** | **DIVISIONAL MANAGER: EXPENDITURE, FLEET AND ASSET MANAGEMENT** |
| **CURRENT UPDATE** | **31 MAY 2024** |
| **PREVIOUS UPDATE** | **25 NOV 2020** |
| **PREVIOUS REVIEW** | **27 MAR 2013** |
| **APPROVAL BY COUNCIL** | **28 MAY 2008** |

## ANNEXURE “A”: TRIP AUTHORITY

**Vehicle Registration Number**:

| |
|---|
| |

**Driver Details:**

| | | | |
|---|---|---|---|
| Name : | | | Surname: |
| Drivers Licence No: | | | Expire date: / / |
| PDP Licence : tick off √ | **YES** | **NO** | If yes, expire date: / / |
| Department: | | | Personnel no: |
| Contact number: | | | |

**Trip Details:**

| | | | |
|---|---|---|---|
| Designation: | | | |
| Reason for Trip: | | | |
| Departure Date: | / / | Date Return: | / / |
| Specify period if leaving area **daily** for more than 1 consecutive date | **Datum** | | |
| | **from** / / | **till** | / / |

**Passenger Details: (if any)**

| NO | INITIAL & SURNAME | DEPARTMENT/ ORGANISATION | PERSONNEL NO / ID. NO |
|---|---|---|---|
| 1 | | | |
| 2 | | | |
| 3 | | | |
| 4 | | | |
| 5 | | | |
| 6 | | | |
| 7 | | | |
| 8 | | | |
| 9 | | | |
| 10 | | | |

I hereby certify that the abovementioned details are correct.

**Signature of driver:**_____ **Date:**_____

**Trip Approved by:**

| MANAGER or OTHER AUTHORISED PERSON | | | |
|---|---|---|---|
| Name | | Surname: | |
| Signature: | | Date: | |

***NOTES:***

1. *Original Trip Authorisation form must be kept in the vehicle for the duration of the trip.*
2. *If passengers are not municipal official or councillors, each passenger must complete an indemnity form.*
3. ***The following supporting documents must be submitted to Fleet Management before date of departure**:*
   - ***(a)** Copy of approved trip authorisation form*
   - ***(b)** Copy of driver’s licence*
   - ***(c)** Proof of purpose of the trip/ journey*
   - ***(d)** Indemnity form (where applicable)*

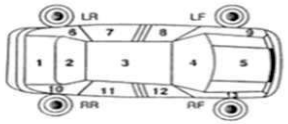


## Annexure “B”: Pre-drive inspections of vehicles/plant

**OVERSTRAND MUNICIPALITY**
**DAILY REPORT ON CONDITION OF MUNICIPAL VEHICLE**
**MARK IN THE RELEVANT SPACE - √**

ANNEXURE "B" √

| | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| REGISTRATION NUMBER: | | | ADMINISTRATION: | | | | DEPARTMENT: | | | | | | |
| DRIVER SURNAME: | | | | | | | DRIVER INITIALS: | | | | | | |
| | MON | TUES | WED | THUR | FRI | SAT | SUN | | MON | TUES | WED | THUR | FRI | SAT | SUN |
| **WORKING ORDER** | | | | | | | | **WHEELS AND TYRES** | | | | | | | |
| WINDOWS | | | | | | | | PASSENGER FRONT | | | | | | | |
| BODYWORK | | | | | | | | PASSENGER REAR | | | | | | | |
| UPHOLSTERY | | | | | | | | DRIVER FRONT | | | | | | | |
| CARPETS/MATS | | | | | | | | DRIVER REAR | | | | | | | |
| HOOTER | | | | | | | | SPARE WHEEL | | | | | | | |
| **RECORDS** | | | | | | | | **VEHICLE CHECKS** | | | | | | | |
| PETROL CARD | | | | | | | | WINDSCREEN WATER | | | | | | | |
| LOGBOOK | | | | | | | | RADIOTOR WATER | | | | | | | |
| LOGO DISPLAYED | | | | | | | | BRAKE FLUID | | | | | | | |
| LICENCE DISC DISPLAYED | | | | | | | | ENGINE OIL | | | | | | | |
| | | | | | | | | NEATNESS | | | | | | | |
| LIC. DISC EXPIRY DATE: | | / | | / | 20 | | | | | | | | | | |
| LAST SERVICED: | | / | | / | 20 | | | | | | | | | | |
| **INDICATE BODY DAMAGE** | | | | | | | | **ELECTRICAL** | | | | | | | |
| TICK | √ | | | | | | | INTERIOR LIGHTS | | | | | | | |
| BODYWORK | | | | | | | | INSTRUMENT LIGHTS | | | | | | | |
| WORN | | | | | | | | VENTILATION FAN | | | | | | | |
| RUSTED | | | | | | | | WINDSCREEN WIPERS | | | | | | | |
| CRACKED/CHIPPED | | | | | | | | HAZARD LIGHTS | | | | | | | |
| SCRATCHED | | | | | | | | HEAD LIGHTS | | | | | | | |
| | | | | | | | | PARK LIGHTS | | | | | | | |
| DRIVER SIGNED: | | | | | | | | INDICATORS | | | | | | | |
| DATE SIGNED & SUBMITTED: | | | / | | / | 20 | | STOP/BRAKE LIGHTS | | | | | | | |
| SUPERVISOR SIGNED: | | | | | | | | DATE FAULTS REPORTED: | | | / | | / | 20 | |
| DATE SIGNED & SUBMITTED: | | | / | | / | 20 | | JOB CARD NO: | | | | | | | |



