

SOL PLAATJE LOCAL MUNICIPALITY

ANNUAL BUDGET (DRAFT MARCH)

2021/22 – 2023/24



Internet: <http://www.solplaatje.org.za>

List of acronyms

ACIP	Accelerated Community Infrastructure Programme
BEE	Black Economic Empowerment
CAPEX	Capital Expenditure
CBD	Central Business District
CDW	Community Development Worker
COGHSTA	Co-operative Governance Human Settlement and Traditional Affairs
CPIX	Consumer Price Index
CRR	Capital Replacement Reserve
DBSA	Development Bank of South Africa
DEAT	Department of Education and Training
DoRA	Division of Revenue Act
DoRAA	Division of Revenue Amendment Act
DoRB	Division of Revenue Bill
DWA	Department of Water Affairs
EEDG	Energy Efficiency Development Grant
EEDSM	Energy Efficient Demand Side Management Grant
EMT	Executive Management Team
EPWP	Extended Public Works Programme
ES	Equitable Share
FBDM	Frances Baard District Municipality
FBS	Free Basic Services
FLISP	Finance Linked Individual Subsidy Programme
FMG	Financial Management Grant
GDP	Gross Domestic Product
GRAP	Generally Recognized Accounting Practice
GURP	Galeshewe Urban Renewal Programme
HDI	Historically Disadvantaged Individuals
IDP	Integrated Development Plan
INEP	Integrated National Electrification Programme
ISDG	Infrastructure Skills Development Grant
IUDG	Infrastructure Urban Development Grant
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
LGSETA	Local Government Sector Education Training Authority
LGTAS	Local Government Turnaround Strategy
MBRR	Municipal Budget and Reporting Regulations
MFMA	Municipal Finance Management Act 56 of 2003
MIG	Municipal Infrastructure Grant

MM	Municipal Manager
MSA	Municipal Systems Act
MSIG	Municipal Systems Improvement Grant
MSP	Municipal Support Programme
MTREF	Medium Term Revenue and Expenditure Framework
NCEDA	Northern Cape Economic and Development Agency
NCTA	Northern Cape Tourism Authority
NDP	National Development Plan
NDPG	Neighbourhood Development Partnership Grant
NERSA	National Energy Regulator of South Africa
NSDP	National Spatial Development Programme
NT	National Treasury
O&M	Operations and Maintenance
PGDS	Provincial Growth and Development Strategies
PMS	Performance Management System
PPP	Public Private Partnership
R&M	Repairs and Maintenance
RBIG	Regional Bulk Infrastructure Grant
SALGA	South African Local Government Agency
SALGBC	South African Local Government Bargaining Council
SARB	South African Reserve Bank
SDBIP	Service Delivery and Budget Implementation Plan
SETA	Sectoral Education and Training Authority
SFA	Strategic Focus Area
SLA	Service Level Agreement
SMME	Small Medium and Micro Enterprises
SPM	Sol Plaatje Municipality
StatsSA	Statistics South Africa
USDG	Urban Settlement Development Grant
WSIG	Water Services Infrastructure Grant

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PART 1 - ANNUAL BUDGET

1. Mayor's Report

THE SPEECH OF THE HONOURABLE MAYOR ON THE OCCASION OF THE PRESENTATION OF THE DRAFT BUDGET 2021/22 30 MARCH 2021

Honourable Speaker

Members of the Mayoral Committee

Councillors

Municipal Manager and members of the Management Team

Members of the Media present and virtual

Members of the public listening through various media platforms

Distinguished guests

Honourable Speaker, this month marks a year since the country reported its first case of the global Covid19 pandemic, which has seen the country put on lockdown by the state president with a view to manage and mitigate the spread of this deadly virus. I place this important assertion on the table because we have been driven towards a new social order and new way of doing things both in our social spaces and our workplaces. I have been impressed at how the municipality adapted to the demands of the new normal as our initiatives have been aligned to the fourth industrial revolution.

These changes have demonstrated how an organisation can, under challenging and difficult circumstances use that opportunity to be innovative and develop solutions. Let me also indicate to the house that this year marks the last of the current crop of councillors and thus this administration. This may require of us to review the past five and ask ourselves bold and honest questions about our performance lest it gets converted into a political ball game.

Honourable Speaker, let me leave the question of the milestones to the various political parties at this stage and focus on the remaining period of our term of office. The task ahead of us is daunting, and requires of all of us to join hands to bring about fundamental change in our community, or at least lay a strong foundation on which the work of the new administration will be based. The United Nations has declared 2021 as **the year of peace and trust, the international year of creative Economy for sustainable development**. On the other hand, the ANC has through its January statement declared 2021 as **the year of Unity, Renewal and Reconstruction in the year of Charlotte Maxeke**.

We need to celebrate the life of Mama Charlotte Makgomo Maxeke who was an all-encompassing societal leader through her roles as a religious leader and political activist. One of her most outstanding achievement was becoming the first black woman to graduate with a university degree in 1901. To crown it even all, she graduated from the Wilberforce University in Ohio, USA with a

Bachelor of Science. Mama Maxeke served her community in various capacities through opening an employment agency for Africans in Johannesburg to being the first black woman parole officer for juvenile delinquents. She is still referred to as the **Mother of Black Freedom in South Africa**. This was a result of her unrelenting commitment to the cause of the African people and their welfare. The life of Mama Charlotte Maxeke is an embodiment of tenacity and strength in the midst of oppression and indicative of the general role that many women play in our lives on a daily basis. Hers, was desire and drive to triumph against adversary while propelling her people towards greatness.

Councillors, we need to be honest with ourselves in responding to this clarion call by the UN and the ANC and admit that Sol Plaatje Municipality is not on path to a creative economy for sustainable development or reconstruction. I have earlier in my speech referred to adaptation to change when the demand is there, let us however make an honest assessment of our developmental programmes in the past year or two in order to better understand where we are.

We need to start by acknowledging that Covid-19 has obliterated jobs and rendered many of our citizens unemployed. This reality is evident from the number of businesses that have closed shop across the municipality, leaving many people whose lives were dependent on those jobs sprawling the streets. The municipality needed to develop a strategy to ensure that in the midst of all these challenges, new developments take place in order to replace the lost ones.

THE ROLE OF THE STATE AS A CATALYST FOR DEVELOPMENT

Honourable councillors, let us remember that the role of the state, and in particular municipalities, is to create an environment wherein business can grow and flourish and thus serve as impetus for job creation. **Has Sol Plaatje taken measures to attract new investment in this regard? Has there been a change in the business processes of the organisation in handling investments considering the impact of Covi19? Has the organisation introduced incentives and marketed itself as a preferred investment destination of choice?**

The answers to all these questions are a big NO. The municipality has continued with its usual business and not taken any deliberate measures to address these challenges. As a result, our communities are still reeling from the devastation of Covid19 and the resultant job losses without any sign of new hope on sight.

Speaker, the President of the country called a special sitting of parliament on 15 October 2020 to table the Economic Reconstruction and Recovery Plan. In his address the President stated that **“In contrast to the State of the Nation Address, where we address the broad programme of government for the year, today I want to focus on the extraordinary measures we must take**

to restore our economy to inclusive growth following the devastation caused by Covid-19 to our people's lives and our country's economy."

Distinguished guests, this occasion was necessitated by the observation of the National Government that circumstances had changed and there was a need for extraordinary measures. I wish the same could be said about our municipality, in fact during the same period we've had a deterioration and plummeting of services throughout the municipality. If these events failed to trigger the organisation into a path for development, at least with urgency, then I have apprehension anything else will.

I implore on all of us to gather our strength and refocus the resources of the organisation towards sustainable growth and development. We need to take drastic measures if we are to recover from this downward spiral that has engulfed our institution over the past years. Our actions today will determine the future of this municipality and the generations that will come after our time has long past.

PROCESSING OF ALIENATION APPLICATIONS

Honourable Councillors, as I prepare to table the Draft budget for 2021/22 let me emphasise the theme that it focuses on, Growth and Development in a period of a pandemic, A new way of doing things. I have opted for this theme as it is my firm belief that we can do better to bring about development in the city, if we focus on the essentials. It is well known that applications for investment and development take more than a year before they can even be referred to the Spelum Committee for consideration.

Speaker, I implore all of us to take a peep at the database of applications that have not been processed as yet, I ashamedly confirm to you that they date back to more than a decade. WE need to introduce a culture of dealing with alienation of land for development differently, often Council gets directed to send items for open tender and such recommendation does not afford Council full details of the actual extent of the use by the various applicants.

Speaker, by this I mean we are not furnished with details of the potential value of the envisaged investments, the potential number of both direct and indirect jobs linked to such investment and the potential returns to the municipality in respect of rates and taxes after completion of the development. All this information is required in order for Council to make informed decisions or determinations on land use and take the development of the city forward.

In my view, Councillors, these are disabling measures that do not assist in empowering Council to arrive at an appropriate decision. In this regard I wish to submit that Council consider adopting an investor friendly system by identifying **High Impact Investment (HII)** initiatives for speedy processing, with a turnaround time not exceeding 90 days at the most. All such applications must be

processed through the office of the Municipal Manager following all relevant SPLUMA provisions to ensure speedy circulation in the institution.

My submission honourable speaker is that applications that fall within the following categories be classified as **HII**.

1. Any investment or development application over the value of R 5 000 000.
2. Such development should have the potential to yield a minimum of 100 jobs, both permanent and during development.
3. Such development should have the potential to contribute immensely to the revenue base of the municipality in the long term.

Honourable Councillors, this move will assist in ensuring that the Planning section focuses on clearing the current backlog, and that after the resolution of all outstanding matters, council may review this arrangement.

We need to re-ignite public confidence in the municipality by ensuring that all our actions are geared towards growth and development. These potential developments will afford us an opportunity to develop other sectors of the local economy as spin offs emanating from the growth. Unless we increase our revenue base as a municipality, there is little to no hope that our financial situation will stabilise in the long term.

Development in the municipality must take high priority if we are to improve on our performance and mandate as an institution. It is therefore imperative that at the heart of the budget be developmental programmes or catalytic initiatives aimed at igniting growth and development. When we assumed office, we commit to ensuring that our decisions are in the best interest of the citizens, and now is the time to live up to that commitment.

We need to close the gap between ourselves and the people we represent. It is unacceptable that even on this day and age:

we still have councillors that do not have meetings with their communities,
we still have councillors that do not work well with their communities,
we still have councillors that are in constant conflict with their communities,
we still have councillors that regard themselves as above their communities,
we still have councillors that stand against their communities and not with their communities.

Let this serve as a reminder that when we took oath of office, we all committed to working in the best interest of those that voted us into office, we committed to be their voice and represent them to the best of our ability. We also committed to ensuring that we will provide regular feedback to our communities on matters relating to our functions as public representatives.

Madam Speaker I present to you this day an operational revenue budget of R2,365,711 billion for 2021/2022 financial year and R7,632,208 billion over the Medium-term revenue and Expenditure framework (MTREF). This is mainly funded from Service charges as well as Property Rates and Taxes levied. Property rates constitutes R603.7 million of the anticipated revenue and Service charges R1.291 billion. The total operational expenditure budget is estimated at R2,344,984 billion 2021/2022 financial year and R7,569,055 billion over the MTREF.

The average tariff increases for 2021/22 is proposed at 4 percent for Property rates and Service charges for Water, Sanitation and Refuse removal. This proposed tariff increases are very closely aligned and marginally, with only 0.1 percent above the projected CPI inflation of 3.9 percent from National Treasury. Electricity tariffs are projected to increase by 14.59 percent which is 100 percent aligned to the guideline increase percentage from the National Electricity Regulator of South Africa (NERSA).

The capital budget for 2021/2022 is R179.2 million. Grant funding constitutes R167.7 million and the balance of R11.5 m is from own funding. The flagship projects are dominated by infrastructure projects, inter alia.

- Electrification of 1,500 households in Lerato Park with a budget of R33 million
- Carters Ridge Pump station Upgrade with a budget of R25 million
- Lerato Park Sewer Services with a budget of R22.2 million
- Electrification of 1,100 households in Lethabo Park with a budget of R20 million
- Galeshewe Stormwater and Attenuation Pond R20 million

Provision is also made for Roads projects which have a combined budget of R23 million. Resealing of roads are provided with a budget of R13 million and the upgrade of gravel roads are allocated R10 million. An amount of R8 million is also set aside for the Upgrade of the Craven Street Taxi rank. Lerato Park Link services receives funding to the tune of R12 million. Provision is also made in the budget of R4 million for the Fleet Replacement Program.

In conclusion, I wish to thank all officials involved with the preparation of this draft budget for their dedication and hard work.

I thank you

Executive Mayor

Alderman S P Mabilo.

2. Council Resolutions

Tabling of the Annual Budget for 2021/22 MTREF

Executive Mayor Cllr P.S. Mabilo

30 March 2021

Tabling of the Annual Budget of the Sol Plaatje Local Municipality for the financial year 2021/22 and indicative allocations for the two projected outer years 2022/23 and 2023/24, including policies and tariffs.

For noting / for decision by

The following options exist in terms of noting / for decision by:

- Council

The item/report has NOT been considered by a portfolio committee.

This item is for noting by the Executive Mayor.

Background

In terms of the Section 16 (1) of Municipal Finance Management Act (MFMA) a Council of a Municipality must approve an annual budget before the start of the financial year. Section 16 (2) further requires that the Mayor must table the annual budget at least 90 days before the start of the financial year. It is in compliance with Section 16 of MFMA that an annual budget is being tabled before this Council today.

The annexures in respect of the budget as per the Table of Contents in the budget documentation are hereby attached.

It should be noted also, that an application for tariff increases for electricity will have to be submitted to NERSA.

Annexures

Budget Part 1 and 2

Budget Annexures

Section 1: Budget Schedules and supporting tables

Section 2: Tariffs

Section 3: History of Tariffs

Section 4: IDP Overview

Section 5: Service Delivery and Budget Implementation Plan

Section 6: Budget Policies

Section 7: By-Laws

Section 8: MFMA Circulars

Motivation

None

Personnel Implications

None

Financial Implications

The Sol Plaatje Municipality shall not incur any further additional expenditure by adopting this budget other than as per the budget.

Legal Authority and Implications

MFMA Section 16

Municipal Budget and Reporting Regulations

MFMA Circulars

The Annual Budget was discussed with the office of the Executive Mayor, Municipal Manager, Executive Directors, General Managers, various Managers, Line Managers and Financial Managers.

Consultation

Executive Mayor – Cllr PS Mabilo

Acting Municipal Manager – Mr. B Dhlwayo

Acting Chief Financial Officer – Mr. K Samolapo

Budget Steering Committee

Executive Management Team

Mayoral Committee

Contact Person

Mr. K Samolapo

Acting Chief Financial Officer

Contact number: 053-830-6502

Mr. JJ Wagner (BTO) Tel 053-830-6504

Mrs. J Van Niekerk (IDP) Tel 053-830-6724

The Annual Budget will be tabled by the Executive Mayor Cllr PS Mabilo

RECOMMENDATION:

That Council resolves as follows:

1. That in terms of section 16 of the Municipal Finance Management Act, 56 of 2003, the Annual Budget of the municipality for the financial year 2021/22; and indicative allocations for the two projected outer years 2022/23 and 2023/24, and the multi-year single year capital appropriations are noted as set out in the Annual Budget in the following tables:
 - 1.1 Budgeted Financial Performance (revenue and expenditure by Functional classification) Section 5/Annexure 1 – Table A2;
 - 1.2 Budgeted Financial Performance (revenue and expenditure by municipal vote) Section 5/Annexure 1 - Table A3;
 - 1.3 Budgeted Financial Performance (Revenue by Source and Expenditure by type) Section 5/Annexure 1 – Table A4 and
 - 1.4 Multi-year and single year capital appropriations by municipal vote and Standard classification and associated funding by source. Section 5/ Annexure 1 - Table A5.
2. That the financial position, cash flow, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are noted as set out in the following tables:
 - 2.1 Budgeted Financial Position: Section 5/Annexure 1 – Table A6;
 - 2.1 Budgeted Cash Flow: Section 5/Annexure 1 – Table A7;
 - 2.2 Cash backed reserves and accumulated surplus reconciliation: Section 5/Annexure 1 – Table A8;
 - 2.3 Asset Management: Section 5/Annexure 1 – Table A9; and
 - 2.4 Basic service delivery measurement: Section 5/Annexure 1–Table A10.
3. That in terms of sections 74 and 75A of the Local Government: Municipal Systems Act, Act 32 of 2000 as amended, the tariffs for the supply of water, electricity, waste removal services, sanitation services, property rates and all other tariffs as set out in Annexure 2, are noted by Council.
4. That Council notes the draft reviewed Integrated Development Plan reflected in Annexure 4
5. That Council notes the draft Service Delivery and Budget Implementation Plan for 2021/22 as per Annexure 5.
6. That Council take note that the public participation in respect of the annual budget, the draft IDP and the draft SDBIP will commence in April to gain inputs and comments from the community and other stakeholders and the timetable for these meetings will be deliberated upon by the IDP and Budget Office through directive from the office of the Executive Mayor, Speaker and the Municipal Manager. The Mayor's office is responsible to arrange and co-ordinate the public participation meetings.
7. That due to mSCOA Reporting requirements, the schedules may change from what is presented here, with the totals remaining the same, that Council gives the Municipal Manager and the CFO permission to effect, all necessary corrections as a result of reporting requirements.
8. That Council resolves to authorise the Chief Financial Officer to make administrative and technical error corrections identified in the Annual Budget and such corrections be in the Final Adopted Annual Budget

3. Executive Summary

Introduction

The Sol Plaatje Municipality is facing severe financial sustainability and service delivery challenges with the cost coverage being less than one month. This was highlighted during the Mid-year budget assessment and the Adjustment budget for the 2020/21 financial year. The municipality is working on turning the situation around in terms of stabilising the cash flow position. The positions of the MM and CFO has unfortunately not been resolved. To address the instability, the MEC appointed an acting MM and CFO in October 2019, who has since been replaced by senior personnel within the municipality. The continuous change-over is severely affecting the stability and business continuity of the municipality which is detrimental to the improvement of accountability.

Various cost containment measures have been implemented of which Overtime was the biggest challenge over the last few years. Overtime, which forms part of Employees cost has been capped at 30 hours across most units within the municipality, whilst the Overtime policy has also been approved. The soft lock on all vacancies has been in place for more than 12 months. The filling of critical vacancies will be prioritised and for the interim, internal employees are acting. During the 2020/21 Mid-year budget assessment, Council resolved that the posts of City Engineer: Roads & Stormwater and City Engineer: Water & Sanitation be filled as a matter of urgency for the purpose of improved service delivery. The Local Labour Forum has resolved that contract employees employed in vacant and funded positions, such positions should be advertised and filled through the normal recruitment process of the municipality.

One of the biggest threats to the financial viability of the municipality is the average collection of 75%, which below the recommended 82% collection rate of National Treasury to remain funded. National Treasury also advised that the municipality should write-off debt that we know we are not realistically going to collect. And to this end, for the year ended 30 June 2020, amounts written off as uncollectable amounted to R403,262 million. The Covid-19 pandemic also negatively impacted on the municipality's ability to collect outstanding debt. Consumers have been encouraged to apply for indigency. Disconnections in terms of the Credit Control Policy has also resumed since the relaxation of the Covid-19 regulations. However, this has to be done prudently so that the municipality still adhere to the Covid-19 regulations in terms of social distancing and protecting the health of staff. Various provincial departments have also been engaged to collect outstanding debt from Organs of state. Councillors and employees were also encouraged to conclude an arrangement on their outstanding debt. Revenue inflows and expenditure outflows are monitored on a daily basis.

In order for the municipality to thrive, overall performance must improve, the quality of services rendered must improve, accountability must be enforced, serious consideration should be given to the service delivery and financial implications of all decisions taken, ensure that acts, regulations and policies are adhered to, enhance revenue collection and ensure that operational and capital funds are spent effectively with good value for money.

Improve on preventative maintenance and spend funds cost-effectively and efficiently to address service delivery challenges and ensure assets are maintained at desired levels and are being utilised optimally. The spending of funds will have to be prioritised, in light of the cash constraints and wastage be curbed. Municipal officials should also take all reasonable steps to prevent unauthorised, irregular and fruitless and wasteful expenditure. Refrain from committing acts of financial misconduct and/or criminal offences as per Chapter 15 of the MFMA.

It is imperative that all municipal officials must have the inherent desire to do their job to the best of their ability, take pride and ownership in their work, take accountability for their job functions, doing the right thing consistently and work as a collective, cohesive team to achieve the municipality's long and short-term objectives. Foremost to all of these, have the community's best interest at heart.

Sol Plaatje Municipality is in the grip of its worst financial crisis since 2009/2010 and tough decisions and radical changes will have to be made to improve overall accountability, financial stability and the quality of services rendered. Albert Einstein stated that "The definition of insanity is **doing the same thing over and over** again, but **expecting** different results." And with this saying in mind, everyone (management, councillors, municipal employees, businesses, residents and all other stakeholders), must realise that we have to profoundly and radically change our actions, thoughts and attitudes and improve and do better if we want to see better results that is to the ultimate benefit of the community and all other stakeholders.

As per MFMA Circular 107 and 108 as indicated below is a brief summary of the key focus areas for the 2021/22 municipal budget process. All recently issued circulars are included in the budget document for ease of reference.

Key focus areas for the 2021/22 budget process

"Changes to local government allocations

Over the next three years, municipalities will have to adjust to significant changes in expenditure plans while improving accountability. The 2021 Budget protects transfers that focus on infrastructure, service delivery and COVID-19 spending while reducing those spent less effectively. The 2021 Budget includes funding for initiatives to improve municipal revenue collection and support financially distressed municipalities. Local government transfers grow by an annual average of 5.2 per cent over the Medium-term Expenditure Framework (MTEF); the Equitable share declines by 4.4 per cent and conditional grants grow by 7.3 per cent.

Conditional grants

The reduction to direct conditional grants includes R329 million from the Municipal Infrastructure Grant and R21 million from the Integrated Urban Development Grant. These amounts have been reprioritised from underspending grants to fund a once-off councillor gratuity for non-returning councillors. In 2021, government will expand the scope of the Municipal Infrastructure Grant to allow municipalities to use up to 5 per cent of their allocation to develop infrastructure asset management plans. This change addresses poor asset management in municipalities.

In addition, the Municipal Systems Improvement Grant scope is extended to fund comprehensive institutional diagnostic assessments of the 21 district areas where the district municipality is a water service authority and the development of institutional improvement/ support plans that will inform all future capacity development programmes and municipal support initiatives to enhance the continued rollout of the District Development Model (DDM).

2021 Local Government Elections and the budget process

Transitional processes - development and adoption of IDPs during the 2021 election year

Given the fact that the IDP and budget would need to be reviewed and adopted by 30 June 2021, the current council has an obligation to ensure that these stipulations are complied with. In this regard, the current council will be expected to continue reviewing the IDP and ensuring that it is adopted within the legislated timeframe.

Hand-over reports for the newly elected councils

Each municipal manager, working together with the CFO and senior managers, is encouraged to prepare a hand-over report that can be tabled at the first meeting of the newly elected council. This hand-over report aims to provide the new councils important orientation information regarding the municipality, the state of its finances, service delivery and capital programme, as well as key issues that need to be addressed. As proposed by National Treasury and outlined in MFMA Circular 108, the hand over report should provide an overview and detailed synopsis of the current status quo of the municipality. In addition to the hand-over report, each new councillor should be given the municipalities' revised IDP, the adopted 2021/22 MTREF budget, the mid-year budget and performance assessment report for 2020/21, and the latest monthly budget statement, and the annual report for 2019/20.

Municipal Standard Chart of Accounts (mSCOA)

Opening balances

It was noted that some municipalities are not transferring their opening balances consistently to the current year of transacting. Opening balances for the previous year must be transferred in the first month (M01) of the current year. When municipalities are not doing this correctly and consistently, it compromises the credibility of the mSCOA data strings submitted. Importantly, journals may only be passed in the core financial system and not in 3rd party sub-systems.

Surplus or deficit journals

The Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) and MBRR require that municipalities perform their month-end reconciliations at the end of every month before they submit their financial performance information to the National Treasury. Municipalities must also reconcile their creditors and debtors and all month-end processes before they submit their monthly data strings to ensure that the data submitted to the National Treasury Local Government Database is credible.

Rollovers and repayment of unspent grants

Municipalities are required to use the correct posting levels and movement accounting when conditional grants are being receipted, recognised, rolled over, and unspent grants are repaid. The accounting for grants should be done in accordance with GRAP 23: Revenue from exchange transactions (Taxes and Transfers)."

Budget Overview

There are two budgets tabled for approval by council, the operational budget which depicts the municipality's revenue and operational expenditure and the capital budget for the MTREF.

Consolidated Overview of the 2021/22 MTREF	Adjustment Budget 2020/21	2021/22 Medium Term Revenue & Expenditure Framework			
		Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	Total over the MTREF
	R'000	R'000	R'000	R'000	R'000
Operational revenue and expenditure budget					
Total Operating Revenue (excl Capital transfers and contributions)	2,254,156	2,365,711	2,545,342	2,721,154	7,632,208
Total Operating Expenditure	2,030,618	2,344,984	2,524,262	2,699,808	7,569,055
Operating Surplus	223,538	20,727	21,079	21,346	63,153
Capital transfers and contributions	109,046	167,766	98,625	96,786	363,177
Surplus (incl Capital transfers and contributions)	332,584	188,493	119,704	118,132	426,330
Capital expenditure budget					
Capital transfers and contributions	109,046	167,766	98,625	96,786	363,177
Internally generated funds	32,000	11,500	14,500	19,000	45,000
Total Capital expenditure	155,446	179,266	113,125	115,786	408,177

Consolidated Overview of the 2021/22 MTREF Year on Year % increase and R-Value increase	2021/22 Medium Term Revenue & Expenditure Framework					
	Budget Year 2021/22		Budget Year +1 2022/23		Budget Year +2 2023/24	
	Increase (Decrease)	Increase (Decrease)	Increase (Decrease)	Increase (Decrease)	Increase (Decrease)	Increase (Decrease)
	2020/21 to 2021/22		2021/22 to 2022/23		2022/23 to 2023/24	
	%	R'000	%	R'000	%	R'000
<i>Base year Adj Budget 2020/21</i>						
Total Operating Revenue (excl Capital transfers and contributions)	4.9%	111,555	7.6%	179,630	6.9%	175,812
Total Operating Expenditure	15.5%	314,366	7.6%	179,279	7.0%	175,546
Operating Surplus	-90.7%	(202,811)	1.7%	352	1.3%	267
Surplus (incl Capital transfers and contributions)	-43.3%	(144,091)	-36.5%	(68,789)	-1.3%	(1,572)
Capital transfers and contributions	53.8%	58,720	-41.2%	(69,141)	-1.9%	(1,839)
Internally generated funds	-64.1%	(20,500)	26.1%	3,000	31.0%	4,500
Total Capital expenditure	15.3%	23,820	-36.9%	(66,141)	2.4%	2,661

The revenue streams of the municipality remain which is customary like levying of Property rates and taxes, basic services provided like electricity, water, sanitation and cleansing as well as other revenue generating activities which includes renting out of facilities and other revenue sources, etc.

Budget Table A1 indicates the total budget of the municipality. The focus at this point shall be operating revenue and expenditure as follows. The tables above present the consolidated budget overview

There is no significant increase in overall revenue as the totals are increasing from R2,254,156 billion (Adjusted budget 2020/21) to R2,365,711 billion (2021/22), constituting a 4.9% increase year on year when compared to Adjustment budget. The overall average increase over the MTREF is approximately 6%.

The operating expenditure is estimated at R2,344,984 billion in 2021/22. After having considered all the factors, the budget for 2021/22 MTREF shall generate operating surpluses, though very limited in amounts. However, the budget can remain funded for the duration of the MTREF by significantly improving the collection rate and cutting down on non-essential spending.

It should be noted that the Operational expenditure for 2020/21 and the audited outcomes are understated due to the change in the A-schedules which no longer makes provision for Other Materials. Inventory consumed is now made up of Water inventory and Other inventory. National

Treasury will be formally engaged to determine how these changes will be corrected retrospectively, if possible. It should be noted, that this treatment of Inventory consumed has been corrected for the 2021/22 MTREF.

The total capital expenditure amounts to R179,266 million. Over the MTREF the municipality projects to spend R408,177 million in this regard. Capital grants and subsidies recognised are all conditional grants gazetted as per the Division of Revenue Bill 2021.

4. Annual budget tables

The A-schedules are included as an annexure under Section 1: Budget Schedules and supporting tables. Various reference is made to the A-schedules through-out this Budget document.

5. Operating Revenue Framework

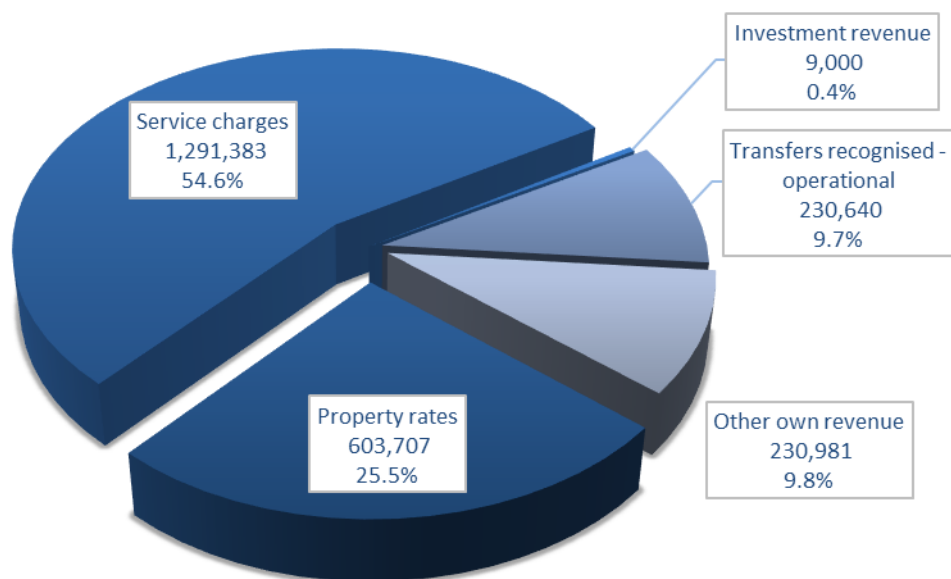
The municipality generates revenue from exchange and non-exchange transactions. Exchange transactions are instances where there is a transaction concluded at arms-length based on measured consumption as well as a result of existing service agreements. Revenue from non-exchange transactions is revenue derived from taxes as well as grants and subsidies received. Revenue from exchange and non-exchange transactions are an indicator of the source of that revenue.

Revenue generated from operations is utilised to effectively run the institution, cover the costs of compensation of employees, operation and maintenance of infrastructure, servicing of municipal debt acquired as long-term borrowings, the costs of bulk water and electricity and all other operational expenditure.

During this budget process, all tariffs had been revised to ensure that they are relevant and easy to implement. The municipality generates income from various sources such as exchange and non-exchange transactions. Revenue from exchange transactions is generated mainly from trading services. The municipality has adopted a consolidated billing system for both exchange and non-exchange transactions for municipal services. Billing therefore is done systematically based on fixed monthly tariffs for services as well as consumption-based billing for metered services. And as far as possible, all other services like hiring of halls, building plans are rendered on a cash basis.

The pie-chart below represent the percentage weighting of each revenue source against the total revenue estimated for the financial year 2021/22.

Operational revenue: Budget Year 2021/22 R'000



It should be noted that the municipality has maintained a consistent contribution ratio for each source, thus a reflection of a very structured process of tariff determination and price increases.

Revenue by Source

The municipality's revenue is determined by tariff packages which are not only considered affordable to the ratepayers and users, but are deemed to be fair, equitable and realistic, and this is assessed in the context of having acknowledged those who cannot afford or have means to pay, the indigent households.

The operating revenue framework is informed by the following:

- National Treasury guidelines on macro-economic policy
- Projected growth and growth in demand for services
- Realistic projections of revenue and collection thereof, as well as strategies for debtor's management
- Electricity tariff increases as informed by NERSA guidelines
- Determination of tariffs for trading services in a cost reflective and a cost recovery manner
- The municipality's property rates policy as approved by Council

The following table is a summary of 2021/22 MTREF classified by revenue source.

NC091 Sol Plaatje - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue By Source				
Property rates	584,108	603,707	647,214	702,111
Service charges - electricity revenue	766,232	861,157	952,511	1,038,966
Service charges - water revenue	278,626	294,012	314,138	333,503
Service charges - sanitation revenue	71,175	76,648	81,626	86,434
Service charges - refuse revenue	53,984	59,567	63,433	67,799
Service charges - other	–	–	–	–
Rental of facilities and equipment	12,440	13,145	13,809	14,569
Interest earned - external investments	4,000	9,000	12,000	15,000
Interest earned - outstanding debtors	144,000	157,200	155,204	151,983
Dividends received	–	–	–	–
Fines, penalties and forfeits	33,345	34,725	36,553	38,563
Licences and permits	6,100	6,500	6,858	7,235
Agency services	–	–	–	–
Transfers and subsidies	260,137	230,640	241,544	243,434
Other revenue	18,008	19,411	20,453	21,558
Gains on disposal of PPE	22,000	–	–	–
Total Revenue (excluding capital transfers and contributions)	2,254,156	2,365,711	2,545,342	2,721,154

Table A4 of the Budget Schedules indicates the revenue by source. The table has been extended below to indicate % contribution and year on year growth of revenue by source as well as to the total revenue of the municipality.

NC091 Sol Plaatje - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description (R thousand)	Current Year 2020/21		2021/22 Medium Term Revenue & Expenditure Framework								
	Adjusted Budget	% Contribution	Budget Year 2021/22	% Contribution	% Growth 2020/21 to 2021/22	Budget Year +1 2022/23	% Contribution	% Growth 2021/22 to 2022/23	Budget Year +2 2023/24	% Contribution	% Growth 2022/23 to 2023/24
Revenue By Source											
Property rates	584,108	25.9%	603,707	25.5%	3.4%	647,214	25.4%	7.2%	702,111	25.8%	8.5%
Service charges - electricity revenue	766,232	34.0%	861,157	36.4%	12.4%	952,511	37.4%	10.6%	1,038,966	38.2%	9.1%
Service charges - water revenue	278,626	12.4%	294,012	12.4%	5.5%	314,138	12.3%	6.8%	333,503	12.3%	6.2%
Service charges - sanitation revenue	71,175	3.2%	76,648	3.2%	7.7%	81,626	3.2%	6.5%	86,434	3.2%	5.9%
Service charges - refuse revenue	53,984	2.4%	59,567	2.5%	10.3%	63,433	2.5%	6.5%	67,799	2.5%	6.9%
Service charges - other											
Rental of facilities and equipment	12,440	0.6%	13,145	0.6%	5.7%	13,809	0.5%	5.1%	14,569	0.5%	5.5%
Interest earned - external investments	4,000	0.2%	9,000	0.4%	125.0%	12,000	0.5%	33.3%	15,000	0.6%	25.0%
Interest earned - outstanding debtors	144,000	6.4%	157,200	6.6%	9.2%	155,204	6.1%	-1.3%	151,983	5.6%	-2.1%
Dividends received											
Fines	33,345	1.5%	34,725	1.5%	4.1%	36,553	1.4%	5.3%	38,563	1.4%	5.5%
Licences and permits	6,100	0.3%	6,500	0.3%	6.6%	6,858	0.3%	5.5%	7,235	0.3%	5.5%
Agency services											
Transfers recognised - operational	260,137	11.5%	230,640	9.7%	-11.3%	241,544	9.5%	4.7%	243,434	8.9%	0.8%
Other revenue	18,008	0.8%	19,411	0.8%	7.8%	20,453	0.8%	5.4%	21,558	0.8%	5.4%
Gains on disposal of PPE	22,000	1.0%									
Total Revenue (excluding capital transfers and contributions)	2,254,156	100.0%	2,365,711	100.0%	4.9%	2,545,342	100.0%	7.6%	2,721,154	100.0%	6.9%

The proposed tariff increases in the table below are averages for services. The municipality attempted to reduce tariff increases as close to the projected CPI targets as can be seen that proposed tariffs increase are 0.1 percent above the forecast of 3.9%.

As per MFMA Circular 108, NT advised on the following

“National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the municipality's financial sustainability. The Consumer Price Index (CPI) is forecasted to be within the lower limit of the 3 to 6 per cent target band; therefore, municipalities are required to justify all increases in excess of the projected inflation target for 2021/22 MTREF in their budget narratives and pay careful attention to the differential incidence of tariff increases across all consumer groups. It is noted that the tariff increases by Eskom and Water Boards are above inflation and should be considered as such while determining cost-reflective tariffs. In addition, municipalities should include a detail of their revenue growth assumptions for the different service charges in the budget narrative. Local government also confronts tough fiscal choices in the face of financial and institutional problems that result in service-delivery breakdowns and unpaid bills. Municipalities can offset these trends by improving its own revenue collection, working more efficiently and implementing cost-containment measures.”

Revenue category	2020/21	2021/22	2022/23	2023/24
	Tariffs			
Rates	5.50%	4.00%	7.21%	8.48%
Electricity	6.22%	14.59%	10.61%	9.08%
Water	5.50%	4.00%	6.85%	6.16%
Waste water (Sanitation)	5.50%	4.00%	6.49%	5.89%
Waste management (Refuse removal)	5.50%	4.00%	6.49%	6.88%
Average tariff increases/Municipal CPI	5.80%	8.56%	7.53%	7.30%

Indicated in the table below is the macro-economic forecasts as per MFMA Circular 108 issued by National Treasury.

Fiscal year	2019/20	2020/21	2021/22	2022/23	2023/24
Macro-economic performance and projections	Actual	Estimate	Forecast		
CPI Inflation	4.1%	3.3%	3.9%	4.2%	4.4%

Property Rates Revenue

The Municipal Property Rates Act 6 of 2004 as amended gives guidance on the categorisation of various properties. Residential properties serve as a baseline for the determination of tariff for other property categories. The approved GV 2019 is valid for a four-year period, and the next date of a new GV is 1 July 2023. The GV includes all property situated within the geographical boundaries of the municipality in terms of the Municipal Property Rates Act as amended. Accordingly, rates levied per individual property will depend on that property value compared with the valuation of all other rateable properties in the municipal area. Rebates and concessions are granted to certain categories

of property usage and or property owner profile. The total estimated revenue from property rates is as per the table below:

Description	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<u>Revenue By Source</u>				
Property rates	584,108	603,707	647,214	702,111

Property rates amounts to R603,707 million and is mainly influenced by the General Valuation (GV) 2019 outcome, as well as the supplementary valuation roll for 2020/21. The Rates growth parameter is attributed to a revenue growth of 3.4% for 2021/22. Indicated in the table below is the rates increases per category. The proposed average increase is 4%. As can be noted in the table that for all other categories, the real increase is 7.74% which is informed by removal of the category 'Property used by Organ of State', solar farms and university which was based on ownership and not use. Independent schools increase by 115.48% which is informed by the relatively low tariff and lower ratio which will gradually increase over the next two to three years.

Property rates tariffs	2020/21	2021/22	% Increase
Residential Property	0.01038	0.01118	7.74%
Vacant Residential Property	0.01556	0.01677	7.74%
Industrial Property	0.03320	0.03577	7.74%
Vacant Industrial	0.03632	0.03913	7.74%
Business and Commercial Property	0.03113	0.03354	7.74%
Vacant Business and Commercial Property	0.03632	0.03913	7.74%
Agricultural Property	0.00259	0.00279	7.74%
Mining Property	0.22828	0.24594	7.74%
Public Service Property	0.04669	0.05031	7.74%
Public Service Infrastructure	0.00000	0.00000	
Public Benefit Activity Property	0.00000	0.00000	
Place of Worship	0.00000	0.00000	
Land Reform Beneficiary	0.00000	0.00000	
Private Open Space	0.01038	0.01118	7.74%
Municipal property used for Municipal Purposes	0.00000	0.00000	
Independent Schools	0.00259	0.00559	115.48%
Sports Grounds and facilities operated for gain	0.00000	0.00000	
Average rates tariff	0.01720	0.01736	0.90%

Service Charges

All other service charges increase is informed by the operational costs of providing the service and the projected demand for services.

Revenue from service charges includes revenue generated from sale of water and electricity as well as monthly charges for refuse removal and sanitation. Revenue from sale of electricity includes billed revenue and prepaid sales as well as sale of electricity in the form of subsidised FBE.

Indigent households receive the first 6kl of water for free, which is sold at a tariff applicable to the block for water sales of 1-6kl per month, whilst they also receive 50 units (kWh) of electricity per month. Service charges for refuse removal and sanitation are fully subsidised for all indigent households.

The municipality provides various services and at different levels mostly influenced by existing infrastructure and availability, customer affordability as well as if the service is provided as free, basic or as permanent level of service.

Whereas tariffs for trading services must be all inclusive of direct and indirect cost, and as such must be cost reflective, the municipality follows the guidelines for tariff increases as issued by the Energy Regulator. In as far as bulk water is concerned the municipality did not receive any formal communication from the Department of Water and Sanitation, an official increase within the inflation range is considered to make sure that the increase does not negatively impact on the affordability levels of the citizenry.

Sale of electricity

The municipality received the draft guidelines from NERSA which informed the tariff increases for 2021/22. The municipality has noted the minimum percentage increase of 14.59% increase on average for local authorities. CPI for 2021/22 is projected at 3.9% as per MFMA Circular 108 issued by National Treasury.

The municipality has implemented Time of Use electricity tariff for large power users and has fully adopted the demand periods as determined by Eskom, whilst for residential customers, Inclined Block Tariff has been adopted. In this case, two block structured tariff is implemented as follows:

Electricity Tariffs - Residential household	2020/21	2021/22		
	R-Value (c/Kwh)	R-Value (c/Kwh)	% Increase	R-Value Increase (c/Kwh)
Block 1 (0 - 350 Kwh)	1.7703	2.0285	14.59%	0.2583
Block 2 (> 350 Kwh)	2.4701	2.8305	14.59%	0.3604

The municipality did not factor in a basic charge, as the community does not agree to it, especially after the protest action that transpired during the 2018/19 financial year with the introduction of the R260 basic charge inclusive of VAT. The majority of municipalities do have a fixed basic charge as prescribed by NERSA, which means they can afford lower tariffs which is aligned to the NERSA benchmark. However, due the fact that SPM is not charging a basic charge those costs are effectively recouped from the higher tariff to a certain degree. The truth of the matter is that poorer to just below middle-income households will not be able to afford an across the board introduction

of a basic charge. In order to mitigate this the municipality is in the tendering processes to appoint a service provider to review the current Cost of supply study (Cos) of the municipality. The Cos is a prerequisite set by NERSA which the municipality must comply with for the consideration of annual tariff increase applications.

Indicated in the table below is the projected revenue and cost drivers for Electricity:

Description	Budget 2122	Budget 2223	Budget 2324
SUB TOTAL : SERVICE CHARGES	861,156,564	952,510,627	1,038,965,701
SUB TOTAL : INTEREST DIV RENT ON LAND	16,000,000	16,960,000	17,892,800
TOTAL : INCOME	877,156,564	969,470,627	1,056,858,501
SUB TOTAL : EMPLOYEE RELATED COST	54,103,196	57,229,234	60,376,839
SUB TOTAL : CONTRACTED SERVICES	28,756,000	30,428,080	32,178,625
SUB TOTAL : OPERATIONAL COST	2,609,660	2,763,496	2,923,143
SUB TOTAL - INVENTORY	31,102,000	33,048,360	34,999,235
SUB TOTAL : BULK PURCHASES	647,000,000	724,640,000	797,104,000
SUB TOTAL - INTEREST DIVID & RENT - LAND	15,706,927	14,766,404	13,706,221
SUB TOTAL : BAD DEBTS WRITTEN OFF	70,000,000	75,600,000	81,648,000
SUB TOTAL : DEPRECIATION & AMORTISATION	8,650,000	9,125,750	9,627,666
TOTAL : EXPENDITURE	857,927,783	947,601,324	1,032,563,729

Sale of water, sanitation and refuse removal

Water is metered and read monthly to determine the consumer bill. A stepped tariff has been in place and it encourages conservation of water. Water restrictions in times of droughts are approved and revised annually with the budget process. Indicated in the table below are the proposed residential Water tariffs.

Water tariffs	2020/21	2021/22		
	R-Value per kl	R-Value per kl	% Increase	R-Value Increase (p/kl)
Indigents (0 - 6kl)	6.65	6.91	4.00%	0.27
Residential (0-6kl)	6.65	6.91	4.00%	0.27
Residential (7-20kl)	28.24	29.37	4.00%	1.13
Residential (21-40kl)	31.79	33.06	4.00%	1.27
Residential (41-60kl)	33.62	34.97	4.00%	1.34
Residential (more than 60kl)	35.92	37.36	4.00%	1.44

Indicated in the table below is the projected revenue and cost drivers for Water:

Description	Budget 2122	Budget 2223	Budget 2324
SUB TOTAL : SERVICE CHARGES	294,011,652	314,138,138	333,503,029
SUB TOTAL : INTEREST DIV RENT ON LAND	34,000,000	36,040,000	38,022,200
SUB TOTAL : SALES & RENDERING OF SERV	600,000	636,000	670,980
TOTAL : INCOME	328,611,652	350,814,138	372,196,209
SUB TOTAL : EMPLOYEE RELATED COST	48,593,758	51,434,883	54,380,628
SUB TOTAL : CONTRACTED SERVICES	3,020,000	3,201,200	3,393,166
SUB TOTAL : OPERATIONAL COST	32,863,589	34,676,573	36,585,537
SUB TOTAL - INVENTORY	36,002,000	38,123,180	40,369,003
SUB TOTAL : BULK PURCHASES	114,000,000	124,260,000	135,443,400
SUB TOTAL - INTEREST DIVID & RENT - LAND	4,084,048	3,834,609	3,553,690
SUB TOTAL : BAD DEBTS WRITTEN OFF	50,000,000	53,000,000	55,000,000
SUB TOTAL : DEPRECIATION & AMORTISATION	8,100,000	8,586,000	9,058,230
TOTAL : EXPENDITURE	296,663,395	317,116,445	337,783,654

Indicated in the table below are the proposed Sanitation and Refuse removal tariffs which are billed on a fixed rate.

Sanitation tariffs - Residential	2020/21	2021/22		
	Monthly Fixed Rate	Monthly Fixed Rate	% Increase	R-Value Increase (p/m)
	174.33	181.30	4.00%	6.97

Refuse removal tariffs (Residential/Domestic)	2020/21	2021/22		
	Monthly Fixed Rate	Monthly Fixed Rate	% Increase	R-Value Increase (p/m)
	124.45	129.43	4.00%	4.98

Indicated in the table below is the projected revenue and cost drivers for Sanitation:

Description	Budget 2122	Budget 2223	Budget 2324
SUB TOTAL : SERVICE CHARGES	76,648,456	81,625,646	86,434,369
SUB TOTAL : INTEREST DIV RENT ON LAND	10,200,000	10,812,000	11,406,660
TOTAL : INCOME	86,848,456	92,437,646	97,841,029
SUB TOTAL : EMPLOYEE RELATED COST	44,052,401	46,695,540	49,263,797
SUB TOTAL : CONTRACTED SERVICES	40,000	42,400	44,732
SUB TOTAL : OPERATIONAL COST	1,902,091	2,015,796	2,126,449
SUB TOTAL - INVENTORY	16,799,000	17,806,940	18,786,323
SUB TOTAL - INTEREST DIVID & RENT - LAND	2,260,479	2,125,785	1,974,293
SUB TOTAL : BAD DEBTS WRITTEN OFF	7,000,000	8,000,000	9,000,000
SUB TOTAL : DEPRECIATION & AMORTISATION	13,700,000	14,522,000	15,320,710
TOTAL : EXPENDITURE	85,753,971	91,208,461	96,516,304

Indicated in the table below is the projected revenue and cost drivers for Refuse removal:

Description	Budget 2122	Budget 2223	Budget 2324
SUB TOTAL : SERVICE CHARGES	59,566,822	63,432,748	67,799,226
SUB TOTAL : INTEREST DIV RENT ON LAND	11,000,000	11,605,000	12,243,275
SUB TOTAL : SALES & RENDERING OF SERV	25,000	26,250	27,694
TOTAL : INCOME	70,591,822	75,063,998	80,070,195
SUB TOTAL : EMPLOYEE RELATED COST	43,847,117	46,039,471	48,571,646
SUB TOTAL : OPERATIONAL COST	1,759,705	1,852,600	1,959,676
SUB TOTAL - INVENTORY	21,085,000	22,226,925	23,541,904
SUB TOTAL : BAD DEBTS WRITTEN OFF	3,000,000	4,000,000	5,000,000
SUB TOTAL : DEPRECIATION & AMORTISATION	900,000	945,000	996,975
TOTAL : EXPENDITURE	70,591,822	75,063,996	80,070,201

Income from rental of property

The municipal rents properties such as municipal halls, sports grounds and resorts for various groups of people and for various purposes such as meetings, workshops, church services, funerals, sporting events, festivals and family gatherings. The charges as per the tariff book include costs of hiring, water and electricity usage, as well as the usage fee. As part of the agreement, a deposit fee is required and is only released after inspection once it has been determined that no breakages, damages or losses had been suffered by the municipality.

The Provincial Department of COGHSTA, as part of the Lerato Park Integrated Human Settlements Project is constructing Community Residential Units with the intent to enter into lease agreements with the tenants. There is also a clear intent from the Department to transfer these assets to the municipality for management and rental, operations and maintenance. Discussions and the matter of CRU's has not been resolved.

The tariff book includes monthly rentals per flat for all municipal block of flats. It should be noted that collection rate at most of the flats is extremely low as a result of non-payment, some tenants being indigent and depending on state grants for survival.

Grants and Subsidies – Operational

The municipality receives Equitable Share (EQS) from the National fiscus gazetted in the DoRA. The EQS is utilised to recover the cost of Free Basic Services (FBS) as well as provision of funding for roads upgrade in informal settlements. On an adhoc basis, EQS also funds the costs of clearing sites for low cost housing development projects as well as relocation costs of informal settlements to formalised areas. The municipality is also participating in skills development programmes of National Treasury in the Finance, Audit and Engineering fields. The Infrastructure Skills Development Grant is used for the stipend and associated training costs for interns in Town Planning

and Engineering Services. The Finance Management Grant is utilised to fund the costs to company of all finance interns including costs of training and tools of trade.

The two programmes had been vital for the organisation as they created a pool of capable young professionals who had gained experience and knowledge of business and policies during their training. This reduces costs associated with employing a new person in some of these positions. The table below represents the unconditional grants gazetted to the municipality for the 2021/22 MTREF. Grants and subsidies made comprises of Equitable share in the amount of R212,328 million for 2021/22, R226,115 million for 2022/23 and R240,251 million for 2023/24. Other minor grants and subsidies received are as follows:

	Adjusted Budget 2020/21	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	Year-on-Year Increase (Decrease) from 2020/21 to 2021/22	Year-on-Year Increase (Decrease) from 2021/22 to 2022/23	Year-on-Year Increase (Decrease) from 2022/23 to 2023/24	Total operational grants over the MTREF
Operational Grants (R thousand)								
Local Government Equitable Share	234,642	212,328	226,115	227,052	-9.5%	6.5%	0.4%	665,495
Expanded Public Works Programme	4,170	3,362	–	–	-19.4%	-100.0%		3,362
Local Government Financial Management Grant	1,700	1,650	1,700	1,700	-2.9%	3.0%	0.0%	5,050
Infrastructure Skills Development	5,000	5,500	5,500	6,000	10.0%	0.0%	9.1%	17,000
Library Grant	7,800	7,800	8,229	8,682	0.0%	5.5%	5.5%	24,711
Department of Tourism	625	–	–		-100.0%			–
Frances Baard District Municipality	6,200	–			-100.0%			–
Total operational grants	260,137	230,640	241,544	243,434	-11.3%	4.7%	0.8%	715,618

Cost of Free Basic Services and the Social Package

The principle of free basic service for indigent households has since been reviewed and now includes informal settlement areas where communal services are provided rather than standpipes for water as an example. The expansion of the principle has been necessitated by various circumstances including court judgements on invaded land parcels where such dwellers are allowed to occupy until land earmarked for housing development is made available. The situation was exacerbated by the Human Rights Commission which requires that people must be provided with water and sanitation notwithstanding the circumstances that led to the occupation of land. Service provided in these areas are regarded as part of FBS and the cost of providing is included in the budget and is funded from equitable share. As per the Indigent Households Policy, the municipality provides free basic services (FBS) to the qualifying households. The cost of FBS is regarded as revenue forgone and is deducted from the income of the relevant service. Various grants and rebates are allocated to service customers based on their socio-economic circumstances and these are conditional. The funding is provided from the EQS allocation per annum. Further detail relating to FBS are contained in Table A10 of the Budget Statement. The municipality has adopted an Indigent Household Policy and maintains a register as such. There is a fully-fledged section as per the staff establishment, whose core function is to approve indigent applications, maintain the indigent households register and monitors consumption as such, and request inspections where consumption is excessive. Indigent Households are on prepaid electricity metering once approved. Free basic services are issued per month to those who qualified by crediting their accounts with the recovered costs from equitable

share grant. For electricity, each beneficiary bears the responsibility to claim free basic electricity (FBE) at the nearest service point. FBE for each month are valid until the 15th of the next month and cannot be accumulated beyond this date. The municipality is targeting 12 000 in 2021/22. This is based on the estimated number of applicants as a result of low-cost housing development as per the IDP. The indigent policy has been reviewed to increase the qualifying threshold from R3,750 to R4,500 subject to the approval of Council and consultation with National Treasury.

Overall impact of tariff increases on households

The table below shows the overall expected impact of tariff increases on households with a 'middle income range', an 'affordable range' and an 'indigent household receiving free basic services'.

The calculation of the household bill is based on the following average consumption:

middle income range 1,000 kWh of electricity and 30 kl of water.

affordable range 500 kWh of electricity and 25 kl of water,

indigent household receiving free basic services 300 kWh of electricity and 20 kl of water.