# Annexure “C” (PAGE 1) : Fleet Management Inspection Fo

| VEHICLE INSPECTION SHEET : | | | | | | | | | | VEHICLE LIST NO: | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| ADMIN:TICK OFF | KLM | | HM | | STF | | GAN | | BARCODE | | | | | | | | | | | |
| VEHICLES DETAILS | | | | | | | | | | | | | | | | | | | | |
| MAKE & SERIES NAME | | | | | | | | | | | | | | | | | | | | COMMENTS |
| REGISTRATION NO. | | | | | | | | | | | | | | | | | | | | |
| SPEEDO READING | | | | | | | | | | | | | | | | | | | | |
| LICENCE EXPIRY DATE | D | D | M | M | Y | Y | Y | Y | | | | | | | | | | | | |
| SERVICE DATE/ ODOREADING | | | | | | | | | | | | | | | | | | | | |

| LIGHTS/ SIGNALS - WORKING ORDER | | | | | | |
|---|---|---|---|---|---|---|
| DRIVER SIDE | Y | N | PASSENGER SIDE | Y | N | COMMENTS |
| HEADLIGHTS :BRIGHT | | | HEADLIGHTS :BRIGHT | | | |
| HEADLIGHTS :DIPPED | | | HEADLIGHTS :DIPPED | | | |
| PARK LIGHTS:FRONT | | | PARK LIGHTS:FRONT | | | |
| PARK LIGHTS:REAR | | | PARK LIGHTS:REAR | | | |
| INDICATOR :FRONT | | | INDICATOR :FRONT | | | |
| INDICATOR :REAR | | | INDICATOR :REAR | | | |
| HAZARD LIGHT :FRONT | | | HAZARD LIGHT :FRONT | | | |
| HAZARD LIGHT :REAR | | | HAZARD LIGHT :REAR | | | |
| BRAKE LIGHT | | | BRAKE LIGHT | | | |
| REVERSE LIGHT | | | REVERSE LIGHT | | | |
| TAIL LIGHTS | | | TAIL LIGHTS | | | |
| HOOTER | | | HOOTER | | | |
| WINDSCREEN WIPERS | | | WINDSCREEN WIPERS | | | |

| FITTING AND EQUIPMENT | | | | | | |
|---|---|---|---|---|---|---|
| DRIVER SIDE | Y | N | PASSENGER SIDE | Y | N | COMMENTS |
| SIDE MIRROR | | | SIDE MIRROR | | | |
| REAR VIEW MIRROR | | | ODO METER | | | |
| DOORLOCK : FRONT/REAR | | | DOORLOCK : FRONT/ REAR | | | |
| WINDOW WINDER:FRONT | | | WINDOW WINDER:FRONT | | | |
| WINDOW WINDER:REAR | | | WINDOW WINDER:REAR | | | |
| WINDOW:FRONT | | | WINDOW:FRONT | | | |
| WINDOW:REAR | | | WINDOW:REAR | | | |
| WINDSCREEN: **FRONT** | | | WINDSCREEN: **REAR** | | | |
| SEAT:FRONT | | | SEAT:FRONT | | | |
| SEAT:REAR | | | SEAT:REAR | | | |
| SAFETYBELT | | | SAFETY BELT | | | |
| FITTING AND EQUIPMENT | Y | N | FITTING AND EQUIPMENT | Y | N | COMMENTS |
| WHEEL FLAPS | | | STEPS | | | |
| SHEVRON BOARDS | | | RETRO-REFLECTOR | | | |

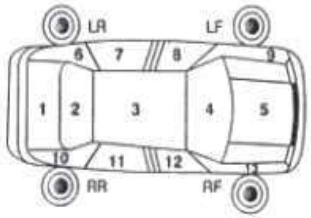
| TYRE -CONDITION -TICK OFF | GOOD | BAD |
|---|---|---|

| EMERGENCY EQUIPMENT - | Y | N | INSTRUMENT PANEL LIGHTS | Y | N | COMMENTS |
|---|---|---|---|---|---|---|
| SPAREWHEEL | | | LIGHT SWITCHES | | | |
| TRAINGLES X 2 | | | FUEL GAUGE | | | |
| WHEEL JACK | | | OIL WARNING LIGHT | | | |
| WHEEL SPANNER | | | HEAT GAUGE | | | |
| LOAD COVER SHEET | | | WATER WARNING LIGHT | | | |
| | | | BRAKE WARNING LIGHT | | | |



# Annexure “C” (PAGE 2) : Fleet Management Inspection Form

| BODYWORK | | Y | N | Please indicate details of defects/damage on the drawing below |
|---|---|---|---|---|
| RUST | (R) | | | COMMENTS |
| DENTS | (D) | | | |
| SCRATCHES | (S) | | | |
| CHIPPED | (C) | | | |
| CLEANLINESS | | | | |




| | | | | Y | N | COMMENTS |
|---|---|---|---|---|---|---|
| MECHANICAL | Y | N | Licence disc displayed valid | | | |
| EXHAUST | | | Service Book/ Sticker | | | |
| OIL LEAKS | | | Logbook | | | |
| SHOCKS | | | Municipal Logo Displayed | | | |
| BREAKS | | | Non smoking Sticker | | | |

**I hereby certify that the above inspection information is correct:**

| | | | | | |
|---|---|---|---|---|---|
| **Inspection Officer:**…… | **pay no:** | …… …… …. | **date** | ……/……./2012 | **signature:** _____ |
| **Name of driver:**…… | **pay no:** | …… …… ….. | **date** | ……/……./2012 | **signature:** _____ |
| **Traffic Officer:**…… | **pay no:** | …… …… …. | **date** | ……/……./2012 | **signature:** _____ |

## Annexure "D": Log Book

| OVERSTRAND MUNICIPALITY | | | | | | | | LOGBOOK | | | 1234 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| NAME OF DRIVER: ..... | | | | | | | | VEHICLE REGISTRATION NUMBER: ..... | | | |
| DATE | START TIME | END TIME | DESTINATION | KILOMETRE READING | | DISTANCE (KM) | TOTAL LOADS | FUEL PURCHASED | PURPOSE OF TRIP/ WORKSORDER NO. | DRIVER'S PAY NO. | SIGNATURE |
| | | | | START | END | | | | | | |
| / / | : | : | | | | | | R | | | |
| / / | : | : | | | | | | R | | | |
| / / | : | : | | | | | | R | | | |
| / / | : | : | | | | | | R | | | |
| / / | : | : | | | | | | R | | | |
| / / | : | : | | | | | | R | | | |
| / / | : | : | | | | | | R | | | |
| / / | : | : | | | | | | R | | | |
| / / | : | : | | | | | | R | | | |
| TOTAL | | | | | | | | R | | | |

I CERTIFY THAT THE ABOVEMENTIONED INFORMATION IS CORRECT.

NAME OF OFFICIAL _____ DATE _____

I CERTIFY THAT THE ABOVEMENTIONED INFORMATION WAS VERIFIED AND IS CORRECT.