NC091 Sol Plaatje - Supporting Table SA14 Household bills

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22 % incr.	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Rand/cent											
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		525.10	556.60	501.01	533.07	533.07	533.07	7.7%	574.32	615.73	667.94
Electricity: Basic levy		—	—	—	—	—	—	—	—	—	—
Electricity: Consumption		1,862.57	1,591.45	2,094.95	1,934.95	1,934.95	1,934.95	14.6%	2,217.25	2,452.50	2,675.19
Water: Basic levy		—	—	—	—	—	—	—	—	—	—
Water: Consumption		497.81	527.04	558.69	589.42	589.42	589.42	4.0%	612.99	654.98	695.33
Sanitation		114.61	121.42	129.32	136.43	136.43	136.43	4.0%	141.89	151.10	160.00
Refuse removal		81.77	86.68	92.32	97.39	97.39	97.39	4.0%	101.29	107.86	115.28
Other		—	—	—	—	—	—	—	—	—	—
sub-total		3,081.86	2,883.19	3,376.29	3,291.26	3,291.26	3,291.26	10.8%	3,647.74	3,982.17	4,313.74
VAT on Services		360.16	382.90	428.52	413.78	413.78	413.78	11.4%	461.01	504.97	546.87
Total large household bill:		3,442.02	3,266.09	3,804.81	3,705.04	3,705.04	3,705.04	10.9%	4,108.75	4,487.14	4,860.61
% increase/-decrease			(5.1%)	16.5%	(2.6%)	—	—	10.9%	9.2%	8.3%	
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		371.79	394.09	354.73	377.43	377.43	377.43	7.7%	406.64	435.95	472.92
Electricity: Basic levy		—	—	—	—	—	—	—	—	—	—
Electricity: Consumption		878.89	646.58	932.15	860.97	860.97	860.97	14.6%	986.58	1,091.26	1,190.35
Water: Basic levy		—	—	—	—	—	—	—	—	—	—
Water: Consumption		392.77	415.79	440.79	465.03	465.03	465.03	4.0%	483.63	516.76	548.59
Sanitation		114.61	121.42	129.32	136.43	136.43	136.43	4.0%	141.89	151.10	160.00
Refuse removal		81.77	86.68	92.32	97.39	97.39	97.39	4.0%	101.29	107.86	115.28
Other		—	—	—	—	—	—	—	—	—	—
sub-total		1,839.83	1,664.56	1,949.31	1,937.25	1,937.25	1,937.25	9.4%	2,120.03	2,302.93	2,487.14
VAT on Services		205.53	224.48	236.09	234.00	234.00	234.00	9.8%	257.01	280.05	302.13
Total small household bill:		2,045.36	1,889.04	2,185.40	2,171.25	2,171.25	2,171.25	9.5%	2,377.04	2,582.98	2,789.27
% increase/-decrease			(7.6%)	15.7%	(0.6%)	—	—	9.5%	8.7%	8.0%	
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates		218.47	231.58	208.45	221.79	221.79	221.79	7.7%	238.95	256.18	277.90
Electricity: Basic levy		—	—	—	—	—	—	—	—	—	—
Electricity: Consumption		440.54	293.89	499.98	384.84	384.84	384.84	14.6%	440.99	487.78	532.07
Water: Basic levy		—	—	—	—	—	—	—	—	—	—
Water: Consumption		261.39	276.65	293.31	309.44	309.44	309.44	4.0%	321.82	343.86	365.04
Sanitation		—	—	—	—	—	—	—	—	—	—
Refuse removal		—	—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—	—
sub-total		920.40	802.12	1,001.74	916.07	916.07	916.07	9.4%	1,001.76	1,087.82	1,175.01
VAT on Services		98.27	85.58	102.12	104.15	104.15	104.15	9.9%	114.42	124.75	134.57
Total small household bill:		1,018.67	887.70	1,103.86	1,020.22	1,020.22	1,020.22	9.4%	1,116.18	1,212.57	1,309.58
% increase/-decrease			(12.9%)	24.4%	(7.6%)	—	—	9.4%	8.6%	8.0%	

Revenue by Functional classification and Municipal vote

The municipality generates revenue from various sources managed within votes, as represented by directorates. Indicated in the table below is a presentation of revenue by functional classification.

NC091 Sol Plaatje - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand	1									
Revenue - Functional										
Governance and administration		1,012,732	1,004,072	1,005,240	1,030,357	1,064,641	1,064,641	1,109,592	1,092,231	1,143,506
Executive and council		492,849	463,786	431,480	419,951	454,836	454,836	478,759	416,848	411,594
Finance and administration		519,882	540,286	573,760	610,406	609,806	609,806	630,833	675,383	731,912
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		23,615	23,854	24,994	27,166	26,966	26,966	27,556	29,007	30,603
Community and social services		9,900	9,816	10,359	11,020	10,820	10,820	10,980	11,598	12,236
Sport and recreation		3,615	2,987	2,624	3,790	3,790	3,790	3,315	3,511	3,706
Public safety		253	351	675	660	660	660	760	771	814
Housing		9,790	10,613	10,884	11,601	11,601	11,601	12,401	13,021	13,737
Health		58	87	453	95	95	95	100	105	111
Economic and environmental services		25,773	22,638	22,283	35,886	35,886	35,886	23,286	24,552	25,903
Planning and development		4,627	2,690	3,920	18,631	18,631	18,631	5,166	5,436	5,735
Road transport		21,145	19,948	18,363	17,255	17,255	17,255	18,120	19,117	20,168
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		1,079,647	970,971	1,119,627	1,240,638	1,240,638	1,240,638	1,363,208	1,487,786	1,606,966
Energy sources		663,235	566,794	680,359	781,232	781,232	781,232	877,157	969,471	1,056,859
Water management		283,299	270,001	294,031	311,226	311,226	311,226	328,612	350,814	372,196
Waste water management		75,664	77,321	84,025	82,175	82,175	82,175	86,848	92,438	97,841
Waste management		57,449	56,855	61,211	66,004	66,004	66,004	70,592	75,064	80,070
Other	4	14,909	9,352	8,309	9,470	9,470	9,470	9,835	10,391	10,962
Total Revenue - Functional	2	2,156,676	2,030,887	2,180,452	2,343,517	2,377,602	2,377,602	2,533,477	2,643,967	2,817,940

In each vote, there are various cost centres or business units under the purview of a Manager responsible, such as Chief Town Planner, Revenue Management and Billing etc. a cost centre may be further broken down into sections, under the supervision of Sectional Head overseeing a specific function.

The table below represents revenue by municipal vote:

NC091 Sol Plaatje - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand	1									
Revenue by Vote										
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		492,849	463,786	431,480	419,951	454,836	454,836	478,759	416,848	411,594
Vote 03 - Municipal Manager		2,037	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services		4,553	6,007	1,415	6,177	6,177	6,177	6,804	6,881	7,455
Vote 05 - Community Services		103,311	96,992	99,474	105,200	105,000	105,000	110,627	117,298	124,628
Vote 06 - Financial Services		514,881	533,870	571,568	603,759	603,159	603,159	623,229	667,662	723,570
Vote 07 - Strategy Econ Development And Planning		6,861	5,309	6,910	22,196	22,196	22,196	9,041	9,535	10,059
Vote 08 - Infrastructure And Services		1,032,183	924,923	1,069,606	1,186,235	1,186,235	1,186,235	1,305,018	1,425,743	1,540,633
Total Revenue by Vote	2	2,156,676	2,030,887	2,180,452	2,343,517	2,377,602	2,377,602	2,533,477	2,643,967	2,817,940

6. Operating Expenditure Framework

The municipality's expenditure for the 2021/22 budget and MTREF is informed by the following:

- The municipality's current financial position
- Modelling of feasible and sustainable budgets over the medium term,
- Cognisance of international, national and local economic- and fiscal conditions,
- Expenditure limits set by realistic and realisable revenue levels
- The municipality's asset renewal strategy and its medium to long term asset repairs and maintenance goals,
- Relevant (budget and other) legislative imperatives,

- and operational gains and efficiencies directed to fund areas of strategic priority and known commitments.
- GRAP standard iGRAP 1 relating to internal consumption and discount on early payment.
- The principles of cost containment and elimination of wasteful expenditure, reprioritisation of spending and attainment of savings.

The following table presents the operational expenditure by type for 2021/22 MTREF.

NC091 Sol Plaatje - Table A4 Budgeted Financial Performance (revenue and expenditure)				
Description	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Expenditure By Type				
Employee related costs	800,081	836,388	885,627	934,849
Remuneration of councillors	33,023	34,547	36,275	38,270
Debt impairment	252,000	275,000	293,600	310,648
Depreciation & asset impairment	73,550	79,150	84,325	89,218
Finance charges	35,542	22,261	20,963	19,501
Bulk purchases	554,500	647,000	724,640	797,104
Inventory consumed	87,414	279,331	297,748	321,102
Contracted services	49,548	46,687	49,173	51,770
Transfers and subsidies	4,280	4,850	4,952	5,060
Other expenditure	140,679	119,770	126,960	132,287
Loss on disposal of PPE	–	–	–	–
Total Expenditure	2,030,618	2,344,984	2,524,262	2,699,808

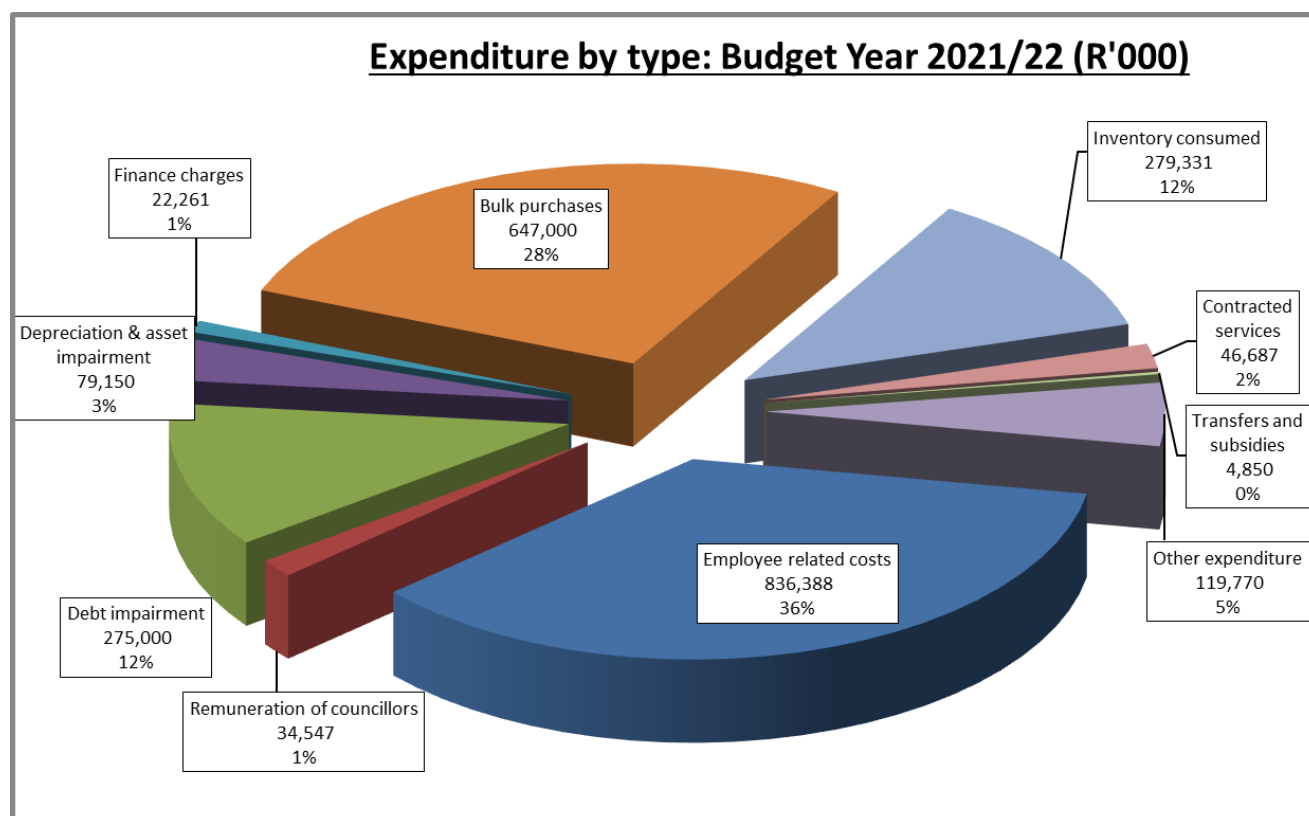
Indicated in the table below is the % contribution and growth year on year for each expenditure by type.

Description	Current Year 2020/21		2021/22 Medium Term Revenue & Expenditure Framework								
R thousand	Adjusted Budget	% Contribution	Budget Year 2021/22	% Contribution	% Growth 2020/21 to 2021/22	Budget Year +1 2022/23	% Contribution	% Growth 2021/22 to 2022/23	Budget Year +2 2023/24	% Contribution	% Growth 2022/23 to 2023/24
Expenditure By Type					Adjusted Budget						
Employee related costs	800,081	39.4%	836,388	35.7%	4.5%	885,627	35.1%	5.9%	934,849	34.6%	5.6%
Remuneration of councillors	33,023	1.6%	34,547	1.5%	4.6%	36,275	1.4%	5.0%	38,270	1.4%	5.5%
Debt impairment	252,000	12.4%	275,000	11.7%	9.1%	293,600	11.6%	6.8%	310,648	11.5%	5.8%
Depreciation & asset impairment	73,550	3.6%	79,150	3.4%	7.6%	84,325	3.3%	6.5%	89,218	3.3%	5.8%
Finance charges	35,542	1.8%	22,261	0.9%	-37.4%	20,963	0.8%	-5.8%	19,501	0.7%	-7.0%
Bulk purchases	554,500	27.3%	647,000	27.6%	16.7%	724,640	28.7%	12.0%	797,104	29.5%	10.0%
Inventory consumed	87,414	4.3%	279,331	11.9%	219.5%	297,748	11.8%	6.6%	321,102	11.9%	7.8%
Contracted services	49,548	2.4%	46,687	2.0%	-5.8%	49,173	1.9%	5.3%	51,770	1.9%	5.3%
Transfers and grants	4,280	0.2%	4,850	0.2%	13.3%	4,952	0.2%	2.1%	5,060	0.2%	2.2%
Other expenditure	140,679	6.9%	119,770	5.1%	-14.9%	126,960	5.0%	6.0%	132,287	4.9%	4.2%
Loss on disposal of PPE	–	0.0%	–	0.0%		–	0.0%		–	0.0%	
Total Expenditure	2,030,618	100.0%	2,344,984	100.0%	15.5%	2,524,262	100.0%	7.6%	2,699,808	100.0%	7.0%

The total operating expenditure budget amounts to R2,344,984 billion for 2021/22 financial year. The budget increases by 15% when compared to 2020/21 Adjustment budget. It should be noted that the treatment of Inventory consumed which previously resorted under Other materials changed. Hence not all Inventory consumed populates correctly, this matter was briefly discussed with National Treasury on how to handle the change in the A-schedules but will be formally discussed with National Treasury. The operating expenditure budget is presented by type, by vote and by functional classification as per Schedule A, attached as an annexure to this report, See Table A1, A2, A3 and A4. These are some of major cost drivers than informs the expenditure framework for 2021/22 MTREF.

The above table further indicates the ratio of each expenditure by type against overall expenditure budget. The Employee costs is 35.7% of the total operational budget, whilst Inventory consumed and Contracted services amounts to 11.9% and 2% respectively, and Bulk purchases with a weighting of 27.6% and Debt impairment with a weighting of 11.7%. Operational costs resorting under Other expenditure comprises 5.1% of the budget.

Indicated in the pie chart below is the weighting per expenditure type for 2021/22 financial year:



The major operational expenditure budget allocations include:

Employee related costs

Employee related costs amounting to R836,388 million equates to 36% of the total operating budget. The 2021/22 cost of living increase was budgeted at 4.1%. Negotiations for Salary and Wage

Collective Agreement for the period 01 July 2020 to 30 June 2023 is still under way. For the draft budget no provision has been made for any danger allowance, due to affordability. Preliminary cost implication is estimated at R8 to 9 million per annum. These include the salary packages for the municipal manager and managers reporting directly to the Municipal Manager.

As 31 July 2020, the municipality had the following in place in respect of staff establishment:

- Staff compliment per the approved organogram: 2701
- Permanent Staff: 1 334 and Contract Staff: 400
- Vacancies: 967
- Vacancy rate: (36%)
- Vacant and Funded Positions: 203
- Vacant Critical Positions: 5 (Head of SCM; IDP Manager; Snr Manager Housing; City Engineer: Roads and Storm Water; City Engineer: Water and Sanitation). The Revenue and Expenditure Manager's posts within Finance are also vacant.

During the Mid-year budget assessment for 2020/21, Council resolved that the posts of City Engineer: Roads & Stormwater and City Engineer: Water & Sanitation be filled as a matter of urgency for the purpose of improved service delivery.

There are 65 councillors, which includes 33 ward councillors as per the latest demarcations for 2016 Local Government Elections.

Councillor's remuneration

The municipality has an Executive Mayor with a Mayoral Committee System. Members of the Mayoral Committee are also Chairperson of Municipal Systems Act Section 80, as well as Chairperson of Committees established in terms of Section 79 of the same act. The Executive Mayor, Speaker and Members of Mayoral Committee are full-time and are fully provided with tools of trade and fully furnished offices. All other Councillors are part time. Indicated below is the budgeted packages for councillors:

NC091 Sol Plaatje - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contribution	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4		–	–	991,012			991,012
Chief Whip			–	–	–			–
Executive Mayor			–	–	1,226,294			1,226,294
Deputy Executive Mayor			–	–	–			–
Executive Committee			–	–	9,321,913			9,321,913
Total for all other councillors			–	–	23,008,215			23,008,215
Total Councillors	8	–	–	–	34,547,434			34,547,434

Bulk purchases

Bulk purchases for this MTREF on refers to electricity with the total budget of R647,000 million. Bulk purchases water has been transferred to Inventory consumed as per directive from National Treasury and GRAP 12. The estimates were based on the current demand and the projected growth in demand, and have considered the guidelines for price increases as informed by NERSA of 17.8% for bulk purchases, whilst the minimum allowed percentage increase on municipal tariffs is 14.59%. Costs of bulk constitutes 27.6% of operating expenditure budget.

The total budget for bulk electricity is indicated in the table below

NC091 Sol Plaatje - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Current Year 2020/21		2021/22 Medium Term Revenue & Expenditure Framework								
R thousand	Adjusted Budget	% Contribution	Budget Year 2021/22	% Contribution	% Growth 2020/21 to 2021/22	Budget Year +1 2022/23	% Contribution	% Growth 2021/22 to 2022/23	Budget Year +2 2023/24	% Contribution	% Growth 2022/23 to 2023/24
Bulk purchases	554,500	27.3%	647,000	27.6%	16.7%	724,640	28.7%	12.0%	797,104	29.5%	10.0%

Finance charges

Finance charges consist of repayment of interest on long term borrowing. The amount budgeted for 2021/22 is R22,261 million, equivalent to 0.9% of the total operating expenditure budget. It should be noted that due to the defaulting of the ESKOM bulk account during 2020/21 Adjusted budget the municipality was obligated to make provision of R12,000 million for Interest incurred on overdue accounts. For the 2021/22 MTREF no provision was made for this as the municipality must take all reasonable steps to prevent Fruitless and wasteful expenditure.

Description	Current Year 2020/21		2021/22 Medium Term Revenue & Expenditure Framework								
R thousand	Adjusted Budget	% Contribution	Budget Year 2021/22	% Contribution	% Growth 2020/21 to 2021/22	Budget Year +1 2022/23	% Contribution	% Growth 2021/22 to 2022/23	Budget Year +2 2023/24	% Contribution	% Growth 2022/23 to 2023/24
Finance charges	35,542	1.8%	22,261	0.9%	-37.4%	20,963	0.8%	-5.8%	19,501	0.7%	-7.0%

Contracted services

Contracted services allocation is R46,687 million. Approximately half of the budget is for budgeted commission on prepaid vending under Outsourced services.

NC091 Sol Plaatje - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'											
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand											
Contracted services											
Outsourced Services		33,443	26,657	23,385	29,195	33,695	33,695	14,359	30,755	32,553	34,438
Consultants and Professional Services		11,133	3,281	5,075	5,788	5,888	5,888	1,599	5,612	5,698	5,792
Contractors		8,778	12,403	9,886	9,965	9,965	9,965	3,755	10,320	10,922	11,541
Total contracted services		53,354	42,342	38,346	44,948	49,548	49,548	19,713	46,687	49,173	51,770

Indicated in the table below is detailed budget per mSCOA line item

Description (R'000)	Adjusted Budget 2021	Budget 2122	Budget 2223	Budget 2324
OS: BURIAL SERVICES	420	315	331	349
OS: B&A OCCUPATIONAL HEALTH & SAFETY	150	156	165	174
OS: B&A PROJECT MANAGEMENT	4,430	4,365	4,384	4,406
OS: CATERING SERVICES	388	276	293	310
OS: CONNECT/DIS-CONNECTION: ELECTICITY	500	500	525	554
C&PS: B&A AUDIT COMMITTEE	1,150	1,280	1,364	1,442
C&PS: B&A VALUER & ASSESSORS	410	400	420	443
C&PS: LAB SERV AGRICULTURE	30	25	26	28
C&PS: LEGAL COST ADVICE & LITIGATION	6,875	7,065	7,480	7,906
C&PS: LEGAL COST COLLECTION	1,500	1,550	1,633	1,722
CONTR: EMPLOYEE WELLNESS	260	220	233	247
CONTR: GAS	30	30	32	34
CONTR: MAINTENANCE OF EQUIPMENT	5	5	5	6
CONTR: MAINTENANCE OF UNSPECIFIED ASSETS	5,400	5,000	5,380	5,769
CONTR: PREPAID ELECTRICITY VENDORS	25,000	25,500	26,903	28,382
CONTR: SEWERAGE SERVICES	3,000	—	—	—
Total Contracted services	49,548	46,687	49,173	51,770

Inventory consumed

Indicated in the table below is the breakdown on Inventory consumer as per supporting table SA1.

NC091 Sol Plaatje - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

NC091 Soil Plaatje - Supporting Table SAT Supporting detail to Budgeted Financial Performance											
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand											
Inventory Consumed											
Inventory Consumed - Water		-	-	-	-	87,414	87,414	-	114,000	124,260	135,444
Inventory Consumed - Other		-	45,612	48,468	-	-	-	29,494	165,331	173,488	185,658
Total Inventory Consumed & Other Material		-	45,612	48,468	-	87,414	87,414	29,494	279,331	297,748	321,102

Inventory consumed - Water, previously bulk purchases water is budgeted at R114,000 million for the 2021/22 financial year. Inventory consumed – Other is budgeted at R165,331 million for 2021/22.

Repairs and maintenance by Asset class

The municipality manages more than 580km of tarred and paved roads and about 250km of dirt roads. The management of roads includes storm water drainage system, kerbings, pavements and sub-ways. There is no rail network under the management of the municipality. However, there is an agreement in place for the maintenance of railway lines where the municipality has servitudes.

The municipality has an exclusive license for the distribution of electricity, as such it manages bulk electricity infrastructure and network reticulation. The municipality also implements integrated electrification projects within its jurisdiction.

The municipality has a major Sewerage Treatment Plant and other small sewerage treatment plants across the city including Ritchie. As such boiler making, fitters and turners as well as mechanic workshops are part of resources of the municipality. The municipality extracts water from Riverton, South of the City, located at about 35km. There is a purification plant as well as pump station in Riverton. The bulk water distribution line stretches over 45 km from Riverton to Kimberley Water Works where major reservoirs are located. This forms part of critical infrastructure of the municipality.

The municipality provides refuse collection function and owns a fleet of refuse compactors in this regard. The mechanical workshop also maintains municipal fleet. Only in specific circumstances that the manufacturer or dealer maintains fleet.

Though the mSCOA has dealt away with the classification of expenditure as maintenance. In as far as management reporting is concerned, the municipality has created reporting mechanisms to ensure that adequate budgeting is allocated for the maintenance of infrastructure. Service delivery and revenue generation are dependent on how well and efficient the infrastructure is operated and maintained.

The table below indicates appropriation of budget for repairs and maintenance by asset class.

NC091 Sol Plaatje - Table A9 Asset Management

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand										
EXPENDITURE OTHER ITEMS		317,203	294,143	287,242	336,002	337,176	337,176	347,876	371,642	396,223
Depreciation	7	64,443	61,697	69,409	73,550	73,550	73,550	79,150	84,325	89,218
Repairs and Maintenance by Asset Class	3	252,761	232,446	217,834	262,452	263,626	263,626	268,726	287,317	307,005
Roads Infrastructure		43,323	42,323	46,057	44,251	47,641	47,641	45,195	50,545	56,226
Storm water Infrastructure		483	598	—	665	665	665	600	636	677
Electrical Infrastructure		67,611	56,875	52,173	61,259	59,759	59,759	64,176	68,189	72,155
Water Supply Infrastructure		51,220	36,640	37,718	45,002	46,322	46,322	45,998	48,758	51,683
Sanitation Infrastructure		26,596	28,872	20,370	30,824	30,609	30,609	30,903	32,757	34,562
Solid Waste Infrastructure		17,012	18,778	13,991	22,983	22,983	22,983	22,978	24,219	25,649
Rail Infrastructure		—	—	—	—	—	—	—	—	—
Coastal Infrastructure		1,780	1,329	—	—	—	—	—	—	—
Information and Communication Infrastructure		—	—	—	—	—	—	—	—	—
Infrastructure		208,025	185,414	170,309	204,983	207,978	207,978	209,850	225,104	240,953
Community Facilities		2,247	2,916	1,785	3,222	2,222	2,222	3,420	3,894	4,110
Sport and Recreation Facilities		402	401	533	770	770	770	790	447	473
Community Assets		2,649	3,318	2,318	3,992	2,992	2,992	4,210	4,341	4,583
Heritage Assets		—	—	—	—	—	—	—	—	—
Revenue Generating		6,063	6,653	6,357	7,289	7,289	7,289	7,509	7,959	8,431
Non-revenue Generating		—	—	—	—	—	—	—	—	—
Investment properties		6,063	6,653	6,357	7,289	7,289	7,289	7,509	7,959	8,431
Operational Buildings		12,268	13,924	12,760	10,489	14,289	14,289	14,890	15,784	16,669
Housing		—	—	—	—	—	—	—	—	—
Other Assets		12,268	13,924	12,760	10,489	14,289	14,289	14,890	15,784	16,669
Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
Servitudes		—	—	—	—	—	—	—	—	—
Licences and Rights		—	—	—	—	—	—	—	—	—
Intangible Assets		—	—	—	—	—	—	—	—	—
Computer Equipment		—	—	—	—	—	—	—	—	—
Furniture and Office Equipment		1,377	1,261	1,051	1,732	1,753	1,753	1,684	1,778	1,877
Machinery and Equipment		17,247	17,095	21,657	23,251	22,631	22,631	24,179	25,609	27,364
Transport Assets		5,133	4,782	3,383	10,716	6,694	6,694	6,404	6,742	7,129
Land		—	—	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—	—	—
TOTAL EXPENDITURE OTHER ITEMS		317,203	294,143	287,242	336,002	337,176	337,176	347,876	371,642	396,223
Renewal and upgrading of Existing Assets as % of total capex		69.8%	68.4%	63.1%	56.9%	51.1%	51.1%	44.3%	65.1%	63.7%
Renewal and upgrading of Existing Assets as % of deprecn		266.3%	222.3%	124.6%	119.6%	107.9%	107.9%	100.4%	87.3%	82.7%
R&M as a % of PPE		15.3%	13.3%	12.0%	13.9%	14.0%	14.0%	13.7%	14.8%	14.9%
Renewal and upgrading and R&M as a % of PPE		23.0%	19.0%	15.0%	16.0%	16.0%	16.0%	16.0%	17.0%	17.0%

NC091 Sol Plaatje - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

2021/22 Medium Term Revenue & Expenditure Framework											
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				Budget Year	Budget Year	Budget Year
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	2021/22	+1 2022/23	+2 2023/24
R thousand											
Repairs and Maintenance	8										
Employee related costs		99,042	109,913	109,285	126,110	125,110	125,110	86,886	130,610	138,436	146,752
Inventory Consumed (Project Maintenance)		137,128	110,563	103,942	125,470	127,488	127,488	73,749	127,071	137,100	147,696
Contracted Services		11,714	7,597	869	5,630	5,630	5,630	201	5,210	5,603	6,005
Other Expenditure		4,877	4,373	3,738	5,242	5,397	5,397	3,086	5,835	6,179	6,551
Total Repairs and Maintenance Expenditure	9	252,761	232,446	217,834	262,452	263,626	263,626	163,923	268,726	287,317	307,005

Other Expenditure: Operational cost

Operational cost comprises of costs of administration and other costs. These are budgeted for per line item as per the mSCOA Expenditure Segment. Indicated in the table below are the Top 10 operational cost drivers with a budget exceeding R3,500 million per line item.

Description (R'000)	Adj Budget 2021	Budget 2122	Budget 2223	Budget 2324
OC: AUDIT COST: EXTERNAL	5,800	6,000	6,420	6,805
OC: BC/FAC/C FEES - BANK ACCOUNTS	3,700	3,700	3,922	4,138
OC: COMM - PHONE FAX TELEGRAPH & TELEX	5,905	5,671	6,012	6,356
OC: EXT COM SERV PROV - S/WARE LICENCES	5,203	5,220	5,488	5,790
OC: MUNICIPAL SERVICES\ELECTRICITY	38,558	31,280	33,015	34,839
OC: PROFESSIONAL BODIES M/SHIP & SUBS	9,165	8,632	9,231	9,784
OC: REMUNERATION TO WARD COMMITTEES	3,960	3,960	4,158	4,387
OC: SKILLS DEVELOPMENT FUND LEVY	6,900	6,900	7,383	7,826
OC: UNIFORM & PROTECTIVE CLOTHING	15,761	5,038	5,569	5,884
OC: INDIGENT RELIEF	4,180	4,180	4,733	3,090

Cost containment strategies

The municipality has taken note of cost containment regulations as well as MFMA Circular 82, on cost containment. The cost containment policy has been approved by Council. The following are incorporated in the budget assumptions:

The municipality have clamped down on procurement deviations which to a large degree should also address irregular expenditure, where deviations are in non-compliance with SCM Regulation 36.

Sourcing of quotations has been centralised to SCM.

Travel and accommodation: that travelling must be absolutely necessary. Attendance of conferences and seminars that are paid for will be approved by the relevant Executive Director or Municipal Manager, and this must be linked to skills development and capacitation of the individual. The Covid-19 regulations also assisted in this regard, in that the majority of meetings or seminars are done virtually.

The procurement of newspapers has been limited to the following sections: mayor and speaker's office, MM and Communication's office and Libraries.

The procurement of bottled water, beverages and refreshments have also been stopped and limited to the mayor and speaker's office within reasonable limits. The procurement of diaries was stopped.

The majority of all users have a limit on outgoing calls of fifty rand and each section carries that cost including the rental cost per extension allocated. The municipality has installed vehicle tracking devices to monitor use and abuse of municipal vehicle.

Purchase of furniture and the replacement of tools of trade such as computers, printers and switching between laptops and desktops are now under scrutiny. The asset condition must be analysed first, and efforts must be made to identify another user within the organisation prior to replacing and disposing of the asset.

Covid-19 expenditure

Provision has been made through the existing budgets of individual sections, for Covid-19 PPE consumables like masks, sanitisers. Indicated in the table below is a breakdown of the Covid-19 adjustment for 2020/21 amounting to R29,570 million. It is anticipated that the additional allocation will not be fully spent at year-end. The hire of water tankers for water distribution to communities is a concern as the Department of Water and Sanitation withdrew due to limited funds, so now it is the sole responsibility of the municipality to provide water to communities. Total budgeted cost is R4.5m. The municipality used to hire 4 water tankers per month but this had to be increased to 7 water tankers. As indicated below, the request for a rollover will go a long way in continuation of this service. The rental of chemical toilets amounting to R3m will also form part of the rollover request. However, provision has been made under Operational Cost: Indigent Relief.

Description (R'000)	Original Budget2021	Covid-19 Amendment 2021	Budget virements	Tot Budget 2021	Budget 2122	Budget 2223	Budget 2324	Purpose
CONTR: SEWERAGE SERVICES	–	3,000	–	3,000	–	–	–	Rental of Chemical Toilets
OC: ADV/PUB/MARK - MUNICIPAL NEWSLETTERS	570	70	–	640	450	476	502	Community and awareness campaigns
OC: HIRE CHARGES	–	4,500	–	4,500	–	–	–	Hire of water tankers for water distribution to communities
OC: UNIFORM & PROTECTIVE CLOTHING	5,193	10,500	68	15,761	5,038	5,569	5,884	Procurement of Sterile Gloves, Goggles/ Face-shield/Viser, Surgical mask 3 PLY & KN95, Apron, Gown, Heavy duty gloves, Boot covers, Disposal coverall suits
OC: INDIGENT RELIEF	4,180	–	–	4,180	4,180	4,733	3,090	Rental of Chemical Toilets
INV-CONSUMABLE-SR/CLEAN MATERIALS	2,107	8,000	89	10,196	2,164	2,283	2,412	Procurement of Sanitizer, Disinfectants, Sanitising and decontamination chemicals, Handwash, Spray bottles, Ante-bacterial soap, Jik / Bleach
INVENTORY - MATERIALS & SUPPLIES	300	3,500	(40)	3,760	350	374	400	Procurement of Perspex Screens, Infrared thermometers, non - contact thermometers
Total	12,350	29,570	116	42,037	12,182	13,435	12,288	

Procurement of Covid-19 PPE is handled by Logistic - Stores section within SCM and all procurement and issuing is done through Stores.

These are the protocols currently in place:

Issuing of PPE:

Sections need to complete a requisition with their quantities / needs authorised (by Supervisor). Completed Requisitions still need to be submitted to Health and safety officer for approval and verification of Risk Assessment / Needs before submitting to Stores. Supervisors or appointed Team Leaders to collect stock and sign for it after approval. Supervisors or appointed Team Leaders will be responsible to keep registers of issuing stock to employees working during this time.

As per the MFMA Circular 108 the following prerequisites are applicable for Rollover request against the Covid-19 allocated through the Equitable Share:

“Municipalities are therefore required to provide the following information to National Treasury in order to prove that the unspent funds are committed and also provide approval to allow the unspent funds to be spent in the 2021/22 financial year.

1. Provide the contracts that are linked to the response of the Covid-19 pandemic in line with the provisions made in the 2020 DoRAA;
2. Reasons why the funds were not fully spent during the year of original allocation per the DoRAA;
3. Accurate disclosure of Covid-19 allocation expenditure in the 2020/21 pre-audited Annual Financial Statements, (i.e. correct disclosure of grant receipts and spending in the notes to the AFS); and
4. Any expenditure incurred against the unspent Covid-19 funds that was not approved for the rollover will be regarded as unauthorized expenditure.”

Expenditure per function classification and municipal vote

NC091 Sol Plaatje - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

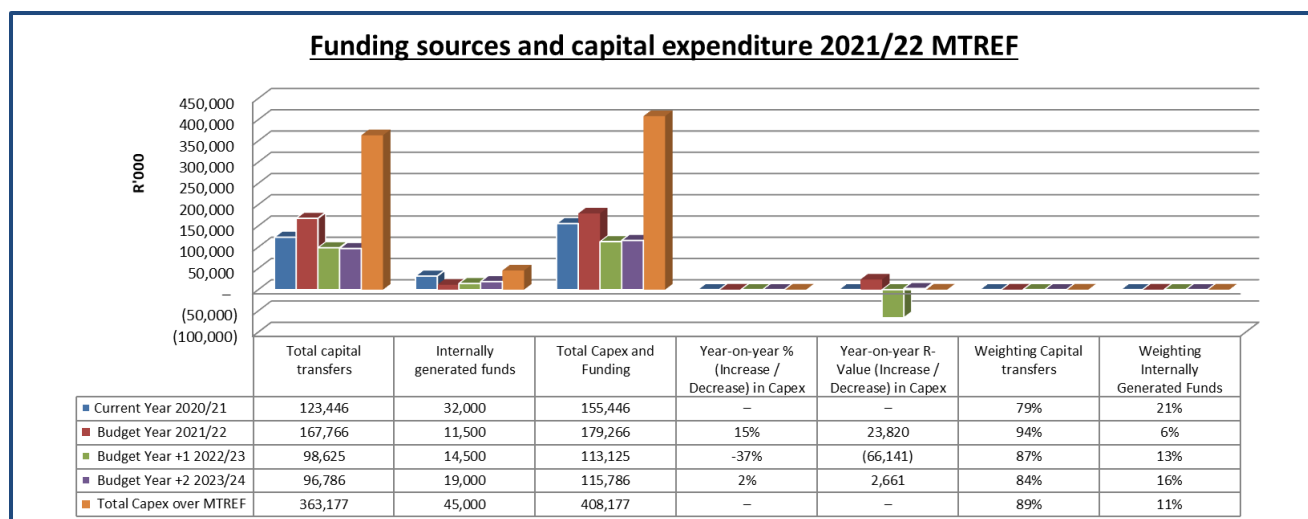
Functional Classification Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Expenditure - Functional										
Governance and administration		584,756	549,422	545,801	665,289	673,909	673,909	683,100	720,457	759,584
Executive and council		376,815	334,155	318,151	396,128	408,128	408,128	405,549	428,457	451,162
Finance and administration		202,747	209,917	221,765	262,445	259,065	259,065	270,570	284,600	300,614
Internal audit		5,194	5,350	5,886	6,716	6,716	6,716	6,982	7,400	7,807
Community and public safety		162,975	154,197	163,275	180,462	181,762	181,762	183,469	195,981	206,357
Community and social services		35,277	36,073	38,327	41,708	41,508	41,508	42,230	49,182	51,432
Sport and recreation		50,286	47,061	48,493	56,172	55,572	55,572	55,822	58,419	61,671
Public safety		34,149	35,366	39,304	41,910	41,910	41,910	43,502	44,305	46,750
Housing		25,826	19,964	20,479	22,866	22,866	22,866	23,480	24,718	26,111
Health		17,437	15,732	16,672	17,806	19,906	19,906	18,435	19,357	20,394
Economic and environmental services		114,123	113,485	118,038	135,508	136,833	136,833	139,819	147,634	156,128
Planning and development		41,528	40,914	40,068	46,540	47,165	47,165	48,172	50,729	53,503
Road transport		72,020	71,954	77,332	88,266	88,966	88,966	90,936	96,155	101,834
Environmental protection		576	618	637	702	702	702	711	750	791
Trading services		1,052,168	1,023,507	1,088,683	1,187,249	1,224,349	1,224,349	1,313,216	1,433,383	1,549,458
Energy sources		687,986	644,809	698,314	762,833	762,333	762,333	857,928	947,601	1,032,564
Water management		233,103	240,218	265,093	278,498	303,998	303,998	296,663	317,116	337,784
Waste water management		76,973	79,071	69,878	79,014	91,114	91,114	88,033	93,601	99,040
Waste management		54,105	59,408	55,398	66,904	66,904	66,904	70,592	75,064	80,070
Other	4	22,295	20,374	21,041	24,518	24,518	24,518	25,380	26,807	28,282
Total Expenditure - Functional	3	1,936,318	1,860,985	1,936,838	2,193,028	2,241,373	2,241,373	2,344,984	2,524,262	2,699,808

NC091 Sol Plaatje - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

2021/22 Medium Term Revenue & Expenditure Framework										
Vote Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Expenditure by Vote to be appropriated		1								
Vote 01 - Executive & Council		43,801	46,045	52,931	56,511	56,511	56,511	57,883	60,777	64,120
Vote 02 - Municipal And General		321,231	277,590	253,782	327,737	339,737	339,737	335,456	354,860	373,517
Vote 03 - Municipal Manager		18,576	16,144	21,336	24,268	24,268	24,268	25,025	26,367	27,817
Vote 04 - Corporate Services		59,011	62,302	64,204	69,524	69,594	69,594	73,211	76,800	81,111
Vote 05 - Community Services		239,727	244,132	250,522	289,928	289,828	289,828	297,403	316,842	334,708
Vote 06 - Financial Services		112,282	115,007	117,561	149,015	145,415	145,415	152,611	160,409	169,137
Vote 07 - Strategy Econ Development And Planning		54,708	54,587	52,401	57,163	57,788	57,788	59,374	62,692	66,125
Vote 08 - Infrastructure And Services		1,086,983	1,045,177	1,124,100	1,218,882	1,258,232	1,258,232	1,344,020	1,465,516	1,583,273
Total Expenditure by Vote	2	1,936,318	1,860,985	1,936,838	2,193,028	2,241,373	2,241,373	2,344,984	2,524,262	2,699,808

7. Capital Expenditure Framework

The capital budget for 2021/22 is R179,266 million funded as per the table below. Capital grants and donations make up 94% of the total funding sources, and internally generated funds contribute 6% to the total capital funding mix. The total projected grant receipts for the 2021/22 MTREF amount to R363,177 million whilst internally generated funds amount to R45,00 million. As a result, the total capital expenditure to be spent on property, plant and equipment amount to R408,177 million over the MTREF. As a result of an oversight by BTO, funding of R18,850 million from the European Union was not included in the system. This will be corrected for the final budget.



Long-term borrowing

The municipality has not taken any new long-term borrowings in the current financial year to fund the capital budget as per S18 of the MFMA. Due to the current financial crisis, no new long-term loans can be entered into for the foreseeable future. The municipality has always been very conservative when taking up new loans, and always gave due consideration to the impact it will have on tariffs increases and the affordability of tariffs which can negatively impact the municipality's ability to service new loans taken up. The Current and Debt (Total Borrowings) / Revenue ratios has always been above the norm, however from a liquidity perspective the municipality will not be able to meet any additional long-term commitments.

PART 2: SUPPORTING DOCUMENTATION

8. Overview of IDP and Annual Budget Process

The Sol Plaatje Municipal (SPLM) Council adopted its 5-year Integrated Development Plan for its term of office on 31 May 2017. This is the fourth review of the 2017/18 – 2021/22 IDP and is therefore not a “new” IDP. This reviewed IDP indicates the changes to the adopted IDP and the implementation of the Plan thus far – at mid-year 2020/21 as well as new information, both internal and external that will have an effect on the further implementation of the IDP. The IDP will also be reviewed in terms of the relevance of its strategic objectives in line with shifts in national and provincial policies and plans.

This is a draft document which is tabled to Council for public consultation and to finalise the IDP Review for submission and adoption by not later than 31 May 2021.

The IDP process is guided by various legislation, policies and guidelines which require careful consideration when the document is compiled. These include amongst others the following:

SA Constitution, Act 108 of 1996 White paper on Local Government

Municipal Structures Act, 117 of 1998, Municipal Systems Act, 32 of 2000

Municipal Planning & PMS Regulations (2001) Municipal Finance Management Act, Act 56 of 2003

Intergovernmental Relations Framework Act, Act 13 of 2006

According to Section 28(1) of the Municipal System Act, 32 of 2000 and Section 21(1)(b), a municipal council must adopt a process set out in writing to guide the planning, drafting and review of its IDP. Council adopted the Process Plan at a meeting held on 26 August 2020 and is attached as Annexure 1 in the IDP review document under Section 5 of the Budget document. The process plan enhances integration and alignment between the IDP and the Budget, thereby ensuring the development of an IDP-based budget.

The Overview of the process and project prioritisation principle

The 2021/22 financial year is the fifth year of the IDP Cycle 2017 to 2022. As such, the IDP Review Process focused mainly on mid-term performance of the IDP targets set for 2020/21, and the key priorities as set out for 2021/22 and ensure that there is consensus in this regard and that the plan is funded accordingly.

The IDP Review and Budget Process is quite critical for transparency, inclusivity and participation of both internal and external stakeholders. The process outlines the current and future direction of the municipality and how this will be achieved in order to meet the constitutional obligations. IDP and Budgeting is about the choices that must be made between competing priorities under the prevailing fiscal realities.

Section 21 of the MFMA requires that a time schedule setting out the process to draft the IDP and prepare the budget be tabled ten months before the start of the next financial year. The main aim of the timetable is to ensure integration between the Integrated Development Plan, the budget and allied process towards tabling a balanced and funded budget. The adoption of the 2020/21 Medium Term Budget for the municipality was approved on 30 June 2020 and laid the foundation by which

strategic functions within the municipality could apply sound financial planning and management over the medium to long term. It also facilitated the critical alignment of planning, budgeting and sustainable service delivery in line with the municipality's vision of becoming a leading and a modern city.

The purpose of the 2021/22 Medium Term Budget is to comply with the Municipal Finance Management Act (No. 56 of 2003) and is a financial plan to enable the municipality to achieve its vision and mission through the IDP which is informed by the five-year programme and community/stakeholder inputs. The tabled budget is the start of a journey towards the final budget for approval. It will include many processes both politically and administratively, amongst others, consultations with communities in the municipal area.

The IDP's strategic focus areas informed the development of the budget, in addition to assessing the relative capacity to implement the budget, taking affordability considerations into account. Further deliberations were held on the budget with a view to assessing the budget and reducing the deficit in order to ensure that the increases in rates and tariffs to balance the budget were restricted to an acceptable level. In order to address the concept of a credible and funded budget, an inflation related increase in service charges was agreed upon, as these will ensure reasonable levels of tariffs and also to conform to National Treasury cost containment guidelines.

The only mechanism through which the needs of the municipality are identified and priorities set, is the Integrated Development Plan (IDP). The capital budget is then accordingly allocated to cover the higher priority projects in the IDP, considering funding availability and in cases where projects are grant funded, the conditions of the grant must be noted as per the applicable Division of Revenue Act. A series of meetings were held to ensure that the budget is prioritized, balanced and aligned to Councils IDP. A review of the capital borrowings and capital spending took place; however, no decision has been made as yet on projects to be funded through approved long-term borrowing, due to financial constraints in terms of affordability.

Capital budget allocations are often made at a project level through a prioritization process. In dealing with capital finance allocations, the municipality aimed to maintain a strategic balance between

- the social objective of eradicating service backlogs and providing infrastructure to the poor,
- the economic growth objective of providing infrastructure to support economic growth and increased municipal revenue, and
- the objective of providing for rehabilitation and/or replacement of existing assets that had reached the end of their useful lives.

Capital budgets as approved per the 2020/21 MTREF was used as a base for prioritization. Projects with contractual commitments were given priority with funding being allocated to committed projects in the first instance. The impacts of projects expected to be rolled over from the 2020/21 year was

also considered. The line departments had to specify how the capital projects in their individual budgets were split among the five key focus areas i.e. social, economic, rehabilitation, environmental and administration. While the overall capital required was significantly more than the capital funding available, it was useful to analyse the difference in allocation between these categories.

During the prioritization process of the capital budget, the impact of capital projects on future operating budgets was assessed and considered prior to these projects being approved. Both the operating and capital budgets have been evaluated through a prioritisation mechanism that ensures alignment to the development strategy of the municipality.

The Political oversight

Section 53(1) (a) of the MFMA, states that, the Mayor of a municipality must provide political guidance over the budget process and the priorities that must guide the preparation of the budget. The Executive Management Team and the Budget steering and Mayoral Committee advise Council accordingly. Political oversight of the budget process allows Government, and in particular, the municipality to manage the tension between competing policy priorities and fiscal realities. The key to strengthening the link between priorities and spending plans lies in enhancing political oversight of the budget process. Strengthening the link between Government's priorities and spending plans is not an end in itself, but the goal should be enhanced service delivery aimed at improving the quality of life for all people within the municipality. The Executive Management Team has a significant role to play in the financial planning process.

Public participation and consultations with stakeholders

Local government policy and legislation put great emphasis on municipalities developing a culture of community participation and the creation of appropriate and relevant community participation mechanisms, processes and procedures. The municipality strives to actively engage as many of its citizens as possible in its planning, budgeting, implementation and monitoring processes.

In order to strengthen public participation, the municipality must improve in its outreach programme to all wards led by the office of the Executive Mayor. Accordingly, the draft budget will be tabled via a council meeting scheduled on 30 March 2021. This will be followed by extensive publication of the budget documentation on the municipal website, in local newspapers, local and community radio stations and ward-based participation process. The consultative process will be conducted during April 2021. The tabled budget in electronic formats will be submitted to National Treasury and the Northern Cape Provincial Treasury. Hard copies will be placed at all the libraries and the municipal offices, to provide access to the budget to the community who do not have access to the internet.

The tabled budget will also be published on the municipality's website. In terms of the Municipal Systems Act and in conjunction with the Municipal Finance Management Act, hearings on the budgets are to be held during April 2021 and with the IDP Representative Forum as established.

Draft advert for public participation is indicated below:



In accordance with the Municipal Systems Act (Chapter 5) and Municipal Finance Management Act (Chapter 4), notice is hereby given that the Draft Integrated Development Plan (IDP) and Budget for 2021/22 – 2022/2023– 2023/2024 for the Sol Plaatje Municipality was tabled to Council on 30 March 2021. Copies of these documents will be available at all municipal libraries as well as the Council Civic Centre (Information Counter and Budget Office) for public inspection. The information will also be published on the Municipality's website – www.solplaatje.org.za

Radio talk shows to continue as implemented during 2020/2021 as a result of the COVID 19 pandemic. The Dates and times are still undetermined as the slots for these shows will depend on availability of the parties involved and talk show hosts.

Interested parties, local community and stakeholders are invited and urged to submit representations, comments and inputs regarding the draft IDP and Draft budget 2021/2022 – 2023/2024 on or before 30 April 2021. Written submissions must be handed in at the Civic Centre(Budget Office), faxed to 053 8331005 / 053 8314658 or e-mailed to ksamolapo@solplaatje.org.za, ccrouch@solplaatje.org.za, kdeklerk@solplaatje.org.za, cjenneke@solplaatje.org.za, banthony@solplaatje.org.za, Joeyvn@solplaatje.org.za(IDP) and jwagner@solplaatje.org.za.

Any queries with regard to above should be directed to K Samolapo e-mail ksamolapo@solplaatje.org.za or telephonically on 053 8306500.

Schedule of key deadlines

The IDP Review and the Budget time schedule for the compilation of the 2021/22 budget cycle was approved on 26 August 2020, in compliance with the MFMA. The table below provides an extract of the key deadlines relating to the budget process.

Activity	Actual Date	Responsible person
Approval of IDP Review and Budget for 2021/22 MTREF	26 August 2020	Executive Mayor
In-year reporting	Within 10 working days after the end of the month	Chief Financial Officer
Submission of Annual Financial Statements 2019/2020	31 October 2020	Municipal Manager/Chief Financial Officer
Quarterly Reports (MFMA Section 52 (d))	30 days after the end each quarter	Executive Mayor/ Chief Financial Officer
Quarterly Performance Reports	30 days after the end each quarter	IDP Manager/ Chief Financial Officer/ Executive Mayor
MFMA Sec 72	4 February 2021 Mid Term Report	Municipal Manager
MFMA Section 121	March 2021 Annual Report	Executive Mayor/CFO
Approval of the adjustment budget	25 February 2021	Executive Mayor/CFO
Tabling of the IDP Review, the Annual Budget, Budget related policies and proposed tariff increases	Proposed adoption 30 March 2021	Executive Mayor/MM/ CFO
Approval of Annual Report 2019/2020, and the MPAC Oversight Report	May 2021	Chairperson MPAC/ CFO
Public participation	April 2021	Executive Mayor/ MM/ CFO
Budget Benchmark Exercise	Proposed date 24 May 2021	MM/CFO and other Senior Managers
Approval of IDP Review, Annual Budget, Policies and Tariffs	Proposed 26 - 31 May 2021	Executive Mayor, MM and CFO

9. Overview of the alignment of the annual budget with IDP

The municipality's Integrated Development Plan (IDP) is its principal strategic planning instrument, which guides and informs its on-going planning, management and development actions. The IDP represents the city administration's commitment to exercise its executive authority (except in cases where it is in conflict with national or provincial legislation, in which case such legislation prevails), and is effectively the local government's blueprint by which it strives to realise its vision for Sol Plaatje Municipality over the short, medium and long term.

However, while the IDP represents the strategic intent of the municipality, it is also compiled with the understanding that a number of challenges will need to be overcome in order to achieve the strategic objectives it sets out. Some of these challenges are known, while others are as yet

unknown and may arise at any time due to any number of national and international economic, political or social events.

Development challenges

The municipality is making significant strides in addressing the key development challenges. While significant progress has been made in all areas, there is still some distance to go towards addressing the following challenges:

- High rates of unemployment and low economic growth;
- High levels of poverty;
- Low levels of skills development and literacy;
- Limited access to basic household and community services for informal (unplanned and illegal) settlements;
- Increased incidents of HIV/AIDS and communicable diseases;
- Unsustainable developmental practices;
- High levels of crime and risk;
- Ensuring adequate clean and safe water and energy supply;
- Infrastructure degradation especially water distribution pipeline, sewer collector network and backlog on roads;
- Climate change;
- Ensuring financial sustainability under the prevailing economic conditions;
- Ineffectiveness and inefficiency of inward-looking local government still prevalent in the municipality, and silo- approach in development and service delivery space

The essence of our IDP is to achieve a balance between meeting basic needs, strengthening the economy and developing people skills and a technology base for the future. In an effort to achieve the NDP 2030 vision, the municipality has identified four priority areas of intervention for the next five years which need to be balanced and integrated, and these are:

- Inclusive growth
- Spatial transformation
- Governance
- Service provision

Given the strategic framework that has been outlined it is clear that the municipal budget must be a pro-growth budget that meets basic needs and builds on existing skills and technology, as we strive to lead and become modern.

IDP Review and Key Amendments

The Municipal Systems Act requires that each municipality prepare an Integrated Development Plan to serve as a tool for transforming local governments towards facilitation and management of

development within their areas of jurisdiction. The IDP is a five year plan whose principal purpose is to ensure the development of the local community in an integrated manner which involves all directorates of the municipality, relevant strategic stakeholders and the community. In the five-year review, the key strategic objectives will continue to guide the municipality, but has once again been refined and refocused to our strategic programmes, so as to respond more effectively to the key challenges.

[IDP Review process and stakeholder participation](#)

The IDP is reviewed annually to inculcate a democratic approach to local governance by ensuring all stakeholders get an opportunity to voice their opinions in influencing the shape, form, direction and pace of development in their localities. The municipality is committed to addressing the needs of the people and values the inputs from communities and stakeholders. The process plan specified timeframes, actions and procedures and appropriate mechanisms for public participation and alignment. This fifth generation of Sol Plaatje's Integrated Development Plan (IDP) focuses on translating our Municipal Vision into action. As set out in the Municipal Systems Act (2000), in the review of the five-year IDP, a stakeholder consultation process is necessary. Of critical importance is for the municipality to ensure that there is thorough consultation with the community and strategic stakeholders.

[Link between IDP and Budget](#)

In compliance with the Municipal Structures Act (1998) and Municipal Financial Management Act (2003), our municipal budget is informed and aligned to the IDP objectives. The IDP determines and prioritises the needs of the community. The budgetary allocations for both the capital and operating expenditure are undertaken in a manner that will not only ensure that our IDP outcomes are achieved but also to ensure that our municipality's vision is realised. The 2021/22 MTREF has therefore, been directly informed by the IDP revision process and Table SA4, SA5 and SA6 provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

In as far as the operating budget is concerned, the municipality has made excellent progress but are now more committed than ever to ensure that critical operating budget resources are prioritised in terms of stated IDP outcomes. More importantly, the Performance Management System (PMS) allows the municipality an opportunity to monitor and evaluate individual and organisational performance in meeting our IDP outcomes and vision. As with previous year's, our IDP remains the strategic driver of both our budget and performance management system.

Strategic Objective	Revenue			Expenditure			Capital Expenditure		
R thousand	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
KPA 1: LOCAL ECONOMIC DEVELOPMENT	9,041	9,535	10,059	59,374	62,692	66,125	8,000	–	–
KPA 2: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	1,415,645	1,543,041	1,665,261	1,641,423	1,782,358	1,917,981	115,766	65,948	60,768
KPA 3: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	623,229	667,662	723,570	152,611	160,409	169,137	–	–	–
KPA 4: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION	6,804	6,881	7,455	98,236	103,167	108,928	–	–	–
KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	310,993	318,223	314,808	393,339	415,637	437,637	55,500	47,177	55,018
Total	2,365,711	2,545,342	2,721,154	2,344,984	2,524,262	2,699,808	179,266	113,125	115,786

10. Measurable Performance Objectives and Indicators

Table SA7 provides for the main measurable performance objectives the municipality plans to carry out and achieve in the 2021/22 financial year.

Description	Unit of measurement	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
1. Local Economic Development							
IDP Strategic Objective Inclusive Growth: To establish a competitive economic position that attracts diverse investments, increases economic growth and creates targeted number of jobs. IDP Strategic Objective Spatial Transformation: To transform the spatial structure of the City towards an equitable, inclusive, efficient and compact form consisting of a series of integrated and well-connected economic corridors, nodes and attractive mixed-use/mixed-income sustainable human settlements of varying densities							
1.1 To ensure effective spatial planning and development in order to establish a competitive economic position							
To improve the SCM turnaround time to 12 weeks for annual contracts from closing date to date of award by June 2022	Average time in weeks to award tender	12	12	12	12	12	12
To improve the SCM turnaround time to 6 weeks for once off contracts from closing date to date of award by June 2022	Average time in weeks to award tender	6	6	6	6	6	6
Ensuring a response time of 11 weeks for building plan submissions received in the current financial year for buildings or architectural buildings greater than 500 m ² annually	Average response time in weeks to process building plans	10	10	10	11	11	11
Ensuring a response time of 11 weeks for building plan submissions received in the current financial year for buildings or architectural buildings less than 500 m ² annually	Average response time in weeks to process building plans	6	10	10	10	10	10
To process all category 1 land use applications received until 30 April of the current financial year through MPT (Municipal Planning Tribunal) by 30 June 2022 in terms of the SPLUMA by-law (2015)	Percentage of land use applications approved	100%	100%	100%	100%	100%	100%

Description	Unit of measurement	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
To process at least 200 buildings plans that were received before 1 July 2021 by the end of the current financial year (30 June 2022)	Number of building plans approved	200	200	200	200	200	200
Review of the Sol Plaatje Land Use Management Scheme by 30 June 2022	Council resolution of approved Draft Land Use Scheme	0	0	0	100%	100%	0
1.4 To capacitate SMME's and local entrepreneurs							
To successfully implement the PPPFA Regulations to achieve BBBEE and radical economic transformation through local procurement by ensuring at least 60% of the municipality's tenders are awarded to EME's, OSE's and from the businesses in the rural areas within the municipal jurisdiction by 30 June 2022	Percentage of tenders and value thereof awarded to EME, OSE, local and from business in the rural areas within the municipal jurisdiction	60%	60%	60%	60%	60%	60%
Establishment of an Automotive Hub at Roodepan by 30 June 2022	Percentage use components output deliveries	0	0	0	100%	0	0
Enhancing Sol Plaatje Municipality's economic governance and infrastructure for Business Expansion Attraction and Retention (BEAR) by 30 June 2022	Percentage use components output deliveries	100%	100%	100%	100%	100%	0
Establishment of the Northern Cape Innovation at Sol Plaatje University by 30 June 2022	Percentage use components output deliveries	0	0	0	100%	0	0
Implementation of the Developmental Programme that supports SMME's through business incubation for at least 10 businesses annually	Number of SMME businesses provided with skills	10	10	10	10	10	10
1.5 To develop sustainable living through job creation (EPWP and other initiatives)							
Create 400 FTE jobs through EPWP initiatives of the SPM by 30 June 2022	Number of jobs created	400	400	400	400	450	500
2. Basic and Sustainable Service delivery and Infrastructure development							

Description	Unit of measurement	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
IDP Strategic Objective Service Provision: To plan for, install, maintain and operate infrastructure, and provide services more efficiently and on a sustainable basis that adequately supports: transformed spatial structure, economic growth objectives universal access to basic services, differentiated service requirements of households and human settlements and economic activity							
2.1 To ensure sustainable delivery of community services (personal including environmental health, library, emergency and traffic services) to all residents of SPM.							
<i>To achieve at least 70% compliance with the National Disaster Management Tool by 30 June 2022</i>		% compliance with the National Disaster management Tool	70%	70%	70%	70%	70%
2.2 To address the poor condition of the roads in the Sol Plaatje area through maintenance and upgrading projects							
To upgrade at least 3 km access roads to a paved surface in Sol Plaatje area by 30 June 2022	Distance of km paved	2.5 km	4.9 km	4.9 km	3 km	3 km	3 km
Patching and resealing of 86 000 square metres of roads in Sol Plaatje area by 30 June 2022	Square metres of roads	0	65 000	65 000	86 000	86 000	95 000
Complete 100% rehabilitation of Thlageng attenuation dam in Galeshewe by 30 June 2022	% progress	0	0	0	100%	0	0
2.3 To ensure the availability of critical service delivery tools at all times (fleet management)							
<i>Ensure that all identified fleet items to be procured for the year, are delivered by 30 June 2022</i>	Percentage of identified fleet items delivered at year end	100%	100%	100%	100%	100%	100%
2.4 To ensure the adequate provision, upgrading and maintenance of electricity services infrastructure							
To appoint a professional service provider for the pre-engineering and professional consultancy associated works for Hadison Park Substation by 30 June 2022	Percentage completion as per project progress report	0	0	0	100%	0	0
Completion of 35% of the construction work for Lerato Park Link Services by 30 June 2022	Percentage completion as per project progress report	0	0	0	35%	100%	0

Description	Unit of measurement	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
2.5 To ensure the adequate provision, upgrading and maintenance of water and sanitation services infrastructure							
To complete 100% work for the installation of electrical and mechanical components in Lerato Park Sewer pump Station by 30 June 2022	Percentage completion as per project progress report	50%	25%	25%	100%	0	0
Completion of 75% of the construction work for the Carters Ridge sewer pump station building with all electrical and mechanical equipment by 30 June 2022	Percentage completion as per project progress report	10%	10%	10%	75%	100%	100%
2.6 To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services							
To complete the electrification of 1 100 households by 30 June 2022 (Lethabo Park, Phase 1)	Number of houses connected to electricity network	0	0	0	1 100	0	0
To complete the electrification of 1 500 households by 30 June 2022 (Lerato Park, Phase 6-7)	Number of houses connected to electricity network	0	0	0	1 500	0	0
Decrease electricity losses to 16% by 30 June 2022	Percentage electricity loss	16%	16%	16%	16%	16%	16%
<i>Decrease water losses to 50% by 30 June 2022</i>	Percentage water loss	50%	50%	50%	50%	50%	50%
12 000 Indigent households to receive free basic services (water, electricity, sanitation and waste removal according to national guidelines) by 30 June 2022	No of indigents per the Indigent Register	12 000	12 000	12 000	12 000	13 000	15 000
2.7 To ensure management of the quality of the drinking water and waste water through compliance with the applicable legislation							
To ensure through effective monitoring that a 98% Blue Drop Status on quality compliance is achieved by 30 June 2022	% Compliance of Water Quality	98%	98%	98%	98%	98%	98%
To ensure through effective monitoring that a 60% Green Drop Status on effluent quality compliance is achieved by 30 June 2022	% Compliance of Effluent Quality	60%	60%	60%	60%	60%	60%
2.9 Develop suitable located and affordable housing (shelter) and decent human							

Description	Unit of measurement	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
settlements							
Planning and Surveying of 1200 erven in Ritchie by 30 June 2022	Layout Plan and Draft SG Diagram	0	0	0	1200	0	0
3. Municipal Institutional Development and Transformation							
IDP Strategic Objective Governance: To enhance the capacity of the state and its citizens to work together to achieve spatial and social integration. To lead, direct and manage spatial growth of the City robustly, enhance revenue generation and improve operational efficiency.							
3.1 To enable effective training and skills development through various initiatives and partnering with the private sector							
<i>Equip staff to Implement efficiency, monitoring and productivity through the following improvement interventions by 30 June 2022: Leadership and management development training, Learning/competency and development programme</i>	Number of interventions performed	2	2	2	2	2	2
3.2 To improve effective human resource development to staff and Councillors							
<i>Review the organisational structure of the municipality on an annual basis, with the aim of optimising efficiency, and make recommendations by 30 June 2022</i>	Record of review and recommendations made and review performed	100%	100%	100%	100%	100%	100%
<i>Monitor the implementation of the Human Resource Management Plan through conducting at least one review meeting annually</i>	Number of review meetings held	1	1	1	1	1	1
<i>Achieve 72% compliance with the EAP plan of the municipality by ensuring representation of the racial profile of the local authority on municipal level by 30 June 2022</i>	% compliance to the EAP	72%	72%	72%	72%	72%	72%
3.3 To ensure continuous maintenance and replacement of furniture, office and computer equipment and create a secure environment within the municipality							

Description	Unit of measurement	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
To ensure that the ICT Strategic Plan aligns to the IDP and as such delivers on the municipality's vision for a "Leading Modern City" through initiatives that includes the employees and the community of Kimberley by 30 June 2022	Percentage of ICT Projects successfully completed	100%	100%	100%	100%	100%	100%
3.4 To provide a basis for sustainable municipal performance improvement							
<i>Monitor the implementation of the Integrated Performance Management Policy by conducting at least one review meeting annually</i>	Minutes of meeting conducted. Item on policy review tabled to Council	1	1	1	1	1	1
<i>Submit quarterly organisational performance reports to the Executive Mayor by the 20th of the month following the end of each Quarter for 2021/22</i>	No of Reports submitted	4	4	4	4	4	4
<i>On a quarterly basis communicate the funded vacant positions in each directorate to the relevant Executive Director</i>	Number of communications provided	4	0	0	4	4	4
<i>Co-ordinate bi-annual performance assessments of the municipal manager and managers reporting directly to the municipal manager by 30 June 2022</i>	Number of assessments conducted	2	2	2	2	2	2
<i>Submit the final IDP document for adoption to Council by 31 May annually</i>	Tabled IDP for Council adoption	1	1	1	1	1	1
<i>Submit the final SDBIP to the Executive Mayor by 30 June annually</i>	SDBIP approved by Executive Mayor	1	1	1	1	1	1
4. Municipal Financial Viability and Management							
IDP Strategic Objective Governance: To enhance the capacity of the state and its citizens to work together to achieve spatial and social integration. To lead, direct and manage spatial growth of the City robustly, enhance revenue generation and improve operational efficiency.							
4.1 Enhance revenue through leveraging alternate sources of funding and identifying new revenue streams							
<i>Improve revenue enhancement by ensuring a collection rate of 85% after debt write off by 30 June 2022</i>	Percentage of collection rate ensured after debt write off	85%	85%	85%	85%	87%	90%
4.2 Promote sound financial management and financial sustainability of Sol Plaatje Municipality through prudent fiscal management							

Description	Unit of measurement	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<i>To spend at least 85% of the Capital Budget (including VAT) on capital projects identified in the IDP by 30 June 2022</i>	Percentage capital spending	95%	95%	95%	85%	87%	90%
<i>To spend at least 90% of the Operational Budget annually (30 June)</i>	Percentage operational spending	92%	92%	92%	90%	92%	92%
<i>Maintain the debt coverage ratio of at least 2:1 against net assets of the municipality by 30 June 2022</i>	Debt coverage ratio	2.1	2.1	2.1	2.1	2.1	2.1
<i>Reduce net debtor days to 300 days by 30 June 2022</i>	Net debtor days	300	300	300	300	250	200
<i>Maintain the cost coverage ratio of at least 1 month (annually)</i>	Cost coverage ratio	1	1	1	1	2	3
Ensure that the actual spending on employee related costs does not exceed 37% of the total expenditure by 30 June 2022	Employee cost as a percentage of total operating cost	37%	37%	37%	37%	35%	33%
5. Good Governance and Public Participation							
IDP Strategic Objective Governance: To enhance the capacity of the state and its citizens to work together to achieve spatial and social integration. To lead, direct and manage spatial growth of the City robustly, enhance revenue generation and improve operational efficiency.							
5.1 To ensure an improved audit opinion through compliance with all relevant regulations, continuous assessment of risk and internal controls							
<i>Internal audit to perform an assessment of the internal control environment and other risk areas within the municipality and issue at least 10 internal audit reports to the audit committee during the financial year</i>	Number of internal audit reports completed	10	10	10	10	10	10
<i>To implement an effective and efficient Supply Chain Management System by ensuring that successful appeals is not more than 5% of tenders awarded by 30 June 2022</i>	Percentage successful appeals	5%	5%	5%	5%	5%	5%
Submit an Audit Action Plan to the Municipal Manager to address issues raised by the Auditor General within thirty (30) days after the end of the audit annually	Audit action plan submitted	1	1	1	1	1	1
<i>To report quarterly on the progress of risk mitigation to the Accounting officer and Executive Management Team (EMT)</i>	Quarterly reports on strategic risk register	4	4	4	4	4	4
<i>Submit an Annual Report on risk management maturity level of SPM to NT by 30 June each year.</i>	Maturity Report submitted	1	1	1	1	1	1

Description	Unit of measurement	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
5.3 To promote community participation and communication							
<i>To communicate to the public (established residential areas) by issuing monthly newsletters</i>	Number of newsletters issued.	12	12	12	12	12	12
<i>To respond to all media enquiries and issue media statements within 24 hours after an occurrence</i>	Response times after and event has occurred	24h	24h	24h	24h	24h	24h

Performance Management

The municipality has adopted a performance management system (PMS). The PMS requires that the Municipal Manager and all Senior Managers accountable to the Municipal Manager sign performance agreements annually in line with the IDP Review, the Budget and the SDBIP.

It is further expected that Senior Managers enter into performance contracts with the Divisional Managers (Managers reporting to Senior managers). The performance system was cascaded down to the entry level in the organisation and are expected to perform according their current job descriptions. The submission of annual performance agreements needs to be instilled and improved and access to computers for lower staff is restricted but will have to be facilitated by relevant supervisors.

The Municipal Manager, Senior Manager's and divisional heads are evaluated against the Key Performance Indicators and the job description for each incumbent. Though the performance contracts of MM and Senior Managers include performance bonus, this is not budgeted for and has never been paid before.

Key financial ratios

Uniform standards and ratios as per MFMA Circular No 71 based on 2021/22 MTREF budget forecast is attached an annexure to this budget document

Free and subsidised basic services

One of the objectives of a local authority is to ensure the provision of services to communities in a sustainable manner. The constitution stipulates that a municipality must structure and manage its administration, budgeting and planning to give priority to the basic needs of the community and to promote their social and economic development. To cater for the indigent, the municipality as part of its welfare package provides a basket of free basic services in accordance with a defined level of service.

The basic social package is an affirmation of the municipality's commitment to push back the frontiers of poverty by providing a social welfare to those residents who cannot afford to pay, because of adverse social and economic realities. Details relating to free basic services are contained in Table A10. However, it should be noted there are some classification errors in terms of indigent households. In reviewing the levels of free basic services for the 2021/22 year, the following factors were taken into consideration: -

- Sustainability - Impact of new housing –
- Impact on non-indigent ratepayers/consumers

The estimated cost of the social package (i.e. income foregone) amounts to approximately R 55 million for the 2021/22 budget year. Details of the initiatives proposed to be carried out by the council in this regard are detailed below. The assistance to the qualifying households is regulated by

council's budget related policies which are reviewed annually based on modelling the impacts of the tariffs on all residential properties. The cost of this social package is funded from the equitable share of R212 million provided by National Government.

Description	2021/22 Medium Term Revenue & Expenditure Framework			
	Level of Service	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Budgeted No of Indigents		12,000	13,000	15,000
No of households in informal settlements		8,104	8,104	8,104
		R'000	R'000	R'000
Cost of Free Basic Services provided (R'000)				
Refuse (removed once a week) (Flat Rate)	The service shall be fully subsidised	13,300	13,965	14,733
Sanitation (free sanitation service) (Flat Rate)	The service shall be fully subsidised	21,000	22,260	23,484
Water (6 kilolitres per household per month)	The first 6kl of water is free to all registered and approved indigent households	8,000	8,480	8,946
Electricity/other energy (50kwh per household per month)	50 units of electricity is free to all registered and approved indigent households	12,000	12,900	13,868
Sanitation	Provision of chemical toilets	4,180	4,180	4,733
Total cost of FBS provided (minimum social package)		58,480	61,785	65,764

11. Overview of budget related policies

The MFMA and the Municipal Budget and Reporting Regulations require budget related policies to be reviewed, and where applicable, to be updated on an annual basis. The main purpose of budget related policies is to govern and guide the budget process and inform the projections of the medium term. The following are budget related policies which have been approved by Council, or have been reviewed /amended and / or are currently being reviewed amended in line with National Guidelines and other legislation.

List of Budget related policies	Explanation numbers	Approved	Resolution Number	Reviewed
Policy Asset Management	1	28-May-14	C125/05/14	March 2021
Policy Cash Management & Investment	1	07-Apr-05	CR22	March 2021
Policy Customer Services Credit Control Debt Collection	1 & 2	31-May-18	C38/05/18	March 2021
Policy Indigent	1 & 2	28-May-14	C121/05/14	March 2021
Policy Internal Audit	1	17-Nov-05	CR500	March 2021
Policy Property Rates	1 & 2	27-May-15	C100/05/15	March 2021
Policy Risk Management	1	17-Nov-05	CR500	March 2021
Policy Supply Chain Management	1 & 2	04-Nov-14	C265/11/14	March 2021
Tariff Policy on Property Rates	1	31-May-18	C38/05/18	March 2021
Tariff Policy on Electricity	1	31-May-18	C38/05/18	March 2021
Tariff Policy on Water	1	31-May-18	C38/05/18	March 2021
Tariff Policy on Sanitation	1	31-May-18	C38/05/18	March 2021
Tariff Policy on Refuse Removal/Solid Waste	1	31-May-18	C38/05/18	March 2021
Policy Debt Write-off	1	28-May-14	C125/05/14	March 2021
Policy Regarding Audit Committees	1	17-Nov-05	CR500	March 2021
Disposal of Moveable Assets Policy	1	27-May-15	C100/05/15	March 2021
Policy Borrowing	1	28-May-14	C125/05/14	March 2021
Policy Irregular, fruitless and wasteful expenditure	1	28-May-14	C125/05/14	March 2021
Budget Implementation and Management Policy (Budget policy)	1	27-May-15	C100/05/15	March 2021
Funding and Reserves policy	1	25-May-16	C148/05/16	March 2021
Policy Short and Long term borrowing	1	19-Apr-11	C150/11	March 2021
Financial Management and Revenue Enhancement Strategy policy	1	27-May-15	C100/05/15	March 2021
Policy related to long-term financial planning	1	27-May-15	C100/05/15	March 2021
Consumer Deposit Policy	1	31-May-17	C60/05/17	March 2021
Free Basic Services Policy	1	31-May-17	C60/05/17	March 2021
Sol Plaatje Materiality and Significance Framework	1	31-May-18	C38/05/18	March 2021
Contracts Policy	1	31-May-17	C60/05/17	March 2021
SSEG PV Policy	1	31-May-17	C60/05/17	March 2021
Bulk Infrastructure Contribution Policy	1	31-May-17	C60/05/17	March 2021
Water Restrictions Policy	1	31-May-17	C60/05/17	March 2021
Infrastructure investment and capital projects policy (included in Budget policy)	1	28-May-14	C125/05/14	March 2021
Explanation numbers				
1. These policies are accessible on the Sol Plaatje website: www.solplaatje.org.za .				
2. Policy to be approved with budget process 2021/22.				

Municipal property rates policy

The Property Rates Policy was reviewed due to certain changes in the Municipal Property Rates Act: Act 6 of 2004. In preparation to comply fully with the provisions of section 8 of the Act, the municipality was advised to align its property categories to those that must be determined in terms of section 8 and amend its rates policy accordingly. The municipality must also ensure that the municipal valuer categorises properties in line with the provisions of section 8 when the valuation roll is prepared so that the municipality is not found to be non-compliant with section 8 of the Act.

In terms of section 8 the municipality must determine only the list of rateable property categories that are listed in section 8(2) if they indeed exist within the municipal jurisdiction. All municipalities must be compliant with section 8 of the Act by not later than 1 July 2021.

Indicated below is the main reason for reviewing the policy:

Subject to section 19, a municipality may, in terms of the criteria set out in its rates policy, levy different rates

for different categories of rateable property, determined in subsection (2) and (3), which must be determined according to the:

- use of the property;
- permitted use of the property; or
- a combination of (a) and (b).

The following categories was based on ownership and will be removed as from 1 July 2021 and incorporated into other categories according to use:

- Property Used by Organ of State
- Solar Farms
- University

Supply chain management policy

The policy reflects and represents the context of a specific government policy that finds expressions within the provisions of the Municipal Finance Management Act 56 of 2003. The principal objectives of the policy are to provide, promote, and implement theoretical guidelines, governing processes and procedures within the supply chain management. The policy was reviewed to improve the alignment with the SCM Regulations as per the audit comes and any circulars or practice notes issued.

Indigent and Credit control and debt collection policy

The Indigent policy was reviewed to amend the threshold to qualify for indigency from R3,750 to R4,500 to attract and assist more households, especially to respond to the economic and financial impact on household income due to the Covid-19 pandemic. This is subject to the approval of Council and consultation with National Treasury. The Customer services credit control debt collection policy was reviewed to allow the Revenue Customer Care Call centre personnel to conclude arrangements with non-paying residents.

12. Overview of budget assumptions

The budget assumptions are made taking into account the historical trends, current economic indicators, the political directions, developmental and service delivery needs of the municipality, including those of the community.

Budget assumptions and parameters are determined in advance of the budget process to allow budgets to be constructed to support the achievement of the longer-term financial and strategic targets. The assumptions and principles applied in the development of this budget are mainly based upon guidelines from National Treasury (CPI inflation) and other external bodies such as the National Electricity Regulator of South Africa (NERSA), Department of Water and Sanitation and other major service providers. It is also informed by interest rates, grants gazetted and the collection rate.

The municipal fiscal environment is influenced by a variety of macroeconomic control measures. National Treasury determines the ceiling of year-on-year increases in the total operating budget, whilst NERSA regulates electricity tariff increases. Various government departments also affect municipal service delivery through the level of grants and subsidies.

The following key assumptions underpinned the preparation of the medium-term budget:

Macro-economic performance and projections 2019 to 2023:

Fiscal year	2019/20	2020/21	2021/22	2022/23	2023/24
Macro-economic performance and projections	Actual	Estimate	Forecast		
CPI Inflation	4.1%	3.3%	3.9%	4.2%	4.4%

Borrowing and investment of funds borrowings

The Municipal Finance Management Act No. 56 of 2003 permits long term borrowing by municipalities only to finance capital expenditure, property, plant and equipment. The objective for borrowing remains

- Maximise internally generated funds and national transfers from other spheres of government.
- Minimize borrowings.
- Pursue alternate funding sources e.g. bulk infrastructure contributions policy, development charges, and public private partnerships.

Capital expenditure

The capital expenditure of the municipality has been funded from a mix of government transfers and internally generated funds only. The 2021/22 Capital Budget of R179,266 million is being financed by R167,766 million from government grants and R11,500 million from internally generated funds.

Investments

Investments made with the various financial institutions are strictly in compliance with Municipal Finance Management Act and the Municipal Investment Regulations. The investment returns achieved and projections are as follows: that for 2021/22 financial year, the average interest rate for all investments are projected interest rate of between 3.5% to 5% based inflation and growth rate of economy of South Africa.

Investments are made from cash which is surplus to immediate requirements and is invested in short term money market instruments in terms of a stringent investment policy. Cash and investments are expected to be around R173 million at the end of the current financial year.

Timing of revenue collection

Consumers are billed monthly in respect of services in the form of a consolidated bill. All annual residential and commercial ratepayers have been converted to monthly ratepayers. However, government departments and companies with multiple accounts are allowed to pay annually in September of each year. The municipality's current collection rate is not at desired level; however, the projected collection rate is estimated at 85%, which is slightly above the recommendation from National Treasury of 82% during the Adjustment budget for 2019/20. The municipality is cognisant of the fact to increase reserves and investments a higher collection rate of at least 89 to 90% is required because at this stage monthly revenue collections are not sufficient to cover committed monthly operational expenditure like salaries, ESKOM and Water boards including the payment arrangement of both institutions and SCM orders for operational purposes.

Average salary increases

The budgeted salary increase is 4.1% for the fiscal year. The municipality is awaiting the outcome of the Salary and Wage collective agreement negotiations. Provision has been made for filled positions and vacancies together with annual notch increases.

13. Overview of budget funding

The Municipality is experiencing a severe financial crisis and in order to remain funded, operational expenditure needs to be prioritised and reduced as far as possible, whilst this must be supported by an improvement in the collection rate:

- Credible and funded budgets funded from current financial year's revenue. Prior year's surpluses have not been used to support the operating budget.
- The municipality operates within its annual budget, as approved by council.
- The municipality maintains a positive cash and investments position.

In compliance with relevant statutory requirements, the Financial Plan (Medium Term Revenue and Expenditure Framework-MTREF) is reviewed and updated annually.

On the other hand, the Capital budget is funded by the allocations made to the municipality by National and Provincial Government in the form of grants and internally generated funds, and public contributions and donations, where applicable. Frances Baard District Municipality normally provides additional funds for roads and sewer maintenance which is factored into the Adjustment budget annually.

The municipality raises revenue from a basket of differential tariff increases determined in the most acceptable and equitable funding regime taking into consideration the actual cost of delivering

services, budget priorities and national legislation, regulations and policy guidelines. The municipal revenue comprises of operating revenue which includes property taxes, services charges and operating grants- and capital revenue which consists of capital grants, borrowings, cash reserves and operating surplus.

This high level of independent and relative stable income sources of revenue is one of the key factors that support the sound financial position of the municipality. In addition to the obvious need to grow the city's revenue by increasing its tax base, other means for securing funding for council projects must be explored in a variety of ways. The municipality faces unpleasant choices in attempting to finance the projected levels of investment in infrastructure. Sources of capital finance are already stretched with limited scope for further borrowing, consumer pressure to restrict tariff and tax increases, and little likelihood of a structural upward adjustment in grant allocations. Further, efficiencies in the borrowing programme will continue to be sought to lock in lower cost and longer-term borrowing, plus the introduction of new revenue sources such as infrastructure contribution and charges.

Revenue and financing activities

Summary of Revenues and Financing Activities	Current Year 2020/21		Budget Year 2021/22		Budget Year +1 2022/23		Budget Year +2 2023/24	
	R'000	% Weighting	R'000	% Weighting	R'000	% Weighting	R'000	% Weighting
Own Generated Funds	1,994,019	82.75%	2,135,071	83.89%	2,303,798	86.66%	2,477,721	87.34%
Transfer recognised - Operational	260,137	10.80%	230,640	9.06%	241,544	9.09%	243,434	8.58%
Total Operational Revenue	2,254,156	93.55%	2,365,711	92.96%	2,545,342	95.74%	2,721,154	95.92%
Transfer recognised - Capital	123,446	5.12%	167,766	6.59%	98,625	3.71%	96,786	3.41%
Borrowing	–	0.00%	–	0.00%	–	0.00%	–	0.00%
Internally generated funds	32,000	1.33%	11,500	0.45%	14,500	0.55%	19,000	0.67%
Total Capital Budget	155,446	6.45%	179,266	7.04%	113,125	4.26%	115,786	4.08%
Total Revenue and Financing	2,409,602	100.00%	2,544,977	100.00%	2,658,467	100.00%	2,836,940	100.00%
Total Grants & Subsidies	383,583	15.92%	398,406	15.65%	340,169	12.80%	340,220	11.99%

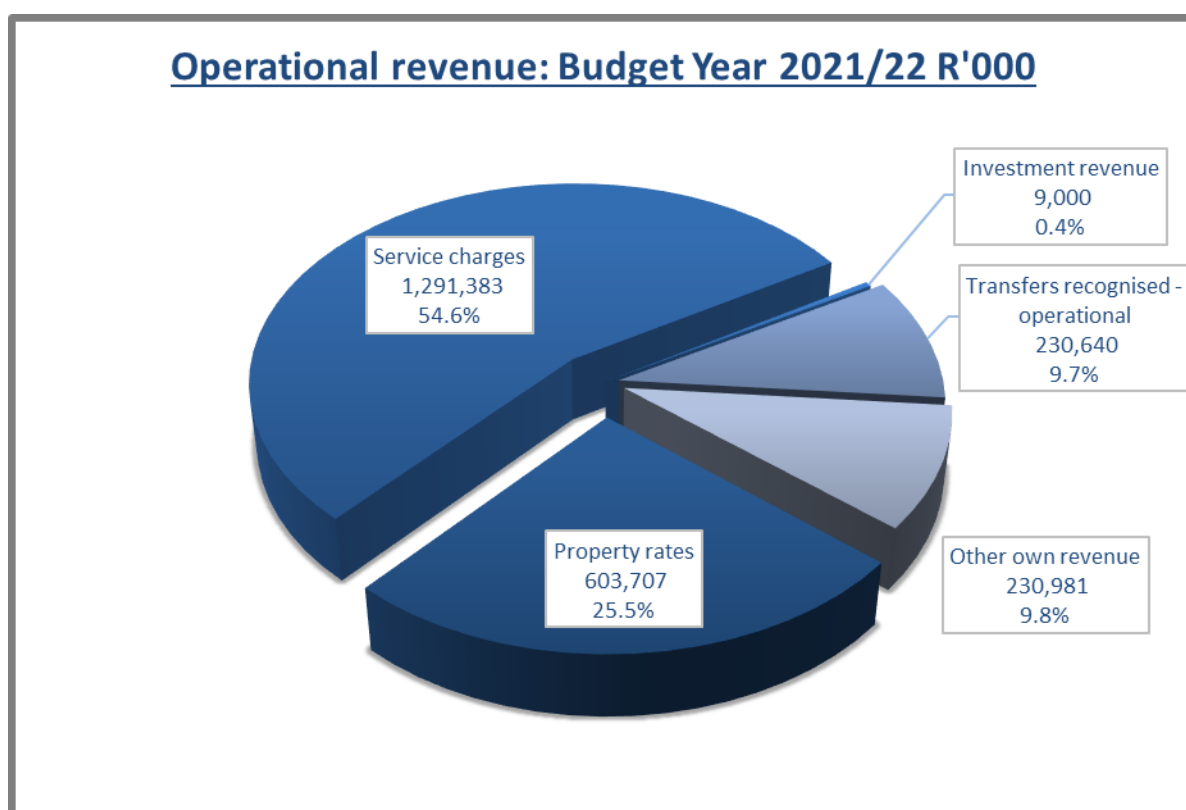
Indicated in the table above is a summary of the revenue and financing activities. For 2021/22 financial year Own generated funds constitutes 83.89% of the total funding requirement. Transfer recognised – Operational and Transfer recognised – capital contributes 9.06% and 6.59% to the total funding mix, respectively. Internally generated funds only contributes 0.45%, to the total financing activities. Totals grants and subsidies amounts to R398,406 million for the 2021/22 financial year which combines relates to 15.65% contribution to the funding mix of the municipality.

Medium-term outlook: operating revenue

NC091 Sol Plaatje - Table A1 Budget Summary								
Description (R'000)	Current Year 2020/21		2021/22 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	% Contribution	Budget Year 2021/22	% Contribution	Budget Year +1 2022/23	% Contribution	Budget Year +2 2023/24	% Contribution
Financial Performance								
Property rates	584,108	25.9%	603,707	25.5%	647,214	25.4%	702,111	25.8%
Service charges	1,170,018	51.9%	1,291,383	54.6%	1,411,707	55.5%	1,526,702	56.1%
Investment revenue	4,000	0.2%	9,000	0.4%	12,000	0.5%	15,000	0.6%
Transfers recognised - operational	260,137	11.5%	230,640	9.7%	241,544	9.5%	243,434	8.9%
Other own revenue	235,893	10.5%	230,981	9.8%	232,877	9.1%	233,908	8.6%
Total Revenue (excluding capital transfers and contributions)	2,254,156	100%	2,365,711	100%	2,545,342	100%	2,721,154	100%

Indicated in the table above is a breakdown of the operating revenue over the medium-term

The following graph is a breakdown of the operational revenue per main category for the 2021/22 financial year.



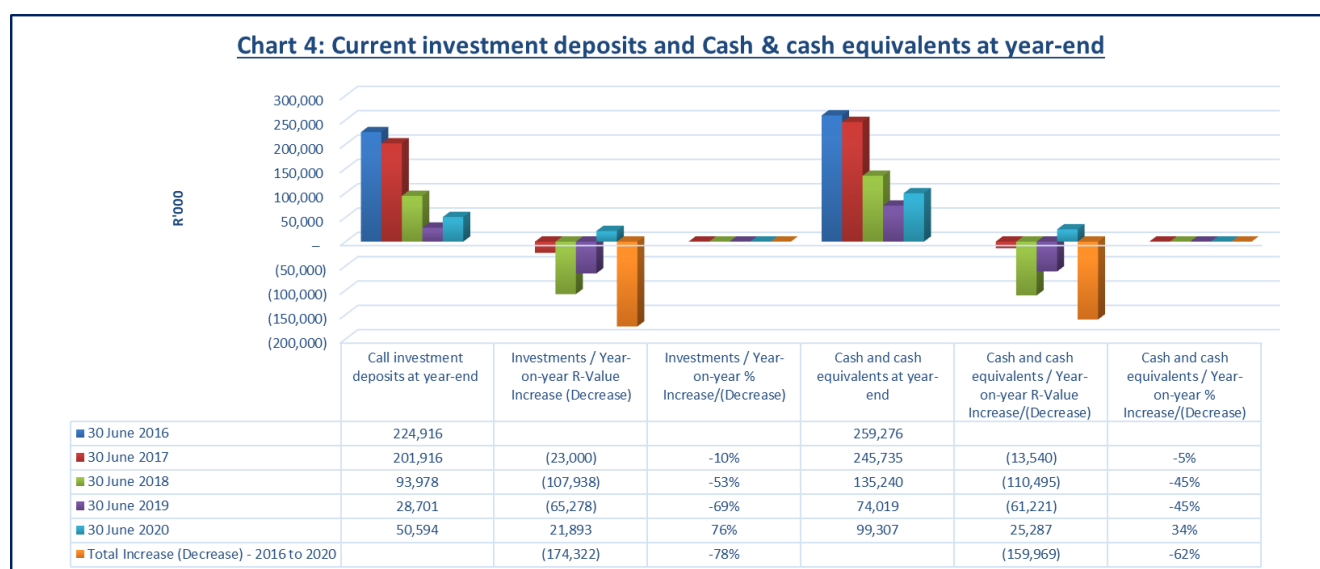
Revenue to be generated from property rates is R603,707 million in the 2021/22 financial year and increases to R702,711 million by 2023/24 which represents 26% of the operating revenue base of the municipality. It remains relatively constant over the medium-term. With the implementation of the Municipal Property Rates Act the basis of rating significantly changed. The major concern however is the phasing out of the category 'Property used by Organ of State' is not stipulated in the Act.

Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket of the municipality totalling R1,291,383 billion for the 2021/22 financial year and increasing to R1,526,702 billion by 2023/24. Services charges remains relatively constant at 55% of the total revenue base.

Operational grants and subsidies amount to R230,640 million (2021/22), R241,544 million (2022/23) and R243,434 (2023/24) million for the MTREF, or on average 10% of operating revenue. It can be seen from an operational perspective the municipality is less grant dependent when compared to capital grant dependency.

Investment revenue contributes marginally to the revenue base of the municipality with a budget allocation of R9,000 million, R12,000 million and R15,000 million for the respective three financial years of the 2021/22 MTREF. It needs to be noted that these allocations have been conservatively estimated and as part of the cash backing of reserves and provisions. Over the last few financial years the municipality's cash reserves were reducing and the municipality is working on restoring a healthy cost coverage ratio of 3 months.

Indicated in the chart below is a summary of the year-on-year reduction in Investments and Cash and cash equivalents. For the year ended 30 June 2020, there was a slight improvement compared to the previous financial year. It should be noted as the investment are for less than 12 months it forms part of Cash and cash equivalents as cash held by the municipality.



Tariff setting plays a major role in ensuring desired levels of revenue and affordability of consumers. 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 basic services such as water, electricity, sanitation and 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 city and economic development;
- Affordability by the municipality's consumers
- Revenue management and enhancement;
- Achievement of an ideal 95 per cent annual collection rate for consumer revenue;
- National Treasury budget circulars;
- 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;
- The Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA), and
- And the ability to extend new services and obtain cost recovery levels.

The above principles guide the annual increase in the tariffs charged to the consumers and the ratepayers which is closely aligned to the economic forecasts. The average tariff increases are 0.1% above the guideline of 3.9%, however the municipality could lower tariffs any further which is based on the principle that tariffs must be cost reflective and sustainable.

The proposed tariff increases for the 2021/22 MTREF on the main revenue categories are:

Revenue category	2020/21	2021/22	2022/23	2023/24	2020/21	2021/22	2022/23	2023/24
	Tariffs				Total Budgeted revenue (R'000)			
Rates	5.50%	4.00%	7.21%	8.48%	584,108	603,707	647,214	702,111
Electricity	6.22%	14.59%	10.61%	9.08%	766,232	861,157	952,511	1,038,966
Water	5.50%	4.00%	6.85%	6.16%	278,626	294,012	314,138	333,503
Waste water (Sanitation)	5.50%	4.00%	6.49%	5.89%	71,175	76,648	81,626	86,434
Waste management (Refuse removal)	5.50%	4.00%	6.49%	6.88%	53,984	59,567	63,433	67,799
Average tariff increases/Municipal CPI	5.80%	8.56%	7.53%	7.30%	1,754,126	1,895,090	2,058,921	2,228,813

Medium-term outlook: capital revenue

The following table is a breakdown of the funding composition of the 2021/22 medium-term capital programme and year-on-year increase or decrease in grant funding.

Sources of capital revenue over the MTREF

	Current Year 2020/21	%Weighting	Budget Year 2021/22	%Weighting	Year-on-Year Increase (Decrease) from 2020/21 to 2021/22	Budget Year +1 2022/23	%Weighting	Year-on-Year Increase (Decrease) from 2021/22 to 2022/23	Budget Year +2 2023/24	%Weighting	Year-on-Year Increase (Decrease) from 2022/23 to 2023/24
Capex MTREF 2021/22 (R'000)											
Transfers recognised - capital	123,446	79%	167,766	94%	36%	98,625	87%	-41%	96,786	84%	-2%
Borrowing	-	0%	-	0%		-	0%		-	0%	
Internally generated funds	32,000	21%	11,500	6%	-64%	14,500	13%	26%	19,000	16%	31%
Total Capital Funding	155,446	100%	179,266	100%	15%	113,125	100%	-37%	115,786	100%	2%

	Adjusted Budget 2020/21	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	Year-on- Year Increase (Decrease) from 2020/21 to 2021/22	Year-on- Year Increase (Decrease) from 2021/22 to 2022/23	Year-on- Year Increase (Decrease) from 2022/23 to 2023/24	Total capital grants over the MTREF
Capital Grants (R thousand)								
Integrated National Electrification Programme (INEP)	17,206	66,500	22,000	20,000	286.5%	-66.9%	-9.1%	108,500
Integrated Urban Development Grant (IUDG)	50,955	66,266	56,677	59,018	30.0%	-14.5%	4.1%	181,961
Neighbourhood Development Partnership Grant (NDPG)	27,912	10,000	-	-	-64.2%	-100.0%	0.0%	10,000
Water Services Infrastructure Grant (WSIG)	12,972	25,000	19,948	17,768	92.7%	-20.2%	-10.9%	62,716
European Union	14,400	-	-	-	-100.0%	0.0%	0.0%	-
Total capital grants	123,446	167,766	98,625	96,786	35.9%	-41.2%	-1.9%	363,177

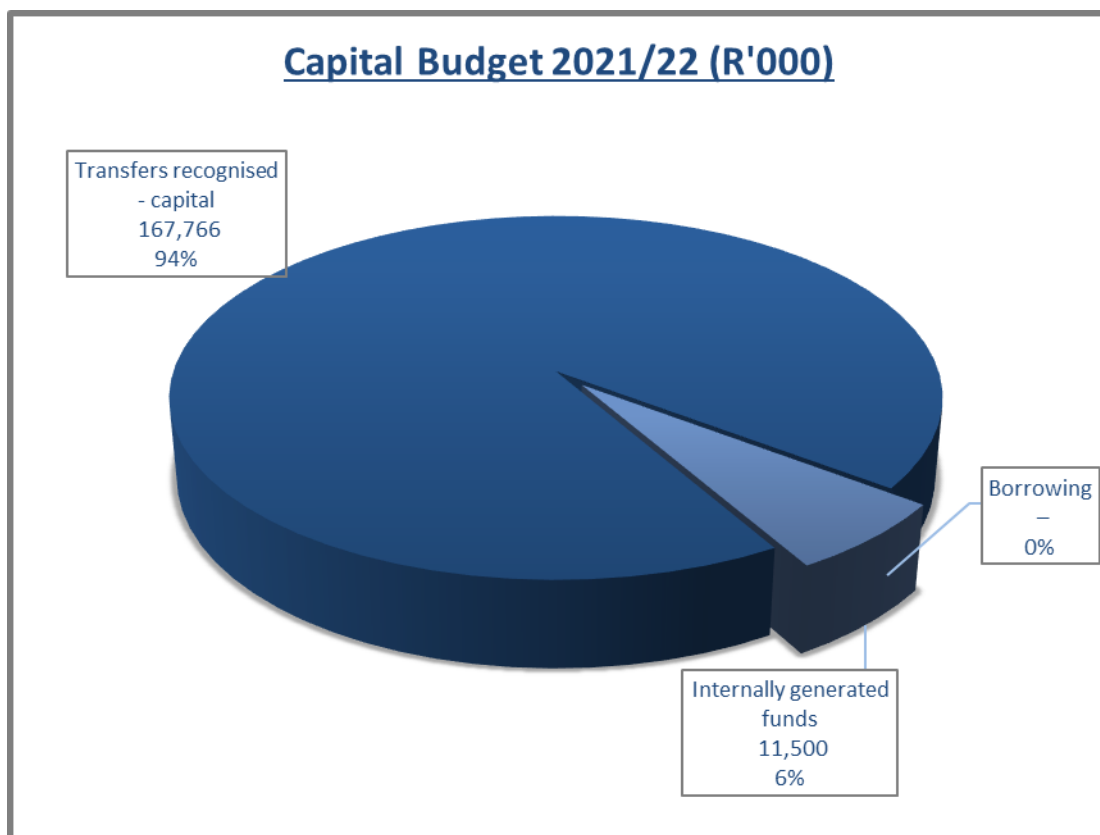
Sources of capital revenue for the 2021/22 financial year

Capital grants and receipts equates to 94% of the total funding source which represents R167,766 million for the 2021/22 financial year and decreases to R96,786 million for 2023/24. Grants increases by 35.9% for 2021/22 when compared to the Adjustment budget of 2020/21. This is as a result of a substantial increase in INEP (286.5%), IUDG (30.0%) and WSIG (92%). Grant performance and planning must improve as reiterated by National Treasury. Thereafter, grants decrease by 41% for 2022/23 and 2% for 2023/24. Internally generated funds decrease by 64% for 2021/22 when compared to the Adjustment budget of 2020/21. Thereafter, internally generated funds increase by 26% for 2022/23 and 31% for 2023/24. It should be noted that the disapproval of rollover funds and withholding of funds due to non-performance places pressure on internally generated funds. There are also critical projects that must be funded, where no grants can be sourced. The municipality remains cognisant of the fact that projects cannot be funded from internally generated funds that is not realistically anticipated and cash backed. This is the main reasons why own funding remains low due to the prudent approach applied in this regard to ensure that the capital budget remains funded.

The principle is still relevant, the municipality cannot spend funds, that it does not have, this is a recipe for disaster and have serious negative implications in respect of service delivery and financial viability.

The municipality has not taken any new long-term borrowings in the current financial year. Due to the current financial crisis, no new long-term loans can be entered into for the foreseeable future. The municipality has always been very conservative when taking up new loans, and always gave due consideration to the impact it will have on tariffs increases and the affordability of tariffs which can negatively impact the municipality's ability to collect revenue and service the loan. The Current and Debt (Total Borrowings) / Revenue ratios has always been above the norm, however from a liquidity perspective the municipality will not be able to meet any additional long-term commitments.

The pie chart below graphically represents the capital funding mix for the 2021/22 financial year.



MBRR Table A7 - Budget cash flow statement

NC091 Sol Plaatje - Table A7 Budgeted Cash Flows

Description	Ref	2021/22 Medium Term Revenue & Expenditure Framework		
		Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand				
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Property rates		452,388	485,055	514,158
Service charges		960,061	1,038,483	1,121,870
Other revenue		735,021	651,483	864,592
Transfers and Subsidies - Operational	1	66,267	56,317	59,996
Transfers and Subsidies - Capital	1	68,000	77,019	81,640
Interest		-	-	-
Dividends		-	-	-
Payments				
Suppliers and employees		-	-	-
Finance charges		(22,261)	(20,963)	(19,501)
Transfers and Grants	1	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		2,259,476	2,287,394	2,622,755
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE		-	-	-
Decrease (increase) in non-current receivables		268	1,151	(2,143)
Decrease (increase) in non-current investments		-	-	-
Payments				
Capital assets		(176,266)	(108,125)	(110,786)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(175,998)	(106,974)	(112,929)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans		-	-	-
Borrowing long term/refinancing		-	-	-
Increase (decrease) in consumer deposits		3,800	3,601	2,953
Payments				
Repayment of borrowing		10,734	12,087	12,812
NET CASH FROM/(USED) FINANCING ACTIVITIES		14,534	15,688	15,766
NET INCREASE/ (DECREASE) IN CASH HELD		2,098,012	2,196,108	2,525,592
Cash/cash equivalents at the year begin:	2	10,308	2,108,320	4,304,428
Cash/cash equivalents at the year end:	2	2,108,320	4,304,428	6,830,020

Currently the mapping of cash flow is not resolved and must be corrected as a matter of urgency.

NC091 Sol Plaatje - Table A7 Budgeted Cash Flows						What is should be		
Description	2021/22 Medium Term Revenue & Expenditure Framework			Comment		2021/22 Medium Term Revenue & Expenditure Framework		
	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24			Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts								
Property rates	452,388	485,055	514,158	Understated based on average collection rate of 89%	Refer to A4	537,299	592,545	651,412
Service charges	960,061	1,038,483	1,121,870	Understated based on average collection rate of 89%	Refer to A4	1,149,722	1,287,108	1,408,043
Other revenue	735,021	651,483	864,592	Overstated	Refer to A4	73,781	77,673	81,925
Transfers and Subsidies - Operational	66,267	56,317	59,996	Understated not aligned to A4 grant receipts	Refer to A4	230,640	241,544	243,434
Transfers and Subsidies - Capital	68,000	77,019	81,640	Understated not aligned to A4 grant receipts	Refer to A4	167,766	98,625	96,786
Interest	-	-	-	Not populating	Refer to A4	9,000	12,000	15,000
Dividends	-	-	-			-	-	-
Payments								
Suppliers and employees	-	-	-	Not populating	Refer to A4	(1,875,821)	(2,025,209)	(2,174,640)
Finance charges	(22,261)	(20,963)	(19,501)	Correct	Refer to A4	(22,261)	(20,963)	(19,501)
Transfers and Grants	-	-	-	Not populating	Refer to A4	(4,850)	(4,952)	(5,060)
NET CASH FROM/(USED) OPERATING ACTIVITIES	2,259,476	2,287,394	2,622,755			265,277	258,371	297,398
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Proceeds on disposal of PPE	-	-	-			-	-	-
Decrease (increase) in non-current receivables	268	1,151	(2,143)	Karin to confirm if this correct		-	-	-
Decrease (increase) in non-current investments	-	-	-			-	-	-
Payments								
Capital assets	(176,266)	(108,125)	(110,786)	Incorrect	Refer to A5	(179,266)	(113,125)	(115,786)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(175,998)	(106,974)	(112,929)			(179,266)	(113,125)	(115,786)
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Short term loans	-	-	-			-	-	-
Borrowing long term/refinancing	-	-	-			-	-	-
Increase (decrease) in consumer deposits	3,800	3,601	2,953	Correct		3,800	3,601	2,953
Payments								
Repayment of borrowing	10,734	12,087	12,812	Sign incorrect, must be negative value		(10,734)	(12,087)	(12,812)
NET CASH FROM/(USED) FINANCING ACTIVITIES	14,534	15,688	15,766			(6,934)	(8,486)	(9,859)
NET INCREASE/ (DECREASE) IN CASH HELD	2,098,012	2,196,108	2,525,592			79,077	136,760	171,754
Cash/cash equivalents at the year begin:	10,308	2,108,320	4,304,428	Budgeted opening balance incorrect		93,891	172,968	309,728
Cash/cash equivalents at the year end:	2,108,320	4,304,428	6,830,020			172,968	309,728	481,481

As indicated in the table above, once the cash flow can be corrected, cash and cash equivalents for 2021/22 is estimated at R172,698 million to R481,481 million 2023/24. The municipality has implemented various cost saving measures and this will be ongoing for 2021/22 MTREF. The Debt collection and credit control policy is adhered to and cash is monitored on a daily basis. Various engagements have been held with provincial departments to resolve the outstanding debt owed by Organs of state.

The budgeted cash/cash equivalents are positive and increasing over the MTREF. The Cost coverage ratio is low for 2021/22 but increasing gradually year-on-year. At this stage for the municipality to obtain a healthy cost coverage of 3 months, cash and cash equivalents should be between R450 and R500 million. This can be improved significantly if the budgeted collection can be higher than anticipated.

Cash flow assumptions are based on the following, achieving a 89% average collection rate on Property rates and service charges, grants receipts, Other revenue and Interest revenue at 100%. Operational expenditure is factored in at 93% for Employee costs, Inventory consumed, Contracted services and Other expenditure. Bulk purchases, Councillor's remuneration, Finance charges and Grants paid at 100%. Capital expenditure and repayment of borrowing at 100%.

14. Expenditure on allocations and grant programmes

Indicated in the table above is the total operational grants for the 2021/22 MTREF. From 2020/21 to 2021/22, operational grants decrease by 11.3%. This is mainly attributable to the decrease on Equitable share, where additional funds of R29,570 million was allocated to the municipality during 2020/21. The increase from 2021/22 to 2022/23 is 4.7% and 0.8% from 2022/23 to 2023/24. The total operational grants over the MTREF amounts to R715,618 million.

	Adjusted Budget 2020/21	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	Year-on- Year Increase (Decrease) from 2020/21 to 2021/22	Year-on- Year Increase (Decrease) from 2021/22 to 2022/23	Year-on- Year Increase (Decrease) from 2022/23 to 2023/24	Total operational grants over the MTREF
Operational Grants (R thousand)								
Local Government Equitable Share	234,642	212,328	226,115	227,052	-9.5%	6.5%	0.4%	665,495
Expanded Public Works Programme	4,170	3,362	–	–	-19.4%	-100.0%	–	3,362
Local Government Financial Management Grant	1,700	1,650	1,700	1,700	-2.9%	3.0%	0.0%	5,050
Infrastructure Skills Development	5,000	5,500	5,500	6,000	10.0%	0.0%	9.1%	17,000
Library Grant	7,800	7,800	8,229	8,682	0.0%	5.5%	5.5%	24,711
Department of Tourism	625	–	–	–	-100.0%	–	–	–
Frances Baard District Municipality	6,200	–	–	–	-100.0%	–	–	–
Total operational grants	260,137	230,640	241,544	243,434	-11.3%	4.7%	0.8%	715,618

The municipality receives Equitable Share (EQS) from the National fiscus gazetted in the DoRA. The EQS is utilised to recover the cost of Free Basic Services (FBS) as well as provision of funding for roads upgrade in informal settlements. On an adhoc basis, EQS also funds the costs of clearing sites for low cost housing development projects as well as relocation costs of informal settlements to formalised areas. The municipality is also participating in skills development programmes of National Treasury in the Finance, Audit and Engineering fields. The purpose of the Infrastructure Skills Development Grant (ISDG) Programme is to professionalise interns in areas where there is a lack of manpower and professionalised skills to assist the municipality to improve on service delivery. The Finance Management Grant is utilised to fund the costs to company of all finance interns including costs of training and tools of trade. The Library grant is received from the Department of Sports and Culture for the operations of libraries within the Sol Plaatje jurisdiction. The Expanded Public Works Programme (EPWP) is a government strategy to reduce poverty and unemployment in society. EPWP involves creating work opportunities for the unemployed through maximising job opportunities within projects. In support to this SPLM has adopted the strategy and implementing it through its maintenance and capital programmes. This includes work done in-house and work contracted out to service providers. The municipality has so far been steadfast in the implementation of EPWP however the main challenge thus far is the declining incentive grant over the years and ensuring the sustainability of jobs created through the programme

	Adjusted Budget 2020/21	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	Year-on- Year Increase (Decrease) from 2020/21 to 2021/22	Year-on- Year Increase (Decrease) from 2021/22 to 2022/23	Year-on- Year Increase (Decrease) from 2022/23 to 2023/24	Total capital grants over the MTREF
Capital Grants (R thousand)								
Integrated National Electrification Programme (INEP)	17,206	66,500	22,000	20,000	286.5%	-66.9%	-9.1%	108,500
Integrated Urban Development Grant (IUDG)	50,955	66,266	56,677	59,018	30.0%	-14.5%	4.1%	181,961
Neighbourhood Development Partnership Grant (NDPG)	27,912	10,000	–	–	-64.2%	-100.0%	0.0%	10,000
Water Services Infrastructure Grant (WSIG)	12,972	25,000	19,948	17,768	92.7%	-20.2%	-10.9%	62,716
European Union	14,400	–	–	–	-100.0%	0.0%	0.0%	–
Total capital grants	123,446	167,766	98,625	96,786	35.9%	-41.2%	-1.9%	363,177

Indicated in the table above is the total capital grants for the 2021/22 MTREF. From 2020/21 to 2021/22, capital grants increase by 35.9%, whilst the decrease from 2021/22 to 2022/23 is 41.2% and 1.9% from 2022/23 to 2023/24. The total capital grants over the MTREF amounts to R363,177 million. The municipality is facing severe risks in capital grant funds being withheld and rollovers disapproved as a result of poor performance and non-spending. This poses a huge risk to service delivery which is exacerbated by the municipality's current cash flow position due to limitation placed on funding capital projects from internally generated funds.