MANAGER or OTHER AUTHORISED PERSON _____ DATE _____



## Annexure "E": Incident Form

### Vehicle Details:

| Vehicle Registration Number: | Make & Model |
|---|---|
| | |

### Description of damage to vehicle:

JOB CARD NO

.....
.....
.....

### Address where accident/ incident occurred:

| Date of incident/ accident: | Street Name: | Suburb/Town: |
|---|---|---|
| DD / MM / YYYY | | |

### Driver Details:

| | | | |
|---|---|---|---|
| Name : | | | Surname: |
| Capacity (post) | | | |
| Department: | | | Personnel no: |
| I.D. No: | | | |
| Drivers Licence No: | | | Expire date : DD / MM / YYYY |
| PDP Licence : tick off √ | YES | NO | If yes, expire date: DD / MM / YYYY |
| Contact number: | | | |

### Statement-driver of vehicle:

.....
.....
.....
.....
.....
.....

### Name other parties involved:

| | | |
|---|---|---|
| Name : | | Surname: |
| I.D. No: | | |
| Address: | | |
| | | Postal code: |
| Contact number: | | |

I hereby certify that the abovementioned details are correct.

Signed: ..... .....
(Driver of Vehicle) (Supervisor / Line Manager)

Date: DD / MM / YYYY DD / MM / YYYY

COMPLETE IN DUPLICATE / FILE ON PERSONNEL FILE

## Annexure "F": Indemnity form by private person to be transported with a Municipal vehicle

## TRANSPORT INDEMNITY / RELEASE FORM

I, the undersigned

---

**(Full name and surname in block letters)**

| **I.D. No:** | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|

**(Identity Number)**

travelling as a passenger in a vehicle or other mode of transportation of the Overstrand Municipality hereby indemnify, release and discharge the Municipality, its Council, Council members, staff members, officials and other persons authorised by the Municipality from all liability arising from claims that I as a passenger and my dependants may have for any injury (including injury resulting in death), however caused, sustained by me and for loss of or damage, however caused, to my personal belongings suffered at any time during the course of my transportation as a passenger in a vehicle or other mode of transportation belonging to the Overstrand Municipality

THUS DONE AND SIGNED AT ……..…….

ON THIS …….. DAY OF ……..……..20….

……..

**SIGNATURE OF PASSENGER**

. ……..

**SIGNATURE OF WITNESS**

COPY AND FILE



## Annexure "H": Acknowledgement of vehicle policy

### ALL DRIVERS AND OPERATORS

**CONFIRMATION OF COMPLIANCE REGARDING UTILISATION OF COUNCIL VEHICLES AND/ OR MACHINES**

**DRIVER DETAILS:**

| **Full Name (s) :** | | | | | | | | | | | | | | **Surname:** | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **I.D. No:** | | | | | | | | | | | | | | | |
| **Drivers Licence No:** | | | | | **Code** | | | | | | | | | **Expire date :** | DD / MM / YYYY |
| **PrDP No.** | | | | | | | | | | | | | | **Expire date:** | DD / MM / YYYY |
| **Department:** | | | | | | | | | | | | | | **Personnel no:** | |
| **Administration: TICK OFF ( X)** | **KLEINMOND** | | | | **HERMANUS** | | | | | **GANSBAAI** | | | | **STANFORD** | |
| **Contact number:** | | | | | | | | | | | | | | | |

I, the undersigned hereby acknowledge that I have been authorised to drive a municipal vehicle and that I have received a copy of Council's policy and/or attended a vehicle policy information session regarding the usage and appliance of municipal vehicles. I accept and understand the contents of the policy and regard it as binding.

I am aware that in terms of the use of Council vehicles / machines, I am required to have been issued the necessary appropriate valid driver's licence / permits / documents for the legal use of the Council vehicles / machines.

I hereby certify that the abovementioned details are correct.

**SIGNATURE:…….** **DATE:** DD / MM / YYYY

**Approved by:**

| **MANAGER or OTHER AUTHORISED PERSON** | | | |
|---|---|---|---|
| **Name** | | **Surname:** | |
| **Signature:** | | **Date:** | |

***The following supporting documents must be submitted to Fleet Management with the completed form:***
***(a)*** *Copy of driver's licence/ permits* ***(b)*** *Copy of ID document*

**COMPLETE IN DUPLICATE / FILE IN PERSONNEL FILE**