Indicated below is the capital projects linked to each grant for the 2021/22 MTREF.

Capital project per funding source (R'000)	2021/22	2022/23	2023/24	Grand Total
F_C_T&S_MA_NG_INEP GRANT	66,500	22,000	20,000	108,500
ELECTRIFIC LERATO PARK LINK SERV NETWORK	12,000			12,000
ELECTRIFICATION LETABO PARK	20,000			20,000
LV NETWORKS ACQ-ELECTRIFICAT OF HOUSES		22,000	20,000	42,000
UPGRADE HADISON PARK 66/11 KV SUBSTATION	1,500			1,500
NETWORKS ACQ - ELECTR LERATO PARK	33,000			33,000
F_C_T&S_MA_NG_INTEGRATED URBAN DEVELOPMENT GRANT	66,266	56,677	59,018	181,961
CRAVEN STREET TRADE CENTRE	8,000			8,000
LERATOPARK SEWER UPGRAD DOWNSTREAM INFRA	22,266			22,266
P-CNIN IN PR R-G IMP PRP	3,000	3,000	3,000	9,000
RESEALING OF ROADS VARIOUS WARDS	13,000	14,000	16,000	43,000
SEWER PIPES REFURB PROG VARIOUS WARDS		12,000	11,500	23,500
STORMWAT PROJ-SW CHANNEL GALASH IUDG	10,000			10,000
UPGRADE GRAVEL ROADS WARDS VARIOUS	10,000	15,677	17,018	42,695
WATER PIPES REFURB PROG VARIOUS WARDS		12,000	11,500	23,500
F_C_T&S_MA_NG_N/HOOD DEV PARTNERSHIP GRANT	10,000			10,000
ACQ STORMWAT PROJ-STORWAT CHANNEL GALASH	10,000			10,000
F_C_T&S_MA_NG_WATER SERV INFRA GRANT	25,000	19,948	17,768	62,716
ACQ - CARTERS GLEN SEWER PUMP STATION	25,000	14,948	5,000	44,948
RECONSTRUCTR OF SINK TOILETS WARD17		5,000	12,768	17,768
Grand Total	167,766	98,625	96,786	363,177

15. Allocations and grants made by the municipality

NC091 Sol Plaatje - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Cash Transfers to Organisations											
Non-Prof:Oth Inst/Grants&Don Diam & Dor		2,730	-	-	-	-	-	-	-	-	-
Non-Prof:Oth Inst/Grants&Don Oth Pub Gra		2,720	1,498	374	3,500	2,000	2,000	270	2,500	2,500	2,500
Non-Prof:Oth Institut/Gariep		1,600	-	-	-	-	-	-	-	-	-
Non-Prof:Oth Institut/Sport Council		-	-	-	-	-	-	-	-	-	-
Non-Prof:Other Institutions/Spca		1,600	1,700	2,000	2,100	2,100	2,100	1,575	2,200	2,300	2,400
Total Cash Transfers To Organisations		8,650	3,198	2,374	5,600	4,100	4,100	1,845	4,700	4,800	4,900
Cash Transfers to Groups of Individuals											
Hh Oth Trans: Housing - Individual Supp		539	604	237	300	20	20	1	-	-	-
Hh Ssp Soc Ass: Grant In Aid		136	138	122	160	160	160	105	150	152	160
Total Cash Transfers To Groups Of Individuals:		675	743	359	460	180	180	106	150	152	160
TOTAL CASH TRANSFERS AND GRANTS	6	9,325	3,940	2,733	6,060	4,280	4,280	1,951	4,850	4,952	5,060

The municipality has an agreement in place with the Society for the Prevention of Cruelty to Animals with regards to pounding of stray domestic animals.

Applications for grant funding takes place annually with the submission of proposal to LED and ED SEDP, who will then assess the concept and prepare a memorandum for the Municipal Manager

and submit and item about the concept to the LED Committee which will then concur with the recommendation made in as far as the financial support or even the reasons for the decline or rejection of the application. However, due to cash constraints the municipality has to curb the payout of adhoc grants. Under Emergency Services (Fire Department), a minor provision of R150 thousand is made for disaster management in aid to support poor households during shack fire,floods etc.

16. Councillor and Staff Benefits and Allowances

The general staff is remunerated in terms of the Tuned Assessment of Skills and Knowledge (TASK) with entry level being T3 and the highest level being T17, being middle management of the organisation.

The Executive Directors and the Municipal Manager, being the Senior Management of the organisation, are remunerated in terms of the Upper Limits Gazette as adopted by Council with the concurrence of the MEC of COGHSTA in the province. The Senior Management structure aligns very well with Section 4 of the Gazette which makes reference to the following directorates or departments:

- Corporate Services Directorate with core functions being Human Resources Management, Traing and Development, Labour Relations, Security and Communications
- Strategy, Economic Development and Planning with core functions being Town Planning, Building Control, LED and Tourism, Urban Renewal and Market Management
- Financial Services with core functions such as Budget and treasury, Supply chain managemet, Expenditure management, Assets management and Revenue management.
- Community Services and Social Development which includes Traffic Law enforcement, Emergency services, Municipal health services, Parks and recreation and Facilities management
- Infrastructure and Services which includes Roads and storm water, Water and sanitation, Electricity, Mechanical engineering, Fleet management and Housing development.

On the other hand, councillors are remunerated based on the upper limits gazette for the remuneration of public office bearers. There municipality operates with an Executive Mayor system, with Mayoral Committee advising the Executive Mayor on specific issues as per the terms of references of committees established for this purpose. There are section 79 committees which report directly to council such as Ward Participatory Committee, the SPELUM Committee, Councillor Disciplinary Committee and Municipal Public Accounts Committees. The chairpersons of these committee do not serve in any other committee for independnce purposes. All these chairpersons are part time, other than the Speaker who is full time.

The table below gives an account of employee costs for Senior managers and municipal staff for the MTREF including councillor remuneration.

NC091 Sol Plaatje - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		—	—	—	—	—	—	—	—	—
Pension and UIF Contributions		947	927	844	—	—	—	—	—	—
Medical Aid Contributions		248	306	320	—	—	—	—	—	—
Motor Vehicle Allowance		—	—	—	—	—	—	—	—	—
Cellphone Allowance		2,883	2,766	2,874	3,212	3,212	3,212	3,243	3,405	3,592
Housing Allowances		—	—	—	—	—	—	—	—	—
Other benefits and allowances		24,332	24,389	26,329	29,811	29,811	29,811	31,305	32,870	34,678
Sub Total - Councillors		28,409	28,388	30,367	33,023	33,023	33,023	34,547	36,275	38,270
% increase	4		(0.1%)	7.0%	8.7%	—	—	4.6%	5.0%	5.5%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		7,121	8,440	8,465	8,166	8,166	8,166	8,600	9,050	9,541
Pension and UIF Contributions		936	843	981	1,080	1,080	1,080	1,108	1,166	1,229
Medical Aid Contributions		162	193	206	217	217	217	252	266	280
Overtime		—	—	—	—	—	—	—	—	—
Performance Bonus		—	—	—	—	—	—	—	—	—
Motor Vehicle Allowance		1,632	1,913	2,244	1,876	1,876	1,876	1,961	2,064	2,176
Cellphone Allowance	3	168	168	168	202	202	202	202	212	224
Housing Allowances	3	30	36	36	37	37	37	39	41	44
Other benefits and allowances	3	15	15	15	106	106	106	105	111	117
Payments in lieu of leave		—	—	—	—	—	—	—	—	—
Long service awards		37	48	45	49	49	49	62	65	69
Post-retirement benefit obligations	6	—	—	—	—	—	—	—	—	—
Sub Total - Senior Managers of Municipality		10,100	11,655	12,160	11,733	11,733	11,733	12,329	12,976	13,679
% increase	4		15.4%	4.3%	(3.5%)	—	—	5.1%	5.2%	5.4%
Other Municipal Staff										
Basic Salaries and Wages		333,228	357,185	376,393	439,266	427,868	427,868	450,593	478,504	504,724
Pension and UIF Contributions		55,658	58,704	61,779	74,225	74,225	74,225	76,857	80,919	85,437
Medical Aid Contributions		42,657	44,990	48,569	56,933	56,933	56,933	58,592	61,851	65,358
Overtime		52,037	54,563	45,344	36,555	36,551	36,551	39,484	41,406	43,719
Performance Bonus		26,376	26,336	27,067	34,519	34,519	34,519	35,421	37,286	39,366
Motor Vehicle Allowance	3	38,967	38,361	38,599	48,985	48,985	48,985	51,621	54,341	57,342
Cellphone Allowance	3	1,363	1,333	1,335	1,545	1,545	1,545	1,499	1,578	1,665
Housing Allowances	3	2,400	2,638	2,769	3,140	3,140	3,140	3,158	3,326	3,512
Other benefits and allowances	3	24,860	26,762	27,793	29,478	32,681	32,681	28,541	30,048	31,751
Payments in lieu of leave		14,428	13,784	909	16,000	10,000	10,000	14,000	14,980	15,879
Long service awards		15,473	16,725	19,526	23,902	23,902	23,902	22,791	24,007	25,347
Post-retirement benefit obligations	6	29,763	35,530	(9,322)	38,000	38,000	38,000	41,500	44,405	47,069
Sub Total - Other Municipal Staff		637,209	676,910	640,762	802,548	788,348	788,348	824,059	872,651	921,169
% increase	4		6.2%	(5.3%)	25.2%	(1.8%)	—	4.5%	5.9%	5.6%
Total Parent Municipality		675,719	716,953	683,289	847,304	833,104	833,104	870,935	921,902	973,119
			6.1%	(4.7%)	24.0%	(1.7%)	—	4.5%	5.9%	5.6%
TOTAL SALARY, ALLOWANCES & BENEFITS		675,719	716,953	683,289	847,304	833,104	833,104	870,935	921,902	973,119
% increase	4		6.1%	(4.7%)	24.0%	(1.7%)	—	4.5%	5.9%	5.6%
TOTAL MANAGERS AND STAFF	5,7	647,309	688,565	652,922	814,281	800,081	800,081	836,388	885,627	934,849

Indicated in the table below is a summary of the councillor's and senior manager's packages. Please note that the summary of employee benefits for other municipal staff is depicted in the table above. Under municipal staff, annual bonuses (13th cheques) is mapped to performance bonus which is incorrect. The schedules nor the mSCOA chart makes provision for annual bonuses.

NC091 Sol Plaatje - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contribution	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4		–	–	991,012			991,012
Chief Whip			–	–	–			–
Executive Mayor			–	–	1,226,294			1,226,294
Deputy Executive Mayor			–	–	–			–
Executive Committee			–	–	9,321,913			9,321,913
Total for all other councillors			–	–	23,008,215			23,008,215
Total Councillors	8	–	–	–	34,547,434			34,547,434
Senior Managers of the Municipality	5							
Municipal Manager (MM)			2,119,923	1,785	191,100			2,312,808
Chief Finance Officer			1,407,313	254,361	454,110			2,115,784
SM D01			1,373,215	260,399	457,245			2,090,859
SM D02			1,312,278	239,289	424,293			1,975,860
SM D03			1,289,492	247,691	407,362			1,944,545
SM D04			1,098,120	356,288	434,960			1,889,368
Total Senior Managers of the Municipality	8, 10	–	8,600,341	1,359,813	2,369,070	–		12,329,224
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	–	8,600,341	1,359,813	36,916,504	–		46,876,658

mSCOA Description	Detail description of Senior manager's position
SM D01	Executive director: Corporate services
SM D02	Executive director: Community services
SM D03	Executive director: Strategy, economic development and planning
SM D04	Executive director: Infrastructure services

Indicated in the table below is the personnel numbers as per supporting table SA24

NC091 Sol Plaatje - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers		Ref	2019/20			Current Year 2020/21			Budget Year 2021/22		
Number		1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities											
Councillors (Political Office Bearers plus Other Councillors)			65	65	–	65	65	–	65	65	–
Board Members of municipal entities											
Municipal employees											
Municipal Manager and Senior Managers		4									
Other Managers		3	6	6	–	6	6	–	6	6	–
Professionals		7	3	2	–	3	3	–	3	3	–
Finance			198	79	1	198	174	3	198	181	3
Spatial/town planning			13	13	1	13	13	1	13	13	1
Information Technology			19	6	–	19	13	2	19	13	2
Roads			4	4	–	4	4	–	4	4	–
Electricity			2	2	–	2	1	–	2	2	–
Water			13	7	–	13	7	–	13	8	–
Sanitation			2	2	–	2	1	–	2	2	–
Refuse			3	3	–	3	1	–	3	3	–
Other			–	–	–	–	–	–	–	–	–
Technicians			142	42	–	142	134	–	142	136	–
Finance			275	185	10	275	232	7	275	250	8
Spatial/town planning			10	10	–	10	9	–	10	9	–
Information Technology			29	15	–	29	15	4	29	15	4
Roads			8	4	–	8	6	2	8	5	1
Electricity			6	6	–	6	6	–	6	6	3
Water			150	98	2	150	125	–	150	147	–
Sanitation			10	3	4	10	10	–	10	10	–
Refuse			25	20	1	25	25	1	25	25	–
Other			1	–	–	1	1	–	1	1	–
Clerks (Clerical and administrative)			36	29	3	36	35	–	36	32	–
Service and sales workers			429	345	57	429	374	29	429	402	34
Skilled agricultural and fishery workers			348	206	–	348	251	–	348	231	–
Craft and related trades			145	78	–	145	40	–	145	44	–
Plant and Machine Operators											
Elementary Occupations			215	100	2	215	101	–	215	101	–
			1,017	618	141	1,017	656	94	1,017	656	112
TOTAL PERSONNEL NUMBERS		9	2,701	1,684	211	2,701	1,902	133	2,701	1,939	157
% increase						–	12.9%	(37.0%)	–	1.9%	18.0%
Total municipal employees headcount		6, 10	3,021	1,922	245	3,021	2,154	162	3,021	2,189	186
Finance personnel headcount		8, 10	306	225	32	306	238	29	306	236	29
Human Resources personnel headcount		8, 10	14	13	2	14	14	–	14	14	–

17. Monthly targets for revenue, expenditure and cash flow

NC091 Sol Plaatje - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description		Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
R thousand			July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue By Source																	
Property rates			50,309	50,309	50,309	50,309	50,309	50,309	50,309	50,309	50,309	50,309	50,309	50,309	603,707	647,214	702,111
Service charges - electricity revenue			71,763	71,763	71,763	71,763	71,763	71,763	71,763	71,763	71,763	71,763	71,763	71,763	861,157	952,511	1,038,966
Service charges - water revenue			24,501	24,501	24,501	24,501	24,501	24,501	24,501	24,501	24,501	24,501	24,501	24,501	294,012	314,138	333,503
Service charges - sanitation revenue			6,387	6,387	6,387	6,387	6,387	6,387	6,387	6,387	6,387	6,387	6,387	6,387	76,648	81,626	86,434
Service charges - refuse revenue			4,964	4,964	4,964	4,964	4,964	4,964	4,964	4,964	4,964	4,964	4,964	4,964	59,567	63,433	67,799
Rental of facilities and equipment			1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	13,145	13,809	14,569
Interest earned - external investments			750	750	750	750	750	750	750	750	750	750	750	750	9,000	12,000	15,000
Interest earned - outstanding debtors			13,100	13,100	13,100	13,100	13,100	13,100	13,100	13,100	13,100	13,100	13,100	13,100	157,200	155,204	151,983
Dividends received			—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits			2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	34,725	36,553	38,563
Licences and permits			542	542	542	542	542	542	542	542	542	542	542	542	6,500	6,858	7,235
Agency services			—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Transfers and subsidies			19,220	19,220	19,220	19,220	19,220	19,220	19,220	19,220	19,220	19,220	19,220	19,220	230,640	241,544	243,434
Other revenue			1,618	1,618	1,618	1,618	1,618	1,618	1,618	1,618	1,618	1,618	1,618	1,618	19,411	20,453	21,558
Gains			—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)			197,143	197,143	197,143	197,143	197,143	197,143	197,143	197,143	197,143	197,143	197,143	197,143	2,365,711	2,545,342	2,721,154
Expenditure By Type																	
Employee related costs			69,699	69,699	69,699	69,699	69,699	69,699	69,699	69,699	69,699	69,699	69,699	69,699	836,388	885,627	934,849
Remuneration of councillors			2,879	2,879	2,879	2,879	2,879	2,879	2,879	2,879	2,879	2,879	2,879	2,879	34,547	36,275	38,270
Debt impairment			22,917	22,917	22,917	22,917	22,917	22,917	22,917	22,917	22,917	22,917	22,917	22,917	275,000	293,600	310,648
Depreciation & asset impairment			6,596	6,596	6,596	6,596	6,596	6,596	6,596	6,596	6,596	6,596	6,596	6,596	79,150	84,325	89,218
Finance charges			1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	22,261	20,963	19,501
Bulk purchases - electricity			63,417	63,417	63,417	63,417	63,417	63,417	63,417	63,417	63,417	63,417	63,417	(50,583)	647,000	724,640	797,104
Inventory consumed			13,778	13,778	13,778	13,778	13,778	13,778	13,778	13,778	13,778	13,778	13,778	127,776	279,331	297,748	321,102
Contracted services			3,891	3,891	3,891	3,891	3,891	3,891	3,891	3,891	3,891	3,891	3,891	3,890	46,687	49,173	51,770
Transfers and subsidies			404	404	404	404	404	404	404	404	404	404	404	404	4,850	4,952	5,060
Other expenditure			9,981	9,981	9,981	9,981	9,981	9,981	9,981	9,981	9,981	9,981	9,981	9,977	119,770	126,960	132,287
Losses			—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Expenditure			195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,406	2,344,984	2,524,262	2,699,808
Surplus/(Deficit)			1,726	1,726	1,726	1,726	1,726	1,726	1,726	1,726	1,726	1,726	1,726	1,736	20,727	21,079	21,346
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)			13,980	13,980	13,980	13,980	13,980	13,980	13,980	13,980	13,980	13,980	13,980	13,981	167,766	98,625	96,786
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)																	
Transfers and subsidies - capital (in-kind - all)			—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions			15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,717	188,493	119,704	118,132
Taxation															—	—	—
Attributable to minorities															—	—	—
Share of surplus/ (deficit) of associate															—	—	—
Surplus/(Deficit)		1	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,717	188,493	119,704	118,132

NC091 Sol Plaatje - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand																
Revenue by Vote																
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		39,897	39,897	39,897	39,897	39,897	39,897	39,897	39,897	39,897	39,897	39,897	39,897	478,759	416,848	411,594
Vote 03 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services		567	567	567	567	567	567	567	567	567	567	567	567	6,804	6,881	7,455
Vote 05 - Community Services		9,219	9,219	9,219	9,219	9,219	9,219	9,219	9,219	9,219	9,219	9,219	9,219	110,627	117,298	124,628
Vote 06 - Financial Services		51,936	51,936	51,936	51,936	51,936	51,936	51,936	51,936	51,936	51,936	51,936	51,936	623,229	667,662	723,570
Vote 07 - Strategy Econ Development And Planning		753	753	753	753	753	753	753	753	753	753	753	753	9,041	9,535	10,059
Vote 08 - Infrastructure And Services		108,751	108,751	108,751	108,751	108,751	108,751	108,751	108,751	108,751	108,751	108,751	108,752	1,305,018	1,425,743	1,540,633
Vote 09 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote		211,123	211,123	211,123	211,123	211,123	211,123	211,123	211,123	211,123	211,123	211,123	211,123	2,533,477	2,643,967	2,817,940
Expenditure by Vote to be appropriated																
Vote 01 - Executive & Council		4,824	4,824	4,824	4,824	4,824	4,824	4,824	4,824	4,824	4,824	4,824	4,823	57,883	60,777	64,120
Vote 02 - Municipal And General		27,955	27,955	27,955	27,955	27,955	27,955	27,955	27,955	27,955	27,955	27,955	27,954	335,456	354,860	373,517
Vote 03 - Municipal Manager		2,085	2,085	2,085	2,085	2,085	2,085	2,085	2,085	2,085	2,085	2,085	2,085	25,025	26,367	27,817
Vote 04 - Corporate Services		6,101	6,101	6,101	6,101	6,101	6,101	6,101	6,101	6,101	6,101	6,101	6,100	73,211	76,800	81,111
Vote 05 - Community Services		24,784	24,784	24,784	24,784	24,784	24,784	24,784	24,784	24,784	24,784	24,784	24,781	297,403	316,842	334,708
Vote 06 - Financial Services		12,718	12,718	12,718	12,718	12,718	12,718	12,718	12,718	12,718	12,718	12,718	12,716	152,611	160,409	169,137
Vote 07 - Strategy Econ Development And Planning		4,948	4,948	4,948	4,948	4,948	4,948	4,948	4,948	4,948	4,948	4,948	4,947	59,374	62,692	66,125
Vote 08 - Infrastructure And Services		112,002	112,002	112,002	112,002	112,002	112,002	112,002	112,002	112,002	112,002	112,002	111,999	1,344,020	1,465,516	1,583,273
Vote 09 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote		195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,406	2,344,984	2,524,262	2,699,808
Surplus/(Deficit) before assoc.		15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,717	188,493	119,704	118,132
Taxation													-	-	-	-
Attributable to minorities													-	-	-	-
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,717	188,493	119,704	118,132

NC091 Sol Plaatje - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue - Functional																
Governance and administration		92,466	92,466	92,466	92,466	92,466	92,466	92,466	92,466	92,466	92,466	92,466	92,466	1,109,592	1,092,231	1,143,506
Executive and council		39,897	39,897	39,897	39,897	39,897	39,897	39,897	39,897	39,897	39,897	39,897	39,897	478,759	416,848	411,594
Finance and administration		52,569	52,569	52,569	52,569	52,569	52,569	52,569	52,569	52,569	52,569	52,569	52,569	630,833	675,383	731,912
Internal audit																
Community and public safety		2,296	2,296	2,296	2,296	2,296	2,296	2,296	2,296	2,296	2,296	2,296	2,296	27,556	29,007	30,603
Community and social services		915	915	915	915	915	915	915	915	915	915	915	915	10,980	11,598	12,236
Sport and recreation		276	276	276	276	276	276	276	276	276	276	276	276	3,315	3,511	3,706
Public safety		63	63	63	63	63	63	63	63	63	63	63	63	760	771	814
Housing		1,033	1,033	1,033	1,033	1,033	1,033	1,033	1,033	1,033	1,033	1,033	1,033	12,401	13,021	13,737
Health		8	8	8	8	8	8	8	8	8	8	8	8	100	105	111
Economic and environmental services		1,940	1,940	1,940	1,940	1,940	1,940	1,940	1,940	1,940	1,940	1,940	1,941	23,286	24,552	25,903
Planning and development		430	430	430	430	430	430	430	430	430	430	430	431	5,166	5,436	5,735
Road transport		1,510	1,510	1,510	1,510	1,510	1,510	1,510	1,510	1,510	1,510	1,510	1,510	18,120	19,117	20,168
Environmental protection																
Trading services		113,601	113,601	113,601	113,601	113,601	113,601	113,601	113,601	113,601	113,601	113,601	113,601	1,363,208	1,487,786	1,606,966
Energy sources		73,096	73,096	73,096	73,096	73,096	73,096	73,096	73,096	73,096	73,096	73,096	73,096	877,157	969,471	1,056,859
Water management		27,384	27,384	27,384	27,384	27,384	27,384	27,384	27,384	27,384	27,384	27,384	27,384	328,612	350,814	372,196
Waste water management		7,237	7,237	7,237	7,237	7,237	7,237	7,237	7,237	7,237	7,237	7,237	7,237	86,848	92,438	97,841
Waste management		5,883	5,883	5,883	5,883	5,883	5,883	5,883	5,883	5,883	5,883	5,883	5,883	70,592	75,064	80,070
Other		820	820	820	820	820	820	820	820	820	820	820	820	9,835	10,391	10,962
Total Revenue - Functional		211,123	211,123	211,123	211,123	211,123	211,123	211,123	211,123	211,123	211,123	211,123	211,123	2,533,477	2,643,967	2,817,940
Expenditure - Functional																
Governance and administration		56,925	56,925	56,925	56,925	56,925	56,925	56,925	56,925	56,925	56,925	56,925	56,921	683,100	720,457	759,584
Executive and council		33,796	33,796	33,796	33,796	33,796	33,796	33,796	33,796	33,796	33,796	33,796	33,795	405,549	428,457	451,162
Finance and administration		22,548	22,548	22,548	22,548	22,548	22,548	22,548	22,548	22,548	22,548	22,548	22,545	270,570	284,600	300,614
Internal audit		582	582	582	582	582	582	582	582	582	582	582	582	6,982	7,400	7,807
Community and public safety		15,289	15,289	15,289	15,289	15,289	15,289	15,289	15,289	15,289	15,289	15,289	15,287	183,469	195,981	206,357
Community and social services		3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	42,230	49,182	51,432
Sport and recreation		4,652	4,652	4,652	4,652	4,652	4,652	4,652	4,652	4,652	4,652	4,652	4,651	55,822	58,419	61,671
Public safety		3,625	3,625	3,625	3,625	3,625	3,625	3,625	3,625	3,625	3,625	3,625	3,625	43,502	44,305	46,750
Housing		1,957	1,957	1,957	1,957	1,957	1,957	1,957	1,957	1,957	1,957	1,957	1,956	23,480	24,718	26,111
Health		1,536	1,536	1,536	1,536	1,536	1,536	1,536	1,536	1,536	1,536	1,536	1,536	18,435	19,357	20,394
Economic and environmental services		11,652	11,652	11,652	11,652	11,652	11,652	11,652	11,652	11,652	11,652	11,652	11,650	139,819	147,634	156,128
Planning and development		4,014	4,014	4,014	4,014	4,014	4,014	4,014	4,014	4,014	4,014	4,014	4,013	48,172	50,729	53,503
Road transport		7,578	7,578	7,578	7,578	7,578	7,578	7,578	7,578	7,578	7,578	7,578	7,578	90,936	96,155	101,834
Environmental protection		59	59	59	59	59	59	59	59	59	59	59	59	711	750	791
Trading services		109,435	109,435	109,435	109,435	109,435	109,435	109,435	109,435	109,435	109,435	109,435	109,433	1,313,216	1,433,383	1,549,458
Energy sources		71,494	71,494	71,494	71,494	71,494	71,494	71,494	71,494	71,494	71,494	71,494	71,493	857,928	947,601	1,032,564
Water management		24,722	24,722	24,722	24,722	24,722	24,722	24,722	24,722	24,722	24,722	24,722	24,721	296,663	317,116	337,784
Waste water management		7,336	7,336	7,336	7,336	7,336	7,336	7,336	7,336	7,336	7,336	7,336	7,336	88,033	93,601	99,040
Waste management		5,883	5,883	5,883	5,883	5,883	5,883	5,883	5,883	5,883	5,883	5,883	5,882	70,592	75,064	80,070
Other		2,115	2,115	2,115	2,115	2,115	2,115	2,115	2,115	2,115	2,115	2,115	2,115	25,380	26,807	28,282
Total Expenditure - Functional		195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,406	2,344,984	2,524,262	2,699,808
Surplus/(Deficit) before assoc.		15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,717	188,493	119,704	118,132
Share of surplus/ (deficit) of associate																
Surplus/(Deficit)	1	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,717	188,493	119,704	118,132

NC091 Sol Plaatje - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Multi-year expenditure to be appropriated	1															
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000	7,000	10,000
Vote 03 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 05 - Community Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 06 - Financial Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 07 - Strategy Econ Development And Planning		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 08 - Infrastructure And Services		6,606	6,606	6,606	6,606	6,606	6,606	6,606	6,606	6,606	6,606	6,606	6,605	79,266	43,948	40,768
Vote 09 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	2	8,606	8,606	8,606	8,606	8,606	8,606	8,606	8,606	8,606	8,606	8,606	8,605	103,266	50,948	50,768
Single-year expenditure to be appropriated																
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	31,500	40,177	45,018
Vote 03 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 05 - Community Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 06 - Financial Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 07 - Strategy Econ Development And Planning		667	667	667	667	667	667	667	667	667	667	667	667	8,000	-	-
Vote 08 - Infrastructure And Services		3,042	3,042	3,042	3,042	3,042	3,042	3,042	3,042	3,042	3,042	3,042	3,042	36,500	22,000	20,000
Vote 09 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	2	6,333	6,333	6,333	6,333	6,333	6,333	6,333	6,333	6,333	6,333	6,333	6,333	76,000	62,177	65,018
Total Capital Expenditure	2	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	179,266	113,125	115,786

NC091 Sol Plaatje - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Capital Expenditure - Functional	1															
Governance and administration		4,625	4,625	4,625	4,625	4,625	4,625	4,625	4,625	4,625	4,625	4,625	4,625	55,500	47,177	55,018
Executive and council		4,625	4,625	4,625	4,625	4,625	4,625	4,625	4,625	4,625	4,625	4,625	4,625	55,500	47,177	55,018
Finance and administration													-	-	-	-
Internal audit													-	-	-	-
Community and public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and social services													-	-	-	-
Sport and recreation													-	-	-	-
Public safety													-	-	-	-
Housing													-	-	-	-
Health													-	-	-	-
Economic and environmental services		667	667	667	667	667	667	667	667	667	667	667	667	8,000	-	-
Planning and development		667	667	667	667	667	667	667	667	667	667	667	667	8,000	-	-
Road transport													-	-	-	-
Environmental protection													-	-	-	-
Trading services		9,647	9,647	9,647	9,647	9,647	9,647	9,647	9,647	9,647	9,647	9,647	9,647	115,766	65,948	60,768
Energy sources		5,625	5,625	5,625	5,625	5,625	5,625	5,625	5,625	5,625	5,625	5,625	5,625	67,500	22,000	20,000
Water management		83	83	83	83	83	83	83	83	83	83	83	83	1,000	12,000	11,500
Waste water management		3,939	3,939	3,939	3,939	3,939	3,939	3,939	3,939	3,939	3,939	3,939	3,939	47,266	31,948	29,268
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other													-	-	-	-
Total Capital Expenditure - Functional	2	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	179,266	113,125	115,786
Funded by:																
National Government		13,981	13,981	13,981	13,981	13,981	13,981	13,981	13,981	13,981	13,981	13,981	13,980	167,766	98,625	96,786
Provincial Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial																
Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital		13,981	13,981	13,981	13,981	13,981	13,981	13,981	13,981	13,981	13,981	13,981	13,980	167,766	98,625	96,786
Borrowing													-	-	-	-
Internally generated funds		958	958	958	958	958	958	958	958	958	958	958	958	11,500	14,500	19,000
Total Capital Funding		14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	179,266	113,125	115,786

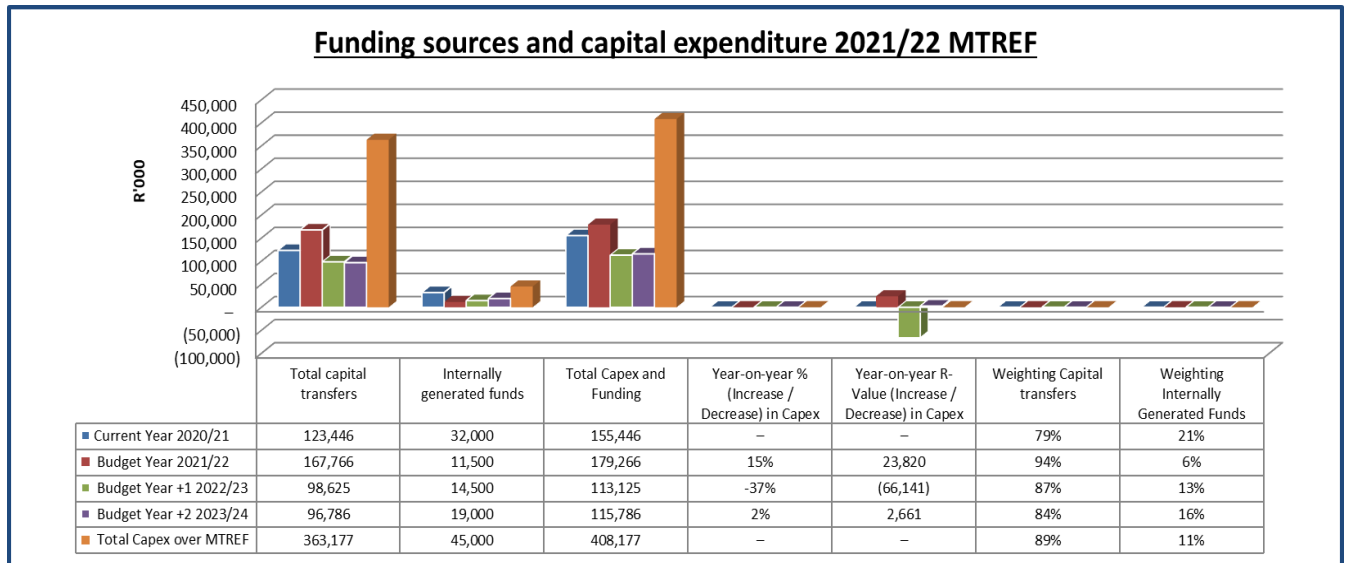
NC091 Sol Plaatje - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Cash Receipts By Source													1		
Property rates	37,699	37,699	37,699	37,699	37,699	37,699	37,699	37,699	37,699	37,699	37,699	37,699	452,388	485,055	514,158
Service charges - electricity revenue	72,311	72,311	72,311	72,311	72,311	72,311	72,311	72,311	72,311	72,311	72,311	72,311	867,730	941,514	1,019,094
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	4,536	4,536	4,536	4,536	4,536	4,536	4,536	4,536	4,536	4,536	4,536	4,536	54,432	57,174	60,594
Service charges - refuse revenue	3,158	3,158	3,158	3,158	3,158	3,158	3,158	3,158	3,158	3,158	3,158	3,158	37,900	39,795	42,182
Rental of facilities and equipment	26,724	26,724	26,724	26,724	26,724	26,724	26,724	26,724	26,724	26,724	26,724	26,724	320,689	333,524	353,534
Interest earned - external investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	34,725	36,553	38,563
Licences and permits	542	542	542	542	542	542	542	542	542	542	542	542	6,500	6,858	7,235
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational	5,522	5,522	5,522	5,522	5,522	5,522	5,522	5,522	5,522	5,522	5,522	5,522	66,267	56,317	59,996
Other revenue	31,092	31,092	31,092	31,092	31,092	31,092	31,092	31,092	31,092	31,092	31,092	31,092	373,107	274,548	465,260
Cash Receipts by Source	184,478	184,478	184,478	184,478	184,478	184,478	184,478	184,478	184,478	184,478	184,478	184,478	2,213,736	2,231,338	2,560,616
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	5,667	5,667	5,667	5,667	5,667	5,667	5,667	5,667	5,667	5,667	5,667	5,667	68,000	77,019	81,640
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	317	317	317	317	317	317	317	317	317	317	317	317	3,800	3,601	2,953
Decrease (increase) in non-current receivables	22	22	22	22	22	22	22	22	22	22	22	22	268	1,151	(2,143)
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	190,484	190,484	190,484	190,484	190,484	190,484	190,484	190,484	190,484	190,484	190,484	190,484	2,285,804	2,313,109	2,643,067
Cash Payments by Type															
Employee related costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Remuneration of councillors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance charges	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	22,261	20,963	19,501
Bulk purchases - electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisitions - water & other inventory	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Payments by Type	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	22,261	20,963	19,501
Other Cash Flows/Payments by Type															
Capital assets	14,689	14,689	14,689	14,689	14,689	14,689	14,689	14,689	14,689	14,689	14,689	14,689	176,266	108,125	110,786
Repayment of borrowing	(895)	(895)	(895)	(895)	(895)	(895)	(895)	(895)	(895)	(895)	(895)	(895)	(10,734)	(12,087)	(12,812)
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	15,649	15,649	15,649	15,649	15,649	15,649	15,649	15,649	15,649	15,649	15,649	15,649	187,793	117,001	117,475
NET INCREASE/(DECREASE) IN CASH HELD	174,834	174,834	174,834	174,834	174,834	174,834	174,834	174,834	174,834	174,834	174,834	174,835	2,098,012	2,196,108	2,525,592
Cash/cash equivalents at the month/year begin:	10,308	185,142	359,977	534,811	709,645	884,479	1,059,314	1,234,148	1,408,982	1,583,816	1,758,651	1,933,485	10,308	2,108,320	4,304,428
Cash/cash equivalents at the month/year end:	185,142	359,977	534,811	709,645	884,479	1,059,314	1,234,148	1,408,982	1,583,816	1,758,651	1,933,485	2,108,320	2,108,320	4,304,428	6,830,020

There is a system error with the population of the Cash flow which the service provider is busy working on.

18. Capital expenditure details

Indicated in the chart below is the funding sources and capital expenditure for the 2021/22 MTREF. The total capital plan for the MTREF is R408,177 million.



National Treasury recommended that the municipality must improve the capital funding mix, however due to financial constraints the municipality could not significantly increase its contribution from own funding. The municipality has been extremely capital grant dependent over the last few years. The approach was conservative, in order to improve on cash reserves and also as per S18 of the MFMA the internally generated funds must be cash-backed. It will be very irresponsible of the municipality to include projects which does not have secure funding, also bearing in mind that the budget must be funded. Below is a list of capital expenditure by project for 2021/22 to 2023/24

NC091 Sol Plaatje - Supporting Table SA36 Detailed capital budget

R thousand		2021/22 Medium Term Revenue & Expenditure Framework		
Function	Project Description	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Parent municipality:				
<i>List all capital projects grouped by Function</i>				
Finance And Administration	Capital:Infrastructure:Existing:Renewal:Roads Infrastructure:Roads	13,000	14,000	16,000
Finance And Administration	Capital:Infrastructure:Existing:Renewal:Storm Water Infrastructure:Storm Water Conveyance	–	–	–
Finance And Administration	Capital:Infrastructure:Existing:Upgrading:Roads Infrastructure:Roads	30,000	15,677	17,018
Finance And Administration	Capital:Non-Infrastructure:New:Computer Equipment	3,500	3,500	4,000
Finance And Administration	Capital:Non-Infrastructure:New:Furniture And Office Equipment	2,000	2,000	3,000
Finance And Administration	Capital:Non-Infrastructure:New:Investment Properties:Revenue Generating:Improved Property	3,000	5,000	5,000
Finance And Administration	Capital:Non-Infrastructure:New:Transport Assets	4,000	7,000	10,000
Finance And Administration	Capital:Non-Infrastructure:New:Community Assets:Community Facilities:Fire/Ambulance Stations	–	–	–
Planning And Development	Capital:Non-Infrastructure:Existing:Upgrading:Community Assets:Community Facilities:Stalls	8,000	–	–
Planning And Development	Capital:Non-Infrastructure:New:Intangible Assets:Unspecified	–	–	–
Energy Sources	Capital:Infrastructure:Existing:Upgrading:Electrical Infrastructure:Hv Substations	–	–	–
Energy Sources	Capital:Infrastructure:Existing:Upgrading:Electrical Infrastructure:Hv Substations	1,500	–	–
Energy Sources	Capital:Infrastructure:New:Electrical Infrastructure:Lv Networks	–	–	–
Energy Sources	Capital:Infrastructure:New:Electrical Infrastructure:Lv Networks	12,000	–	–
Energy Sources	Capital:Infrastructure:New:Electrical Infrastructure:Lv Networks	20,000	–	–
Energy Sources	Capital:Infrastructure:New:Electrical Infrastructure:Lv Networks	–	–	–
Energy Sources	Capital:Infrastructure:New:Electrical Infrastructure:Lv Networks	33,000	22,000	20,000
Energy Sources	Capital:Infrastructure:New:Electrical Infrastructure:Capital Spares	–	–	–
Energy Sources	Capital:Infrastructure:Existing:Renewal:Electrical Infrastructure:Capital Spares	1,000	–	–
Water Management	Capital:Infrastructure:Existing:Renewal:Water Supply Infrastructure:Distribution	–	12,000	11,500
Water Management	Capital:Infrastructure:Existing:Upgrading:Water Supply Infrastructure:Distribution	1,000	–	–
Water Management	Capital:Infrastructure:New:Water Supply Infrastructure:Bulk Mains	–	–	–
Water Management	Capital:Infrastructure:New:Water Supply Infrastructure:Distribution	–	–	–
Waste Water Management	Capital:Infrastructure:Existing:Renewal:Sanitation Infrastructure:Pump Station	25,000	14,948	5,000
Waste Water Management	Capital:Infrastructure:Existing:Renewal:Sanitation Infrastructure:Reticulation	–	12,000	11,500
Waste Water Management	Capital:Infrastructure:Existing:Renewal:Sanitation Infrastructure:Waste Water Treatment Works	–	–	–
Waste Water Management	Capital:Infrastructure:Existing:Renewal:Sanitation Infrastructure:Toilet Facilities	–	5,000	12,768
Waste Water Management	Capital:Infrastructure:New:Sanitation Infrastructure:Reticulation	22,266	–	–
Parent Capital expenditure		179,266	113,125	115,786

Capital project per funding source (R'000)	2021/22	2022/23	2023/24	Grand Total
F_C_T&S_MA_NG_INEP GRANT	66,500	22,000	20,000	108,500
ELECTRIFIC LERATO PARK LINK SERV NETWORK	12,000			12,000
ELECTRIFICATION LETABO PARK	20,000			20,000
LV NETWORKS ACQ-ELECTRIFICAT OF HOUSES		22,000	20,000	42,000
UPGRADE HADISON PARK 66/11 KV SUBSTATION	1,500			1,500
NETWORKS ACQ - ELECTR LERATO PARK	33,000			33,000
F_C_T&S_MA_NG_INTEGRATED URBAN DEVELOPMENT GRANT	66,266	56,677	59,018	181,961
CRAVEN STREET TRADE CENTRE	8,000			8,000
LERATOPARK SEWER UPGRAD DOWNSTREAM INFRA	22,266			22,266
P-CNIN IN PR R-G IMP PRP	3,000	3,000	3,000	9,000
RESEALING OF ROADS VARIOUS WARDS	13,000	14,000	16,000	43,000
SEWER PIPES REFURB PROG VARIOUS WARDS		12,000	11,500	23,500
STORMWAT PROJ-SW CHANNEL GALASH IUDG	10,000			10,000
UPGRADE GRAVEL ROADS WARDS VARIOUS	10,000	15,677	17,018	42,695
WATER PIPES REFURB PROG VARIOUS WARDS		12,000	11,500	23,500
F_C_T&S_MA_NG_N/HOOD DEV PARTNERSHIP GRANT	10,000			10,000
ACQ STORMWAT PROJ-STORWAT CHANNEL GALASH	10,000			10,000
F_C_T&S_MA_NG_WATER SERV INFRA GRANT	25,000	19,948	17,768	62,716
ACQ - CARTERS GLEN SEWER PUMP STATION	25,000	14,948	5,000	44,948
RECONSTRUCTR OF SINK TOILETS WARD17		5,000	12,768	17,768
F_C_TRANSFER FROM OPERATIONAL REVENUE	11,500	14,500	19,000	45,000
ACQ-COMPUTER EQUIPMENT REPLACEMENT	3,500	3,500	4,000	11,000
ACQ-FLEET REPLACEMENT	4,000	7,000	10,000	21,000
ACQ-FURNITURE AND OFFICE EQUIP REPLACEM	2,000	2,000	3,000	7,000
CAPITAL SPARES-ACQ-PREPAID METERS	1,000			1,000
DSITRBUTION-ACQ-WAT METER REPLACEME	1,000			1,000
P-CNIN IN PR R-G IMP PRP		2,000	2,000	4,000
Grand Total	179,266	113,125	115,786	408,177

The project description on SA36 is aligned to the mSCOA description. Indicated above is a more specific breakdown of the capital projects per funding source. The makeup of the capital program for 2021/22 is rightfully dominated by infrastructure projects consisting of roads, storm water, water, sanitation and electricity projects.

The flagship projects are dominated by infrastructure projects, inter alia.

- Electrification of 1,500 households in Lerato Park with a budget of R33 million
- Carters Ridge Pump station Upgrade with a budget of R25 million
- Lerato Park Sewer Services with a budget of R22.2 million
- Electrification of 1,100 households Lethabo Park with a budget of R20 million
- Galeshewe Stormwater and Attenuation Pond R20 million

Provision is also made for Roads projects which have a combined budget of R23 million. Resealing of roads are provided with a budget of R13 million and the upgrade of gravel roads are allocated R10 million. An amount of R8 million is also set aside for the Upgrade of the Craven Street Taxi rank. Lerato Park Link services receives funding to the tune of R12 million. Provision is also made in the budget of R4 million for the Fleet Replacement Program.

Capital plan by Municipal Functional Classification and Municipal vote

Vote Description R thousand	Current Year 2020/21		2021/22 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Capital Expenditure - Functional					
Governance and administration	40,500	68,812	55,500	47,177	55,018
Executive and council	40,500	68,812	55,500	47,177	55,018
Finance and administration					
Internal audit					
Community and public safety	-	-	-	-	-
Community and social services					
Sport and recreation					
Public safety					
Housing					
Health					
Economic and environmental services	14,400	15,400	8,000	-	-
Planning and development	14,400	15,400	8,000	-	-
Road transport					
Environmental protection					
Trading services	99,556	71,233	115,766	65,948	60,768
Energy sources	25,658	18,706	67,500	22,000	20,000
Water management	8,000	6,500	1,000	12,000	11,500
Waste water management	65,898	46,027	47,266	31,948	29,268
Waste management	-	-	-	-	-
Other					
Total Capital Expenditure - Functional	154,456	155,446	179,266	113,125	115,786

Vote Description R thousand	Current Year 2020/21		2021/22 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Capital expenditure - Vote					
Multi-year expenditure to be appropriated					
Vote 01 - Executive & Council	-	-	-	-	-
Vote 02 - Municipal And General	23,500	43,312	24,000	7,000	10,000
Vote 03 - Municipal Manager	-	-	-	-	-
Vote 04 - Corporate Services	-	-	-	-	-
Vote 05 - Community Services	-	-	-	-	-
Vote 06 - Financial Services	-	-	-	-	-
Vote 07 - Strategy Econ Development And Plann	14,400	14,400	-	-	-
Vote 08 - Infrastructure And Services	76,906	63,233	79,266	43,948	40,768
Capital multi-year expenditure sub-total	114,806	120,946	103,266	50,948	50,768
Single-year expenditure to be appropriated					
Vote 01 - Executive & Council	-	-	-	-	-
Vote 02 - Municipal And General	17,000	25,500	31,500	40,177	45,018
Vote 03 - Municipal Manager	-	-	-	-	-
Vote 04 - Corporate Services	-	-	-	-	-
Vote 05 - Community Services	-	-	-	-	-
Vote 06 - Financial Services	-	-	-	-	-
Vote 07 - Strategy Econ Development And Plann	-	1,000	8,000	-	-
Vote 08 - Infrastructure And Services	22,650	8,000	36,500	22,000	20,000
Capital single-year expenditure sub-total	39,650	34,500	76,000	62,177	65,018
Total Capital Expenditure - Vote	154,456	155,446	179,266	113,125	115,786

19. Contracts having future budgetary implications

The municipality has no contracts that extend beyond the MTREF at any given point in time except for long term borrowings which are reported separately. The table SA33 below indicates contracts with

future budgetary implications. However, this a population error on the running of the schedules and has to be resolved with the service provider. This has been brought under their attention.

NC091 Sol Plaatje - Supporting Table SA33 Contracts having future budgetary implications

Description	Ref	Preceding Years	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework			Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Forecast 2030/31	Total Contract Value
		Total	Original Budget	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Parent Municipality:														
Revenue Obligation By Contract	2													
<i>No Future Contracts Greater Than 5m</i>		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Revenue Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditure Obligation By Contract	2													
<i>No Future Contracts Greater Than 5m</i>		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure Obligation By Contract	2													
<i>Upgrade Stormwater Galeshewe</i>		-	40,000	40,000	-	-	-	-	-	-	-	-	-	80,000
<i>Lerato Park Link Water And Sewer</i>		-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Homevale Fire Station</i>		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure Implication		-	40,000	40,000	-	-	-	-	-	-	-	-	-	80,000
Total Parent Expenditure Implication		-	40,000	40,000	-	-	-	-	-	-	-	-	-	80,000

20. Legislation and compliance status

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

1. In year reporting and mSCOA compliance

Reporting to National Treasury in respect of the submission of data strings was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved and includes the publication of the monthly budget statement on the municipality's website. The conversion to version 6.5 for 2021/22 on the financial system is in progress and the use of A-schedules aligned to version 6.5 has been successfully concluded.

2. Internship programme

The municipality is participating in the Municipal Financial Management Internship programme and employs five interns undergoing training in various divisions of the Financial Services and Internal audit. Five additional interns have been appointed during January 2020, however one intern resigned within a week, due to permanent employment elsewhere.

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

The draft SDBIP document will be tabled with the budget for the 2021/22 MTREF on 30 March 2021.

6. Annual Report

Annual report not compiled with in terms of the MFMA requirements.

7. Annual Financial Statement

Annual Financial Statements for the year ended 30 June 2020 was submitted on 31 October 2020, as per the extended due date.

8. Auditor-General Opinion 2019/2020

Audit report status (2019/20)	Qualified Audit Opinion
Audit Findings	94
Basis for qualified opinion	
Employee Benefits Liabilities	
Service charges	
Property, Plant and Equipment	
Investment Property	
Irregular Expenditure	
Non-Current Provisions	
Sol Plaatje Group Life Trust Fund	
Emphasis of matter paragraphs	
Restatement of corresponding figures	
Material impairments – trade receivables	
Material losses – Electricity and Water	
Underspending of the budget	

21. Service Delivery Agreements

The Municipal Structures Act, Section 78 allows for two mechanisms for service delivery purposes, the internal mechanisms and the external mechanisms. Where an external mechanism has been chosen for a specific function or responsibility, a section 80 service delivery agreement must be entered into. At this stage no, new Service delivery agreements are envisaged to be entered into.

22. Municipal manager's quality certification

Quality Certificate

I, B Dhlwayo, Acting Municipal Manager of Sol Plaatje Local Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the Annual Budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name: B Dhlwayo

Acting Municipal Manager of Sol Plaatje Local Municipality (NC091)

Signature:

Date: 27/03/2021

CIRCULAR 42

Funding of Budget

SOL PLAATJE MUNICIPALITY (NC091)

Part 1 - Budgeting for Financial Performance				
Description	Ref	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
		R'000	R'000	R'000
<u>Revenue by Source (Table 1)</u>				
Property rates	A	603,707	647,214	702,111
Service charges	A	1,291,383	1,411,707	1,526,702
Operational Revenue		2,736	2,860	2,997
Rental of facilities and equipment	B	13,145	13,809	14,569
Interest earned - external investments	D	157,200	155,204	151,983
Interest earned - outstanding debtors	D	9,000	12,000	15,000
Fines	B	34,725	36,553	38,563
Licenses and permits	B	6,500	6,858	7,235
Government grants & subsidies - ops		230,640	241,544	243,434
Government grants & subsidies - capital	E	167,766	98,625	96,786
Other income	B	16,675	17,594	18,561
Total Revenue By Source		2,533,477	2,643,967	2,817,940
Internal recoveries		41,754	43,454	44,954
Cross Subsidization		0	1,500	2,000
Total		2,575,232	2,688,921	2,864,894
<u>Operating Expenditure by Type (Table 6)</u>				
Employee related costs	C	836,388	885,627	934,849
Remuneration of Councilors		34,547	36,275	38,270
Contracted Services		46,687	49,173	51,770
Operational Cost		119,171	126,319	131,607
Other material and consumables		51,331	49,228	50,215
Bulk purchases - Electricity		761,000	848,900	932,547
Bulk purchases - Water		114,000	124,260	135,443
Interest external		22,261	20,963	19,501
Operating leases		600	642	681
Bad debts	F	275,000	293,600	310,648
Grants and subsidies paid		4,850	4,952	5,060
Depreciation		79,150	84,325	89,218
Total Operating Expenditure By Type		2,344,985	2,524,264	2,699,809
Internal Transfer		41,754	43,454	44,954
Cross Subsidization		0	1,500	2,000
Total		2,386,739	2,569,218	2,746,764
Operating Surplus/(Deficit)		188,492	119,703	118,131

SOL PLAATJE MUNICIPALITY (NC091)

Part 2 - Budgeting for Cash Flow				
Description	Ref	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
		R'000	R'000	R'000
CASH FLOW FROM OPERATING ACTIVITIES				
<u>Receipts</u>				
Cash receipts from ratepayers, government and other	A,B	1,795,577	1,969,020	2,174,012
Cash receipts from government - operating		230,640	241,544	243,434
Cash receipts from government and other - capital		167,766	98,625	96,786
Interest received	D	159,450	158,204	155,733
<u>Payments</u>				
Cash paid to suppliers and employees	I	(2,067,061)	(2,190,973)	(2,356,029)
Finance charges		(22,261)	(20,963)	(19,501)
NET CASH FROM OPERATING ACTIVITIES		264,111	255,458	294,434
CASH FLOWS FROM INVESTING ACTIVITIES				
<u>Receipts</u>				
Proceeds on disposal of property, plant and equipment		0	0	0
Increase in investment properties		0	0	0
(Increase)/decrease in non-current receivables		0	0	0
<u>Payments</u>				
Purchase of property, plant and equipment	G	(179,266)	(113,125)	(115,786)
(Increase)/decrease in current assets		0	0	0
Increase in non-current investments		0	0	0
NET CASH FROM INVESTING ACTIVITIES		(179,266)	(113,125)	(115,786)
CASH FLOWS FROM FINANCING ACTIVITIES				
<u>Receipts</u>				
New loans raised	G	0	0	0
Increase in consumer deposits		3,634	3,961	3,838
<u>Payments</u>				
Repayment of borrowing	G	(9,402)	(9,534)	(10,734)
NET CASH FROM FINANCING ACTIVITIES		(5,768)	(5,572)	(6,896)
NET INCREASE/(DECREASE) IN CASH		79,077	136,760	171,752
Cash and cash equivalents at the beginning of the year		93,891	172,968	309,728
Cash and cash equivalents at the end of the year		172,968	309,728	481,481

SOL PLAATJE MUNICIPALITY (NC091)

Part 3 - Reconciliation of reserves and commitments backed by cash/investments				
Description	Ref	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
		R'000	R'000	R'000
Reserves to be backed by cash	H	86,899	16,861	20,699
Creditors unpaid at year end		438,824	465,153	493,062
Total commitments		525,723	482,014	513,761
Cash and cash equivalents at the end of the year		172,968	309,728	481,481
Long term investments		0	0	0
Cash and investments available		172,968	309,728	481,481
<u>Explanation notes/references</u>				
A It is the billed/accrued amount and it is assumed that 90% will be collected (average at 85% including interest on debtors and billed)				
B It is assumed that a 100% is received/collected				
C Included is a provision for an average increase of 4.1%				
D Interest received in the cash flow comprises of 25% of interest on debtors and 100% of investment interest				
E All grants will be received and spent except for roll over capital projects				
F Bad/Doubtful debts have been provided at 14.5% of billable revenue				
G Capital budgeted expenditure of R179,266m is funded by R167,766m grants, R0m donation, R0m from a loan and R11.5m from operating (counter funding/CRR)				
H The municipality has these projected reserves in the budgeted financial position that need to be backed by cash				
I Counter funding included in capital projects deducted from operating expenditure				
Is the municipality's budget appropriately funded - Yes				
-cash receipts projections are realistic as the cash flow were reduced in line with expected levels of collection				
- bad debts have been provided at approximately 14.5% of billed revenue				

CIRCULAR 71

Financial Ratios and Norms



Annexure A Interpretation of results

The green colour indicates that the result is within the norm and is acceptable
The red colour indicates that the result is not acceptable and corrective action plans must be put in place to improve the results
One should be supported in the Blue colour not to calculate a ratio
In situations where the results are not within the acceptable norm, corrective action plans should be taken and referenced

Template for Calculation of Uniform Financial Ratios and Norms

NO	RATIO	FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS R'000 2021/22	DATA INPUTS AND RESULTS R'000 2022/23	DATA INPUTS AND RESULTS R'000 2023/24	INTERPRETATION	MUNICIPAL COMMENTS (#)
1. FINANCIAL POSITION										
A. Asset Management/Utilisation										
1	Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR	10% - 20%	Total Operating Expenditure Taxation Expense Total Capital Expenditure	7% 2,344,985 179,266	4% 2,524,264 113,125	4% 2,699,809 115,786	Please refer to page 2 of MFMA Circular No. 71	
2	Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value)	Property, Plant and Equipment + Investment Property + Intangible Assets Impairment/(Total Property, Plant and Equipment + Investment Property + Intangible Assets) x 100	Statement of Financial Position, Notes to the AFS and AR	0%	PPE, Investment Property and Intangible Impairment PPE at carrying value Investment at carrying value Intangible Assets at carrying value	0% 1,946,503 205,178 2,660	0% 1,959,466 203,126 2,687	0% 1,969,824 201,095 2,714	Please refer to page 3 of MFMA Circular No. 71	
3	Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value)	Total Repairs and Maintenance Expenditure/ Property, Plant and Equipment and Investment Property (Carrying value) x 100	Statement of Financial Position, Statement of Financial Performance, IDP, Budgets and In-Year Reports	8%	Total Repairs and Maintenance Expenditure PPE at carrying value Investment Property at Carrying value	8% 165,331 1,946,503 205,178	8% 173,488 1,959,466 203,126	9% 185,658 1,969,824 201,095	Please refer to page 4 of MFMA Circular No. 71	The total amount used in this calculation is not including labour costs.
3	Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value)	Total Repairs and Maintenance Expenditure/ Property, Plant and Equipment and Investment Property (Carrying value) x 100	Statement of Financial Position, Statement of Financial Performance, IDP, Budgets and In-Year Reports	8%	Total Repairs and Maintenance Expenditure including Labour Costs PPE at carrying value Investment Property at Carrying value	16% 334,709 1,946,503 205,178	20% 353,016 1,535,620 202,754	21% 375,914 1,577,221 204,782	Please refer to page 4 of MFMA Circular No. 71	The total amount used in this calculation is not including labour costs.
B. Debtors Management										
1	Collection Rate	(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance - Bad Debts Written Off)/Billed Revenue x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year Reports, IDP and AR	95%	Gross Debtors closing balance Gross Debtors opening balance Bad debts written Off Billed Revenue	84% 1,930,333 1,628,490 - 1,895,090	85% 2,230,167 1,930,333 - 2,058,921	86% 2,534,519 2,230,167 - 2,228,813	Please refer to page 5 of MFMA Circular No. 71	The provision for doubtful debt amounts to around 15% annually. This is an increase from previous estimates. The municipality is implementing a debtor recovery project to improve the collection rate.
2	Bad Debts Written-off as % of Provision for Bad Debt	Bad Debts Written-off/Provision for Bad debts x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	100%	Consumer Debtors Bad debts written off Consumer Debtors Current bad debt Provision	0% 1,306,975	0% 1,600,575	0% 1,911,223	Please refer to page 5 of MFMA Circular No. 71	
3	Net Debtors Days	((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue) x 365	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	30 days	Gross debtors Bad debts Provision Billed Revenue	120 days 1,930,333 1,306,975 1,895,090	112 days 2,230,167 1,600,575 2,058,921	102 days 2,534,519 1,911,223 2,228,813	Please refer to page 6 of MFMA Circular No. 71	The gross debtors balance includes unpaid grants as well as non-billed revenue. A portion of gross debtors also relates to property rates which is recoverable when selling the asset and government debt, which is not impaired. The mentioned factors distorts the net debtor days to an extent.
C. Liquidity Management										
1	Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In year Reports and AR	1 - 3 Months	Cash and cash equivalents Unspent Conditional Grants Overdraft Short Term Investments Total Annual Operational Expenditure	1 Month - - 172,968 2,089,322	2 Month - - 309,728 2,211,936	2 Month - - 481,481 2,375,530	Please refer to page 7 of MFMA Circular No. 71	
2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1	Current Assets Current Liabilities	3.20 2,145,038 671,069	3.24 2,304,086 711,679	3.30 2,456,850 744,625	Please refer to page 7 of MFMA Circular No. 71	

D. Liability Management										
1	Capital Cost(Interest Paid and Redemption) as a % of Total Operating Expenditure	Capital Cost(Interest Paid and Redemption) / Total Operating Expenditure x 100	Statement of Financial Position, Statement of Cash Flows, Statement of Financial Performance, Budget, IDP, In-Year Reports and AR	6% - 8%	Interest Paid Redemption Total Operating Expenditure Taxation Expense	1% 22,261 10,726 2,344,985	1% 20,963 12,078 2,524,264	1% 19,501 13,345 2,699,809	Please refer to page 8 of MFMA Circular No. 71	
2	Debt (Total Borrowings) / Revenue	(Overdraft + Current Finance Lease Obligation + Non current Finance Lease Obligation + Short Term Borrowings + Long term borrowing) / (Total Operating Revenue - Operational Conditional	Statement of Financial Position, Statement of Financial Performance, Budget, IDP and AR	45%	Total Debt Total Operating Revenue Operational Conditional Grants	8% 182,363 2,533,477 230,640	7% 163,295 2,643,967 241,544	6% 141,827 2,817,940 243,434	Please refer to page 9 of MFMA Circular No. 71	
E. Sustainability										
1	Level of Cash Backed Reserves (Net Assets - Accumulated Surplus)	(Cash and Cash Equivalents - Bank overdraft + Short Term Investment + Long Term Investment - Unspent grants) / (Net Assets - Accumulated Surplus - Non Controlling Interest Share Premium - Share Capital - Fair Value Adjustment - Revaluation Reserve) x 100	Statement Financial Position, Budget and AR	100%	Cash and cash Equivalents Bank Overdraft Short Term Investment Long Term Investment Unspent Grants Net Assets Accumulated Surplus	109% - 172,968 - - 3,232,845 3,074,241	199% - 309,728 - - 3,352,548 3,197,210	331% - 481,481 - - 3,470,679 3,325,099	Please refer to page 9 of MFMA Circular No. 71	
2. FINANCIAL PERFORMANCE										
A. Efficiency										
1	Net Operating Surplus Margin	(Total Operating Revenue - Total Operating Expenditure)/Total Operating Revenue	Statement of Financial Performance, Budget, In-Year reports, AR, Statement of Comparison of Budget and Actual Amounts and Statement of Changes in Net Asset	= or > 0%	Total Operating Revenue Depreciation - Revalued Portion (Only populate if depreciation line item in the Statement of Financial Total Operating Expenditure Taxation Expense	11% 2,533,477 79,150 2,344,985	8% 2,643,967 84,325 2,524,264	7% 2,817,940 89,218 2,699,809	Please refer to page 10 of MFMA Circular No. 71	
2	Net Surplus /Deficit Electricity	Total Electricity Revenue less Total Electricity Expenditure/Total Electricity Revenue x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	0% - 15%	Total Electricity Revenue Total Electricity Expenditure	10% 952,852 857,928	2% 969,471 947,601	2% 1,056,859 1,032,564	Please refer to page 10 of MFMA Circular No. 71	
3	Net Surplus /Deficit Water	Total Water Revenue less Total Water Expenditure/Total Water Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%	Total Water Revenue Total Water Expenditure	10% 328,612 296,663	10% 350,814 317,116	9% 372,196 337,784	Please refer to page 11 of MFMA Circular No. 71	
4	Net Surplus /Deficit Refuse	Total Refuse Revenue less Total Refuse Expenditure/Total Refuse Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%	Total Refuse Revenue Total Refuse Expenditure	0% 70,592 70,592	0% 75,064 75,064	0% 80,070 80,070	Please refer to page 12 of MFMA Circular No. 71	
5	Net Surplus /Deficit Sanitation and Waste Water	Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure/Total Sanitation and Waste Water	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	= or > 0%	Total Sanitation and Water Waste Revenue Total Sanitation and Water Waste Expenditure	1% 86,848 85,754	1% 92,438 91,208	1% 97,841 96,516	Please refer to page 12 of MFMA Circular No. 71	
B. Distribution Losses										
1	Electricity Distribution Losses (Percentage)	(Number of Electricity Units Purchased and/or Generated - Number of units sold) / Number of Electricity Units Purchased and/or generated) x 100	Annual Report, Audit Report and Notes to Annual Financial Statements	7% - 10%	Number of units purchased and/or generated ('000) Number of units sold ('000)	18% 678,556 556,416	15% 695,072 590,811	12% 701,158 617,019	Please refer to page 13 of MFMA Circular No. 71	Total Electricity Losses includes technical losses. According to NERSA's Municipal Tariff Benchmark for 2014/15, the tolerable range is 5% - 12%
2	Water Distribution Losses (Percentage)	(Number of KiloLitres Water Purchased or Purified - Number of KiloLitres Water Sold) / Number of KiloLitres Water Purchased or Purified x 100	Annual Report, Audit Report and Notes to Annual Financial Statements	15% - 30%	Number of kilolitres purchased and/or purified ('000) Number of kilolitres sold ('000)	50% 33,760 16,880	40% 33,988 20,393	30% 34,219 23,953	Please refer to page 13 of MFMA Circular No. 71	The Municipality is busy with projects to adress the water losses. These include metering the bulk use of stand pipes in areas, the installation of bulk meters per area, smart metering of Municipal own use and savings options at Riverton plant.

Total Electricity Losses includes technical losses. According to NERSA's Municipal Tariff Benchmark for 2014/15, the tolerable range is 5% - 12%

The Municipality is busy with projects to address the water losses. These include metering the bulk use of stand pipes in areas, the installation of bulk meters per area, smart metering of Municipal own use and savings options at Riverton plant.

C. Revenue Management										
1	Growth in Number of Active Consumer Accounts	(Period under review's number of Active Debtor Accounts - previous period's number of Active Debtor Accounts)/ previous number of Active	Debtors System	None		0%	1%	1%	Please refer to page 14 of MFMA Circular No. 71	
					Number of Active Debtors Accounts (Previous)	66	66	67		
					Number of Active Debtors Accounts (Current)	66	67	67		
2	Revenue Growth (%)	(Period under review's Total Revenue - previous period's Total Revenue)/ previous period's Total Revenue) x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= CPI		9%	4%	7%	Please refer to page 15 of MFMA Circular No. 71	
					CPI	3.90%	4.20%	4.40%		
					Total Revenue (Previous)	2,329,117	2,533,477	2,643,967		
					Total Revenue (Current)	2,533,477	2,643,967	2,817,940		
3	Revenue Growth (%) - Excluding capital grants	(Period under review's Total Revenue Excluding capital grants- previous period's Total Revenue excluding capital grants)/ previous period's Total Revenue excluding capital grants) x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	= CPI		9%	8%	7%	Please refer to page 15 of MFMA Circular No. 71	The revenue figure requires the exclusion of capital grants but still includes operational grants, which is not a true reflection of growth in tariffs and city
					CPI	3.90%	4.20%	4.40%		
					Total Revenue Excl.Capital (Previous)	2,161,121	2,365,711	2,545,342		
					Total Revenue Excl.Capital (Current)	2,365,711	2,545,342	2,721,154		
D. Expenditure Management										
1	Creditors Payment Period (Trade Creditors)	Trade Creditors Outstanding / Credit Purchases (Operating and Capital) x 365	Statement of Financial Performance, Notes to AFS, Budget, In-Year reports and AR	30 days	Trade Creditors	142 days	146 days	143 days	Please refer to page 16 of MFMA Circular No.71	This ratio is calculated as at a specific point in time, which results in a distorted representation of the actual payment days. Especially at year-end, the outstanding creditors will be high.
					Contracted Services	438,824	465,153	493,062		
					Repairs and Maintenance	46,687	49,173	51,770		
					General expenses	-	-	-		
					Bulk Purchases	27,111	25,915	24,561		
					Capital Credit Purchases (Capital Credit Purchases refers to additions of Investment Property and Property, Plant and Equipment)	875,000	973,160	1,067,991		
						179,266	113,125	115,786		
2	Irregular, Fruitless and Wasteful and Unauthorised Expenditure / Total Operating Expenditure	(Irregular, Fruitless and Wasteful and Unauthorised Expenditure) / Total Operating Expenditure x100	Statement Financial Performance, Notes to Annual Financial Statements and AR	0%	Irregular, Fruitless and Wasteful and Unauthorised Expenditure	0%	0%	0%	Please refer to page 16 of MFMA Circular No. 71	
					Total Operating Expenditure	2,344,985	2,524,264	2,699,809		
					Taxation Expense					
3	Remuneration as % of Total Operating Expenditure	Remuneration (Employee Related Costs and Councillors' Remuneration) / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	25% - 40%		37%	37%	36%	Please refer to page 17 of MFMA Circular No. 71	
					Employee/personnel related cost	836,388	885,627	934,849		
					Councillors Remuneration	34,547	36,275	38,270		
					Total Operating Expenditure	2,344,985	2,524,264	2,699,809		
					Taxation Expense					
4	Contracted Services % of Total Operating Expenditure	Contracted Services / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	2% - 5%	Contracted Services	2%	2%	2%	Please refer to page 17 of MFMA Circular No. 71	
					Total Operating Expenditure	46,687	49,173	51,770		
					Taxation Expense	2,344,985	2,524,264	2,699,809		
E. Grant Dependency										
1	Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure	Own funded Capital Expenditure (Internally generated funds + Borrowings) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and	None		6%	13%	16%	Please refer to page 18 of MFMA Circular No. 71	
					Internally generated funds	11,500	14,500	19,000		
					Borrowings	-	-	-		
					Total Capital Expenditure	179,266	113,125	115,786		
2	Own funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure	Own funded Capital Expenditure (Internally Generated Funds) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements	None		6%	13%	16%	Please refer to page 18 of MFMA Circular No. 71	
					Internally generated funds	11,500	14,500	19,000		
					Total Capital Expenditure	179,266	113,125	115,786		
3	Own Source Revenue to Total Operating Revenue(Including Agency Revenue)	Own Source Revenue (Total revenue - Government grants and Subsidies - Public Contributions and Donations)/ Total Operating Revenue (including agency services) x 100	Statement Financial Performance, Budget, IDP, In-Year reports and AR	None	Total Revenue	97%	94%	95%	Please refer to page 18 of MFMA Circular No. 71	
					Government grant and subsidies	2,533,477	2,643,967	2,817,940		
					Public contributions and Donations	230,640	241,544	243,434		
					Capital Grants	167,766	98,625	96,786		
3. BUDGET IMPLEMENTATION										
1	Capital Expenditure Budget Implementation Indicator	Actual capital Expenditure / Budget Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, In-Year reports and AR	95% - 100%		100%	100%	100%	Please refer to page 19 of MFMA Circular No. 71	
					Actual Capital Expenditure	179,266	113,125	115,786		
					Budget Capital Expenditure	179,266	113,125	115,786		
2	Operating Expenditure Budget Implementation Indicator	Actual Operating Expenditure / Budgeted Operating Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		100%	100%	100%	Please refer to page 20 of MFMA Circular No. 71	
					Actual Operating Expenditure	2,344,985	2,524,264	2,699,809		
					Budget Operating Expenditure	2,344,985	2,524,264	2,699,809		
3	Operating Revenue Budget Implementation Indicator	Actual Operating Revenue / Budget Operating Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		100%	100%	100%	Please refer to page 20 of MFMA Circular No. 71	
					Actual Operating Revenue	2,533,477	2,643,967	2,817,940		
					Budget Operating Revenue	2,533,477	2,643,967	2,817,940		
4	Service Charges and Property Rates Revenue Budget Implementation Indicator	Actual Service Charges and Property Rates Revenue / Budget Service Charges and Property Rates Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		100%	100%	100%	Please refer to page 21 of MFMA Circular No. 71	
					Actual Service Charges and Property Rates Revenue	1,895,090	2,058,921	2,228,813		
					Budget Service Charges and Property Rates Revenue	1,895,090	2,058,921	2,228,813		

**MARCH 2021/22
BUDGET
ANNEXURES**

1.Schedules

2.Tariffs

3.History of Tariffs

4.IDP Overview

5.SDBIP

6.Policies

7.By-laws

8.MFMA-Circulars

SECTION 1:

**BUDGET
SCHEDULES
AND
SUPPORTING
TABLES**

Municipal annual budgets and MTREF & supporting tables

mSCOA Version 6.5

[Click for Instructions!](#)

Accountability

Transparency

**Information &
service delivery**



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Contact details:

Elsabé Rossouw
National Treasury
Tel: (012) 315-5534
Electronic submissions:
LG Upload Portal

Preparation Instructions

Municipality Name: NC091 Sol Plaatje ▼

CFO Name: Kenneth Samolapo (Acting)

Tel: 0538306500

Fax:

E-Mail: ksamolapo@solplaatje.org.za

Budget for MTREF starting: 2021 ▼

Budget Year: 2021/22

Does this municipality have Entities? No ▼

If YES: Identify type of report: Parent Municipality ▼

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](#)

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[MBRR Budget Formats Guide](#)

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[Dummy Budget Guide](#)

[Click to view](#)

[Funding Compliance Guide](#)

[Click to view](#)

[MFMA Return Forms](#)

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Organisational Structure Votes		Complete Votes & Sub-Votes	Select Org. Structure
Vote 01 - Executive & Council	Vote 01	Executive & Council	
Vote 02 - Municipal And General	01.1	Councillor's Expenses	01.1 - Councillor's Expenses
Vote 03 - Municipal Manager	01.2	Executive Mayor Admin	01.2 - Executive Mayor Admin
Vote 04 - Corporate Services	01.3	Speakers Office Admin	01.3 - Speakers Office Admin
Vote 05 - Community Services	Vote 02	Municipal And General	
Vote 06 - Financial Services	02.1	Municipal And General	02.1 - Municipal And General
Vote 07 - Strategy Econ Development And Planning	02.2	Mun : Insurance Fund - Short Term	02.2 - Mun : Insurance Fund - Short Term
Vote 08 - Infrastructure And Services	02.3	Mun : Workmen's Compensation Fund	02.3 - Mun : Workmen's Compensation Fund
Vote 09 -	Vote 03	Municipal Manager	
Vote 10 -	03.1	Municipal Manager - Admin	03.1 - Municipal Manager - Admin
Vote 11 -	03.2	Internal Investigations	03.2 - Internal Investigations
Vote 12 -	03.3	Internal Audit	03.3 - Internal Audit
Vote 13 -	03.4	Idp Unit	03.4 - Idp Unit
Vote 14 -	03.5	Project Management Unit - Pmu	03.5 - Project Management Unit - Pmu
Vote 15 - Other	Vote 04	Corporate Services	
	04.1	Corporate Services - Admin	04.1 - Corporate Services - Admin
	04.2	Office Services And Archives	04.2 - Office Services And Archives
	04.3	H R - Management	04.3 - H R - Management
	04.4	H R - Recruitment And Benefits	04.4 - H R - Recruitment And Benefits
	04.5	H R - Training And Development	04.5 - H R - Training And Development
	04.6	H R - Local Authority Training	04.6 - H R - Local Authority Training
	04.7	Publicity And Media Coordination	04.7 - Publicity And Media Coordination
	04.8	Risk Management	04.8 - Risk Management
	04.9	Security And Protection	04.9 - Security And Protection
	Vote 05	Community Services	
	05.1	Community Services - Admin	05.1 - Community Services - Admin
	05.2	Emergency Services	05.2 - Emergency Services
	05.3	Biodiversity And Landscape	05.3 - Biodiversity And Landscape
	05.4	Libraries	05.4 - Libraries
	05.5	Road Traffic Regulations	05.5 - Road Traffic Regulations
	05.6	Vehicle Licensing And Testing	05.6 - Vehicle Licensing And Testing
	05.7	Vehicle Licensing And Testing	05.7 - Vehicle Licensing And Testing
	05.8	Community Parks	05.8 - Community Parks
	05.9	Sport Grounds And Stadiums	05.9 - Sport Grounds And Stadiums
	05.10	Community Halls And Facilities	05.10 - Community Halls And Facilities
	05.11	Swimming Pools	05.11 - Swimming Pools
	05.12	Cemetries	05.12 - Cemetries
	05.13	Resorts And Camping Sites Inside Spm	05.13 - Resorts And Camping Sites Inside Spm
	05.14	Resorts And Camping Sites Outside Spm	05.14 - Resorts And Camping Sites Outside Spm
	05.15	Resort Transka	05.15 - Resort Transka
	05.16	Health - Admin	05.16 - Health - Admin
	05.17	Health - Clinics	05.17 - Health - Clinics
	05.18	Health - Inspections	05.18 - Health - Inspections
	05.19	Health - Commonage And Pound	05.19 - Health - Commonage And Pound
	05.20	Refuse - Pollution Control/Collection	05.20 - Refuse - Pollution Control/Collection
	05.21	Refuse - Landfill Sites	05.21 - Refuse - Landfill Sites
	05.22	Refuse - Maintenance	05.22 - Refuse - Maintenance
	Vote 06	Financial Services	
	06.1	Financial Services Admin	06.1 - Financial Services Admin
	06.2	Financial Management Grant	06.2 - Financial Management Grant
	06.3	Asset And Risk	06.3 - Asset And Risk
	06.4	Budget And Financial Reporting	06.4 - Budget And Financial Reporting
	06.5	Budget And Financial Reporting	06.5 - Budget And Financial Reporting
	06.6	Expenditure Creditors/Payroll	06.6 - Expenditure Creditors/Payroll
	06.7	Information Technology	06.7 - Information Technology
	06.8	Billing Finance	06.8 - Billing Finance
	06.9	Property Rates And Valuations	06.9 - Property Rates And Valuations
	06.10	Debt Collection	06.10 - Debt Collection
	06.11	Supply Chain Management	06.11 - Supply Chain Management
	Vote 07	Strategy Econ Development And Planning	
	07.1	Sedp Admin	07.1 - Sedp Admin
	07.2	Tourism	07.2 - Tourism
	07.3	Properties Services	07.3 - Properties Services
	07.4	Economic Development And Planning	07.4 - Economic Development And Planning
	07.5	Town Planning	07.5 - Town Planning
	07.6	Building Inspectorate	07.6 - Building Inspectorate
	07.7	Properties Maintenance	07.7 - Properties Maintenance
	07.8	Markets And Street Trading	07.8 - Markets And Street Trading
	07.9	Urban Renewal Program	07.9 - Urban Renewal Program
	Vote 08	Infrastructure And Services	
	08.1	Infrastructure Admin	08.1 - Infrastructure Admin
	08.2	Ce - Water And Sanitation	08.2 - Ce - Water And Sanitation
	08.3	Public Toilets	08.3 - Public Toilets
	08.4	Mechanical Workshops	08.4 - Mechanical Workshops
	08.5	Fleet	08.5 - Fleet
	08.6	Roads Planning And Design	08.6 - Roads Planning And Design
	08.7	Road Construction And Maintenance	08.7 - Road Construction And Maintenance
	08.8	Housing - Admin	08.8 - Housing - Admin
	08.9	Housing - Maintenance	08.9 - Housing - Maintenance
	08.10	Sewerage - Reticulation	08.10 - Sewerage - Reticulation
	08.11	Sewerage - Treatment	08.11 - Sewerage - Treatment
	08.12	Sewerage - Maintenance	08.12 - Sewerage - Maintenance
	08.13	Water - Treatment	08.13 - Water - Treatment
	08.14	Water - Distribution	08.14 - Water - Distribution
	08.15	Water - Maintenance	08.15 - Water - Maintenance
	08.16	Electricity - Admin	08.16 - Electricity - Admin
	08.17	Electricity - Maintenance	08.17 - Electricity - Maintenance
	08.18	Electricity - Streetlights Maintenance	08.18 - Electricity - Streetlights Maintenance
	Vote 09		
	Vote 10		
	Vote 11		
	Vote 12		
	Vote 13		
	Vote 14		
	Vote 15	Other	

NC091 Sol Plaatje - Contact Information
A. GENERAL INFORMATION
Municipality NC091 Sol Plaatje

Grade 5

1 Grade in terms of the Remuneration of Public Office Bearers Act.
Province NC NORTHERN CAPE

Web Address www.solplaatje.org.za

e-mail Address info@solplaatje.org.za

B. CONTACT INFORMATION
Postal address:

P.O. Box x5030

City / Town Kimberley

Postal Code 8300

Street address

Building Civic Centre

Street No. & Name Sol Plaatje Drive

City / Town Kimberley

Postal Code 8301

General Contacts

Telephone number 0538306911

Fax number 0538331005

C. POLITICAL LEADERSHIP
Speaker:

ID Number 7908300148084

Title Ms

Name I Koopman

Telephone number 0538306489

Cell number 0780689185

Fax number

E-mail address ikoopman@solplaatje.org.za

Secretary/PA to the Speaker:

ID Number 7909080455087

Title Ms

Name E Mdali

Telephone number 0538306489

Cell number 0781906174

Fax number 0538391431

E-mail address emdali@solplaatje.org.za

Mayor/Executive Mayor:

ID Number 6410255786084

Title Mr

Name PS Mabalo

Telephone number 0538306269

Cell number 0817999540

Fax number

E-mail address pmabalo@solplaatje.org.za

Secretary/PA to the Mayor/Executive Mayor:

ID Number 8906140591082

Title Ms

Name T Kgantsi

Telephone number 0538306269

Cell number 0762213498

Fax number

E-mail address tkgantsi@solplaatje.org.za

Deputy Mayor/Executive Mayor:

ID Number

Title

Name

Telephone number

Cell number

Fax number

E-mail address

Secretary/PA to the Deputy Mayor/Executive Mayor:

ID Number

Title

Name

Telephone number

Cell number

Fax number

E-mail address

D. MANAGEMENT LEADERSHIP
Municipal Manager:

ID Number 751104 5533 089

Title Mr.

Name B Dhlwayo (Acting)

Telephone number 0538306100

Cell number 0798994680

Fax number 0538331005

E-mail address 0798994680

Secretary/PA to the Municipal Manager:

ID Number 7703280509086

Title Ms

Name J Bonokwane

Telephone number 0538306471

Cell number 0727213953

Fax number 0538331005

E-mail address jbonokwane@solplaatje.org.za

Chief Financial Officer

ID Number 810412 5398 083

Title Mr

Name Kenneth Samolapo (Acting)

Telephone number 0538306500

Cell number 0835423335

Fax number 0538326571

E-mail address ksamolapo@solplaatje.org.za

Secretary/PA to the Chief Financial Officer

ID Number 8404230231082

Title Mrs

Name L Damons

Telephone number 0538306502

Cell number 0727213953

Fax number 0538314658

E-mail address lbartlett@solplaatje.org.za

Official responsible for submitting financial information

ID Number 7904040134088

Title Ms

Name CELESTE CROUCH

Telephone number 0538306533

Cell number 0813066399

Fax number 0866812135

E-mail address ccrouch@solplaatje.org.za

Official responsible for submitting financial information

ID Number 8112110012080

Title Ms

Name CANDY JENNEKE

Telephone number 0538306564

Cell number 0658624272

Fax number 0538314658

E-mail address cjenneke@solplaatje.org.za

Official responsible for submitting financial information		Official responsible for submitting financial information	
ID Number	5409175029089	ID Number	5708100073082
Title	Mr	Title	Ms
Name	BRIAN ANTHONY	Name	BERYL ENGELBRECHT
Telephone number	0538306437	Telephone number	0538306532
Cell number	0716736302	Cell number	0828346330
Fax number		Fax number	0865344770
E-mail address	banthony@solplaatje.org.za	E-mail address	bengelbrecht@solplaatje.org.za
Official responsible for submitting financial information		Official responsible for submitting financial information	
ID Number	8204210057089	ID Number	6012025021089
Title	Ms	Title	Mr
Name	KARIN DE KLERK	Name	JJ WAGNER
Telephone number	0538306578	Telephone number	0538306504
Cell number	0726005904	Cell number	0828346330
Fax number		Fax number	
E-mail address	kdklerk@solplaatje.org.za	E-mail address	jwagner@solplaatje.org.za
Official responsible for submitting financial information		Official responsible for submitting financial information	
ID Number		ID Number	
Title		Title	
Name		Name	
Telephone number		Telephone number	
Cell number		Cell number	
Fax number		Fax number	
E-mail address		E-mail address	
Official responsible for submitting financial information		Official responsible for submitting financial information	
ID Number		ID Number	
Title		Title	
Name		Name	
Telephone number		Telephone number	
Cell number		Cell number	
Fax number		Fax number	
E-mail address		E-mail address	
Official responsible for submitting financial information		Official responsible for submitting financial information	
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Cell number		Cell number	
Fax number		Fax number	
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ID Number		ID Number	
Title		Title	
Name		Name	
Telephone number		Telephone number	
Cell number		Cell number	
Fax number		Fax number	
E-mail address		E-mail address	

2021/22 Budget Summary								2021/22 Medium Term Revenue & Expenditure Framework		
Description	2017/18	2018/19	2019/20	Current Year 2020/21						
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Financial Performance										
Property rates	509,454	512,886	555,073	584,108	584,108	584,108	418,884	603,707	647,214	702,111
Service charges	1,005,888	905,350	1,049,129	1,170,018	1,170,018	1,170,018	759,718	1,291,383	1,411,707	1,526,702
Investment revenue	18,700	10,002	5,503	10,000	4,000	4,000	860	9,000	12,000	15,000
Transfers recognised - operational	172,480	192,110	214,815	224,542	260,137	260,137	232,824	230,640	241,544	243,434
Other own revenue	242,559	213,286	212,921	223,893	235,893	235,893	51,581	230,981	232,877	233,908
Total Revenue (excluding capital transfers and contributions)	1,949,082	1,833,634	2,037,442	2,212,561	2,254,156	2,254,156	1,463,867	2,365,711	2,545,342	2,721,154
Employee costs	647,309	688,565	652,922	814,281	800,081	800,081	524,199	836,388	885,627	934,849
Remuneration of councillors	28,409	28,388	30,367	33,023	33,023	33,023	22,650	34,547	36,275	38,270
Depreciation & asset impairment	64,443	61,697	69,409	73,550	73,550	73,550	–	79,150	84,325	89,218
Finance charges	27,213	25,790	30,582	23,542	35,542	35,542	12,785	22,261	20,963	19,501
Inventory consumed and bulk purchases	420,968	505,290	564,405	562,500	641,914	641,914	360,038	926,331	1,022,388	1,118,206
Transfers and grants	9,325	3,940	2,733	6,060	4,280	4,280	1,951	4,850	4,952	5,060
Other expenditure	473,017	339,038	372,893	404,645	442,227	442,227	235,960	441,457	469,733	494,705
Total Expenditure	1,670,684	1,652,708	1,723,311	1,917,601	2,030,618	2,030,618	1,157,583	2,344,984	2,524,262	2,699,808
Surplus/(Deficit)	278,398	180,926	314,131	294,960	223,538	223,538	306,284	20,727	21,079	21,346
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	203,033	197,254	143,011	116,556	109,046	109,046	–	167,766	98,625	96,786
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	4,561	–	–	14,400	14,400	14,400	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	485,992	378,179	–	425,916	346,984	346,984	306,284	188,493	119,704	118,132
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	485,992	378,179	–	425,916	346,984	346,984	306,284	188,493	119,704	118,132
Capital expenditure & funds sources										
Capital expenditure	245,758	200,685	137,018	154,456	155,446	155,446	65,874	179,266	113,125	115,786
Transfers recognised - capital	183,356	177,023	126,994	130,956	123,446	123,446	60,590	167,766	98,625	96,786
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	–	23,662	10,023	23,500	32,000	32,000	5,284	11,500	14,500	19,000
Total sources of capital funds	183,356	200,685	137,018	154,456	155,446	155,446	65,874	179,266	113,125	115,786
Financial position										
Total current assets	1,346,885	1,592,548	1,859,150	1,882,717	2,072,115	2,072,115	1,855,068	2,231,388	2,387,256	2,681,526
Total non current assets	1,860,122	1,967,676	2,032,530	2,162,581	2,163,571	2,163,571	2,098,404	2,225,894	2,203,591	2,331,680
Total current liabilities	196,761	420,723	550,472	491,084	681,732	681,732	476,807	680,814	653,957	828,801
Total non current liabilities	441,598	460,441	432,945	414,362	414,362	414,362	428,544	417,829	419,095	444,241
Community wealth/Equity	586,357	450,952	526,625	504,559	439,627	439,627	375,768	267,887	201,885	205,243
Cash flows										
Net cash from (used) operating	–	–	–	647,108	647,108	647,108	(58,961)	2,259,476	2,287,394	2,622,755
Net cash from (used) investing	–	–	–	191,591	155,446	155,446	60,870	(175,998)	(106,974)	(112,929)
Net cash from (used) financing	(32,415)	(2,597)	(1,782)	(14,563)	9,534	9,534	(1,988)	14,534	15,688	15,766
Cash/cash equivalents at the year end	193,989	78,863	72,134	1,026,186	1,014,138	1,014,138	(79)	2,108,320	4,304,428	6,830,020
Cash backing/surplus reconciliation										
Cash and investments available	81,460	73,916	96,534	123,742	122,492	122,492	(90,152)	172,968	309,728	481,481
Application of cash and investments	316,051	419,932	536,778	(1,280,454)	(1,293,881)	(1,293,881)	(988,235)	(1,343,462)	(1,265,723)	(1,350,591)
Balance - surplus (shortfall)	(234,591)	(346,015)	(440,244)	1,404,196	1,416,373	1,416,373	898,083	1,516,430	1,575,451	1,832,072
Asset management										
Asset register summary (WDV)	1,860,122	1,967,676	2,032,530	2,125,446	2,126,436	2,126,436	2,126,436	2,189,027	2,167,874	2,293,820
Depreciation	64,443	61,697	69,409	73,550	73,550	73,550	73,550	79,150	84,325	89,218
Renewal and Upgrading of Existing Assets	171,638	137,169	86,471	87,943	79,384	79,384	79,384	79,500	73,625	73,786
Repairs and Maintenance	252,761	232,446	217,834	262,452	263,626	263,626	263,626	268,726	287,317	307,005
Free services										
Cost of Free Basic Services provided	54,287	25,278	18,398	124,733	124,733	124,733	138,954	138,954	35,769	37,994
Revenue cost of free services provided	26,434	109,345	101,509	124,371	124,371	124,371	119,878	119,878	127,430	135,213
Households below minimum service level										
Water:	6	6	6	6	6	6	6	6	6	6
Sanitation/sewerage:	5	5	5	5	5	5	5	5	5	5
Energy:	6	6	6	6	6	6	6	6	6	6
Refuse:	12	12	12	12	12	12	12	12	12	12

NC091 Sol Plaatje - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand	1									
Revenue - Functional										
<i>Governance and administration</i>		1,012,732	1,004,072	1,005,240	1,030,357	1,064,641	1,064,641	1,109,592	1,092,231	1,143,506
Executive and council		492,849	463,786	431,480	419,951	454,836	454,836	478,759	416,848	411,594
Finance and administration		519,882	540,286	573,760	610,406	609,806	609,806	630,833	675,383	731,912
Internal audit		–	–	–	–	–	–	–	–	–
<i>Community and public safety</i>		23,615	23,854	24,994	27,166	26,966	26,966	27,556	29,007	30,603
Community and social services		9,900	9,816	10,359	11,020	10,820	10,820	10,980	11,598	12,236
Sport and recreation		3,615	2,987	2,624	3,790	3,790	3,790	3,315	3,511	3,706
Public safety		253	351	675	660	660	660	760	771	814
Housing		9,790	10,613	10,884	11,601	11,601	11,601	12,401	13,021	13,737
Health		58	87	453	95	95	95	100	105	111
<i>Economic and environmental services</i>		25,773	22,638	22,283	35,886	35,886	35,886	23,286	24,552	25,903
Planning and development		4,627	2,690	3,920	18,631	18,631	18,631	5,166	5,436	5,735
Road transport		21,145	19,948	18,363	17,255	17,255	17,255	18,120	19,117	20,168
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		1,079,647	970,971	1,119,627	1,240,638	1,240,638	1,240,638	1,363,208	1,487,786	1,606,966
Energy sources		663,235	566,794	680,359	781,232	781,232	781,232	877,157	969,471	1,056,859
Water management		283,299	270,001	294,031	311,226	311,226	311,226	328,612	350,814	372,196
Waste water management		75,664	77,321	84,025	82,175	82,175	82,175	86,848	92,438	97,841
Waste management		57,449	56,855	61,211	66,004	66,004	66,004	70,592	75,064	80,070
<i>Other</i>	4	14,909	9,352	8,309	9,470	9,470	9,470	9,835	10,391	10,962
Total Revenue - Functional	2	2,156,676	2,030,887	2,180,452	2,343,517	2,377,602	2,377,602	2,533,477	2,643,967	2,817,940
Expenditure - Functional										
<i>Governance and administration</i>		584,756	549,422	545,801	665,289	673,909	673,909	683,100	720,457	759,584
Executive and council		376,815	334,155	318,151	396,128	408,128	408,128	405,549	428,457	451,162
Finance and administration		202,747	209,917	221,765	262,445	259,065	259,065	270,570	284,600	300,614
Internal audit		5,194	5,350	5,886	6,716	6,716	6,716	6,982	7,400	7,807
<i>Community and public safety</i>		162,975	154,197	163,275	180,462	181,762	181,762	183,469	195,981	206,357
Community and social services		35,277	36,073	38,327	41,708	41,508	41,508	42,230	49,182	51,432
Sport and recreation		50,286	47,061	48,493	56,172	55,572	55,572	55,822	58,419	61,671
Public safety		34,149	35,366	39,304	41,910	41,910	41,910	43,502	44,305	46,750
Housing		25,826	19,964	20,479	22,866	22,866	22,866	23,480	24,718	26,111
Health		17,437	15,732	16,672	17,806	19,906	19,906	18,435	19,357	20,394
<i>Economic and environmental services</i>		114,123	113,485	118,038	135,508	136,833	136,833	139,819	147,634	156,128
Planning and development		41,528	40,914	40,068	46,540	47,165	47,165	48,172	50,729	53,503
Road transport		72,020	71,954	77,332	88,266	88,966	88,966	90,936	96,155	101,834
Environmental protection		576	618	637	702	702	702	711	750	791
<i>Trading services</i>		1,052,168	1,023,507	1,088,683	1,187,249	1,224,349	1,224,349	1,313,216	1,433,383	1,549,458
Energy sources		687,986	644,809	698,314	762,833	762,333	762,333	857,928	947,601	1,032,564
Water management		233,103	240,218	265,093	278,498	303,998	303,998	296,663	317,116	337,784
Waste water management		76,973	79,071	69,878	79,014	91,114	91,114	88,033	93,601	99,040
Waste management		54,105	59,408	55,398	66,904	66,904	66,904	70,592	75,064	80,070
<i>Other</i>	4	22,295	20,374	21,041	24,518	24,518	24,518	25,380	26,807	28,282
Total Expenditure - Functional	3	1,936,318	1,860,985	1,936,838	2,193,028	2,241,373	2,241,373	2,344,984	2,524,262	2,699,808
Surplus/(Deficit) for the year		220,357	169,902	243,615	150,490	136,229	136,229	188,493	119,704	118,132

NC091 Sol Plaatje - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand	1									
Economic and environmental services		25,773	22,638	22,283	35,886	35,886	35,886	23,286	24,552	25,903
Planning and development		4,627	2,690	3,920	18,631	18,631	18,631	5,166	5,436	5,735
Billboards										
Corporate Wide Strategic Planning (IDPs, LEDS)		1,006	854	1,032	15,400	15,400	15,400	1,145	1,214	1,280
Central City Improvement District										
Development Facilitation										
Economic Development/Planning										
Regional Planning and Development										
Town Planning, Building Regulations and Enforcement, and City		1,584	1,836	2,888	3,231	3,231	3,231	4,021	4,222	4,454
Project Management Unit		2,037	-	-	-	-	-	-	-	-
Provincial Planning										
Support to Local Municipalities										
Road transport		21,145	19,948	18,363	17,255	17,255	17,255	18,120	19,117	20,168
Public Transport										
Road and Traffic Regulation		20,950	19,754	18,055	17,255	17,255	17,255	18,120	19,117	20,168
Roads		196	194	307	-	-	-	-	-	-
Taxi Ranks										
Environmental protection		-	-	-	-	-	-	-	-	-
Biodiversity and Landscape										
Coastal Protection										
Indigenous Forests										
Nature Conservation										
Pollution Control										
Soil Conservation										
Trading services		1,079,647	970,971	1,119,627	1,240,638	1,240,638	1,240,638	1,363,208	1,487,786	1,606,966
Energy sources		663,235	566,794	680,359	781,232	781,232	781,232	877,157	969,471	1,056,859
Electricity		663,235	566,794	680,359	781,232	781,232	781,232	877,157	969,471	1,056,859
Street Lighting and Signal Systems										
Nonelectric Energy										
Water management		283,299	270,001	294,031	311,226	311,226	311,226	328,612	350,814	372,196
Water Treatment										
Water Distribution		283,299	270,001	294,031	311,226	311,226	311,226	328,612	350,814	372,196
Water Storage										
Waste water management		75,664	77,321	84,025	82,175	82,175	82,175	86,848	92,438	97,841
Public Toilets										
Sewerage		75,664	77,321	84,025	82,175	82,175	82,175	86,848	92,438	97,841
Storm Water Management										
Waste Water Treatment										
Waste management		57,449	56,855	61,211	66,004	66,004	66,004	70,592	75,064	80,070
Recycling										
Solid Waste Disposal (Landfill Sites)										
Solid Waste Removal		57,449	56,855	61,211	66,004	66,004	66,004	70,592	75,064	80,070
Street Cleaning										
Other		14,909	9,352	8,309	9,470	9,470	9,470	9,835	10,391	10,962
Abattoirs										
Air Transport										
Forestry										
Licensing and Regulation		11,086	7,142	6,097	6,375	6,375	6,375	6,760	7,132	7,524
Markets		3,678	2,063	2,091	2,950	2,950	2,950	2,940	3,116	3,288
Tourism		145	147	121	145	145	145	135	142	150
Total Revenue - Functional	2	2,156,676	2,030,887	2,180,452	2,343,517	2,377,602	2,377,602	2,533,477	2,643,967	2,817,940

NC091 Sol Plaatje - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand	1									
Economic and environmental services		114,123	113,485	118,038	135,508	136,833	136,833	139,819	147,634	156,128
Planning and development		41,528	40,914	40,068	46,540	47,165	47,165	48,172	50,729	53,503
Billboards										
Corporate Wide Strategic Planning (IDPs, LEDS)		9,485	9,331	8,526	10,038	10,663	10,663	10,677	11,318	11,940
Central City Improvement District										
Development Facilitation										
Economic Development/Planning		5,691	5,611	5,726	6,790	6,790	6,790	6,848	7,190	7,570
Regional Planning and Development										
Town Planning, Building Regulations and Enforcement, and City		24,314	23,885	23,634	27,333	27,333	27,333	28,129	29,576	31,203
Project Management Unit		2,037	2,087	2,182	2,379	2,379	2,379	2,518	2,644	2,790
Provincial Planning										
Support to Local Municipalities										
Road transport		72,020	71,954	77,332	88,266	88,966	88,966	90,936	96,155	101,834
Public Transport										
Road and Traffic Regulation		32,920	35,175	36,069	46,022	44,622	44,622	47,304	49,906	52,650
Roads		39,100	36,779	41,263	42,244	44,344	44,344	43,632	46,249	49,184
Taxi Ranks										
Environmental protection		576	618	637	702	702	702	711	750	791
Biodiversity and Landscape		576	618	637	702	702	702	711	750	791
Coastal Protection										
Indigenous Forests										
Nature Conservation										
Pollution Control										
Soil Conservation										
Trading services		1,052,168	1,023,507	1,088,683	1,187,249	1,224,349	1,224,349	1,313,216	1,433,383	1,549,458
Energy sources		687,986	644,809	698,314	762,833	762,333	762,333	857,928	947,601	1,032,564
Electricity		659,747	638,151	690,355	755,333	754,833	754,833	849,098	938,153	1,022,454
Street Lighting and Signal Systems		28,239	6,658	7,959	7,500	7,500	7,500	8,830	9,448	10,109
Nonelectric Energy										
Water management		233,103	240,218	265,093	278,498	303,998	303,998	296,663	317,116	337,784
Water Treatment		42,165	45,458	51,961	49,780	65,780	65,780	59,515	62,319	65,260
Water Distribution		190,938	194,760	213,132	228,718	238,218	238,218	237,148	254,797	272,523
Water Storage										
Waste water management		76,973	79,071	69,878	79,014	91,114	91,114	88,033	93,601	99,040
Public Toilets		2,089	1,545	1,889	2,214	5,214	5,214	2,279	2,393	2,524
Sewerage		38,991	37,264	28,496	38,770	47,875	47,875	45,654	48,703	51,673
Storm Water Management										
Waste Water Treatment		35,893	40,263	39,493	38,030	38,025	38,025	40,100	42,506	44,843
Waste management		54,105	59,408	55,398	66,904	66,904	66,904	70,592	75,064	80,070
Recycling										
Solid Waste Disposal (Landfill Sites)		2,428	3,588	3,353	5,113	4,613	4,613	5,081	5,335	5,628
Solid Waste Removal		51,678	55,820	52,046	61,792	62,292	62,292	65,511	69,729	74,442
Street Cleaning										
Other		22,295	20,374	21,041	24,518	24,518	24,518	25,380	26,807	28,282
Abattoirs										
Air Transport										
Forestry										
Licensing and Regulation		11,395	10,936	11,722	14,400	14,400	14,400	15,097	15,927	16,803
Markets		7,015	5,737	5,868	6,170	6,170	6,170	6,242	6,617	6,981
Tourism		3,886	3,701	3,451	3,949	3,949	3,949	4,041	4,263	4,497
Total Expenditure - Functional	3	1,936,318	1,860,985	1,936,838	2,193,028	2,241,373	2,241,373	2,344,984	2,524,262	2,699,808
Surplus/(Deficit) for the year		220,357	169,902	243,615	150,490	136,229	136,229	188,493	119,704	118,132

NC091 Sol Plaatje - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue by Vote	1									
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		492,849	463,786	431,480	419,951	454,836	454,836	478,759	416,848	411,594
Vote 03 - Municipal Manager		2,037	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services		4,553	6,007	1,415	6,177	6,177	6,177	6,804	6,881	7,455
Vote 05 - Community Services		103,311	96,992	99,474	105,200	105,000	105,000	110,627	117,298	124,628
Vote 06 - Financial Services		514,881	533,870	571,568	603,759	603,159	603,159	623,229	667,662	723,570
Vote 07 - Strategy Econ Development And Planning		6,861	5,309	6,910	22,196	22,196	22,196	9,041	9,535	10,059
Vote 08 - Infrastructure And Services		1,032,183	924,923	1,069,606	1,186,235	1,186,235	1,186,235	1,305,018	1,425,743	1,540,633
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	2,156,676	2,030,887	2,180,452	2,343,517	2,377,602	2,377,602	2,533,477	2,643,967	2,817,940
Expenditure by Vote to be appropriated	1									
Vote 01 - Executive & Council		43,801	46,045	52,931	56,511	56,511	56,511	57,883	60,777	64,120
Vote 02 - Municipal And General		321,231	277,590	253,782	327,737	339,737	339,737	335,456	354,860	373,517
Vote 03 - Municipal Manager		18,576	16,144	21,336	24,268	24,268	24,268	25,025	26,367	27,817
Vote 04 - Corporate Services		59,011	62,302	64,204	69,524	69,594	69,594	73,211	76,800	81,111
Vote 05 - Community Services		239,727	244,132	250,522	289,928	289,828	289,828	297,403	316,842	334,708
Vote 06 - Financial Services		112,282	115,007	117,561	149,015	145,415	145,415	152,611	160,409	169,137
Vote 07 - Strategy Econ Development And Planning		54,708	54,587	52,401	57,163	57,788	57,788	59,374	62,692	66,125
Vote 08 - Infrastructure And Services		1,086,983	1,045,177	1,124,100	1,218,882	1,258,232	1,258,232	1,344,020	1,465,516	1,583,273
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	1,936,318	1,860,985	1,936,838	2,193,028	2,241,373	2,241,373	2,344,984	2,524,262	2,699,808
Surplus/(Deficit) for the year	2	220,357	169,902	243,615	150,490	136,229	136,229	188,493	119,704	118,132

NC091 Sol Plaatje - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand										
Revenue by Vote	1									
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-
01.1 - Councillor's Expenses		-	-	-	-	-	-	-	-	-
01.2 - Executive Mayor Admin		-	-	-	-	-	-	-	-	-
01.3 - Speakers Office Admin		-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		492,849	463,786	431,480	419,951	454,836	454,836	478,759	416,848	411,594
02.1 - Municipal And General		489,082	463,652	431,480	419,801	454,686	454,686	478,459	416,530	411,259
02.2 - Mun : Insurance Fund - Short Term		2,582	134	-	150	150	150	300	318	335
02.3 - Mun : Workmen's Compensation Fund		1,185	-	-	-	-	-	-	-	-
Vote 03 - Municipal Manager		2,037	-	-	-	-	-	-	-	-
03.1 - Municipal Manager - Admin		-	-	-	-	-	-	-	-	-
03.2 - Internal Investigations		-	-	-	-	-	-	-	-	-
03.3 - Internal Audit		-	-	-	-	-	-	-	-	-
03.4 - Idp Unit		-	-	-	-	-	-	-	-	-
03.5 - Project Management Unit - Pmu		2,037	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services		4,553	6,007	1,415	6,177	6,177	6,177	6,804	6,881	7,455
04.1 - Corporate Services - Admin		-	-	-	-	-	-	-	-	-
04.2 - Office Services And Archives		2,039	106	104	27	27	27	84	88	91
04.3 - H R - Management		-	-	-	-	-	-	-	-	-
04.4 - H R - Recruitment And Benefits		-	-	-	-	-	-	-	-	-
04.5 - H R - Training And Development		1,022	852	1,311	1,150	1,150	1,150	1,220	1,293	1,364
04.6 - H R - Local Authority Training		1,492	5,049	-	5,000	5,000	5,000	5,500	5,500	6,000
04.7 - Publicity And Media Coordination		-	-	-	-	-	-	-	-	-
04.8 - Risk Management		-	-	-	-	-	-	-	-	-
04.9 - Security And Protection		-	-	-	-	-	-	-	-	-
Vote 05 - Community Services		103,311	96,992	99,474	105,200	105,000	105,000	110,627	117,298	124,628
05.1 - Community Services - Admin		-	-	-	-	-	-	-	-	-
05.2 - Emergency Services		225	297	635	600	600	600	700	707	746
05.3 - Biodiversity And Landscape		-	-	-	-	-	-	-	-	-
05.4 - Libraries		7,384	8,106	8,023	8,350	8,150	8,150	8,150	8,598	9,071
05.5 - Road Traffic Regulations		20,950	19,754	18,055	17,255	17,255	17,255	18,120	19,117	20,168
05.6 - Vehicle Licensing And Testing		11,086	7,142	6,097	6,375	6,375	6,375	6,760	7,132	7,524
05.7 - Vehicle Licensing And Testing		-	-	-	-	-	-	-	-	-
05.8 - Community Parks		-	-	-	-	-	-	-	-	-
05.9 - Sport Grounds And Stadiums		107	193	147	200	200	200	180	190	201
05.10 - Community Halls And Facilities		1,002	841	811	970	970	970	1,030	1,092	1,152
05.11 - Swimming Pools		235	298	326	310	310	310	365	385	406
05.12 - Cemeteries		1,515	869	1,524	1,700	1,700	1,700	1,800	1,908	2,013
05.13 - Resorts And Camping Sites Inside Spm		1,509	1,018	879	1,200	1,200	1,200	1,120	1,187	1,253
05.14 - Resorts And Camping Sites Outside Spm		1,122	690	596	1,200	1,200	1,200	850	901	951
05.15 - Resort Transka		641	789	676	880	880	880	800	848	895
05.16 - Health - Admin		-	-	-	-	-	-	-	-	-
05.17 - Health - Clinics		-	-	-	-	-	-	-	-	-
05.18 - Health - Inspections		58	87	453	95	95	95	100	105	111
05.19 - Health - Commonage And Pound		28	53	39	60	60	60	60	64	67
05.20 - Refuse - Pollution Control/Collection		57,449	56,855	61,211	66,004	66,004	66,004	70,592	75,064	80,070
05.21 - Refuse - Landfill Sites		-	-	-	-	-	-	-	-	-
05.22 - Refuse - Maintenance		-	-	-	-	-	-	-	-	-
Vote 06 - Financial Services		514,881	533,870	571,568	603,759	603,159	603,159	623,229	667,662	723,570
06.1 - Financial Services Admin		-	-	-	-	-	-	-	-	-
06.2 - Financial Management Grant		1,700	-	-	1,700	1,700	1,700	1,650	1,700	1,700
06.3 - Asset And Risk		-	-	-	600	-	-	-	-	-
06.4 - Budget And Financial Reporting		945	1,026	-	-	-	-	-	-	-
06.5 - Budget And Financial Reporting		-	-	669	300	300	300	300	300	300
06.6 - Expenditure Creditors/Payroll		1,003	826	996	1,020	1,020	1,020	1,021	1,072	1,131
06.7 - Information Technology		-	-	-	-	-	-	-	-	-
06.8 - Billing Finance		510,106	514,108	555,550	584,138	584,138	584,138	603,757	647,264	702,161
06.9 - Property Rates And Valuations		-	-	-	-	-	-	-	-	-
06.10 - Debt Collection		1,126	17,909	14,352	16,001	16,001	16,001	16,501	17,326	18,279
06.11 - Supply Chain Management		-	-	-	-	-	-	-	-	-
Vote 07 - Strategy Econ Development And Planning		6,861	5,309	6,910	22,196	22,196	22,196	9,041	9,535	10,059
07.1 - Sedp Admin		-	-	-	-	-	-	-	-	-
07.2 - Tourism		145	147	121	145	145	145	135	142	150
07.3 - Properties Services		448	410	778	470	470	470	800	840	886
07.4 - Economic Development And Planning		1,006	854	1,032	15,400	15,400	15,400	1,145	1,214	1,280
07.5 - Town Planning		466	902	1,258	1,201	1,201	1,201	1,501	1,576	1,663
07.6 - Building Inspectorate		1,118	934	1,630	2,030	2,030	2,030	2,520	2,646	2,792
07.7 - Properties Maintenance		-	-	-	-	-	-	-	-	-
07.8 - Markets And Street Trading		3,678	2,063	2,091	2,950	2,950	2,950	2,940	3,116	3,288
07.9 - Urban Renewal Program		-	-	-	-	-	-	-	-	-
Vote 08 - Infrastructure And Services		1,032,183	924,923	1,069,606	1,186,235	1,186,235	1,186,235	1,305,018	1,425,743	1,540,633
08.1 - Infrastructure Admin		-	-	-	-	-	-	-	-	-
08.2 - Ce - Water And Sanitation		-	-	-	-	-	-	-	-	-
08.3 - Public Toilets		-	-	-	-	-	-	-	-	-
08.4 - Mechanical Workshops		-	-	-	-	-	-	-	-	-
08.5 - Fleet		-	-	-	-	-	-	-	-	-
08.6 - Roads Planning And Design		-	-	-	-	-	-	-	-	-
08.7 - Road Construction And Maintenance		196	194	307	-	-	-	-	-	-
08.8 - Housing - Admin		9,790	10,613	10,884	11,601	11,601	11,601	12,401	13,021	13,737
08.9 - Housing - Maintenance		-	-	-	-	-	-	-	-	-
08.10 - Sewerage - Reticulation		75,664	77,321	84,025	82,175	82,175	82,175	86,848	92,438	97,841
08.11 - Sewerage - Treatment		-	-	-	-	-	-	-	-	-
08.12 - Sewerage - Maintenance		-	-	-	-	-	-	-	-	-
08.13 - Water - Treatment		-	-	-	-	-	-	-	-	-
08.14 - Water - Distribution		283,299	270,001	294,031	311,226	311,226	311,226	328,612	350,814	372,196
08.15 - Water - Maintenance		-	-	-	-	-	-	-	-	-
08.16 - Electricity - Admin		663,235	566,794	680,359	781,232	781,232	781,232	877,157	969,471	1,056,859
08.17 - Electricity - Maintenance		-	-	-	-	-	-	-	-	-
08.18 - Electricity - Streetlights Maintenance		-	-	-	-	-	-	-	-	-
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	2,156,676	2,030,887	2,180,452	2,343,517	2,377,602	2,377,602	2,533,477	2,643,967	2,817,940

NC091 Sol Plaatje - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand										
Expenditure by Vote	1									
Vote 01 - Executive & Council		43,801	46,045	52,931	56,511	56,511	56,511	57,883	60,777	64,120
01.1 - Councillor's Expenses		28,409	28,388	30,367	33,023	33,023	33,023	34,547	36,275	38,270
01.2 - Executive Mayor Admin		2,671	9,150	11,228	11,983	11,983	11,983	11,424	11,995	12,654
01.3 - Speakers Office Admin		12,720	8,507	11,336	11,505	11,505	11,505	11,912	12,508	13,195
Vote 02 - Municipal And General		321,231	277,590	253,782	327,737	339,737	339,737	335,456	354,860	373,517
02.1 - Municipal And General		317,902	275,667	246,401	327,587	339,587	339,587	335,156	354,542	373,182
02.2 - Mun : Insurance Fund - Short Term		2,396	1,796	7,727	150	150	150	300	318	335
02.3 - Mun : Workmen's Compensation Fund		933	127	(346)	-	-	-	-	-	-
Vote 03 - Municipal Manager		18,576	16,144	21,336	24,268	24,268	24,268	25,025	26,367	27,817
03.1 - Municipal Manager - Admin		11,784	10,519	11,437	11,881	11,881	11,881	12,209	12,820	13,525
03.2 - Internal Investigations		(1,190)	(2,583)	1,256	1,266	1,266	1,266	1,316	1,383	1,459
03.3 - Internal Audit		5,194	5,350	5,886	6,716	6,716	6,716	6,982	7,400	7,807
03.4 - Idp Audit		750	771	575	2,025	2,025	2,025	1,999	2,119	2,236
03.5 - Project Management Unit - Pmu		2,037	2,087	2,182	2,379	2,379	2,379	2,518	2,644	2,790
Vote 04 - Corporate Services		59,011	62,302	64,204	69,524	69,594	69,594	73,211	76,800	81,111
04.1 - Corporate Services - Admin		9,138	8,574	9,173	9,785	9,785	9,785	10,154	10,712	11,301
04.2 - Office Services And Archives		10,495	6,351	7,919	7,683	7,683	7,683	7,857	8,328	8,786
04.3 - H R - Management		8,849	12,003	10,248	13,310	13,310	13,310	13,678	14,362	15,152
04.4 - H R - Recruitment And Benefits		1,717	1,759	1,828	2,253	2,253	2,253	2,327	2,455	2,602
04.5 - H R - Training And Development		2,580	2,676	2,449	3,655	3,655	3,655	3,624	3,842	4,053
04.6 - H R - Local Authority Training		1,404	5,049	4,694	5,000	5,000	5,000	5,500	5,500	6,000
04.7 - Publicity And Media Coordination		3,214	3,306	3,524	4,109	4,179	4,179	4,247	4,459	4,704
04.8 - Risk Management		2,099	2,100	2,235	2,496	2,496	2,496	2,593	2,749	2,900
04.9 - Security And Protection		19,515	20,484	22,135	21,232	21,232	21,232	23,232	24,394	25,613
Vote 05 - Community Services		239,727	244,132	250,522	289,928	289,828	289,828	297,403	316,842	334,708
05.1 - Community Services - Admin		3,582	3,762	3,900	4,304	4,304	4,304	3,709	3,931	4,148
05.2 - Emergency Services		32,890	34,072	37,958	40,393	40,393	40,393	41,953	42,678	45,025
05.3 - Biodiversity And Landscape		576	618	637	702	702	702	711	750	791
05.4 - Libraries		14,632	14,726	14,164	16,892	16,692	16,692	16,955	22,086	22,845
05.5 - Road Traffic Regulations		32,920	35,175	36,069	46,022	44,622	44,622	47,304	49,906	52,650
05.6 - Vehicle Licensing And Testing		11,395	10,936	11,722	14,400	14,400	14,400	15,097	15,927	16,803
05.7 - Vehicle Licensing And Testing		-	-	-	-	-	-	-	-	-
05.8 - Community Parks		25,106	23,586	22,867	27,498	26,898	26,898	27,189	28,548	30,118
05.9 - Sport Grounds And Stadiums		6,924	5,912	4,955	7,151	7,151	7,151	7,256	7,656	8,115
05.10 - Community Halls And Facilities		3,875	3,522	4,908	4,343	4,343	4,343	4,473	4,741	5,002
05.11 - Swimming Pools		5,017	4,290	4,771	5,221	5,221	5,221	5,448	5,747	6,063
05.12 - Cemeteries		16,770	17,826	19,254	20,473	20,473	20,473	20,802	22,355	23,585
05.13 - Resorts And Camping Sites Inside Spm		7,468	6,676	8,469	7,844	7,844	7,844	7,625	7,693	8,117
05.14 - Resorts And Camping Sites Outside Spm		3,741	4,266	4,911	5,553	5,553	5,553	5,493	5,823	6,143
05.15 - Resort Transka		2,029	2,330	2,521	2,905	2,905	2,905	2,811	2,952	3,114
05.16 - Health - Admin		2,875	2,953	2,989	3,457	3,557	3,557	3,479	3,653	3,854
05.17 - Health - Clinics		9,185	5,786	5,453	5,615	5,615	5,615	5,258	5,521	5,797
05.18 - Health - Inspections		5,377	6,994	8,230	8,734	10,734	10,734	9,698	10,183	10,743
05.19 - Health - Commonage And Pound		1,259	1,294	1,346	1,516	1,516	1,516	1,549	1,627	1,724
05.20 - Refuse - Pollution Control/Collection		37,135	40,078	40,826	43,352	46,352	46,352	46,994	50,194	53,734
05.21 - Refuse - Landfill Sites		2,428	3,588	3,353	5,113	4,613	4,613	5,081	5,335	5,628
05.22 - Refuse - Maintenance		14,543	15,743	11,220	18,440	15,940	15,940	18,517	19,535	20,708
Vote 06 - Financial Services		112,282	115,007	117,561	149,015	145,415	145,415	152,611	160,409	169,137
06.1 - Financial Services Admin		3,810	3,811	4,061	3,580	3,580	3,580	3,732	3,919	4,134
06.2 - Financial Management Grant		1,714	2,058	1,620	1,700	1,700	1,700	1,650	1,700	1,700
06.3 - Asset And Risk		5,272	5,578	5,960	8,589	7,989	7,989	8,179	8,588	9,061
06.4 - Budget And Financial Reporting		4	-	-	-	-	-	-	-	-
06.5 - Budget And Financial Reporting		11,098	10,779	10,388	19,256	17,256	17,256	19,916	21,111	22,272
06.6 - Expenditure Creditors/Payroll		8,404	7,782	8,024	11,123	11,123	11,123	11,379	11,948	12,605
06.7 - Information Technology		12,027	10,544	11,478	14,397	14,397	14,397	14,974	15,722	16,587
06.8 - Billing Finance		33,805	37,008	38,252	42,261	41,261	41,261	43,375	45,543	48,048
06.9 - Property Rates And Valuations		8,883	9,163	8,606	10,554	10,554	10,554	11,085	11,639	12,279
06.10 - Debt Collection		13,751	14,109	16,200	20,729	20,729	20,729	21,251	22,314	23,541
06.11 - Supply Chain Management		13,514	14,176	12,973	16,824	16,824	16,824	17,071	17,925	18,910
Vote 07 - Strategy Econ Development And Planning		54,708	54,587	52,401	57,163	57,788	57,788	59,374	62,692	66,125
07.1 - Sedp Admin		2,737	2,672	2,740	2,905	2,905	2,905	2,986	3,136	3,292
07.2 - Tourism		3,886	3,701	3,451	3,949	3,949	3,949	4,041	4,263	4,497
07.3 - Properties Services		2,249	2,398	2,476	2,609	2,609	2,609	2,855	2,999	3,164
07.4 - Economic Development And Planning		8,735	8,560	7,951	8,013	8,638	8,638	8,678	9,198	9,704
07.5 - Town Planning		11,149	12,261	12,625	11,840	11,840	11,840	12,578	13,207	13,933
07.6 - Building Inspectorate		5,372	3,619	2,424	4,436	4,436	4,436	4,349	4,607	4,861
07.7 - Properties Maintenance		10,611	12,700	11,879	13,357	13,357	13,357	13,783	14,610	15,414
07.8 - Markets And Street Trading		7,015	5,737	5,868	6,170	6,170	6,170	6,242	6,617	6,981
07.9 - Urban Renewal Program		2,954	2,939	2,986	3,885	3,885	3,885	3,862	4,055	4,278
Vote 08 - Infrastructure And Services		1,086,983	1,045,177	1,124,100	1,218,882	1,258,232	1,258,232	1,344,020	1,465,516	1,583,273
08.1 - Infrastructure Admin		2,074	2,732	2,712	4,098	4,098	4,098	4,219	4,430	4,673
08.2 - Ce - Water And Sanitation		5,720	5,272	5,873	6,959	6,959	6,959	6,983	7,332	7,736
08.3 - Public Toilets		2,089	1,545	1,889	2,214	5,214	5,214	2,279	2,393	2,524
08.4 - Mechanical Workshops		18,838	20,135	19,620	22,370	22,370	22,370	23,083	24,468	26,181
08.5 - Fleet		(2,638)	(3,804)	868	(0)	150	150	-	0	-
08.6 - Roads Planning And Design		5,126	4,174	3,268	6,443	5,443	5,443	6,701	7,103	7,493
08.7 - Road Construction And Maintenance		33,974	32,604	37,995	35,801	38,901	38,901	36,930	39,146	41,691
08.8 - Housing - Admin		20,485	14,252	14,941	16,614	16,614	16,614	17,019	17,870	18,852
08.9 - Housing - Maintenance		5,341	5,712	5,538	6,252	6,252	6,252	6,461	6,848	7,259
08.10 - Sewerage - Reticulation		9,494	3,801	4,744	3,696	11,696	11,696	10,601	11,547	12,473
08.11 - Sewerage - Treatment		35,893	40,263	39,493	38,030	38,025	38,025	40,100	42,506	44,843
08.12 - Sewerage - Maintenance		29,497	33,463	23,753	35,074	36,179	36,179	35,053	37,156	39,200
08.13 - Water - Treatment		42,165	45,458	51,961	49,780	65,780	65,780	59,515	62,319	65,260
08.14 - Water - Distribution		133,098	153,351	171,135	177,166	186,666	186,666	184,650	199,149	213,537
08.15 - Water - Maintenance		57,840	41,409	41,997	51,552	51,552	51,552	52,498	55,648	58,987
08.16 - Electricity - Admin		607,479	589,575	646,785	701,925	702,425	702,425	794,062	879,735	960,746
08.17 - Electricity - Maintenance		52,268	48,576	43,570	53,409	52,409	52,409	55,036	58,418	61,708
08.18 - Electricity - Streetlights Maintenance		28,239	6,658	7,959	7,500	7,500	7,500	8,830	9,448	10,109
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	1,936,318	1,860,985	1,936,838	2,193,028	2,241,373	2,241,373	2,344,984	2,524,262	2,699,808
Surplus/(Deficit) for the year	2	220,357	169,902	243,615	150,490	136,229	136,229	188,493	119,704	118,132

NC091 Sol Plaatje - Table A4 Budgeted Financial Performance (revenue and expenditure)

R0051 G01 Page - Table A4 Budgeted Financial Performance (Revenue and Expenditure)											
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand	1										
Revenue By Source											
Property rates	2	509,454	512,886	555,073	584,108	584,108	584,108	418,884	603,707	647,214	702,111
Service charges - electricity revenue	2	649,455	552,454	664,828	766,232	766,232	766,232	459,377	861,157	952,511	1,038,966
Service charges - water revenue	2	243,316	236,691	258,618	278,626	278,626	278,626	199,519	294,012	314,138	333,503
Service charges - sanitation revenue	2	64,503	67,424	73,119	71,175	71,175	71,175	53,627	76,648	81,626	86,434
Service charges - refuse revenue	2	48,614	48,780	52,564	53,984	53,984	53,984	47,196	59,567	63,433	67,799
Rental of facilities and equipment		10,566	11,092	11,427	12,440	12,440	12,440	8,158	13,145	13,809	14,569
Interest earned - external investments		18,700	10,002	5,503	10,000	4,000	4,000	860	9,000	12,000	15,000
Interest earned - outstanding debtors		174,794	141,429	145,492	154,000	144,000	144,000	4,973	157,200	155,204	151,983
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		21,830	36,982	31,614	33,345	33,345	33,345	12,941	34,725	36,553	38,563
Licences and permits		5,312	6,319	5,863	6,100	6,100	6,100	6,780	6,500	6,858	7,235
Agency services		5,539	576	-	-	-	-	-	-	-	-
Transfers and subsidies		172,480	192,110	214,815	224,542	260,137	260,137	232,824	230,640	241,544	243,434
Other revenue	2	24,519	16,309	18,108	18,008	18,008	18,008	14,376	19,411	20,453	21,558
Gains		(1)	577	417	-	22,000	22,000	4,354	-	-	-
Total Revenue (excluding capital transfers and contributions)		1,949,082	1,833,634	2,037,442	2,212,561	2,254,156	2,254,156	1,463,867	2,365,711	2,545,342	2,721,154
Expenditure By Type											
Employee related costs	2	647,309	688,565	652,922	814,281	800,081	800,081	524,199	836,388	885,627	934,849
Remuneration of councillors		28,409	28,388	30,367	33,023	33,023	33,023	22,650	34,547	36,275	38,270
Debt impairment	3	240,467	205,848	232,991	249,000	252,000	252,000	124,503	275,000	293,600	310,648
Depreciation & asset impairment	2	64,443	61,697	69,409	73,550	73,550	73,550	-	79,150	84,325	89,218
Finance charges		27,213	25,790	30,582	23,542	35,542	35,542	12,785	22,261	20,963	19,501
Bulk purchases - electricity	2	420,968	459,678	515,937	562,500	554,500	554,500	330,545	647,000	724,640	797,104
Inventory consumed	8	-	45,612	48,468	-	87,414	87,414	29,494	279,331	297,748	321,102
Contracted services		53,354	42,342	38,346	44,948	49,548	49,548	19,713	46,687	49,173	51,770
Transfers and subsidies		9,325	3,940	2,733	6,060	4,280	4,280	1,951	4,850	4,952	5,060
Other expenditure	4, 5	176,559	90,334	100,987	110,697	140,679	140,679	91,744	119,770	126,960	132,287
Losses		2,637	514	569	-	-	-	-	-	-	-
Total Expenditure		1,670,684	1,652,708	1,723,311	1,917,601	2,030,618	2,030,618	1,157,583	2,344,984	2,524,262	2,699,808
Surplus/(Deficit)		278,398	180,926	314,131	294,960	223,538	223,538	306,284	20,727	21,079	21,346
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		203,033	197,254	143,011	116,556	109,046	109,046	-	167,766	98,625	96,786
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	6	-	-	-	14,400	14,400	14,400	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		4,561	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		485,992	378,179	457,141	425,916	346,984	346,984	306,284	188,493	119,704	118,132
Taxation											
Surplus/(Deficit) after taxation		485,992	378,179	457,141	425,916	346,984	346,984	306,284	188,493	119,704	118,132
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		485,992	378,179	457,141	425,916	346,984	346,984	306,284	188,493	119,704	118,132
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		485,992	378,179	457,141	425,916	346,984	346,984	306,284	188,493	119,704	118,132

Vote Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		115,970	60,305	90,408	23,500	43,312	43,312	21,457	24,000	7,000	10,000
Vote 03 - Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 05 - Community Services		-	-	-	-	-	-	-	-	-	-
Vote 06 - Financial Services		-	-	-	-	-	-	-	-	-	-
Vote 07 - Strategy Econ Development And Planning		-	-	-	14,400	14,400	14,400	-	-	-	-
Vote 08 - Infrastructure And Services		65,969	67,323	18,392	76,906	63,233	63,233	26,716	79,266	43,948	40,768
Vote 09 -		-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	181,939	127,628	108,800	114,806	120,946	120,946	48,173	103,266	50,948	50,768
Single-year expenditure to be appropriated	2										
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		33,084	23,125	3,887	17,000	25,500	25,500	13,733	31,500	40,177	45,018
Vote 03 - Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 05 - Community Services		-	-	-	-	-	-	-	-	-	-
Vote 06 - Financial Services		-	-	-	-	-	-	-	-	-	-
Vote 07 - Strategy Econ Development And Planning		-	-	-	-	1,000	1,000	-	8,000	-	-
Vote 08 - Infrastructure And Services		30,736	49,933	24,330	22,650	8,000	8,000	3,968	36,500	22,000	20,000
Vote 09 -		-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		63,819	73,057	28,218	39,650	34,500	34,500	17,701	76,000	62,177	65,018
Total Capital Expenditure - Vote		245,758	200,685	137,018	154,456	155,446	155,446	65,874	179,266	113,125	115,786
Capital Expenditure - Functional											
Governance and administration		149,054	83,430	94,295	40,500	68,812	68,812	35,190	55,500	47,177	55,018
Executive and council		149,054	83,430	94,295	40,500	68,812	68,812	35,190	55,500	47,177	55,018
Finance and administration		-	-	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		-	-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		-	-	-	14,400	15,400	15,400	-	8,000	-	-
Planning and development		-	-	-	14,400	15,400	15,400	-	8,000	-	-
Road transport		-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		96,704	117,256	42,723	99,556	71,233	71,233	30,684	115,766	65,948	60,768
Energy sources		25,105	43,389	12,108	25,658	18,706	18,706	5,252	67,500	22,000	20,000
Water management		64,834	36,981	7,058	8,000	6,500	6,500	2,904	1,000	12,000	11,500
Waste water management		6,766	36,886	23,556	65,898	46,027	46,027	22,528	47,266	31,948	29,268
Waste management		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	245,758	200,685	137,018	154,456	155,446	155,446	65,874	179,266	113,125	115,786
Funded by:											
National Government		183,356	172,816	126,994	116,556	109,046	109,046	60,590	167,766	98,625	96,786
Provincial Government		-	4,207	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	14,400	14,400	14,400	-	-	-	-
Transfers recognised - capital	4	183,356	177,023	126,994	130,956	123,446	123,446	60,590	167,766	98,625	96,786
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		-	23,662	10,023	23,500	32,000	32,000	5,284	11,500	14,500	19,000
Total Capital Funding	7	183,356	200,685	137,018	154,456	155,446	155,446	65,874	179,266	113,125	115,786

NC091 Sol Plaatje - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

R thousand	Vote Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework			Multi-year appropriation for Budget Year 2021/22 in the 2020/21 Annual Budget				Multi-year appropriation for 2022/23 in the 2020/21 Annual Budget				New multi-year appropriations (funds for new and existing projects)			
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	Appropriation for 2021/22	Adjustments in 2020/21	Downward adjustments for 2021/22	Appropriation carried forward	Appropriation for 2021/22	Adjustments in 2020/21	Downward adjustments for 2021/22	Appropriation carried forward	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
	Capital expenditure - Municipal Vote																						
	Multi-year expenditure Appropriation	2																					
	Vote 01 - Executive & Council																						
	01.1 - Council's Expenses																						
	01.2 - Executive Mayor Admin																						
	01.3 - Speakers Office Admin																						
	Vote 02 - Municipal And General		115,970	66,305	90,408	23,500	43,312	43,312	21,457	24,000	7,000	10,000	24,000			24,000	7,000			7,000			10,000
	02.1 - Municipal And General		115,970	66,305	90,408	23,500	43,312	43,312	21,457	24,000	7,000	10,000	24,000			24,000	7,000			7,000			10,000
	02.2 - Mun - Insurance Fund - Short Term																						
	02.3 - Mun - Workmen's Compensation Fund																						
	Vote 03 - Municipal Manager																						
	03.1 - Municipal Manager - Admin																						
	03.2 - Internal Investigations																						
	03.3 - Internal Audit																						
	03.4 - Isp Unit																						
	03.5 - Project Management Unit - Pmu																						
	Vote 04 - Corporate Services																						
	04.1 - Corporate Services - Admin																						
	04.2 - Office Services And Archives																						
	04.3 - H R - Management																						
	04.4 - H R - Recruitment And Benefits																						
	04.5 - H R - Training And Development																						
	04.6 - H R - Local Authority Training																						
	04.7 - Publicity And Media Coordination																						
	04.8 - Risk Management																						
	04.9 - Security And Protection																						
	Vote 05 - Community Services																						
	05.1 - Community Services - Admin																						
	05.2 - Emergency Services																						
	05.3 - Biodiversity And Landscape																						
	05.4 - Libraries																						
	05.5 - Road Traffic Regulations																						
	05.6 - Vehicle Licensing And Testing																						
	05.7 - Vehicle Licensing And Testing																						
	05.8 - Community Parks																						
	05.9 - Sport Grounds And Stadiums																						
	05.10 - Community Halls And Facilities																						
	05.11 - Swimming Pools																						
	05.12 - Cemeteries																						
	05.13 - Resorts And Camping Sites Inside Spm																						
	05.14 - Resorts And Camping Sites Outside Spm																						
	05.15 - Resort Transele																						
	05.16 - Health - Admin																						
	05.17 - Health - Clinics																						
	05.18 - Health - Inspections																						
	05.19 - Health - Commonage And Pound																						
	05.20 - Refuse - Pollution Control/Collection																						
	05.21 - Refuse - Landfill Sites																						
	05.22 - Refuse - Maintenance																						
	Vote 06 - Financial Services																						
	06.1 - Financial Services Admin																						
	06.2 - Financial Management Grant																						
	06.3 - Asset And Risk																						
	06.4 - Budget And Financial Reporting																						
	06.5 - Budget And Financial Reporting																						
	06.6 - Expenditure Creditors/Payroll																						
	06.7 - Information Technology																						
	06.8 - Billing Finance																						
	06.9 - Property Rates And Valuations																						
	06.10 - Debt Collection																						
	06.11 - Supply Chain Management																						
	Vote 07 - Strategy Econ Development And Planning					14,400	14,400	14,400															
	07.1 - Sedy Admin																						
	07.2 - Tourism																						
	07.3 - Properties Services																						
	07.4 - Economic Development And Planning					14,400	14,400	14,400															
	07.5 - Town Planning																						
	07.6 - Building Inspectorate																						
	07.7 - Properties Maintenance																						
	07.8 - Markets And Street Trading																						
	07.9 - Urban Renewal Program																						
	Vote 08 - Infrastructure And Services		65,969	67,323	16,392	76,906	63,233	63,233	26,716	79,266	43,948	40,768	79,266			79,266	43,948			43,948			40,768
	08.1 - Infrastructure Admin																						
	08.2 - Ce - Water And Sanitation																						
	08.3 - Public Toilets																						
	08.4 - Mechanical Workshops																						
	08.5 - Fleet																						
	08.6 - Roads Planning And Design																						
	08.7 - Road Construction And Maintenance																						
	08.8 - Housing - Admin																						
	08.9 - Housing - Maintenance																						
	08.10 - Sewerage - Retention		6,766	25,407	17,700	65,898	46,027	46,027	22,528	47,266	31,948	29,268	47,266			47,266	31,948			31,948			29,268
	08.11 - Sewerage - Treatment																						
	08.12 - Sewerage - Maintenance																						
	08.13 - Water - Treatment																						
	08.14 - Water - Distribution		52,113	36,981	693	5,000					12,000	11,500					12,000			12,000			11,500
	08.15 - Water - Maintenance																						
	08.16 - Electricity - Admin		7,090	4,935		6,008	17,206	17,206	4,188	32,000			32,000			32,000							
	08.17 - Electricity - Maintenance																						
	08.18 - Electricity - Streetlights Maintenance																						
	Vote 09 -																						#N/A
	Vote 10 -																						#N/A
	Vote 11 -																						#N/A
	Vote 12 -																						#N/A
	Vote 13 -																						#N/A
	Vote 14 -																						#N/A
	Vote 15 - Other																						#N/A
	Capital multi-year expenditure sub-total		181,939	127,628	108,809	114,806	128,946	128,946	48,173	103,266													



NC091 Sol Plaatje - Table A6 Budgeted Financial Position

Description		Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
ASSETS												
Current assets												
Cash			81,460	73,916	96,534	123,742	122,492	122,492	(90,152)	172,968	309,728	481,481
Call investment deposits	1		–	–	–	–	–	–	–	–	–	–
Consumer debtors	1		1,085,253	1,362,935	1,617,332	1,197,675	1,388,322	1,388,322	1,782,594	1,475,363	1,471,199	1,559,471
Other debtors			144,005	116,681	109,701	525,717	525,717	525,717	124,412	547,474	570,747	604,992
Current portion of long-term receivables			–	–	–	–	–	–	–	–	–	–
Inventory	2		36,167	39,015	35,583	35,583	35,583	35,583	38,215	35,583	35,583	35,582
Total current assets			1,346,885	1,592,548	1,859,150	1,882,717	2,072,115	2,072,115	1,855,068	2,231,388	2,387,256	2,681,526
Non current assets												
Long-term receivables			–	–	–	37,135	37,135	37,135	–	36,867	35,716	37,859
Investments												
Investment property			194,126	208,859	209,344	205,869	209,369	209,369	209,861	205,486	205,610	217,647
Investment in Associate												
Property, plant and equipment	3		1,647,080	1,741,181	1,808,607	1,886,046	1,883,536	1,883,536	1,873,963	1,964,370	1,942,135	2,054,836
Biological												
Intangible			11,052	5,566	2,508	21,667	21,667	21,667	2,508	7,307	7,673	8,133
Other non-current assets			7,864	12,071	12,071	11,864	11,864	11,864	12,071	11,864	12,457	13,204
Total non current assets			1,860,122	1,967,676	2,032,530	2,162,581	2,163,571	2,163,571	2,098,404	2,225,894	2,203,591	2,331,680
TOTAL ASSETS			3,207,006	3,560,224	3,891,680	4,045,298	4,235,686	4,235,686	3,953,472	4,457,282	4,590,847	5,013,206
LIABILITIES												
Current liabilities												
Bank overdraft	1		–	–	–	–	–	–	–	–	–	–
Borrowing	4		–	–	–	9,534	9,534	9,534	–	–	–	–
Consumer deposits			32,415	35,012	36,793	41,823	41,823	41,823	38,781	45,623	49,224	52,177
Trade and other payables	4		163,871	385,712	513,679	356,338	546,985	546,985	438,025	545,878	510,705	676,954
Provisions			475	–	–	83,390	83,390	83,390	–	89,313	94,029	99,671
Total current liabilities			196,761	420,723	550,472	491,084	681,732	681,732	476,807	680,814	653,957	828,801
Non current liabilities												
Borrowing			210,426	201,167	191,815	182,362	182,362	182,362	187,413	172,829	162,095	171,821
Provisions			231,171	259,275	241,131	232,000	232,000	232,000	241,131	245,000	257,000	272,420
Total non current liabilities			441,598	460,441	432,945	414,362	414,362	414,362	428,544	417,829	419,095	444,241
TOTAL LIABILITIES			638,358	881,165	983,417	905,447	1,096,094	1,096,094	905,351	1,098,643	1,073,052	1,273,042
NET ASSETS	5		2,568,648	2,679,060	2,908,263	3,139,852	3,139,592	3,139,592	3,048,121	3,358,639	3,517,795	3,740,164
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)			485,992	378,179	457,141	425,916	346,984	346,984	306,284	188,493	119,704	118,132
Reserves	4		100,366	72,772	69,484	78,643	92,643	92,643	69,484	79,393	82,181	87,111
TOTAL COMMUNITY WEALTH/EQUITY	5		586,357	450,952	526,625	504,559	439,627	439,627	375,768	267,887	201,885	205,243

NC091 Sol Plaatje - Table A7 Budgeted Cash Flows

2021/22 Medium Term Revenue & Expenditure Framework											
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		-	-	-	634,569	634,569	634,569	410,015	452,388	485,055	514,158
Service charges		-	-	-	1,616,147	1,616,147	1,616,147	1,422,411	960,061	1,038,483	1,121,870
Other revenue		-	-	-	(238,057)	(238,057)	(238,057)	(923,267)	735,021	651,483	864,592
Transfers and Subsidies - Operational	1	-	-	-	65,355	65,355	65,355	6,727	66,267	56,317	59,996
Transfers and Subsidies - Capital	1	-	-	-	65,601	65,601	65,601	27,240	68,000	77,019	81,640
Interest		-	-	-	10,000	10,000	10,000	1,855	-	-	-
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		-	-	-	(1,476,904)	(1,476,904)	(1,476,904)	(1,003,942)	-	-	-
Finance charges		-	-	-	(23,542)	(23,542)	(23,542)	-	(22,261)	(20,963)	(19,501)
Transfers and Grants	1	-	-	-	(6,060)	(6,060)	(6,060)	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	-	-	647,108	647,108	647,108	(58,961)	2,259,476	2,287,394	2,622,755
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	37,135	-	-	-	268	1,151	(2,143)
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
Payments											
Capital assets		-	-	-	154,456	155,446	155,446	60,870	(176,266)	(108,125)	(110,786)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	-	-	191,591	155,446	155,446	60,870	(175,998)	(106,974)	(112,929)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		(32,415)	(2,597)	(1,782)	(5,029)	-	-	(1,988)	3,800	3,601	2,953
Payments											
Repayment of borrowing		-	-	-	(9,534)	9,534	9,534	-	10,734	12,087	12,812
NET CASH FROM/(USED) FINANCING ACTIVITIES		(32,415)	(2,597)	(1,782)	(14,563)	9,534	9,534	(1,988)	14,534	15,688	15,766
NET INCREASE/ (DECREASE) IN CASH HELD											
Cash/cash equivalents at the year begin:	2	226,404	81,460	73,916	202,050	202,050	202,050	(79)	2,098,012	2,196,108	2,525,592
Cash/cash equivalents at the year end:	2	193,989	78,863	72,134	1,026,186	1,014,138	1,014,138	(79)	2,108,320	4,304,428	6,830,020

References

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

Other working capital requirements

Debtors	-	-	-	1,791,358	1,995,432	1,995,432	1,414,366	2,080,434	1,971,797	2,236,214
Creditors due	184,036	312,665	409,287	410,538	410,538	410,538	204,250	623,979	606,080	785,351
Total	(184,036)	(312,665)	(409,287)	1,380,820	1,584,894	1,584,894	1,210,116	1,456,455	1,365,717	1,450,863

Debtors collection assumptions

Balance outstanding - debtors	1,229,258	1,479,617	1,727,033	1,760,527	1,951,175	1,951,175	1,907,006	2,059,704	2,077,662	2,202,322
Estimate of debtors collection rate	0.0%	0.0%	0.0%	101.8%	102.3%	102.3%	74.2%	101.0%	94.9%	101.5%

Long term investments committed

-	-	-	-	-	-	-	-	-	-
Capital Replacement	-	-	-	-	-	-	-	-	-
Self-Insurance	-	-	-	-	-	-	-	-	-
Coid	-	-	-	-	-	-	-	-	-

Reserves to be backed by cash/investments

[illegible]

[illegible]

NC091 Sol Plaatje - Table A9 Asset Management

Description		Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<u>Total Upgrading of Existing Assets</u>		6	138,193	50,443	79,738	35,500	44,412	44,412	40,500	15,677	17,018
Roads Infrastructure			96,872	–	79,738	28,000	39,912	39,912	30,000	15,677	17,018
Storm water Infrastructure			–	–	–	–	–	–	–	–	–
Electrical Infrastructure			11,819	12,637	–	4,500	500	500	1,500	–	–
Water Supply Infrastructure			22,662	14,713	–	3,000	3,000	3,000	1,000	–	–
Sanitation Infrastructure			6,766	21,287	–	–	–	–	–	–	–
Solid Waste Infrastructure			–	–	–	–	–	–	–	–	–
Rail Infrastructure			–	–	–	–	–	–	–	–	–
Coastal Infrastructure			–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure			–	–	–	–	–	–	–	–	–
Infrastructure			138,118	48,637	79,738	35,500	43,412	43,412	32,500	15,677	17,018
Community Facilities			75	–	–	–	1,000	1,000	8,000	–	–
Sport and Recreation Facilities			–	–	–	–	–	–	–	–	–
Community Assets			75	–	–	–	1,000	1,000	8,000	–	–
Heritage Assets			–	–	–	–	–	–	–	–	–
Revenue Generating			–	–	–	–	–	–	–	–	–
Non-revenue Generating			–	–	–	–	–	–	–	–	–
Investment properties			–	–	–	–	–	–	–	–	–
Operational Buildings			–	1,806	–	–	–	–	–	–	–
Housing			–	–	–	–	–	–	–	–	–
Other Assets			–	1,806	–	–	–	–	–	–	–
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			–	–	–	–	–	–	–	–	–
<u>Total Capital Expenditure</u>		4	245,758	200,685	137,018	154,456	155,446	155,446	179,266	113,125	115,786
Roads Infrastructure			108,887	18,677	79,738	33,000	46,912	46,912	43,000	29,677	33,018
Storm water Infrastructure			11,436	51,582	–	–	2,000	2,000	–	–	–
Electrical Infrastructure			25,105	43,389	12,108	25,658	18,706	18,706	67,500	22,000	20,000
Water Supply Infrastructure			64,834	36,981	7,058	8,000	6,500	6,500	1,000	12,000	11,500
Sanitation Infrastructure			6,766	36,886	23,556	65,898	46,027	46,027	47,266	31,948	29,268
Solid Waste Infrastructure			–	–	–	–	–	–	–	–	–
Rail Infrastructure			–	–	–	–	–	–	–	–	–
Coastal Infrastructure			–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure			–	–	–	–	–	–	–	–	–
Infrastructure			217,028	187,514	122,461	132,556	120,146	120,146	158,766	95,625	93,786
Community Facilities			440	1,856	4,534	–	7,400	7,400	8,000	–	–
Sport and Recreation Facilities			8,144	2,642	–	–	–	–	–	–	–
Community Assets			8,583	4,497	4,534	–	7,400	7,400	8,000	–	–
Heritage Assets			–	4,207	–	–	–	–	–	–	–
Revenue Generating			813	2,660	813	1,500	5,000	5,000	3,000	5,000	5,000
Non-revenue Generating			–	–	–	–	–	–	–	–	–
Investment properties			813	2,660	813	1,500	5,000	5,000	3,000	5,000	5,000
Operational Buildings			–	1,806	–	–	–	–	–	–	–
Housing			–	–	–	–	–	–	–	–	–
Other Assets			–	1,806	–	–	–	–	–	–	–
Biological or Cultivated Assets			–	–	–	–	–	–	–	–	–
Servitudes			–	–	–	–	–	–	–	–	–
Licences and Rights			11,340	–	–	14,400	14,400	14,400	–	–	–
Intangible Assets			11,340	–	–	14,400	14,400	14,400	–	–	–
Computer Equipment			864	–	3,253	2,000	4,500	4,500	3,500	3,500	4,000
Furniture and Office Equipment			548	–	634	2,000	2,000	2,000	2,000	2,000	3,000
Machinery and Equipment			578	–	–	–	–	–	–	–	–
Transport Assets			6,003	–	5,323	2,000	2,000	2,000	4,000	7,000	10,000
Land			–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals			–	–	–	–	–	–	–	–	–
TOTAL CAPITAL EXPENDITURE - Asset class			245,758	200,685	137,018	154,456	155,446	155,446	179,266	113,125	115,786

NC091 Sol Plaatje - Table A9 Asset Management

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand										
ASSET REGISTER SUMMARY - PPE (WDV)	5	1,860,122	1,967,676	2,032,530	2,125,446	2,126,436	2,126,436	2,189,027	2,167,874	2,293,820
Roads Infrastructure		362,255	396,469	475,549	166,555	180,467	180,467	177,129	171,013	182,834
Storm water Infrastructure		47,709	66,727	53,445	95,805	97,805	97,805	118,802	124,742	132,226
Electrical Infrastructure		237,020	269,120	273,592	318,881	311,930	311,930	374,895	325,765	341,991
Water Supply Infrastructure		257,705	285,144	284,983	473,728	472,228	472,228	493,378	528,997	559,517
Sanitation Infrastructure		365,436	396,531	407,873	471,975	452,104	452,104	447,042	451,712	474,218
Solid Waste Infrastructure		22,612	21,806	21,127	6,599	6,599	6,599	6,599	6,929	7,345
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		1,292,737	1,435,798	1,516,569	1,533,543	1,521,133	1,521,133	1,617,844	1,609,157	1,698,130
Community Assets		184,392	168,391	160,502	262,467	269,867	269,867	260,850	240,492	254,922
Heritage Assets		7,864	12,071	12,071	11,864	11,864	11,864	11,864	12,457	13,204
Investment properties		194,126	208,859	209,344	205,869	209,369	209,369	205,486	205,610	217,647
Other Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		11,052	5,566	2,508	21,667	21,667	21,667	7,307	7,673	8,133
Computer Equipment		4,745	5,756	4,823	9,863	12,363	12,363	13,387	13,881	15,004
Furniture and Office Equipment		4,131	3,597	2,664	2,628	2,628	2,628	2,621	2,652	3,691
Machinery and Equipment		3,337	3,128	2,911	4,638	4,638	4,638	4,638	4,869	5,162
Transport Assets		37,576	31,090	25,653	17,977	17,977	17,977	10,100	13,405	16,790
Land		120,161	93,420	95,485	54,930	54,930	54,930	54,930	57,677	61,138
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	1,860,122	1,967,676	2,032,530	2,125,446	2,126,436	2,126,436	2,189,027	2,167,874	2,293,820
EXPENDITURE OTHER ITEMS		317,203	294,143	287,242	336,002	337,176	337,176	347,876	371,642	396,223
<u>Depreciation</u>	7	64,443	61,697	69,409	73,550	73,550	73,550	79,150	84,325	89,218
<u>Repairs and Maintenance by Asset Class</u>	3	252,761	232,446	217,834	262,452	263,626	263,626	268,726	287,317	307,005
Roads Infrastructure		43,323	42,323	46,057	44,251	47,641	47,641	45,195	50,545	56,226
Storm water Infrastructure		483	598	–	665	665	665	600	636	677
Electrical Infrastructure		67,611	56,875	52,173	61,259	59,759	59,759	64,176	68,189	72,155
Water Supply Infrastructure		51,220	36,640	37,718	45,002	46,322	46,322	45,998	48,758	51,683
Sanitation Infrastructure		26,596	28,872	20,370	30,824	30,609	30,609	30,903	32,757	34,562
Solid Waste Infrastructure		17,012	18,778	13,991	22,983	22,983	22,983	22,978	24,219	25,649
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		1,780	1,329	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		208,025	185,414	170,309	204,983	207,978	207,978	209,850	225,104	240,953
Community Facilities		2,247	2,916	1,785	3,222	2,222	2,222	3,420	3,894	4,110
Sport and Recreation Facilities		402	401	533	770	770	770	790	447	473
Community Assets		2,649	3,318	2,318	3,992	2,992	2,992	4,210	4,341	4,583
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		6,063	6,653	6,357	7,289	7,289	7,289	7,509	7,959	8,431
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		6,063	6,653	6,357	7,289	7,289	7,289	7,509	7,959	8,431
Operational Buildings		12,268	13,924	12,760	10,489	14,289	14,289	14,890	15,784	16,669
Housing		–	–	–	–	–	–	–	–	–
Other Assets		12,268	13,924	12,760	10,489	14,289	14,289	14,890	15,784	16,669
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		1,377	1,261	1,051	1,732	1,753	1,753	1,684	1,778	1,877
Machinery and Equipment		17,247	17,095	21,657	23,251	22,631	22,631	24,179	25,609	27,364
Transport Assets		5,133	4,782	3,383	10,716	6,694	6,694	6,404	6,742	7,129
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
TOTAL EXPENDITURE OTHER ITEMS		317,203	294,143	287,242	336,002	337,176	337,176	347,876	371,642	396,223
<i>Renewal and upgrading of Existing Assets as % of total capex</i>		69.8%	68.4%	63.1%	56.9%	51.1%	51.1%	44.3%	65.1%	63.7%
<i>Renewal and upgrading of Existing Assets as % of deprecn R&M as a % of PPE</i>		266.3%	222.3%	124.6%	119.6%	107.9%	107.9%	100.4%	87.3%	82.7%
<i>Renewal and upgrading of Existing Assets as % of PPE</i>		15.3%	13.3%	12.0%	13.9%	14.0%	14.0%	13.7%	14.8%	14.9%
<i>Renewal and upgrading of R&M as a % of PPE</i>		23.0%	19.0%	15.0%	16.0%	16.0%	16.0%	16.0%	17.0%	17.0%

NC091 Sol Plaatje - Table A10 Basic service delivery measurement

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Household service targets	1									
Water:										
Piped water inside dwelling		43,577	43,577	43,577	43,577	43,577	43,577	43,577	43,577	43,577
Piped water inside yard (but not in dwelling)		22,582	22,582	22,582	22,582	22,582	22,582	22,582	22,582	22,582
Using public tap (at least min.service level)	2	-	-	-	-	-	-	-	-	-
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		66,159	66,159	66,159	66,159	66,159	66,159	66,159	66,159	66,159
Using public tap (< min.service level)	3	5,272	5,272	5,272	5,272	5,272	5,272	5,272	5,272	5,272
Other water supply (< min.service level)	4	160	160	160	160	160	160	160	160	160
No water supply		349	349	349	349	349	349	349	349	349
<i>Below Minimum Service Level sub-total</i>		5,781	5,781	5,781	5,781	5,781	5,781	5,781	5,781	5,781
Total number of households	5	71,940	71,940	71,940	71,940	71,940	71,940	71,940	71,940	71,940
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		63,359	63,359	63,359	63,359	63,359	63,359	63,359	63,359	63,359
Flush toilet (with septic tank)		1,816	1,816	1,816	1,816	1,816	1,816	1,816	1,816	1,816
Chemical toilet		22	22	22	22	22	22	22	22	22
Pit toilet (ventilated)		1,235	1,235	1,235	1,235	1,235	1,235	1,235	1,235	1,235
Other toilet provisions (> min.service level)		342	342	342	342	342	342	342	342	342
<i>Minimum Service Level and Above sub-total</i>		66,774	66,774	66,774	66,774	66,774	66,774	66,774	66,774	66,774
Bucket toilet		4,352	4,352	4,352	4,352	4,352	4,352	4,352	4,352	4,352
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		812	812	812	812	812	812	812	812	812
<i>Below Minimum Service Level sub-total</i>		5,164	5,164	5,164	5,164	5,164	5,164	5,164	5,164	5,164
Total number of households	5	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938
Energy:										
Electricity (at least min.service level)		9,116	9,116	9,116	9,116	9,116	9,116	9,116	9,116	9,116
Electricity - prepaid (min.service level)		57,145	57,145	57,145	57,145	57,145	57,145	57,145	57,145	57,145
<i>Minimum Service Level and Above sub-total</i>		66,261	66,261	66,261	66,261	66,261	66,261	66,261	66,261	66,261
Electricity (< min.service level)		4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		1,357	1,357	1,357	1,357	1,357	1,357	1,357	1,357	1,357
<i>Below Minimum Service Level sub-total</i>		5,677	5,677	5,677	5,677	5,677	5,677	5,677	5,677	5,677
Total number of households	5	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938
Refuse:										
Removed at least once a week		59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526
<i>Minimum Service Level and Above sub-total</i>		59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526
Removed less frequently than once a week		1,538	1,538	1,538	1,538	1,538	1,538	1,538	1,538	1,538
Using communal refuse dump		1,605	1,605	1,605	1,650	1,650	1,650	1,605	1,605	1,605
Using own refuse dump		3,373	3,373	3,373	3,373	3,373	3,373	3,373	3,373	3,373
Other rubbish disposal		1,371	1,371	1,371	1,371	1,371	1,371	1,371	1,371	1,371
No rubbish disposal		4,526	4,526	4,526	4,526	4,526	4,526	4,526	4,526	4,526
<i>Below Minimum Service Level sub-total</i>		12,413	12,413	12,413	12,458	12,458	12,458	12,413	12,413	12,413
Total number of households	5	71,939	71,939	71,939	71,984	71,984	71,984	71,939	71,939	71,939
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		13,712	14,647	11,509	12,000	12,000	12,000	12,000	13,000	15,000
Sanitation (free minimum level service)		13,712	14,647	11,509	12,000	12,000	12,000	12,000	13,000	15,000
Electricity/other energy (50kwh per household per month)		13,712	14,647	11,509	12,000	12,000	12,000	12,000	13,000	15,000
Refuse (removed at least once a week)		13,712	14,647	11,509	12,000	12,000	12,000	12,000	13,000	15,000
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitres per indigent household per month)		6,052	6,317	5,824	8,125	8,125	8,125	8,000	8,480	8,946
Sanitation (free sanitation service to indigent households)		-	289	310	330	330	330	400	424	447
Electricity/other energy (50kwh per indigent household per month)		-	6,956	-	12,000	12,000	12,000	12,000	12,900	13,868
Refuse (removed once a week for indigent households)		11,504	11,716	12,263	13,200	13,200	13,200	13,300	13,965	14,733
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		36,731	-	-	91,078	91,078	91,078	105,254	-	-
Total cost of FBS provided		54,287	25,278	18,398	124,733	124,733	124,733	138,954	35,769	37,994
Highest level of free service provided per household										
Property rates (R value threshold)		15,000	-	-	15,000	15,000	15,000	15,000	-	-
Water (kilolitres per household per month)		6	-	-	6	6	6	6	-	-
Sanitation (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (Rand per household per month)		145	-	-	175	175	175	187	-	-
Electricity (kwh per household per month)		50	-	-	50	50	50	50	-	-
Refuse (average litres per week)		21	-	-	21	21	21	21	-	-
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)		118	-	-	124	124	124	128	-	-
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		9,546	32,686	28,084	36,480	36,480	36,480	36,150	38,319	40,427
Water (in excess of 6 kilolitres per indigent household per month)		-	19,948	16,626	22,000	22,000	22,000	19,100	20,246	21,360
Sanitation (in excess of free sanitation service to indigent households)		16,770	19,930	19,787	25,167	25,167	25,167	24,000	25,440	26,839
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	32,600	32,931	36,000	36,000	36,000	36,000	38,700	41,603
Refuse (in excess of one removal a week for indigent households)		-	4,181	4,082	4,600	4,600	4,600	4,500	4,725	4,985
Municipal Housing - rental rebates		-	-	-	-	-	-	-	-	-
Housing - top structure subsidies		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total revenue cost of subsidised services provided	6	26,434	109,345	101,509	124,371	124,371	124,371	119,878	127,430	135,213

NC091 Sol Plaatje - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

NC091 Soli Pilaatje - Supporting Table SAT1 Supporting detail to Budgeted Financial Performance											
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand											
REVENUE ITEMS:											
Property rates	6										
Total Property Rates		519,000	545,573	583,157	620,588	620,588	620,588	424,571	639,857	685,533	742,537
Less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		9,546	32,686	28,084	36,480	36,480	36,480	5,687	36,150	38,319	40,427
Net Property Rates		509,454	512,886	555,073	584,108	584,108	584,108	418,884	603,707	647,214	702,111
Service charges - electricity revenue	6										
Total Service charges - electricity revenue		649,455	592,010	697,759	814,232	814,232	814,232	470,294	909,157	1,004,111	1,094,436
Less Revenue Foregone (in excess of 50 kwh per indigent household per month)			32,600	32,931	36,000	36,000	36,000	10,917	36,000	38,700	41,603
Less Cost of Free Basis Services (50 kwh per indigent household per month)		-	6,956	-	12,000	12,000	12,000		12,000	12,900	13,868
Net Service charges - electricity revenue		649,455	552,454	664,828	766,232	766,232	766,232	459,377	861,157	952,511	1,038,966
Service charges - water revenue	6										
Total Service charges - water revenue		249,368	262,956	281,068	308,751	308,751	308,751	205,206	321,112	342,864	363,809
Less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)			19,948	16,626	22,000	22,000	22,000	5,687	19,100	20,246	21,360
Less Cost of Free Basis Services (6 kilolitres per indigent household per month)		6,052	6,317	5,824	8,125	8,125	8,125		8,000	8,480	8,946
Net Service charges - water revenue		243,316	236,691	258,618	278,626	278,626	278,626	199,519	294,012	314,138	333,503
Service charges - sanitation revenue											
Total Service charges - sanitation revenue		81,272	87,643	93,216	96,673	96,673	96,673	65,654	101,048	107,490	113,721
Less Revenue Foregone (in excess of free sanitation service to indigent households)		16,770	19,930	19,787	25,167	25,167	25,167	12,027	24,000	25,440	26,839
Less Cost of Free Basis Services (free sanitation service to indigent households)		-	289	310	330	330	330		400	424	447
Net Service charges - sanitation revenue		64,503	67,424	73,119	71,175	71,175	71,175	53,627	76,648	81,626	86,434
Service charges - refuse revenue	6										
Total refuse removal revenue		60,118	64,677	68,909	71,784	71,784	71,784	48,422	77,367	82,123	87,517
Total landfill revenue											
Less Revenue Foregone (in excess of one removal a week to indigent households)		-	4,181	4,082	4,600	4,600	4,600	1,227	4,500	4,725	4,985
Less Cost of Free Basis Services (removed once a week to indigent households)		11,504	11,716	12,263	13,200	13,200	13,200		13,300	13,965	14,733
Net Service charges - refuse revenue		48,614	48,780	52,564	53,984	53,984	53,984	47,196	59,567	63,433	67,799
Other Revenue by source											
Fuel Levy											
Other Revenue		24,519	16,309	18,108	18,008	18,008	18,008	14,376	19,411	20,453	21,558
Total 'Other' Revenue	1	24,519	16,309	18,108	18,008	18,008	18,008	14,376	19,411	20,453	21,558

NC091 Sol Plaatje - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

RC037 S01 Placeholder - Supporting Table SA1 Supporting detail to Budgeted Financial Performance											
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand											
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	340,348	365,625	384,859	447,432	436,034	436,034	305,201	459,193	487,555	514,265
Pension and UIF Contributions		56,594	59,547	62,760	75,305	75,305	75,305	48,766	77,965	82,085	86,666
Medical Aid Contributions		42,819	45,183	48,775	57,150	57,150	57,150	40,569	58,845	62,117	65,638
Overtime		52,037	54,563	45,344	36,555	36,551	36,551	27,990	39,484	41,406	43,719
Performance Bonus		26,376	26,336	27,067	34,519	34,519	34,519	24,784	35,421	37,286	39,366
Motor Vehicle Allowance		40,598	40,274	40,843	50,861	50,861	50,861	30,367	53,582	56,405	59,518
Cellphone Allowance		1,531	1,501	1,503	1,746	1,746	1,746	1,098	1,701	1,790	1,889
Housing Allowances		2,429	2,674	2,805	3,178	3,178	3,178	2,066	3,197	3,368	3,556
Other benefits and allowances		24,875	26,777	27,808	29,584	32,786	32,786	18,144	28,647	30,159	31,868
Payments in lieu of leave		14,428	13,784	909	16,000	10,000	10,000	4,620	14,000	14,980	15,879
Long service awards		15,510	16,773	19,571	23,951	23,951	23,951	17,497	22,853	24,072	25,416
Post-retirement benefit obligations	4	29,763	35,530	(9,322)	38,000	38,000	38,000	3,099	41,500	44,405	47,069
sub-total	5	647,309	688,565	652,922	814,281	800,081	800,081	524,199	836,388	885,627	934,849
Less: Employees costs capitalised to PPE											
Total Employee related costs	1	647,309	688,565	652,922	814,281	800,081	800,081	524,199	836,388	885,627	934,849
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		60,000	58,056	64,786	68,550	68,550	68,550	-	74,150	78,975	83,547
Lease amortisation		4,071	3,641	4,215	5,000	5,000	5,000	-	5,000	5,350	5,671
Capital asset impairment		371	-	407	-	-	-	-	-	-	-
Total Depreciation & asset impairment	1	64,443	61,697	69,409	73,550	73,550	73,550	-	79,150	84,325	89,218
Bulk purchases - electricity											
Electricity bulk purchases		420,968	459,678	515,937	562,500	554,500	554,500	330,545	647,000	724,640	797,104
Total bulk purchases	1	420,968	459,678	515,937	562,500	554,500	554,500	330,545	647,000	724,640	797,104
Transfers and grants											
Cash transfers and grants		9,325	3,940	2,733	6,060	4,280	4,280	1,951	4,850	4,952	5,060
Non-cash transfers and grants		-	-	-	-	-	-	-	-	-	-
Total transfers and grants	1	9,325	3,940	2,733	6,060	4,280	4,280	1,951	4,850	4,952	5,060
Contracted services											
Outsourced Services		33,443	26,657	23,385	29,195	33,695	33,695	14,359	30,755	32,553	34,438
Consultants and Professional Services		11,133	3,281	5,076	5,788	5,888	5,888	1,599	5,612	5,698	5,792
Contractors		8,778	12,403	9,886	9,965	9,965	9,965	3,755	10,320	10,922	11,541
Total contracted services		53,354	42,342	38,346	44,948	49,548	49,548	19,713	46,687	49,173	51,770
Other Expenditure By Type											
Collection costs		-	-	53	-	-	-	(111)	-	-	-
Contributions to 'other' provisions		-	2	(179)	-	-	-	-	-	-	-
Audit fees		4,930	4,917	5,326	5,800	5,800	5,800	2,603	6,000	6,420	6,805
Other Expenditure		171,629	85,416	95,787	104,897	134,879	134,879	89,252	113,770	120,540	125,481
Total 'Other' Expenditure	1	176,559	90,334	100,987	110,697	140,679	140,679	91,744	119,770	126,960	132,287
by Expenditure Item											
Employee related costs	8	99,042	109,913	109,285	126,110	125,110	125,110	86,886	130,610	138,436	146,752
Inventory Consumed (Project Maintenance)		137,128	110,563	103,942	125,470	127,488	127,488	73,749	127,071	137,100	147,696
Contracted Services		11,714	7,597	869	5,630	5,630	5,630	201	5,210	5,603	6,005
Other Expenditure		4,877	4,373	3,738	5,242	5,397	5,397	3,086	5,835	6,179	6,551
Total Repairs and Maintenance Expenditure	9	252,761	232,446	217,834	262,452	263,626	263,626	163,923	268,726	287,317	307,005
Inventory Consumed											
Inventory Consumed - Water		-	-	-	-	87,414	87,414	-	114,000	124,260	135,444
Inventory Consumed - Other		-	45,612	48,468	-	-	-	29,494	165,331	173,488	185,658
Total Inventory Consumed & Other Material		-	45,612	48,468	-	87,414	87,414	29,494	279,331	297,748	321,102

Description	Ref	Vote 01 - Executive & Council	Vote 02 - Municipal And General	Vote 03 - Municipal Manager	Vote 04 - Corporate Services	Vote 05 - Community Services	Vote 06 - Financial Services	Vote 07 - Strategy Econ Development And Planning	Vote 08 - Infrastructure And Services	Vote 09 -	Vote 10 -	Vote 11 -	Vote 12 -	Vote 13 -	Vote 14 -	Vote 15 - Other	Total
R thousand	1																
Revenue By Source																	
Property rates		–	–	–	–	–	603,707	–	–	–	–	–	–	–	–	–	603,707
Service charges - electricity revenue		–	–	–	–	–	–	–	861,157	–	–	–	–	–	–	–	861,157
Service charges - water revenue		–	–	–	–	–	–	–	294,012	–	–	–	–	–	–	–	294,012
Service charges - sanitation revenue		–	–	–	–	–	–	–	76,648	–	–	–	–	–	–	–	76,648
Service charges - refuse revenue		–	–	–	–	59,567	–	–	–	–	–	–	–	–	–	–	59,567
Rental of facilities and equipment		–	–	–	–	90	–	655	12,400	–	–	–	–	–	–	–	13,145
Interest earned - external investments		–	9,000	–	–	–	–	–	–	–	–	–	–	–	–	–	9,000
Interest earned - outstanding debtors		–	86,000	–	–	11,000	–	–	60,200	–	–	–	–	–	–	–	157,200
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		–	–	–	–	18,225	16,500	–	–	–	–	–	–	–	–	–	34,725
Licences and permits		–	–	–	–	6,500	–	–	–	–	–	–	–	–	–	–	6,500
Agency services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other revenue		–	303	–	1,304	7,445	1,372	8,386	601	–	–	–	–	–	–	–	19,411
Transfers and subsidies		–	215,690	–	5,500	7,800	1,650	–	–	–	–	–	–	–	–	–	230,640
Gains		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contribution)		–	310,993	–	6,804	110,627	623,229	9,041	1,305,018	–	–	–	–	–	–	–	2,365,711
Expenditure By Type																	
Employee related costs		18,016	67,900	19,525	66,640	249,564	131,935	50,529	232,278	–	–	–	–	–	–	–	836,388
Remuneration of councillors		34,547	–	–	–	–	–	–	–	–	–	–	–	–	–	–	34,547
Debt impairment		–	145,000	–	–	3,000	–	–	127,000	–	–	–	–	–	–	–	275,000
Depreciation & asset impairment		–	47,800	–	–	900	–	–	30,450	–	–	–	–	–	–	–	79,150
Finance charges		–	209	–	–	–	–	–	22,051	–	–	–	–	–	–	–	22,261
Bulk purchases - electricity		–	–	–	–	–	–	–	761,000	–	–	–	–	–	–	–	761,000
Inventory consumed		314	20,582	150	2,807	34,945	2,284	6,585	97,665	–	–	–	–	–	–	–	165,331
Contracted services		100	8,080	4,419	2	340	1,460	345	31,941	–	–	–	–	–	–	–	46,687
Transfers and subsidies		–	4,700	–	–	150	–	–	–	–	–	–	–	–	–	–	4,850
Other expenditure		4,905	41,185	931	3,762	8,504	16,933	1,915	41,636	–	–	–	–	–	–	–	119,770
Losses		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		57,883	335,456	25,025	73,211	297,403	152,611	59,374	1,344,020	–	–	–	–	–	–	–	2,344,984
Surplus/(Deficit)		(57,883)	(24,463)	(25,025)	(66,407)	(186,775)	470,617	(50,333)	(39,003)	–	–	–	–	–	–	–	20,727
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)			167,766	–	–	–	–	–	–	–	–	–	–	–	–	–	167,766
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)								–									–
Transfers and subsidies - capital (in-kind - all)			–														–
Surplus/(Deficit) after capital transfers & contributions		(57,883)	143,303	(25,025)	(66,407)	(186,775)	470,617	(50,333)	(39,003)	–	–	–	–	–	–	–	188,493

2021/22 Medium Term Revenue & Expenditure Framework											
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand											
ASSETS											
Consumer debtors											
Consumer debtors		2,203,082	2,308,838	2,663,488	2,592,037	2,775,420	2,775,420	2,473,623	3,194,400	3,444,832	3,651,522
Less: Provision for debt impairment		(1,117,830)	(945,903)	(1,046,157)	(1,394,362)	(1,387,098)	(1,387,098)	(691,028)	(1,719,037)	(1,973,633)	(2,092,051)
Total Consumer debtors	2	1,085,253	1,362,935	1,617,332	1,197,675	1,388,322	1,388,322	1,782,594	1,475,363	1,471,199	1,559,471
Debt impairment provision											
Balance at the beginning of the year		(932,336)	(788,171)	(925,195)	(1,290,023)	(1,290,023)	(1,290,023)	(741,509)	(1,538,673)	(1,784,250)	(1,891,305)
Contributions to the provision		144,166	(137,024)	183,686	(98,650)	(98,650)	(98,650)	56,644	(182,525)	(191,652)	(203,151)
Bad debts written off		(329,659)	(20,708)	(304,648)	(5,689)	1,575	1,575	(6,164)	2,161	2,269	2,405
Balance at end of year		(1,117,830)	(945,903)	(1,046,157)	(1,394,362)	(1,387,098)	(1,387,098)	(691,028)	(1,719,037)	(1,973,633)	(2,092,051)
Inventory											
Water											
Opening Balance		29,606	29,529	29,873	29,919	29,919	29,919	29,919	29,919	29,918	29,918
System Input Volume		(77)	344	46	–	87,414	87,414	270	114,000	124,260	135,443
Water Treatment Works		–	–	–	–	–	–	–	–	–	–
Bulk Purchases		(77)	344	46	–	87,414	87,414	270	114,000	124,260	135,443
Natural Sources		–	–	–	–	–	–	–	–	–	–
Authorised Consumption	6	–	–	–	–	(87,414)	(87,414)	–	(114,000)	(124,260)	(135,444)
Billed Authorised Consumption		–	–	–	–	297,101	297,101	–	285,895	291,631	305,401
Billed Metered Consumption		–	–	–	–	304,365	304,365	–	293,450	299,488	313,730
Free Basic Water		–	–	–	–	44,174	44,174	–	45,941	47,779	50,645
Subsidised Water		–	–	–	–	–	–	–	–	–	–
Revenue Water		–	–	–	–	260,191	260,191	–	247,509	251,710	263,084
Billed Unmetered Consumption		–	–	–	–	(7,264)	(7,264)	–	(7,555)	(7,857)	(8,329)
Free Basic Water		–	–	–	–	(7,264)	(7,264)	–	(7,555)	(7,857)	(8,329)
Subsidised Water		–	–	–	–	–	–	–	–	–	–
Revenue Water		–	–	–	–	–	–	–	–	–	–
UnBilled Authorised Consumption		–	–	–	–	(384,515)	(384,515)	–	(399,895)	(415,891)	(440,845)
Unbilled Metered Consumption		–	–	–	–	(384,515)	(384,515)	–	(399,895)	(415,891)	(440,845)
Unbilled Unmetered Consumption		–	–	–	–	–	–	–	–	–	–
Water Losses		–	–	–	–	–	–	–	–	–	–
Apparent losses		–	–	–	–	–	–	–	–	–	–
Unauthorised Consumption		–	–	–	–	–	–	–	–	–	–
Customer Meter Inaccuracies		–	–	–	–	–	–	–	–	–	–
Real losses		–	–	–	–	–	–	–	–	–	–
Leakage on Transmission and Distribution Mains		–	–	–	–	–	–	–	–	–	–
Leakage and Overflows at Storage Tanks/Reservoirs		–	–	–	–	–	–	–	–	–	–
Leakage on Service Connections up to the point of Customer Meter		–	–	–	–	–	–	–	–	–	–
Data Transfer and Management Errors		–	–	–	–	–	–	–	–	–	–
Unavoidable Annual Real Losses		–	–	–	–	–	–	–	–	–	–
Non-revenue Water		–	–	–	–	(384,515)	(384,515)	–	(399,895)	(415,891)	(440,845)
Closing Balance Water		29,529	29,873	29,919	29,919	29,919	29,919	30,189	29,918	29,918	29,918
Agricultural											
Opening Balance		–	–	–	–	–	–	–	–	–	–
Acquisitions	7	–	–	–	–	–	–	–	–	–	–
Issues		–	–	–	–	–	–	–	–	–	–
Adjustments	8	–	–	–	–	–	–	–	–	–	–
Write-offs	9	–	–	–	–	–	–	–	–	–	–
Closing balance - Agricultural		–	–	–	–	–	–	–	–	–	–
Consumables											
Standard Rated											
Opening Balance		–	–	250	1,006	1,006	1,006	1,006	1,006	1,006	1,006
Acquisitions		–	3,630	7,055	–	–	–	4,227	7,386	7,750	8,294
Issues	7	–	(3,494)	(6,225)	–	–	–	(2,303)	(7,386)	(7,750)	(8,294)
Adjustments	8	–	170	(31)	–	–	–	(40)	–	–	–
Write-offs	9	–	(56)	(42)	–	–	–	–	–	–	–
Closing balance - Consumables Standard Rated		–	250	1,006	1,006	1,006	1,006	2,890	1,006	1,006	1,006
Zero Rated											
Opening Balance		–	–	(234)	(521)	(521)	(521)	(521)	(521)	(521)	(521)
Acquisitions		–	13,307	11,341	–	–	–	7,161	3,379	3,546	3,795
Issues	7	–	(13,342)	(11,551)	–	–	–	(7,019)	(3,379)	(3,546)	(3,795)
Adjustments	8	–	(166)	–	–	–	–	–	–	–	–
Write-offs	9	–	(32)	(77)	–	–	–	–	–	–	–
Closing balance - Consumables Zero Rated		–	(234)	(521)	(521)	(521)	(521)	(379)	(521)	(521)	(521)
Finished Goods											
Opening Balance		–	–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–	–
Issues	7	–	–	–	–	–	–	–	–	–	–
Adjustments	8	–	–	–	–	–	–	–	–	–	–
Write-offs	9	–	–	–	–	–	–	–	–	–	–

NC091 Sol Plaatje - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

KC97 001 Page 6 - Supporting Table SA3 Supporting detail to Budgeted Financial Position											
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand											
Closing balance - Finished Goods		-	-	-	-	-	-	-	-	-	-
Materials and Supplies											
Opening Balance		-	-	2,485	(1,463)	(1,463)	(1,463)	(1,463)	(1,463)	(1,463)	(1,463)
Acquisitions	7	-	31,141	26,760	-	-	-	20,468	154,566	162,192	173,569
Issues	8	-	(28,776)	(30,692)	-	-	-	(20,172)	(154,566)	(162,192)	(173,569)
Adjustments	9	-	350	43	-	-	-	40	-	-	-
Write-offs		-	(231)	(60)	-	-	-	-	-	-	-
Closing balance - Materials and Supplies		-	2,485	(1,463)	(1,463)	(1,463)	(1,463)	(1,128)	(1,463)	(1,463)	(1,463)
Work-in-progress											
Opening Balance		-	-	-	-	-	-	-	-	-	-
Materials		-	-	-	-	-	-	-	-	-	-
Transfers		-	-	-	-	-	-	-	-	-	-
Closing balance - Work-in-progress		-	-	-	-	-	-	-	-	-	-
Housing Stock											
Opening Balance		6,638	6,638	6,642	6,642	6,642	6,642	6,642	6,642	6,642	6,642
Acquisitions		-	-	-	-	-	-	-	-	-	-
Transfers		-	1,671	0	-	-	-	-	-	-	-
Sales		-	(1,667)	-	-	-	-	-	-	-	-
Closing Balance - Housing Stock		6,638	6,642	6,642	6,642	6,642	6,642	6,642	6,642	6,642	6,642
Land											
Opening Balance		-	-	-	-	-	-	-	-	-	-
Acquisitions		-	-	-	-	-	-	-	-	-	-
Sales		-	-	-	-	-	-	-	-	-	-
Adjustments		-	-	-	-	-	-	-	-	-	-
Correction of Prior period errors		-	-	-	-	-	-	-	-	-	-
Closing Balance - Land		-	-	-	-	-	-	-	-	-	-
Closing Balance - Inventory & Consumables		36,167	39,015	35,583	35,583	35,583	35,583	38,215	35,583	35,583	35,582
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)	3	2,307,524	2,452,172	2,583,551	2,753,739	2,751,229	2,751,229	2,648,907	2,907,745	2,932,678	3,104,812
Leases recognised as PPE		-	-	-	-	-	-	-	-	-	-
Less: Accumulated depreciation		660,444	710,991	774,944	867,693	867,693	867,693	774,944	943,375	990,544	1,049,976
Total Property, plant and equipment (PPE)	2	1,647,080	1,741,181	1,808,607	1,886,046	1,883,536	1,883,536	1,873,963	1,964,370	1,942,135	2,054,836
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)		-	-	-	-	-	-	-	-	-	-
Current portion of long-term liabilities		-	-	-	9,534	9,534	9,534	-	-	-	-
Total Current liabilities - Borrowing		-	-	-	9,534	9,534	9,534	-	-	-	-
Trade and other payables											
Trade Payables	5	184,036	312,665	409,287	410,538	410,538	410,538	204,250	617,791	599,666	778,552
Other creditors		-	-	-	-	-	-	-	6,188	6,414	6,799
Unspent conditional transfers		31,649	6,901	27,126	-	190,648	190,648	121,515	12,628	(372)	(94)
VAT		(51,814)	66,146	77,266	(54,201)	(54,201)	(54,201)	112,260	(90,728)	(95,004)	(108,304)
Total Trade and other payables	2	163,871	385,712	513,679	356,338	546,985	546,985	438,025	545,878	510,705	676,954
Non current liabilities - Borrowing											
Borrowing	4	210,426	201,167	191,815	182,362	182,362	182,362	187,413	172,829	162,095	171,821
Finance leases (including PPP asset element)		-	-	-	-	-	-	-	-	-	-
Total Non current liabilities - Borrowing		210,426	201,167	191,815	182,362	182,362	182,362	187,413	172,829	162,095	171,821
Provisions - non-current											
Retirement benefits		230,112	257,488	239,565	232,000	232,000	232,000	239,565	245,000	257,000	272,420
Refuse landfill site rehabilitation		-	477	298	-	-	-	298	-	-	-
Other		1,060	1,310	1,268	-	-	-	1,268	-	-	-
Total Provisions - non-current		231,171	259,275	241,131	232,000	232,000	232,000	241,131	245,000	257,000	272,420
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance		2,207,787	2,468,282	2,606,287	2,918,594	2,918,594	2,918,594	2,838,779	3,058,424	3,288,565	3,513,509
GRAP adjustments		-	-	-	-	-	-	-	-	-	-
Restated balance		2,207,787	2,468,282	2,606,287	2,918,594	2,918,594	2,918,594	2,838,779	3,058,424	3,288,565	3,513,509
Surplus/(Deficit)		485,992	378,179	457,141	425,916	346,984	346,984	306,284	188,493	119,704	118,132
Transfers to/from Reserves		26,579	1,789	3,289	1,300	1,300	1,300	-	(750)	(788)	(835)
Depreciation offsets		-	-	-	-	-	-	-	-	-	-
Other adjustments		13,559	(59,489)	(14,412)	-	-	-	40	-	-	-
Accumulated Surplus/(Deficit)	1	2,733,916	2,788,761	3,052,305	3,345,810	3,266,878	3,266,878	3,145,104	3,246,167	3,407,482	3,630,807
Reserves											
Housing Development Fund		-	-	-	-	-	-	-	-	-	-
Capital replacement		65,117	39,313	43,753	29,762	43,762	43,762	43,753	26,745	23,577	24,992
Self-insurance		24,278	22,616	14,555	33,106	33,106	33,106	14,555	35,609	39,238	41,592
Other reserves		10,970	10,843	11,176	15,775	15,775	15,775	11,176	17,039	19,366	20,528
Revaluation		-	-	-	-	-	-	-	-	-	-
Total Reserves	2	100,366	72,772	69,484	78,643	92,643	92,643	69,484	79,393	82,181	87,111
TOTAL COMMUNITY WEALTH/EQUITY	2	2,834,282	2,861,533	3,121,789	3,424,453	3,359,521	3,359,521	3,214,587	3,325,560	3,489,662	3,717,918

NC091 Sol Plaatje - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

W005 - GOV Budget - Supporting Table 0A4 Reconciliation of B1 Strategic Objectives and Budget (Revenue)												
Strategic Objective	Goal	Goal Code	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand												
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Marketing the municipality as premier destination for tourism and investment	A	2	285,255	266,533	288,469	303,395	345,790	345,790	310,993	318,223	314,808
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT				514,881	533,870	571,568	603,759	603,159	603,159	623,229	667,662	723,570
MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION				6,591	6,007	1,415	6,177	6,177	6,177	6,804	6,881	7,455
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT				1,135,494	1,021,915	1,169,080	1,291,435	1,291,235	1,291,235	1,415,645	1,543,041	1,665,261
LOCAL ECONOMIC DEVELOPMENT				6,861	5,309	6,910	7,796	7,796	7,796	9,041	9,535	10,059
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	1,949,082	1,833,634	2,037,442	2,212,561	2,254,156	2,254,156	2,365,711	2,545,342	2,721,154

NC091 Sol Plaatje - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Report on Budget Supporting Table One Reconciliation of Strategic Objectives and Budget (Operating Expenditure)													
Strategic Objective	Goal	Goal Code	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	
R thousand													
GOOD GOVERNANCE AND PUBLIC PARTICIPATION				365,032	323,636	306,714	384,247	396,247	396,247	393,339	415,637	437,637	
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT				112,282	115,007	117,561	149,015	145,415	145,415	152,611	160,409	169,137	
MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION				77,587	78,446	85,541	93,791	93,861	93,861	98,236	103,167	108,928	
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT				1,326,710	1,289,309	1,374,622	1,508,810	1,548,060	1,548,060	1,641,423	1,782,358	1,917,981	
LOCAL ECONOMIC DEVELOPMENT	Marketing the municipality as premier destination for tourism and investment	A		54,708	54,587	52,401	57,163	57,788	57,788	59,374	62,692	66,125	
Allocations to other priorities													
Total Expenditure				1	1,936,318	1,860,985	1,936,838	2,193,028	2,241,373	2,241,373	2,344,984	2,524,262	2,699,808

NC091 Sol Plaatje - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Report on Budget Supporting Plans and Recommendations on Strategic Objectives and Budget (Capital Expenditure)												
Strategic Objective	Goal	Goal Code	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand												
GOOD GOVERNANCE AND PUBLIC PARTICIPATION				149,054	83,430	94,295	40,500	68,812	68,812	55,500	47,177	55,018
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT				96,704	117,256	42,723	99,556	71,233	71,233	115,766	65,948	60,768
LOCAL ECONOMIC DEVELOPMENT	Marketing the municipality as premier destination for tourism and investment	A		–	–	–	14,400	15,400	15,400	8,000	–	–
Allocations to other priorities			3									
Total Capital Expenditure			1	245,758	200,685	137,018	154,456	155,446	155,446	179,266	113,125	115,786

NC091 Sol Plaatje - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24

NC091 Sol Plaatje - Supporting Table SA8 Performance indicators and benchmarks

NCS1 Software - Supporting Table SA0 Performance Indicators and Benchmarks											
Description of financial indicator	Basis of calculation	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<u>Borrowing Management</u>											
Credit Rating		Baa1.za	1.8		Baa1.za	1.6	1.6	1.6			
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	1.6%	1.6%	1.8%	1.7%	1.3%	1.3%	1.1%	0.5%	0.4%	0.2%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	1.5%	1.6%	1.7%	1.7%	1.3%	1.3%	1.0%	0.5%	0.4%	0.3%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	209.7%	276.4%	276.1%	231.9%	196.8%	196.8%	269.7%	217.7%	197.2%	197.2%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	6.8	3.8	3.4	3.8	3.0	3.0	3.9	3.3	3.7	3.2
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	6.8	3.8	3.4	3.8	3.0	3.0	3.9	3.3	3.7	3.2
Liquidity Ratio	Monetary Assets/Current Liabilities	0.4	0.2	0.2	0.3	0.2	0.2	(0.2)	0.3	0.5	0.6
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing %		0.0%	0.0%	0.0%	130.4%	128.3%	128.3%	155.5%	74.5%	74.1%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0.0%	0.0%	0.0%	128.3%	128.3%	128.3%	155.5%	74.5%	74.0%	73.4%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	63.1%	80.7%	84.8%	79.6%	86.6%	86.6%	130.3%	87.1%	81.6%	80.9%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))	100.0%	0.0%	0.0%	100.0%	100.0%	100.0%	0.0%	100.0%	0.0%	0.0%
Creditors to Cash and Investments		94.9%	396.5%	567.4%	40.0%	40.5%	40.5%	-257786.0%	29.3%	13.9%	11.4%
<u>Other Indicators</u>											
Electricity Distribution Losses (2)	Total Volume Losses (kW)	65255183	128150719	93841831	92892604	92892604	92892604	0	108568949	111211482	112185346
	Total Cost of Losses (Rand '000)	55,721	117,524	99,335	90,000	90,000	90,000	–	121,760	135,824	149,208
	% Volume (units purchased and generated less units sold)/units purchased and generated	0	2557.0%	1925.0%	1600.0%	1600.0%	1600.0%	0.0%	1600.0%	1600.0%	1600.0%
Water Distribution Losses (2)	Total Volume Losses (kℓ)	17,584	21,256	23,300	17,455	17,455	17,455	–	16,880	16,994	17,109
	Total Cost of Losses (Rand '000)	42787571	56679652	66605225	55000000	55000000	55000000	0	57000000	62130000	67721700
	% Volume (units purchased and generated less units sold)/units purchased and generated	0	5981.0%	6230.0%	5000.0%	5000.0%	5000.0%	0.0%	5000.0%	5000.0%	5000.0%
Employee costs	Employee costs/(Total Revenue - capital revenue)	33.2%	37.6%	32.0%	36.8%	35.5%	35.5%	35.8%	35.4%	34.8%	34.4%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	34.7%	39.1%	33.5%	38.3%	37.0%	37.0%		36.8%	36.2%	35.8%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	13.0%	12.7%	10.7%	11.9%	11.7%	11.7%		11.4%	11.3%	11.3%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	4.7%	4.8%	4.9%	4.4%	4.8%	4.8%	0.9%	4.3%	4.1%	4.0%
<u>IDP regulation financial viability indicators</u>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	–	–	93.3	4,266.1	4,266.1	4,266.1	(114.7)	(176.6)	(179.8)	(193.4)
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	80.6%	103.5%	106.9%	97.6%	108.3%	108.3%	160.7%	106.0%	98.5%	96.5%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	1.6	0.6	0.6	7.0	6.7	6.7	(0.0)	12.4	23.5	34.9

NC091 Sol Plaatje - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2017/18	2018/19	2019/20	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics												
Population			201	243	248	255	255	255	255	255	255	255
Females aged 5 - 14			40	-	46	36	36	36	36	36	36	36
Males aged 5 - 14			40	-	47	36	36	36	36	36	36	36
Females aged 15 - 34			55	-	70	41	41	41	41	41	41	41
Males aged 15 - 34			50	-	65	44	44	44	44	44	44	44
Unemployment			28	28	79	90	90	90	90	90	90	90
Monthly household income (no. of households)	1, 12											
No income		0-2400	4,393	79,310	7,032	44	44	44	44	44	44	44
R1 - R1 600		2400-6000	127 071	114 291	2,001	330	330	330	330	330	330	330
R1 601 - R3 200		6000-12000	32 171	9 682	3 215	1 650	1 650	1 650	1 650	1 650	1 650	1 650
R3 201 - R6 400		12000-18000	26 493	11 926	9 683	2 390	2 390	2 390	2 390	2 390	2 390	2 390
R6 401 - R12 800		18000-30000	12 879	10 923	11 291	5 090	5 090	5 090	5 090	5 090	5 090	5 090
R12 801 - R25 600		30000-42000	3 615	5 243	8 977	6 730	6 730	6 730	6 730	6 730	6 730	6 730
R25 601 - R51 200		42000-54000	1 078	2 056	7 235	6 220	6 220	6 220	6 220	6 220	6 220	6 220
R52 201 - R102 400		54000-72000	611	333	5 776	6 260	6 260	6 260	6 260	6 260	6 260	6 260
R102 401 - R204 800		72000-96000	310	242	3 506	5 860	5 860	5 860	5 860	5 860	5 860	5 860
R204 801 - R409 600		96000-132000	134	78	1 087	5 930	5 930	5 930	5 930	5 930	5 930	5 930
R409 601 - R819 200		132000-192000	-	-	268	6 420	6 420	6 420	6 420	6 420	6 420	6 420
> R819 200		192000-360000	-	-	224	8 350	8 350	8 350	8 350	8 350	8 350	8 350
Poverty profiles (no. of households)												
< R2 060 per household per month	13											
Insert description	2											
Household demographics (000)												
Number of people in municipal area			201	243	248	255	255	255	255	255	255	255
Number of poor people in municipal area			81	74	33	40	40	40	40	40	40	40
Number of households in municipal area			50	52	60	63	63	63	63	63	63	63
Number of poor households in municipal area			-	-	9	9	9	9	9	9	9	9
Definition of poor household (R per month)			-	-	-	-	-	-	-	-	-	-
Housing statistics	3											
Formal			41 282	46 230	49 202	54 500	54 500	54 500	54 500	54 500	54 500	54 500
Informal			9 247	5 733	11 095	9 594	9 594	9 594	9 594	9 594	9 594	9 594
Total number of households			50 529	51 963	60 297	64 094	64 094	64 094	64 094	64 094	64 094	64 094
Dwellings provided by municipality	4		-	-	440	2 550	2 550	2 550	2 550	2 550	2 550	2 550
Dwellings provided by province/s			-	-	-	-	-	-	-	-	-	-
Dwellings provided by private sector	5		-	-	-	-	-	-	-	-	-	-
Total new housing dwellings			-	-	440	2 550	2 550	2 550	2 550	2 550	2 550	2 550
Economic	6											
Inflation/inflation outlook (CPIX)						5.3%	5.3%	5.3%	5.2%	3.9%	4.2%	4.4%
Interest rate - borrowing						12.5%	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%
Interest rate - investment						6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Remuneration increases						7.4%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Consumption growth (electricity)						1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Consumption growth (water)						1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Collection rates	7											
Property tax/service charges						88.0%	88.0%	88.0%	88.0%	88.0%	88.0%	88.0%
Rental of facilities & equipment						100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Interest - external investments						100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Interest - debtors						25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Revenue from agency services						0.0%	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%

Detail on the provision of municipal services for A10

Total municipal services	Ref.		2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
		Household service targets (000)									
		Water:									
		Piped water inside dwelling	43,577	43,577	43,577	43,577	43,577	43,577	43,577	43,577	43,577
		Piped water inside yard (but not in dwelling)	22,582	22,582	22,582	22,582	22,582	22,582	22,582	22,582	22,582
		Using public tap (at least min.service level)	-	-	-	-	-	-	-	-	-
		Other water supply (at least min.service level)	-	-	-	-	-	-	-	-	-
		Minimum Service Level and Above sub-total	66,159	66,159	66,159	66,159	66,159	66,159	66,159	66,159	66,159
		Using public tap (< min.service level)	5,272	5,272	5,272	5,272	5,272	5,272	5,272	5,272	5,272
		Other water supply (< min.service level)	160	160	160	160	160	160	160	160	160
		No water supply	349	349	349	349	349	349	349	349	349
		Below Minimum Service Level sub-total	5,781	5,781	5,781	5,781	5,781	5,781	5,781	5,781	5,781
		Total number of households	71,940	71,940	71,940	71,940	71,940	71,940	71,940	71,940	71,940
		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)	63,359	63,359	63,359	63,359	63,359	63,359	63,359	63,359	63,359
		Flush toilet (with septic tank)	1,816	1,816	1,816	1,816	1,816	1,816	1,816	1,816	1,816
		Chemical toilet	22	22	22	22	22	22	22	22	22
		Pit toilet (ventilated)	1,235	1,235	1,235	1,235	1,235	1,235	1,235	1,235	1,235
		Other toilet provisions (> min.service level)	342	342	342	342	342	342	342	342	342
		Minimum Service Level and Above sub-total	66,774	66,774	66,774	66,774	66,774	66,774	66,774	66,774	66,774
		Bucket toilet	4,352	4,352	4,352	4,352	4,352	4,352	4,352	4,352	4,352
		Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-
		No toilet provisions	812	812	812	812	812	812	812	812	812
		Below Minimum Service Level sub-total	5,164	5,164	5,164	5,164	5,164	5,164	5,164	5,164	5,164
		Total number of households	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938
		Energy:									
		Electricity (at least min.service level)	9,116	9,116	9,116	9,116	9,116	9,116	9,116	9,116	9,116
		Electricity - prepaid (min.service level)	57,145	57,145	57,145	57,145	57,145	57,145	57,145	57,145	57,145
		Minimum Service Level and Above sub-total	66,261	66,261	66,261	66,261	66,261	66,261	66,261	66,261	66,261
		Electricity (< min.service level)	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320
		Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
		Other energy sources	1,357	1,357	1,357	1,357	1,357	1,357	1,357	1,357	1,357
		Below Minimum Service Level sub-total	5,677	5,677	5,677	5,677	5,677	5,677	5,677	5,677	5,677
		Total number of households	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938
		Refuse:									
		Removed at least once a week	59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526
		Minimum Service Level and Above sub-total	59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526
		Removed less frequently than once a week	1,538	1,538	1,538	1,538	1,538	1,538	1,538	1,538	1,538
		Using communal refuse dump	1,605	1,605	1,605	1,605	1,605	1,605	1,605	1,605	1,605
		Using own refuse dump	3,373	3,373	3,373	3,373	3,373	3,373	3,373	3,373	3,373
		Other rubbish disposal	1,371	1,371	1,371	1,371	1,371	1,371	1,371	1,371	1,371
		No rubbish disposal	4,526	4,526	4,526	4,526	4,526	4,526	4,526	4,526	4,526
		Below Minimum Service Level sub-total	12,413	12,413	12,413	12,458	12,458	12,458	12,413	12,413	12,413
		Total number of households	71,939	71,939	71,939	71,984	71,984	71,984	71,939	71,939	71,939
		Household service targets (000)									
		Water:									
		Piped water inside dwelling	43,577	43,577	43,577	43,577	43,577	43,577	43,577	43,577	43,577
		Piped water inside yard (but not in dwelling)	22,582	22,582	22,582	22,582	22,582	22,582	22,582	22,582	22,582
		Using public tap (at least min.service level)	-	-	-	-	-	-	-	-	-
		Other water supply (at least min.service level)	-	-	-	-	-	-	-	-	-
		Minimum Service Level and Above sub-total	66,159	66,159	66,159	66,159	66,159	66,159	66,159	66,159	66,159
		Using public tap (< min.service level)	5,272	5,272	5,272	5,272	5,272	5,272	5,272	5,272	5,272
		Other water supply (< min.service level)	160	160	160	160	160	160	160	160	160
		No water supply	349	349	349	349	349	349	349	349	349
		Below Minimum Service Level sub-total	5,781	5,781	5,781	5,781	5,781	5,781	5,781	5,781	5,781
		Total number of households	71,940	71,940	71,940	71,940	71,940	71,940	71,940	71,940	71,940
		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)	63,359	63,359	63,359	63,359	63,359	63,359	63,359	63,359	63,359
		Flush toilet (with septic tank)	1,816	1,816	1,816	1,816	1,816	1,816	1,816	1,816	1,816
		Chemical toilet	22	22	22	22	22	22	22	22	22
		Pit toilet (ventilated)	1,235	1,235	1,235	1,235	1,235	1,235	1,235	1,235	1,235
		Other toilet provisions (> min.service level)	342	342	342	342	342	342	342	342	342
		Minimum Service Level and Above sub-total	66,774	66,774	66,774	66,774	66,774	66,774	66,774	66,774	66,774
		Bucket toilet	4,352	4,352	4,352	4,352	4,352	4,352	4,352	4,352	4,352
		Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-
		No toilet provisions	812	812	812	812	812	812	812	812	812
		Below Minimum Service Level sub-total	5,164	5,164	5,164	5,164	5,164	5,164	5,164	5,164	5,164
		Total number of households	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938
		Energy:									
		Electricity (at least min.service level)	9,116	9,116	9,116	9,116	9,116	9,116	9,116	9,116	9,116
		Electricity - prepaid (min.service level)	57,145	57,145	57,145	57,145	57,145	57,145	57,145	57,145	57,145
		Minimum Service Level and Above sub-total	66,261	66,261	66,261	66,261	66,261	66,261	66,261	66,261	66,261
		Electricity (< min.service level)	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320
		Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
		Other energy sources	1,357	1,357	1,357	1,357	1,357	1,357	1,357	1,357	1,357
		Below Minimum Service Level sub-total	5,677	5,677	5,677	5,677	5,677	5,677	5,677	5,677	5,677
		Total number of households	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938	71,938
		Refuse:									
		Removed at least once a week	59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526
		Minimum Service Level and Above sub-total	59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526	59,526
		Removed less frequently than once a week	1,538	1,538	1,538	1,538	1,538	1,538	1,538	1,538	1,538
		Using communal refuse dump	1,605	1,605	1,605	1,605	1,605	1,605	1,605	1,605	1,605
		Using own refuse dump	3,373	3,373	3,373	3,373	3,373	3,373	3,373	3,373	3,373
		Other rubbish disposal	1,371	1,371	1,371	1,371	1,371	1,371	1,371	1,371	1,371
		No rubbish disposal	4,526	4,526	4,526	4,526	4,526	4,526	4,526	4,526	4,526
		Below Minimum Service Level sub-total	12,413	12,413	12,413	12,458	12,458	12,458	12,413	12,413	12,413
		Total number of households	71,939	71,939	71,939	71,984	71,984	71,984	71,939	71,939	71,939

NC091 Sol Plaatje Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	193,989	78,863	72,134	1,026,186	1,014,138	1,014,138	(79)	2,108,320	4,304,428	6,830,020
Cash + investments at the yr end less applications - R'000	18(1)b	2	(234,591)	(346,015)	(440,244)	1,404,196	1,416,373	1,416,373	898,083	1,516,430	1,575,451	1,832,072
Cash year end/monthly employee/supplier payments	18(1)b	3	1.6	0.6	0.6	7.0	6.7	6.7	(0.0)	12.4	23.5	34.9
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	485,992	378,179	457,141	425,916	346,984	346,984	306,284	188,493	119,704	118,132
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	(12.4%)	7.1%	3.3%	(6.0%)	(6.0%)	(38.8%)	2.0%	2.6%	2.3%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	0.0%	0.0%	0.0%	101.8%	102.3%	102.3%	74.2%	101.0%	94.9%	101.5%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	15.9%	14.5%	14.5%	14.2%	14.4%	14.4%	10.6%	14.5%	14.3%	13.9%
Capital payments % of capital expenditure	18(1)c;19	8	0.0%	0.0%	0.0%	(100.0%)	(100.0%)	(100.0%)	(92.4%)	98.3%	95.6%	95.7%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								98.1%	97.6%	97.5%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	20.4%	16.7%	(0.2%)	11.1%	0.0%	(0.4%)	5.7%	0.9%	6.0%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	(100.0%)	(0.7%)	(3.1%)	6.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	15.3%	13.3%	12.0%	13.9%	14.0%	14.0%	14.3%	13.7%	14.8%	14.9%
Asset renewal % of capital budget	20(1)(vi)	14	13.6%	43.2%	4.9%	34.0%	22.5%	22.5%	0.0%	21.8%	51.2%	49.0%

NC091 Sol Plaatje - Supporting Table SA11 Property rates summary

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Valuation:	1									
Date of valuation:		2015/01/01	2015/01/01	2019/01/01	2019/01/01					
Financial year valuation used		2017	0	2019	2019			0		
Municipal by-laws s6 in place? (Y/N)	2	Yes	Yes	Yes	Yes			Yes		
Municipal/assistant valuer appointed? (Y/N)		Yes	Yes	Yes	Yes			Yes		
Municipal partnership s38 used? (Y/N)		No	No	No	No	No	No	No	No	No
No. of assistant valuers (FTE)	3	1	–	1	1	1	1	1	1	1
No. of data collectors (FTE)	3	6	–	6	6	6	6	6	6	6
No. of internal valuers (FTE)	3	2	–	2	2	2	2	2	2	2
No. of external valuers (FTE)	3	1	–	1	1	1	1	1	1	1
No. of additional valuers (FTE)	4	–	–	–	–	–	–	–	–	–
Valuation appeal board established? (Y/N)		Yes	Yes	Yes	No			No		
Implementation time of new valuation roll (mths)		24	–	–	24			–		
No. of properties	5	54,376	–	55,031	55,172	55,172	55,172	56,275	57,401	57,401
No. of sectional title values	5	1,012	–	1,165	1,182	1,182	1,182	1,206	1,230	1,230
No. of unreasonably difficult properties s7(2)		–	–	–	–	–	–	–	–	–
No. of supplementary valuations		1,703	–	738	504	504	504	514	524	524
No. of valuation roll amendments		1,703	–	738	504	504	504	514	524	524
No. of objections by rate payers		46	–	591	–	–	–	–	–	–
No. of appeals by rate payers		16	–	39	–	–	–	–	–	–
No. of successful objections	8	13	–	171	–	–	–	–	–	–
No. of successful objections > 10%	8	9	–	127	–	–	–	–	–	–
Supplementary valuation		1	–	1	1	1	1	1	1	1
Public service infrastructure value (Rm)	5	75	–	129	129	129	129	131	134	134
Municipality owned property value (Rm)		1,356	–	1,113	1,112	1,112	1,112	1,134	1,157	1,157
Valuation reductions:										
Valuation reductions-public infrastructure (Rm)		–	–	–	–	–	–	–	–	–
Valuation reductions-nature reserves/park (Rm)		–	–	–	–	–	–	–	–	–
Valuation reductions-mineral rights (Rm)		–	–	–	–	–	–	–	–	–
Valuation reductions-R15,000 threshold (Rm)		715	–	699	706	706	706	720	734	734
Valuation reductions-public worship (Rm)		–	–	–	–	–	–	–	–	–
Valuation reductions-other (Rm)		–	–	–	–	–	–	–	–	–
Total valuation reductions:		715	–	699	706	706	706	720	734	734
Total value used for rating (Rm)	5	28,962	–	34,757	34,986	34,986	34,986	35,686	36,400	36,400
Total land value (Rm)	5									
Total value of improvements (Rm)	5									
Total market value (Rm)	5	29,676	–	35,456	35,692	35,692	35,692	36,406	37,134	37,134
Rating:										
Residential rate used to determine rate for other categories? (Y/N)	5	Yes	Yes	No	Yes			Yes		
Differential rates used? (Y/N)		Yes	Yes	No	Yes			Yes		
Limit on annual rate increase (s20)? (Y/N)		Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes
Special rating area used? (Y/N)		No	–	–	–	–	–	–	–	–
Phasing-in properties s21 (number)		0	0	0	0	0	0	0	0	0
Rates policy accompanying budget? (Y/N)		Yes	Yes	No	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)	6	511,595	512,886	578,654	597,676	597,676	597,676	609,630	621,822	702,111
Rate revenue expected to collect (R'000)	6	460,436	405,607	462,923	537,909	537,909	537,909	548,667	559,640	596,794
Expected cash collection rate (%)		90.0%	79.1%	0.0%	90.0%	90.0%	90.0%	90.0%	90.0%	85.0%
Special rating areas (R'000)	7									
Rebates, exemptions - indigent (R'000)										
Rebates, exemptions - pensioners (R'000)		2,559	–	2,678	2,878	2,878	2,878	2,936	2,995	2,995
Rebates, exemptions - bona fide farm. (R'000)		2,473	–	2,503	2,766	2,766	2,766	2,821	2,877	2,877
Rebates, exemptions - other (R'000)		13,629	–	14,462	15,699	15,699	15,699	16,013	16,333	16,333
Phase-in reductions/discounts (R'000)		–	–	–	–	–	–	–	–	–
Total rebates, exemptns, reductns, discs (R'000)		18,661	–	19,643	21,343	21,343	21,343	21,770	22,205	22,205

[illegible]

NC091 Sol Plaatje - Supporting Table SA12b Property rates by category (budget year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.
Budget Year 2021/22																	
Valuation:																	
No. of properties		49,263	219	2,105	455	285	3,086	186	–	–	–	–	–	–	–	655	22
No. of sectional title property values		1,118	2	53	–	31	2	–	–	–	–	–	–	–	–	–	–
No. of unreasonably difficult properties s7(2)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of supplementary valuations		354	2	41	2	–	16	–	–	–	–	–	–	–	–	99	–
Supplementary valuation (Rm)		227,143,800	2,652,000	395,795,700	22,440,000	–	28,315,200	–	–	–	–	–	–	–	–	7,049,220	–
No. of valuation roll amendments		354	2	41	2	–	16	–	–	–	–	–	–	–	–	99	–
No. of objections by rate-payers		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of appeals by rate-payers		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of appeals by rate-payers finalised		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of successful objections	5	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of successful objections > 10%	5	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Estimated no. of properties not valued		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Years since last valuation (select)		3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Frequency of valuation (select)		4	4	4	4	4	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	Market	Market	Market	Market	Market
Base of valuation (select)		Land & Impr.	Land & Impr.	Land & Impr.	Land & Impr.	Land & Impr.	Land & Impr.	Land & Impr.	Land & Impr.	Land & Impr.	Land & Impr.	Land & Impr.	Land & Impr.	Land & Impr.	Land & Impr.	Land & Impr.	Land & Impr.
Phasing-in properties s21 (number)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Combination of rating types used? (Y/N)		No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Flat rate used? (Y/N)		No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Is balance rated by uniform rate/variable rate?		Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform
Valuation reductions:																	
Valuation reductions-public infrastructure (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-nature reserves/park (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-mineral rights (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-R15,000 threshold (Rm)		720	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-public worship (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-other (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total valuation reductions:																	
Total value used for rating (Rm)	6	20,510	748	6,551	2,320	3,285	1,134	131	–	–	–	–	–	–	–	897	111
Total land value (Rm)	6	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total value of improvements (Rm)	6	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total market value (Rm)	6	21,230	748	6,551	2,320	3,285	1,134	131	–	–	–	–	–	–	–	897	111
Rating:																	
Average rate	3	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rate revenue budget (R'000)		209,713	22,048	196,073	3,160	153,378	–	–	–	–	–	–	–	–	–	–	25,257
Rate revenue expected to collect (R'000)		188,742	19,843	176,465	2,844	138,040	–	–	–	–	–	–	–	–	–	–	22,731
Expected cash collection rate (%)	4	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Special rating areas (R'000)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rebates, exemptions - indigent (R'000)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rebates, exemptions - pensioners (R'000)		2,936	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rebates, exemptions - bona fide farm. (R'000)		–	–	–	2,821	–	–	–	–	–	–	–	–	–	–	–	–
Rebates, exemptions - other (R'000)		8,004	2,839	5,170	–	–	–	–	–	–	–	–	–	–	–	–	–
Phase-in reductions/discounts (R'000)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total rebates,exemptns,eductns,discs (R'000)																	

WCS1 - 2017/18 - Supporting Table 3A13a Service Tariffs by category									
Description	Ref	Provide description of tariff structure where appropriate	2017/18	2018/19	2019/20	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
							Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Property rates (rate in the Rand)	1								
Residential properties		Residential	0.0102	-	-	0.0108	0.0112	0.0120	0.0130
Residential properties - vacant land									
Formal/informal settlements									
Small holdings									
Farm properties - used		Agricultural farms	0.0026	-	-	0.0027	0.0028	0.0030	0.0033
Farm properties - not used		Agricultural business	0.0026	-	-	0.0027	0.0028	0.0030	0.0033
Industrial properties		Industrial	0.0327	-	-	0.0347	0.0358	0.0384	0.0416
Business and commercial properties		Business/Residential	0.0303	-	-	0.0321	0.0335	0.0360	0.0390
Communal land - residential									
Communal land - small holdings									
Communal land - farm property									
Communal land - business and commercial									
Communal land - other									
State-owned properties		State/Public schools	0.0715	-	-	0.0758	-	-	-
Municipal properties									
Public service infrastructure									
Privately owned towns serviced by the owner									
State trust land									
Restitution and redistribution properties									
Protected areas									
National monuments properties									
Exemptions, reductions and rebates (Rands)									
Residential properties									
R15 000 threshold rebate			15,000	15,000	15,000	15,000	15,000	15,000	15,000
General residential rebate			15,000	-	-	15,000	15,000	15,000	15,000
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	2								
Water tariffs									
Domestic									
Basic charge/fixed fee (Rands/month)									
Service point - vacant land (Rands/month)									
Water usage - flat rate tariff (c/kl)									
Water usage - life line tariff		Residential (0-6kl)	6	-	-	6	7	7	8
Water usage - Block 1 (c/kl)		Residential (7-20kl)	24	-	-	25	29	31	33
Water usage - Block 2 (c/kl)		Residential (21-40kl)	27	-	-	28	33	35	38
Water usage - Block 3 (c/kl)		Residential (41-60kl)	28	-	-	30	35	37	40
Water usage - Block 4 (c/kl)		Residential (more than 60kl)	30	-	-	32	37	40	42
Other	2								
Waste water tariffs									
Domestic									
Basic charge/fixed fee (Rands/month)		Basic charge	145	-	-	155	181	193	204
Service point - vacant land (Rands/month)									
Waste water - flat rate tariff (c/kl)		(fill in structure)							
Volumetric charge - Block 1 (c/kl)		(fill in structure)							
Volumetric charge - Block 2 (c/kl)		(fill in structure)							
Volumetric charge - Block 3 (c/kl)		(fill in structure)							
Volumetric charge - Block 4 (c/kl)		(fill in structure)							
Other	2								
Electricity tariffs									
Domestic									
Basic charge/fixed fee (Rands/month)			-	-	-	-	-	-	-
Service point - vacant land (Rands/month)									
FBE		(how is this targeted?)							
Life-line tariff - meter		(describe structure)							
Flat rate tariff - prepaid		(describe structure)							
Flat rate tariff - meter (c/kwh)									
Flat rate tariff - prepaid(c/kwh)									
Meter - IBT Block 1 (c/kwh)		Block 1 (0-50Kwh)	1	-	-	1	2	2	2
Meter - IBT Block 2 (c/kwh)		Block 2 (51-350Kwh)	2	-	-	1	3	3	3
Meter - IBT Block 3 (c/kwh)		Block 3 (351-600Kwh)	2	-	-	2	-	-	-
Meter - IBT Block 4 (c/kwh)		Block 4 (> 600Kwh)	2	-	-	2	-	-	-
Meter - IBT Block 5 (c/kwh)		(fill in thresholds)							
Prepaid - IBT Block 1 (c/kwh)		Block 1 (0-50Kwh)	1	-	-	1	2	-	-
Prepaid - IBT Block 2 (c/kwh)		Block 2 (51-350Kwh)	2	-	-	1	3	-	-
Prepaid - IBT Block 3 (c/kwh)		Block 3 (351-600Kwh)	2	-	-	2	-	-	-
Prepaid - IBT Block 4 (c/kwh)		Block 4 (>600Kwh)	2	-	-	2	-	-	-
Prepaid - IBT Block 5 (c/kwh)		(fill in thresholds)							
Other	2								
Waste management tariffs									
Domestic									
Street cleaning charge									
Basic charge/fixed fee		Basic charge	104	-	-	111	129	138	147
80l bin - once a week									
250l bin - once a week									

NC091 Sol Plaatje - Supporting Table SA13b Service Tariffs by category - explanatory

Description	Ref	Provide description of tariff structure where appropriate	2017/18	2018/19	2019/20	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
							Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Exemptions, reductions and rebates (Rands)									
<i>Residential Properties</i>		standard rebate	15,000	-	-	15,000	15,000	15,000	15,000
Water tariffs									
<i>Water Usage - Life Line Tariff</i>		Residential (0-6kl)	6	-	-	6	7	-	-
<i>Water Usage - Block 1 (C/Kl)</i>		Residential (7-20kl)	24	-	-	25	30	-	-
<i>Water Usage - Block 2 (C/Kl)</i>		Residential (21-40kl)	27	-	-	28	34	-	-
<i>Water Usage - Block 3 (C/Kl)</i>		Residential (41-60kl)	28	-	-	30	36	-	-
<i>Water Usage - Block 4 (C/Kl)</i>		Residential (more than 60kl)	30	-	-	32	39	-	-
Waste water tariffs									
<i>Basic Charge</i>		Basic charge	145	-	-	155	187	-	-
Electricity tariffs									
<i>Domestic Basic Charge</i>			-	-	-	-	-	-	-
<i>Meter - 1bt Block 1 (C/Kwh)</i>		Block 1 (0-50 Kwh)	-	-	-	-	2	-	-
<i>Meter - 1bt Block 2 (C/Kwh)</i>		Block 2 (51-350Kwh)	-	-	-	-	3	-	-
<i>Meter - 1bt Block 3 (C/Kwh)</i>		Block 3 (351-600Kwh) (Block 1:	2	-	-	2	2	-	-
<i>Meter - 1bt Block 4 (C/Kwh)</i>		Block 4 (> 600 Kwh) (Block 2:	2	-	-	2	3	-	-

NC091 Sol Plaatje - Supporting Table SA14 Household bills

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22 % incr.	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Rand/cent											
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		525.10	556.60	501.01	533.07	533.07	533.07	7.7%	574.32	615.73	667.94
Electricity: Basic levy		—	—	—	—	—	—	(100.0%)	—	—	—
Electricity: Consumption		1,862.57	1,591.45	2,094.95	1,934.95	1,934.95	1,934.95	14.6%	2,217.25	2,452.50	2,675.19
Water: Basic levy											
Water: Consumption		497.81	527.04	558.69	589.42	589.42	589.42	4.0%	612.99	654.98	695.33
Sanitation		114.61	121.42	129.32	136.43	136.43	136.43	4.0%	141.89	151.10	160.00
Refuse removal		81.77	86.68	92.32	97.39	97.39	97.39	4.0%	101.29	107.86	115.28
Other											
sub-total		3,081.86	2,883.19	3,376.29	3,291.26	3,291.26	3,291.26	10.8%	3,647.74	3,982.17	4,313.74
VAT on Services		360.16	382.90	428.52	413.78	413.78	413.78	11.4%	461.01	504.97	546.87
Total large household bill:		3,442.02	3,266.09	3,804.81	3,705.04	3,705.04	3,705.04	10.9%	4,108.75	4,487.14	4,860.61
% increase/-decrease			(5.1%)	16.5%	(2.6%)	—	—		10.9%	9.2%	8.3%
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		371.79	394.09	354.73	377.43	377.43	377.43	7.7%	406.64	435.95	472.92
Electricity: Basic levy		—	—	—	—	—	—	(100.0%)	—	—	—
Electricity: Consumption		878.89	646.58	932.15	860.97	860.97	860.97	14.6%	986.58	1,091.26	1,190.35
Water: Basic levy											
Water: Consumption		392.77	415.79	440.79	465.03	465.03	465.03	4.0%	483.63	516.76	548.59
Sanitation		114.61	121.42	129.32	136.43	136.43	136.43	4.0%	141.89	151.10	160.00
Refuse removal		81.77	86.68	92.32	97.39	97.39	97.39	4.0%	101.29	107.86	115.28
Other											
sub-total		1,839.83	1,664.56	1,949.31	1,937.25	1,937.25	1,937.25	9.4%	2,120.03	2,302.93	2,487.14
VAT on Services		205.53	224.48	236.09	234.00	234.00	234.00	9.8%	257.01	280.05	302.13
Total small household bill:		2,045.36	1,889.04	2,185.40	2,171.25	2,171.25	2,171.25	9.5%	2,377.04	2,582.98	2,789.27
% increase/-decrease			(7.6%)	15.7%	(0.6%)	—	—		9.5%	8.7%	8.0%
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates		218.47	231.58	208.45	221.79	221.79	221.79	7.7%	238.95	256.18	277.90
Electricity: Basic levy											
Electricity: Consumption		440.54	293.89	499.98	384.84	384.84	384.84	145,900.0%	440.99	487.78	532.07
Water: Basic levy											
Water: Consumption		261.39	276.65	293.31	309.44	309.44	309.44	4.0%	321.82	343.86	365.04
Sanitation											
Refuse removal											
Other											
sub-total		920.40	802.12	1,001.74	916.07	916.07	916.07	9.4%	1,001.76	1,087.82	1,175.01
VAT on Services		98.27	85.58	102.12	104.15	104.15	104.15	98,610.0%	114.42	124.75	134.57
Total small household bill:		1,018.67	887.70	1,103.86	1,020.22	1,020.22	1,020.22	9.4%	1,116.18	1,212.57	1,309.58
% increase/-decrease			(12.9%)	24.4%	(7.6%)	—	—		9.4%	8.6%	8.0%

[illegible]

NC091 Sol Plaatje - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of institution & investment ID	1	Yrs/Months												
Parent municipality														
Standard Bank 048466271-073		6 months	Notice	Yes	Fixed	8.50%	0		07 May 2019	21,852	-	-	-	21,852
Nedbank 9002324052		6 months	Notice	Yes	Fixed	8.06%	0		06 June 2019	10,397	-	-	-	10,397
Absa Bank 20-7291-5615		6 months	Notice	Yes	Fixed	8.02%	0		06 June 2019	10,396	-	-	-	10,396
Investec Bank Jb 9778751		6 months	Notice	Yes	Fixed	7.95%	0		06 June 2019	10,392	-	-	-	10,392
Absa Bank 20-6295-4443		12 months	Fixed	Yes	Fixed	8.10%	0		26 June 2019	3,302	-	-	-	3,302
Absa Bank 20-78146864		5 months	Fixed	Yes	Fixed	7.54%	0		26 June 2019	2,383	-	-	-	2,383
First Rand, Nedbank, S'Dard, Investec		12 months	Call a/c	Yes	Variable	6.30%	0		30 June 2020	43,072	-	-	-	43,072
Municipality sub-total										101,794		-	-	101,794
Entities														
N/A														-
														-
														-
														-
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	1									101,794		-	-	101,794

[illegible]

NC091 Sol Plaatje - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand										
RECEIPTS:	1, 2									
<u>Operating Transfers and Grants</u>										
National Government:		158,936	182,323	199,286	216,542	246,112	246,112	222,840	233,315	234,752
Local Government Equitable Share										
Equitable Share		150,982	172,437	189,150	205,072	234,642	234,642	212,328	226,115	227,052
Expanded Public Works Programme Integrated Grant		4,762	3,137	3,608	4,170	4,170	4,170	3,362	–	–
Infrastructure Skills Development Grant		1,492	5,049	4,500	5,000	5,000	5,000	5,500	5,500	6,000
Local Government Financial Management Grant		1,700	1,700	1,700	1,700	1,700	1,700	1,650	1,700	1,700
Municipal Disaster Recovery Grant		–	–	–	–	–	–	–	–	–
Municipal Disaster Relief Grant		–	–	328	–	–	–	–	–	–
Municipal Human Settlement Capacity Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Municipal Infrastructure Grant		–	–	–	–	–	–	–	–	–
Municipal Systems Improvement Grant		–	–	–	600	600	600	–	–	–
Water Services Operating Subsidy Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Provincial Government:		7,599	8,267	15,530	8,000	14,625	14,625	7,800	8,229	8,682
Capacity Building		–	–	–	–	–	–	–	–	–
Expanded Public Works Programme		599	467	–	–	–	–	–	–	–
Library Services		7,000	7,800	–	–	–	–	–	–	–
Primary Health Care		–	–	–	–	–	–	–	–	–
Specify (Add grant description)		–	–	15,530	8,000	14,625	14,625	7,800	8,229	8,682
District Municipality:		3,908	1,520	–	–	–	–	–	–	–
14/15: AWARENESS PROGRAMMES		3,908	–	–	–	–	–	–	–	–
Finance and Admin		–	1,520	–	–	–	–	–	–	–
IT Related Projects		–	–	–	–	–	–	–	–	–
Public Safety		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
European Union		–	–	–	–	–	–	–	–	–
Higher Education SA (HESA)		–	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants	5	170,443	192,110	214,815	224,542	260,737	260,737	230,640	241,544	243,434
<u>Capital Transfers and Grants</u>										
National Government:		200,676	191,170	143,011	116,556	109,046	109,046	167,766	98,625	96,786
Infrastructure Skills Development Grant		32,000	36,997	–	–	–	–	–	–	–
Integrated National Electrification Programme Grant		–	–	11,842	19,658	17,206	17,206	66,500	22,000	20,000
Integrated Urban Development Grant		–	–	–	50,955	50,955	50,955	66,266	56,677	59,018
Municipal Infrastructure Grant		34,663	52,242	53,039	–	–	–	–	–	–
Municipal Water Infrastructure Grant		10,150	–	–	–	–	–	–	–	–
Neighbourhood Development Partnership Grant		97,537	58,000	70,386	20,000	27,912	27,912	10,000	–	–
Regional Bulk Infrastructure Grant		26,326	14,713	–	–	–	–	–	–	–
Water Services Infrastructure Grant		–	29,218	7,743	25,943	12,972	12,972	25,000	19,948	17,768
Provincial Government:		2,357	6,083	–	–	–	–	–	–	–
Capacity Building		2,357	6,083	–	–	–	–	–	–	–
Library Services		–	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
Specify (Add grant description)		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	14,400	14,400	14,400	–	–	–
European Union		–	–	–	14,400	14,400	14,400	–	–	–
Total Capital Transfers and Grants	5	203,033	197,254	143,011	130,956	123,446	123,446	167,766	98,625	96,786
TOTAL RECEIPTS OF TRANSFERS & GRANTS		373,476	389,363	357,826	355,498	384,183	384,183	398,406	340,169	340,220

NC091 Sol Plaatje - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand										
EXPENDITURE:	1									
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		105,696	100,821	106,843	101,067	129,337	129,337	101,646	105,421	111,260
Local Government Equitable Share		97,817	90,577	96,007	90,197	118,467	118,467	91,134	98,221	103,560
Expanded Public Works Programme Integrated Grant		4,762	3,137	3,608	4,170	4,170	4,170	3,362	-	-
Infrastructure Skills Development Grant		1,404	5,049	4,694	5,000	5,000	5,000	5,500	5,500	6,000
Local Government Financial Management Grant		1,714	2,058	1,620	1,700	1,700	1,700	1,650	1,700	1,700
Municipal Disaster Relief Grant		-	-	916	-	-	-	-	-	-
Municipal Systems Improvement Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		4,392	624	9,226	7,910	12,535	12,535	7,800	8,229	8,682
Library Services		53	36	-	-	-	-	-	-	-
Specify (Add grant description)		4,338	588	9,226	7,910	12,535	12,535	7,800	8,229	8,682
District Municipality:		2,672	2,059	-	-	-	-	-	-	-
Maintenance		2,672	2,059	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
European Union		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		112,760	103,504	116,069	108,977	141,872	141,872	109,446	113,650	119,942
<u>Capital expenditure of Transfers and Grants</u>										
National Government:		183,356	172,816	126,994	116,556	109,046	109,046	167,766	98,625	96,786
Integrated National Electrification Programme Grant		24,491	35,686	10,297	19,658	17,206	17,206	66,500	22,000	20,000
Integrated Urban Development Grant		-	-	-	50,955	50,955	50,955	66,266	56,677	59,018
Municipal Infrastructure Grant		32,566	45,428	48,758	-	-	-	-	-	-
Municipal Water Infrastructure Grant		6,766	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant		96,872	51,582	61,206	20,000	27,912	27,912	10,000	-	-
Regional Bulk Infrastructure Grant		22,662	14,713	-	-	-	-	-	-	-
Water Services Infrastructure Grant		-	25,407	6,733	25,943	12,972	12,972	25,000	19,948	17,768
Provincial Government:		-	4,207	-	-	-	-	-	-	-
Sports and Recreation		-	4,207	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	14,400	14,400	14,400	-	-	-
European Union		-	-	-	14,400	14,400	14,400	-	-	-
Total capital expenditure of Transfers and Grants		183,356	177,023	126,994	130,956	123,446	123,446	167,766	98,625	96,786
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		296,116	280,527	243,064	239,933	265,318	265,318	277,212	212,275	216,728

NC091 Sol Plaatje - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand										
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		(2,644)	(3,141)	(1,892)	-	-	-	-	-	-
Current year receipts		(5,765)	(8,637)	(4,500)	-	-	-	-	-	-
Conditions met - transferred to revenue		5,268	9,886	4,500	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		(3,141)	(1,892)	(3,784)	-	-	-	-	-	-
Provincial Government:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-
Other grant providers:										
Balance unspent at beginning of the year		-	(83)	-	-	-	-	-	-	-
Current year receipts		-	(1,904)	-	(65,355)	(256,003)	(256,003)	(66,267)	(56,317)	(59,996)
Conditions met - transferred to revenue		-	1,987	-	65,355	65,355	65,355	53,639	56,689	60,090
Conditions still to be met - transferred to liabilities		-	-	-	-	(190,648)	(190,648)	(12,628)	372	94
Total operating transfers and grants revenue		5,268	11,873	4,500	65,355	65,355	65,355	53,639	56,689	60,090
Total operating transfers and grants - CTBM	2	(3,141)	(1,892)	(3,784)	-	(190,648)	(190,648)	(12,628)	372	94
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		-	(20,653)	(5,009)	-	-	-	-	-	-
Current year receipts		(215,003)	(175,526)	(168,384)	(65,601)	(65,601)	(65,601)	(68,000)	(77,019)	(81,640)
Conditions met - transferred to revenue		194,350	191,170	143,011	65,601	65,601	65,601	68,000	77,019	81,640
Conditions still to be met - transferred to liabilities		(20,653)	(5,009)	(33,639)	-	-	-	-	-	-
Provincial Government:										
Balance unspent at beginning of the year		(932)	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		932	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-
Other grant providers:										
Balance unspent at beginning of the year		(8,774)	(7,855)	-	-	-	-	-	-	-
Current year receipts		-	(128)	-	-	-	-	-	-	-
Conditions met - transferred to revenue		918	7,983	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		(7,855)	-	-	-	-	-	-	-	-
Total capital transfers and grants revenue		196,200	199,153	143,011	65,601	65,601	65,601	68,000	77,019	81,640
Total capital transfers and grants - CTBM	2	(28,509)	(5,009)	(33,639)	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		201,468	211,026	147,511	130,956	130,956	130,956	121,639	133,708	141,730
TOTAL TRANSFERS AND GRANTS - CTBM		(31,649)	(6,901)	(37,423)	-	(190,648)	(190,648)	(12,628)	372	94

NC091 Sol Plaatje - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand											
Cash Transfers to other municipalities											
<i>Insert description</i>	1										
Total Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Entities/Other External Mechanisms											
	2										
Total Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Cash Transfers to other Organs of State											
	3										
Total Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Organisations											
<i>Non-Prof.Oth Inst/Grants&Don Diam & Dor</i>		2,730	-	-	-	-	-	-	-	-	-
<i>Non-Prof.Oth Inst/Grants&Don Oth Pub Gra</i>		2,720	1,498	374	3,500	2,000	2,000	270	2,500	2,500	2,500
<i>Non-Prof.Oth Institut/Gariep</i>		1,600	-	-	-	-	-	-	-	-	-
<i>Non-Prof.Oth Institut/Sport Council</i>		-	-	-	-	-	-	-	-	-	-
<i>Non-Prof.Other Institutions/Spca</i>		1,600	1,700	2,000	2,100	2,100	2,100	1,575	2,200	2,300	2,400
Total Cash Transfers To Organisations		8,650	3,198	2,374	5,600	4,100	4,100	1,845	4,700	4,800	4,900
Cash Transfers to Groups of Individuals											
<i>Hh Oth Trans: Housing - Individual Supp</i>		539	604	237	300	20	20	1	-	-	-
<i>Hh Ssp Soc Ass: Grant In Aid</i>		136	138	122	160	160	160	105	150	152	160
Total Cash Transfers To Groups Of Individuals:		675	743	359	460	180	180	106	150	152	160
TOTAL CASH TRANSFERS AND GRANTS	6	9,325	3,940	2,733	6,060	4,280	4,280	1,951	4,850	4,952	5,060
Non-Cash Transfers to other municipalities											
	1										
Total Non-Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to Entities/Other External Mechanisms											
	2										
Total Non-Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to other Organs of State											
	3										
Total Non-Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Non-Cash Grants to Organisations											
	4										
Total Non-Cash Grants To Organisations		-	-	-	-	-	-	-	-	-	-
Groups of Individuals											
	5										
Total Non-Cash Grants To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-
TOTAL NON-CASH TRANSFERS AND GRANTS		-	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS	6	9,325	3,940	2,733	6,060	4,280	4,280	1,951	4,850	4,952	5,060

NC091 Sol Plaatje - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		–	–	–	–	–	–	–	–	–
Pension and UIF Contributions		947	927	844	–	–	–	–	–	–
Medical Aid Contributions		248	306	320	–	–	–	–	–	–
Motor Vehicle Allowance		–	–	–	–	–	–	–	–	–
Cellphone Allowance		2,883	2,766	2,874	3,212	3,212	3,212	3,243	3,405	3,592
Housing Allowances		–	–	–	–	–	–	–	–	–
Other benefits and allowances		24,332	24,389	26,329	29,811	29,811	29,811	31,305	32,870	34,678
Sub Total - Councillors		28,409	28,388	30,367	33,023	33,023	33,023	34,547	36,275	38,270
% increase	4		(0.1%)	7.0%	8.7%	–	–	4.6%	5.0%	5.5%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		7,121	8,440	8,465	8,166	8,166	8,166	8,600	9,050	9,541
Pension and UIF Contributions		936	843	981	1,080	1,080	1,080	1,108	1,166	1,229
Medical Aid Contributions		162	193	206	217	217	217	252	266	280
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance	3	1,632	1,913	2,244	1,876	1,876	1,876	1,961	2,064	2,176
Cellphone Allowance	3	168	168	168	202	202	202	202	212	224
Housing Allowances	3	30	36	36	37	37	37	39	41	44
Other benefits and allowances	3	15	15	15	106	106	106	105	111	117
Payments in lieu of leave		–	–	–	–	–	–	–	–	–
Long service awards		37	48	45	49	49	49	62	65	69
Post-retirement benefit obligations	6									
Sub Total - Senior Managers of Municipality		10,100	11,655	12,160	11,733	11,733	11,733	12,329	12,976	13,679
% increase	4		15.4%	4.3%	(3.5%)	–	–	5.1%	5.2%	5.4%
Other Municipal Staff										
Basic Salaries and Wages		333,228	357,185	376,393	439,266	427,868	427,868	450,593	478,504	504,724
Pension and UIF Contributions		55,658	58,704	61,779	74,225	74,225	74,225	76,857	80,919	85,437
Medical Aid Contributions		42,657	44,990	48,569	56,933	56,933	56,933	58,592	61,851	65,358
Overtime		52,037	54,563	45,344	36,555	36,551	36,551	39,484	41,406	43,719
Performance Bonus		26,376	26,336	27,067	34,519	34,519	34,519	35,421	37,286	39,366
Motor Vehicle Allowance	3	38,967	38,361	38,599	48,985	48,985	48,985	51,621	54,341	57,342
Cellphone Allowance	3	1,363	1,333	1,335	1,545	1,545	1,545	1,499	1,578	1,665
Housing Allowances	3	2,400	2,638	2,769	3,140	3,140	3,140	3,158	3,326	3,512
Other benefits and allowances	3	24,860	26,762	27,793	29,478	32,681	32,681	28,541	30,048	31,751
Payments in lieu of leave		14,428	13,784	909	16,000	10,000	10,000	14,000	14,980	15,879
Long service awards		15,473	16,725	19,526	23,902	23,902	23,902	22,791	24,007	25,347
Post-retirement benefit obligations	6	29,763	35,530	(9,322)	38,000	38,000	38,000	41,500	44,405	47,069
Sub Total - Other Municipal Staff		637,209	676,910	640,762	802,548	788,348	788,348	824,059	872,651	921,169
% increase	4		6.2%	(5.3%)	25.2%	(1.8%)	–	4.5%	5.9%	5.6%
Total Parent Municipality		675,719	716,953	683,289	847,304	833,104	833,104	870,935	921,902	973,119
			6.1%	(4.7%)	24.0%	(1.7%)	–	4.5%	5.9%	5.6%

TOTAL SALARY, ALLOWANCES & BENEFITS		675,719	716,953	683,289	847,304	833,104	833,104	870,935	921,902	973,119
% increase	4		6.1%	(4.7%)	24.0%	(1.7%)	–	4.5%	5.9%	5.6%
TOTAL MANAGERS AND STAFF	5,7	647,309	688,565	652,922	814,281	800,081	800,081	836,388	885,627	934,849

NC091 Sol Plaatje - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4		–		991,012			991,012
Chief Whip			–	–	–			–
Executive Mayor			–	–	1,226,294			1,226,294
Deputy Executive Mayor			–	–	–			–
Executive Committee			–	–	9,321,913			9,321,913
Total for all other councillors			–	–	23,008,215			23,008,215
Total Councillors	8	–	–	–	34,547,434			34,547,434
Senior Managers of the Municipality	5							
Municipal Manager (MM)			2,119,923	1,785	191,100			2,312,808
Chief Finance Officer			1,407,313	254,361	454,110			2,115,784
SM D01			1,373,215	260,399	457,245			2,090,859
SM D02			1,312,278	239,289	424,293			1,975,860
SM D03			1,289,492	247,691	407,362			1,944,545
SM D04			1,098,120	356,288	434,960			1,889,368
								–
Total Senior Managers of the Municipality	8,10	–	8,600,341	1,359,813	2,369,070	–		12,329,224
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	–	8,600,341	1,359,813	36,916,504	–		46,876,658

NC091 Sol Plaatje - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers		Ref	2019/20			Current Year 2020/21			Budget Year 2021/22		
Number		1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities											
Councillors (Political Office Bearers plus Other Councillors)			65	65	–	65	65	–	65	65	–
Board Members of municipal entities		4									
Municipal employees											
Municipal Manager and Senior Managers		5									
Other Managers		3	6	6	–	6	6	–	6	6	–
Professionals		7	3	2	–	3	3	–	3	3	–
Finance			198	79	1	198	174	3	198	181	3
Spatial/town planning			13	13	1	13	13	1	13	13	1
Information Technology			19	6	–	19	13	2	19	13	2
Roads			4	4	–	4	4	–	4	4	–
Electricity			2	2	–	2	1	–	2	2	–
Water			13	7	–	13	7	–	13	8	–
Sanitation			2	2	–	2	1	–	2	2	–
Refuse			3	3	–	3	1	–	3	3	–
Other			–	–	–	–	–	–	–	–	–
Technicians			142	42	–	142	134	–	142	136	–
Finance			275	185	10	275	232	7	275	250	8
Spatial/town planning			10	10	–	10	9	–	10	9	–
Information Technology			29	15	–	29	15	4	29	15	4
Roads			8	4	–	8	6	2	8	5	1
Electricity			6	6	–	6	6	–	6	6	3
Water			150	98	2	150	125	–	150	147	–
Sanitation			10	3	4	10	10	–	10	10	–
Refuse			25	20	1	25	25	1	25	25	–
Other			1	–	–	1	1	–	1	1	–
Clerks (Clerical and administrative)			36	29	3	36	35	–	36	32	–
Service and sales workers			429	345	57	429	374	29	429	402	34
Skilled agricultural and fishery workers			348	206	–	348	251	–	348	231	–
Craft and related trades			145	78	–	145	40	–	145	44	–
Plant and Machine Operators											
Elementary Occupations			215	100	2	215	101	–	215	101	–
			1,017	618	141	1,017	656	94	1,017	656	112
TOTAL PERSONNEL NUMBERS		9	2,701	1,684	211	2,701	1,902	133	2,701	1,939	157
% increase						–	12.9%	(37.0%)	–	1.9%	18.0%
Total municipal employees headcount		6, 10	3,021	1,922	245	3,021	2,154	162	3,021	2,189	186
Finance personnel headcount		8, 10	306	225	32	306	238	29	306	236	29
Human Resources personnel headcount		8, 10	14	13	2	14	14	–	14	14	–

NC091 Sol Plaatje - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description		Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
R thousand	July		August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	
Revenue By Source																	
Property rates			50,309	50,309	50,309	50,309	50,309	50,309	50,309	50,309	50,309	50,309	50,309	603,707	647,214	702,111	
Service charges - electricity revenue			71,763	71,763	71,763	71,763	71,763	71,763	71,763	71,763	71,763	71,763	71,763	861,157	952,511	1,038,966	
Service charges - water revenue			24,501	24,501	24,501	24,501	24,501	24,501	24,501	24,501	24,501	24,501	24,501	294,012	314,138	333,503	
Service charges - sanitation revenue			6,387	6,387	6,387	6,387	6,387	6,387	6,387	6,387	6,387	6,387	6,387	76,648	81,626	86,434	
Service charges - refuse revenue			4,964	4,964	4,964	4,964	4,964	4,964	4,964	4,964	4,964	4,964	4,964	59,567	63,433	67,799	
Rental of facilities and equipment			1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	13,145	13,809	14,569	
Interest earned - external investments			750	750	750	750	750	750	750	750	750	750	750	9,000	12,000	15,000	
Interest earned - outstanding debtors			13,100	13,100	13,100	13,100	13,100	13,100	13,100	13,100	13,100	13,100	13,100	157,200	155,204	151,983	
Dividends received			–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Fines, penalties and forfeits			2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	34,725	36,553	38,563	
Licences and permits			542	542	542	542	542	542	542	542	542	542	542	6,500	6,858	7,235	
Agency services			–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Transfers and subsidies			19,220	19,220	19,220	19,220	19,220	19,220	19,220	19,220	19,220	19,220	19,220	230,640	241,544	243,434	
Other revenue			1,618	1,618	1,618	1,618	1,618	1,618	1,618	1,618	1,618	1,618	1,618	19,411	20,453	21,558	
Gains			–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Total Revenue (excluding capital transfers and contribution)			197,143	197,143	197,143	197,143	197,143	197,143	197,143	197,143	197,143	197,143	197,143	2,365,711	2,545,342	2,721,154	
Expenditure By Type																	
Employee related costs			69,699	69,699	69,699	69,699	69,699	69,699	69,699	69,699	69,699	69,699	69,695	836,388	885,627	934,849	
Remuneration of councillors			2,879	2,879	2,879	2,879	2,879	2,879	2,879	2,879	2,879	2,879	2,879	34,547	36,275	38,270	
Debt impairment			22,917	22,917	22,917	22,917	22,917	22,917	22,917	22,917	22,917	22,917	22,917	275,000	293,600	310,648	
Depreciation & asset impairment			6,596	6,596	6,596	6,596	6,596	6,596	6,596	6,596	6,596	6,596	6,596	79,150	84,325	89,218	
Finance charges			1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	22,261	20,963	19,501	
Bulk purchases - electricity			63,417	63,417	63,417	63,417	63,417	63,417	63,417	63,417	63,417	63,417	(50,583)	647,000	724,640	797,104	
Inventory consumed			13,778	13,778	13,778	13,778	13,778	13,778	13,778	13,778	13,778	13,778	127,776	279,331	297,748	321,102	
Contracted services			3,891	3,891	3,891	3,891	3,891	3,891	3,891	3,891	3,891	3,891	3,890	46,687	49,173	51,770	
Transfers and subsidies			404	404	404	404	404	404	404	404	404	404	404	4,850	4,952	5,060	
Other expenditure			9,981	9,981	9,981	9,981	9,981	9,981	9,981	9,981	9,981	9,981	9,977	119,770	126,960	132,287	
Losses			–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Total Expenditure			195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,406	2,344,984	2,524,262	2,699,808	
Surplus/(Deficit)			1,726	1,726	1,726	1,726	1,726	1,726	1,726	1,726	1,726	1,726	1,736	20,727	21,079	21,346	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)			13,980	13,980	13,980	13,980	13,980	13,980	13,980	13,980	13,980	13,980	13,981	167,766	98,625	96,786	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)																	
Transfers and subsidies - capital (in-kind - all)			–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Surplus/(Deficit) after capital transfers & contributions			15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,717	188,493	119,704	118,132	
Taxation													–	–	–	–	
Attributable to minorities													–	–	–	–	
Share of surplus/ (deficit) of associate													–	–	–	–	
Surplus/(Deficit)			1	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,717	188,493	119,704	118,132	

NC091 Sol Plaatje - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand																
Revenue by Vote																
Vote 01 - Executive & Council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 02 - Municipal And General		39,897	39,897	39,897	39,897	39,897	39,897	39,897	39,897	39,897	39,897	39,897	39,897	478,759	416,848	411,594
Vote 03 - Municipal Manager		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 04 - Corporate Services		567	567	567	567	567	567	567	567	567	567	567	567	6,804	6,881	7,455
Vote 05 - Community Services		9,219	9,219	9,219	9,219	9,219	9,219	9,219	9,219	9,219	9,219	9,219	9,219	110,627	117,298	124,628
Vote 06 - Financial Services		51,936	51,936	51,936	51,936	51,936	51,936	51,936	51,936	51,936	51,936	51,936	51,936	623,229	667,662	723,570
Vote 07 - Strategy Econ Development And Planning		753	753	753	753	753	753	753	753	753	753	753	753	9,041	9,535	10,059
Vote 08 - Infrastructure And Services		108,751	108,751	108,751	108,751	108,751	108,751	108,751	108,751	108,751	108,751	108,751	108,752	1,305,018	1,425,743	1,540,633
Vote 09 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 - Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue by Vote		211,123	211,123	211,123	211,123	211,123	211,123	211,123	211,123	211,123	211,123	211,123	211,123	2,533,477	2,643,967	2,817,940
Expenditure by Vote to be appropriated																
Vote 01 - Executive & Council		4,824	4,824	4,824	4,824	4,824	4,824	4,824	4,824	4,824	4,824	4,824	4,823	57,883	60,777	64,120
Vote 02 - Municipal And General		27,955	27,955	27,955	27,955	27,955	27,955	27,955	27,955	27,955	27,955	27,955	27,954	335,456	354,860	373,517
Vote 03 - Municipal Manager		2,085	2,085	2,085	2,085	2,085	2,085	2,085	2,085	2,085	2,085	2,085	2,085	25,025	26,367	27,817
Vote 04 - Corporate Services		6,101	6,101	6,101	6,101	6,101	6,101	6,101	6,101	6,101	6,101	6,101	6,100	73,211	76,800	81,111
Vote 05 - Community Services		24,784	24,784	24,784	24,784	24,784	24,784	24,784	24,784	24,784	24,784	24,784	24,781	297,403	316,842	334,708
Vote 06 - Financial Services		12,718	12,718	12,718	12,718	12,718	12,718	12,718	12,718	12,718	12,718	12,718	12,716	152,611	160,409	169,137
Vote 07 - Strategy Econ Development And Planning		4,948	4,948	4,948	4,948	4,948	4,948	4,948	4,948	4,948	4,948	4,948	4,947	59,374	62,692	66,125
Vote 08 - Infrastructure And Services		112,002	112,002	112,002	112,002	112,002	112,002	112,002	112,002	112,002	112,002	112,002	111,999	1,344,020	1,465,516	1,583,273
Vote 09 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 - Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure by Vote		195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,406	2,344,984	2,524,262	2,699,808
Surplus/(Deficit) before assoc.		15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,717	188,493	119,704	118,132
Taxation													–	–	–	–
Attributable to minorities													–	–	–	–
Share of surplus/ (deficit) of associate													–	–	–	–
Surplus/(Deficit)	1	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,717	188,493	119,704	118,132

NC091 Sol Plaatje - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand																
Revenue - Functional																
Governance and administration		92,466	92,466	92,466	92,466	92,466	92,466	92,466	92,466	92,466	92,466	92,466	92,466	1,109,592	1,092,231	1,143,506
Executive and council		39,897	39,897	39,897	39,897	39,897	39,897	39,897	39,897	39,897	39,897	39,897	39,897	478,759	416,848	411,594
Finance and administration		52,569	52,569	52,569	52,569	52,569	52,569	52,569	52,569	52,569	52,569	52,569	52,569	630,833	675,383	731,912
Internal audit																
Community and public safety		2,296	2,296	2,296	2,296	2,296	2,296	2,296	2,296	2,296	2,296	2,296	2,296	27,556	29,007	30,603
Community and social services		915	915	915	915	915	915	915	915	915	915	915	915	10,980	11,598	12,236
Sport and recreation		276	276	276	276	276	276	276	276	276	276	276	276	3,315	3,511	3,706
Public safety		63	63	63	63	63	63	63	63	63	63	63	63	760	771	814
Housing		1,033	1,033	1,033	1,033	1,033	1,033	1,033	1,033	1,033	1,033	1,033	1,033	12,401	13,021	13,737
Health		8	8	8	8	8	8	8	8	8	8	8	8	100	105	111
Economic and environmental services		1,940	1,940	1,940	1,940	1,940	1,940	1,940	1,940	1,940	1,940	1,940	1,941	23,286	24,552	25,903
Planning and development		430	430	430	430	430	430	430	430	430	430	430	431	5,166	5,436	5,735
Road transport		1,510	1,510	1,510	1,510	1,510	1,510	1,510	1,510	1,510	1,510	1,510	1,510	18,120	19,117	20,168
Environmental protection																
Trading services		113,601	113,601	113,601	113,601	113,601	113,601	113,601	113,601	113,601	113,601	113,601	113,601	1,363,208	1,487,786	1,606,966
Energy sources		73,096	73,096	73,096	73,096	73,096	73,096	73,096	73,096	73,096	73,096	73,096	73,096	877,157	969,471	1,056,859
Water management		27,384	27,384	27,384	27,384	27,384	27,384	27,384	27,384	27,384	27,384	27,384	27,384	328,612	350,814	372,196
Waste water management		7,237	7,237	7,237	7,237	7,237	7,237	7,237	7,237	7,237	7,237	7,237	7,237	86,848	92,438	97,841
Waste management		5,883	5,883	5,883	5,883	5,883	5,883	5,883	5,883	5,883	5,883	5,883	5,883	70,592	75,064	80,070
Other		820	820	820	820	820	820	820	820	820	820	820	820	9,835	10,391	10,962
Total Revenue - Functional		211,123	211,123	211,123	211,123	211,123	211,123	211,123	211,123	211,123	211,123	211,123	211,123	2,533,477	2,643,967	2,817,940
Expenditure - Functional																
Governance and administration		56,925	56,925	56,925	56,925	56,925	56,925	56,925	56,925	56,925	56,925	56,925	56,921	683,100	720,457	759,584
Executive and council		33,796	33,796	33,796	33,796	33,796	33,796	33,796	33,796	33,796	33,796	33,796	33,795	405,549	428,457	451,162
Finance and administration		22,548	22,548	22,548	22,548	22,548	22,548	22,548	22,548	22,548	22,548	22,548	22,545	270,570	284,600	300,614
Internal audit		582	582	582	582	582	582	582	582	582	582	582	582	6,982	7,400	7,807
Community and public safety		15,289	15,289	15,289	15,289	15,289	15,289	15,289	15,289	15,289	15,289	15,289	15,287	183,469	195,981	206,357
Community and social services		3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	42,230	49,182	51,432
Sport and recreation		4,652	4,652	4,652	4,652	4,652	4,652	4,652	4,652	4,652	4,652	4,652	4,651	55,822	58,419	61,671
Public safety		3,625	3,625	3,625	3,625	3,625	3,625	3,625	3,625	3,625	3,625	3,625	3,625	43,502	44,305	46,750
Housing		1,957	1,957	1,957	1,957	1,957	1,957	1,957	1,957	1,957	1,957	1,957	1,956	23,480	24,718	26,111
Health		1,536	1,536	1,536	1,536	1,536	1,536	1,536	1,536	1,536	1,536	1,536	1,536	18,435	19,357	20,394
Economic and environmental services		11,652	11,652	11,652	11,652	11,652	11,652	11,652	11,652	11,652	11,652	11,652	11,650	139,819	147,634	156,128
Planning and development		4,014	4,014	4,014	4,014	4,014	4,014	4,014	4,014	4,014	4,014	4,014	4,013	48,172	50,729	53,503
Road transport		7,578	7,578	7,578	7,578	7,578	7,578	7,578	7,578	7,578	7,578	7,578	7,578	90,936	96,155	101,834
Environmental protection		59	59	59	59	59	59	59	59	59	59	59	59	711	750	791
Trading services		109,435	109,435	109,435	109,435	109,435	109,435	109,435	109,435	109,435	109,435	109,435	109,433	1,313,216	1,433,383	1,549,458
Energy sources		71,494	71,494	71,494	71,494	71,494	71,494	71,494	71,494	71,494	71,494	71,494	71,493	857,928	947,601	1,032,564
Water management		24,722	24,722	24,722	24,722	24,722	24,722	24,722	24,722	24,722	24,722	24,722	24,721	296,663	317,116	337,784
Waste water management		7,336	7,336	7,336	7,336	7,336	7,336	7,336	7,336	7,336	7,336	7,336	7,336	88,033	93,601	99,040
Waste management		5,883	5,883	5,883	5,883	5,883	5,883	5,883	5,883	5,883	5,883	5,883	5,883	70,592	75,064	80,070
Other		2,115	2,115	2,115	2,115	2,115	2,115	2,115	2,115	2,115	2,115	2,115	2,115	25,380	26,807	28,282
Total Expenditure - Functional		195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,406	2,344,984	2,524,262	2,699,808
Surplus/(Deficit) before assoc.		15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,717	188,493	119,704	118,132
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,717	188,493	119,704	118,132

NC091 Sol Plaatje - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Multi-year expenditure to be appropriated	1															
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000	7,000	10,000
Vote 03 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 05 - Community Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 06 - Financial Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 07 - Strategy Econ Development And Planning		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 08 - Infrastructure And Services		6,606	6,606	6,606	6,606	6,606	6,606	6,606	6,606	6,606	6,606	6,606	6,605	79,266	43,948	40,768
Vote 09 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	2	8,606	8,606	8,606	8,606	8,606	8,606	8,606	8,606	8,606	8,606	8,606	8,605	103,266	50,948	50,768
Single-year expenditure to be appropriated																
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	31,500	40,177	45,018
Vote 03 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 05 - Community Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 06 - Financial Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 07 - Strategy Econ Development And Planning		667	667	667	667	667	667	667	667	667	667	667	667	8,000	-	-
Vote 08 - Infrastructure And Services		3,042	3,042	3,042	3,042	3,042	3,042	3,042	3,042	3,042	3,042	3,042	3,042	36,500	22,000	20,000
Vote 09 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	2	6,333	6,333	6,333	6,333	6,333	6,333	6,333	6,333	6,333	6,333	6,333	6,333	76,000	62,177	65,018
Total Capital Expenditure	2	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	179,266	113,125	115,786

NC091 Sol Plaatje - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Capital Expenditure - Functional	1															
Governance and administration		4,625	4,625	4,625	4,625	4,625	4,625	4,625	4,625	4,625	4,625	4,625	4,625	55,500	47,177	55,018
Executive and council		4,625	4,625	4,625	4,625	4,625	4,625	4,625	4,625	4,625	4,625	4,625	4,625	55,500	47,177	55,018
Finance and administration													-	-	-	-
Internal audit													-	-	-	-
Community and public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and social services													-	-	-	-
Sport and recreation													-	-	-	-
Public safety													-	-	-	-
Housing													-	-	-	-
Health													-	-	-	-
Economic and environmental services		667	667	667	667	667	667	667	667	667	667	667	667	8,000	-	-
Planning and development		667	667	667	667	667	667	667	667	667	667	667	667	8,000	-	-
Road transport													-	-	-	-
Environmental protection													-	-	-	-
Trading services		9,647	9,647	9,647	9,647	9,647	9,647	9,647	9,647	9,647	9,647	9,647	9,647	115,766	65,948	60,768
Energy sources		5,625	5,625	5,625	5,625	5,625	5,625	5,625	5,625	5,625	5,625	5,625	5,625	67,500	22,000	20,000
Water management		83	83	83	83	83	83	83	83	83	83	83	83	1,000	12,000	11,500
Waste water management		3,939	3,939	3,939	3,939	3,939	3,939	3,939	3,939	3,939	3,939	3,939	3,939	47,266	31,948	29,268
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other													-	-	-	-
Total Capital Expenditure - Functional	2	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	179,266	113,125	115,786
Funded by:																
National Government		13,981	13,981	13,981	13,981	13,981	13,981	13,981	13,981	13,981	13,981	13,981	13,980	167,766	98,625	96,786
Provincial Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital (primary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital		13,981	13,981	13,981	13,981	13,981	13,981	13,981	13,981	13,981	13,981	13,981	13,980	167,766	98,625	96,786
Borrowing													-	-	-	-
Internally generated funds		958	958	958	958	958	958	958	958	958	958	958	958	11,500	14,500	19,000
Total Capital Funding		14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	179,266	113,125	115,786

MONTHLY CASH FLOWS	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand															
Cash Receipts By Source													1		
Property rates	37,699	37,699	37,699	37,699	37,699	37,699	37,699	37,699	37,699	37,699	37,699	37,699	452,388	485,055	514,158
Service charges - electricity revenue	72,311	72,311	72,311	72,311	72,311	72,311	72,311	72,311	72,311	72,311	72,311	72,311	867,730	941,514	1,019,094
Service charges - water revenue	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Service charges - sanitation revenue	4,536	4,536	4,536	4,536	4,536	4,536	4,536	4,536	4,536	4,536	4,536	4,536	54,432	57,174	60,594
Service charges - refuse revenue	3,158	3,158	3,158	3,158	3,158	3,158	3,158	3,158	3,158	3,158	3,158	3,158	37,900	39,795	42,182
Rental of facilities and equipment	26,724	26,724	26,724	26,724	26,724	26,724	26,724	26,724	26,724	26,724	26,724	26,724	320,689	333,524	353,534
Interest earned - external investments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Interest earned - outstanding debtors	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Dividends received	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	34,725	36,553	38,563
Licences and permits	542	542	542	542	542	542	542	542	542	542	542	542	6,500	6,858	7,235
Agency services	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Transfers and Subsidies - Operational	5,522	5,522	5,522	5,522	5,522	5,522	5,522	5,522	5,522	5,522	5,522	5,522	66,267	56,317	59,996
Other revenue	31,092	31,092	31,092	31,092	31,092	31,092	31,092	31,092	31,092	31,092	31,092	31,092	373,107	274,548	465,260
Cash Receipts by Source	184,478	184,478	184,478	184,478	184,478	184,478	184,478	184,478	184,478	184,478	184,478	184,478	2,213,736	2,231,338	2,560,616
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	5,667	5,667	5,667	5,667	5,667	5,667	5,667	5,667	5,667	5,667	5,667	5,667	68,000	77,019	81,640
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Proceeds on Disposal of Fixed and Intangible Assets	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Short term loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Borrowing long term/refinancing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Increase (decrease) in consumer deposits	317	317	317	317	317	317	317	317	317	317	317	317	3,800	3,601	2,953
Decrease (increase) in non-current receivables	22	22	22	22	22	22	22	22	22	22	22	22	268	1,151	(2,143)
Decrease (increase) in non-current investments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Cash Receipts by Source	190,484	190,484	190,484	190,484	190,484	190,484	190,484	190,484	190,484	190,484	190,484	190,484	2,285,804	2,313,109	2,643,067
Cash Payments by Type															
Employee related costs	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Remuneration of councillors	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Finance charges	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	22,261	20,963	19,501
Bulk purchases - electricity	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Acquisitions - water & other inventory	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Contracted services	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Transfers and grants - other municipalities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Transfers and grants - other	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other expenditure	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Cash Payments by Type	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	22,261	20,963	19,501
Other Cash Flows/Payments by Type															
Capital assets	14,689	14,689	14,689	14,689	14,689	14,689	14,689	14,689	14,689	14,689	14,689	14,689	176,266	108,125	110,786
Repayment of borrowing	(895)	(895)	(895)	(895)	(895)	(895)	(895)	(895)	(895)	(895)	(895)	(895)	(10,734)	(12,087)	(12,812)
Other Cash Flows/Payments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Cash Payments by Type	15,649	15,649	15,649	15,649	15,649	15,649	15,649	15,649	15,649	15,649	15,649	15,649	187,793	117,001	117,475
NET INCREASE/(DECREASE) IN CASH HELD	174,834	174,834	174,834	174,834	174,834	174,834	174,834	174,834	174,834	174,834	174,834	174,835	2,098,012	2,196,108	2,525,592
Cash/cash equivalents at the month/year begin:	10,308	185,142	359,977	534,811	709,645	884,479	1,059,314	1,234,148	1,408,982	1,583,816	1,758,651	1,933,485	10,308	2,108,320	4,304,428
Cash/cash equivalents at the month/year end:	185,142	359,977	534,811	709,645	884,479	1,059,314	1,234,148	1,408,982	1,583,816	1,758,651	1,933,485	2,108,320	2,108,320	4,304,428	6,830,020

[illegible]

NC091 Sol Plaatje - Supporting Table SA32 List of external mechanisms

External mechanism	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
Name of organisation		Number			R thousand

References

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

NC091 Sol Plaatje - Supporting Table SA33 Contracts having future budgetary implications

[illegible]

Capital expenditure on new assets by asset class											
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	
R thousand	1										
Capital expenditure on new assets by Asset Class/Sub-class											
Infrastructure		53,609	54,793	35,989	44,613	41,761	41,761	87,266	22,000	20,000	
Roads Infrastructure		-	-	-	-	-	-	-	-	-	
Roads											
Road Structures											
Road Furniture											
Capital Spares											
Storm water Infrastructure		11,436	-	-	-	-	-	-	-	-	
Drainage Collection											
Storm water Conveyance		11,436	-	-	-	-	-	-	-	-	
Attenuation											
Electrical Infrastructure		12,721	24,017	12,108	18,158	17,206	17,206	65,000	22,000	20,000	
Power Plants											
HV Substations											
HV Switching Station											
HV Transmission Conductors											
MV Substations											
MV Switching Stations											
MV Networks											
LV Networks		12,721	24,017	10,297	18,158	17,206	17,206	65,000	22,000	20,000	
Capital Spares		-	-	1,811	-	-	-	-	-	-	
Water Supply Infrastructure		29,452	19,297	7,058	-	3,500	3,500	-	-	-	
Dams and Weirs											
Boreholes											
Reservoirs		-	-	-	-	-	-	-	-	-	
Pump Stations		26,387	7,302	-	-	-	-	-	-	-	
Water Treatment Works											
Bulk Mains		-	-	693	-	-	-	-	-	-	
Distribution		3,064	11,995	6,365	-	3,500	3,500	-	-	-	
Distribution Points		-	-	-	-	-	-	-	-	-	
PRV Stations											
Capital Spares											
Sanitation Infrastructure		-	11,479	16,823	26,455	21,055	21,055	22,266	-	-	
Pump Station		-	-	-	-	-	-	-	-	-	
Reticulation		-	11,479	16,823	26,455	21,055	21,055	22,266	-	-	
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											

NC091 Sol Plaatje - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand	1									
Community Assets		364	1,856	4,534	-	6,400	6,400	-	-	-
Community Facilities		364	1,856	4,534	-	6,400	6,400	-	-	-
Halls										
Centres										
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations		364	1,856	4,534	-	6,400	6,400	-	-	-
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		-	4,207	-	-	-	-	-	-	-
Monuments		-	4,207	-	-	-	-	-	-	-
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
Investment properties		813	2,660	813	1,500	5,000	5,000	3,000	5,000	5,000
Revenue Generating		813	2,660	813	1,500	5,000	5,000	3,000	5,000	5,000
Improved Property		813	2,660	813	1,500	5,000	5,000	3,000	5,000	5,000
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		11,340	-	-	14,400	14,400	14,400	-	-	-
Servitudes										
Licences and Rights		11,340	-	-	14,400	14,400	14,400	-	-	-
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications		11,340	-	-	-	-	-	-	-	-
Load Settlement Software Applications										
Unspecified		-	-	-	14,400	14,400	14,400	-	-	-
Computer Equipment		864	-	3,253	2,000	4,500	4,500	3,500	3,500	4,000
Computer Equipment		864	-	3,253	2,000	4,500	4,500	3,500	3,500	4,000
Furniture and Office Equipment		548	-	634	2,000	2,000	2,000	2,000	2,000	3,000
Furniture and Office Equipment		548	-	634	2,000	2,000	2,000	2,000	2,000	3,000
Machinery and Equipment		578	-	-	-	-	-	-	-	-
Machinery and Equipment		578	-	-	-	-	-	-	-	-
Transport Assets		6,003	-	5,323	2,000	2,000	2,000	4,000	7,000	10,000
Transport Assets		6,003	-	5,323	2,000	2,000	2,000	4,000	7,000	10,000
Land		-	-	-	-	-	-	-	-	-
Land										
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals										
Total Capital Expenditure on new assets	1	74,120	63,516	50,547	66,513	76,061	76,061	99,766	39,500	42,000

Capital expenditure on the renewal of existing assets by asset class										
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		25,301	84,084	6,733	52,443	34,972	34,972	39,000	57,948	56,768
Roads Infrastructure		12,016	18,677	–	5,000	7,000	7,000	13,000	14,000	16,000
Roads		12,016	18,677	–	5,000	7,000	7,000	13,000	14,000	16,000
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		–	51,582	–	–	2,000	2,000	–	–	–
Drainage Collection										
Storm water Conveyance		–	51,582	–	–	2,000	2,000	–	–	
Attenuation										
Electrical Infrastructure		565	6,734	–	3,000	1,000	1,000	1,000	–	–
Power Plants										
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks										
LV Networks		–	6,734	–	–	–	–	–	–	–
Capital Spares		565	–	–	3,000	1,000	1,000	1,000	–	–
Water Supply Infrastructure		12,720	2,971	–	5,000	–	–	–	12,000	11,500
Dams and Weirs										
Boreholes										
Reservoirs		6,562	–	–	–	–	–	–	–	–
Pump Stations		–	–	–	–	–	–	–	–	–
Water Treatment Works		5,585	–	–	–	–	–	–	–	–
Bulk Mains										
Distribution		–	2,971	–	5,000	–	–	–	12,000	11,500
Distribution Points		573	–	–	–	–	–	–	–	–
PRV Stations										
Capital Spares										
Sanitation Infrastructure		–	4,120	6,733	39,443	24,972	24,972	25,000	31,948	29,268
Pump Station		–	2,261	877	20,000	12,972	12,972	25,000	14,948	5,000
Reticulation		–	–	–	5,000	–	–	–	12,000	11,500
Waste Water Treatment Works		–	–	5,857	–	–	–	–	–	–
Outfall Sewers										
Toilet Facilities		–	1,859	–	14,443	12,000	12,000	–	5,000	12,768
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		8,144	2,642	–	–	–	–	–	–	–
Community Facilities		–	–	–	–	–	–	–	–	–
Halls										
Centres										
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations										
Testing Stations										
Museums										
Galleries										
Theatres										
Libraries										

NC091 Sol Plaatje - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand	1									
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		8,144	2,642	-	-	-	-	-	-	-
Indoor Facilities										
Outdoor Facilities		8,144	2,642	-	-	-	-	-	-	-
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 Licences										
Solid Waste Licences										
Computer Software and Applications										
Load Settlement Software Applications										
Unspecified										
Computer Equipment		-	-	-	-	-	-	-	-	-
Computer Equipment										
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment										
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment										
Transport Assets		-	-	-	-	-	-	-	-	-
Transport Assets										
Land		-	-	-	-	-	-	-	-	-
Land										
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals										
Total Capital Expenditure on renewal of existing assets	1	33,445	86,726	6,733	52,443	34,972	34,972	39,000	57,948	56,768
Renewal of Existing Assets as % of total capex		24.2%	43.2%	4.9%	34.0%	22.5%	22.5%	21.8%	51.2%	49.0%
Renewal of Existing Assets as % of deprecn"		51.9%	140.6%	9.7%	71.3%	47.5%	47.5%	49.3%	68.7%	63.6%

NC091 Sol Plaatje - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand	1									
<i>Theatres</i>		53	36	12	40	40	40	30	32	33
<i>Libraries</i>		462	475	451	650	650	650	660	1,003	1,058
<i>Cemeteries/Crematoria</i>										
<i>Police</i>		1,223	1,988	1,035	2,000	1,000	1,000	2,200	2,310	2,437
<i>Parks</i>		184	190	176	212	212	212	200	210	223
<i>Public Open Space</i>										
<i>Nature Reserves</i>										
<i>Public Ablution Facilities</i>										
<i>Markets</i>										
<i>Stalls</i>										
<i>Abattoirs</i>										
<i>Airports</i>										
<i>Taxi Ranks/Bus Terminals</i>										
<i>Capital Spares</i>										
<i>Sport and Recreation Facilities</i>		402	401	533	770	770	770	790	447	473
<i>Indoor Facilities</i>		335	333	166	370	370	370	370	390	414
<i>Outdoor Facilities</i>		67	68	366	400	400	400	420	56	59
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
<i>Monuments</i>										
<i>Historic Buildings</i>										
<i>Works of Art</i>										
<i>Conservation Areas</i>										
<i>Other Heritage</i>										
Investment properties		6,063	6,653	6,357	7,289	7,289	7,289	7,509	7,959	8,431
<i>Revenue Generating</i>		6,063	6,653	6,357	7,289	7,289	7,289	7,509	7,959	8,431
<i>Improved Property</i>		5,939	6,175	5,893	6,789	6,789	6,789	6,999	7,418	7,858
<i>Unimproved Property</i>		124	478	464	500	500	500	510	541	573
<i>Non-revenue Generating</i>		-	-	-	-	-	-	-	-	-
<i>Improved Property</i>										
<i>Unimproved Property</i>										
Other assets		12,268	13,924	12,760	10,489	14,289	14,289	14,890	15,784	16,669
<i>Operational Buildings</i>		12,268	13,924	12,760	10,489	14,289	14,289	14,890	15,784	16,669
<i>Municipal Offices</i>		10,537	12,644	11,834	9,389	13,189	13,189	13,790	14,618	15,422
<i>Pay/Enquiry Points</i>										
<i>Building Plan Offices</i>										
<i>Workshops</i>		1,731	1,280	926	1,100	1,100	1,100	1,100	1,166	1,248
<i>Yards</i>										
<i>Stores</i>										
<i>Laboratories</i>										
<i>Training Centres</i>										
<i>Manufacturing Plant</i>										
<i>Depots</i>										
<i>Capital Spares</i>										
<i>Housing</i>		-	-	-	-	-	-	-	-	-
<i>Staff Housing</i>										
<i>Social Housing</i>										
<i>Capital Spares</i>										
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<i>Biological or Cultivated Assets</i>										
Intangible Assets		-	-	-	-	-	-	-	-	-
<i>Servitudes</i>										
<i>Licences and Rights</i>		-	-	-	-	-	-	-	-	-
<i>Water Rights</i>										
<i>Effluent Licenses</i>										
<i>Solid Waste Licenses</i>										
<i>Computer Software and Applications</i>										
<i>Load Settlement Software Applications</i>										
<i>Unspecified</i>										
Computer Equipment		-	-	-	-	-	-	-	-	-
<i>Computer Equipment</i>										
Furniture and Office Equipment		1,377	1,261	1,051	1,732	1,753	1,753	1,684	1,778	1,877
<i>Furniture and Office Equipment</i>		1,377	1,261	1,051	1,732	1,753	1,753	1,684	1,778	1,877
Machinery and Equipment		17,247	17,095	21,657	23,251	22,631	22,631	24,179	25,609	27,364
<i>Machinery and Equipment</i>		17,247	17,095	21,657	23,251	22,631	22,631	24,179	25,609	27,364
Transport Assets		5,133	4,782	3,383	10,716	6,694	6,694	6,404	6,742	7,129
<i>Transport Assets</i>		5,133	4,782	3,383	10,716	6,694	6,694	6,404	6,742	7,129
Land		-	-	-	-	-	-	-	-	-
<i>Land</i>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<i>Zoo's, Marine and Non-biological Animals</i>										
Total Repairs and Maintenance Expenditure	1	252,761	232,446	217,834	262,452	263,626	263,626	268,726	287,317	307,005
R&M as a % of PPE		15.3%	13.3%	12.0%	13.9%	14.0%	14.0%	14.3%	14.6%	15.8%
R&M as % Operating Expenditure		15.1%	14.1%	12.6%	13.7%	13.0%	13.0%	23.2%	12.3%	12.2%

NC091 Sol Plaatje - Supporting Table SA34d Depreciation by asset class

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand	1									
<i>Theatres</i>										
<i>Libraries</i>										
<i>Cemeteries/Crematoria</i>										
<i>Police</i>										
<i>Parks</i>										
<i>Public Open Space</i>										
<i>Nature Reserves</i>										
<i>Public Ablution Facilities</i>										
<i>Markets</i>										
<i>Stalls</i>										
<i>Abattoirs</i>										
<i>Airports</i>										
<i>Taxi Ranks/Bus Terminals</i>										
<i>Capital Spares</i>										
<i>Sport and Recreation Facilities</i>		-	-	-	-	-	-	-	-	-
<i>Indoor Facilities</i>										
<i>Outdoor Facilities</i>										
<i>Capital Spares</i>										
Heritage assets		-	-	-	-	-	-	-	-	-
<i>Monuments</i>										
<i>Historic Buildings</i>										
<i>Works of Art</i>										
<i>Conservation Areas</i>										
<i>Other Heritage</i>		-	-	-	-	-	-	-	-	-
Investment properties		217	217	207	300	300	300	300	321	340
<i>Revenue Generating</i>		217	217	207	300	300	300	300	321	340
<i>Improved Property</i>		217	-	-	-	-	-	-	-	-
<i>Unimproved Property</i>		-	217	207	300	300	300	300	321	340
<i>Non-revenue Generating</i>		-	-	-	-	-	-	-	-	-
<i>Improved Property</i>										
<i>Unimproved Property</i>										
Other assets		-	-	-	-	-	-	-	-	-
<i>Operational Buildings</i>		-	-	-	-	-	-	-	-	-
<i>Municipal Offices</i>		-	-	-	-	-	-	-	-	-
<i>Pay/Enquiry Points</i>		-	-	-	-	-	-	-	-	-
<i>Building Plan Offices</i>										
<i>Workshops</i>										
<i>Yards</i>										
<i>Stores</i>										
<i>Laboratories</i>										
<i>Training Centres</i>										
<i>Manufacturing Plant</i>										
<i>Depots</i>										
<i>Capital Spares</i>										
<i>Housing</i>		-	-	-	-	-	-	-	-	-
<i>Staff Housing</i>										
<i>Social Housing</i>										
<i>Capital Spares</i>										
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<i>Biological or Cultivated Assets</i>										
Intangible Assets		4,071	3,641	4,215	5,000	5,000	5,000	5,000	5,350	5,671
<i>Servitudes</i>		-	-	-	-	-	-	-	-	-
<i>Licences and Rights</i>		4,071	3,641	4,215	5,000	5,000	5,000	5,000	5,350	5,671
<i>Water Rights</i>										
<i>Effluent Licenses</i>										
<i>Solid Waste Licenses</i>										
<i>Computer Software and Applications</i>		4,071	3,641	4,215	5,000	5,000	5,000	5,000	5,350	5,671
<i>Load Settlement Software Applications</i>										
<i>Unspecified</i>		-	-	-	-	-	-	-	-	-
Computer Equipment		2,673	1,596	2,001	2,500	2,500	2,500	2,500	2,675	2,836
<i>Computer Equipment</i>		2,673	1,596	2,001	2,500	2,500	2,500	2,500	2,675	2,836
Furniture and Office Equipment		1,323	1,012	1,043	2,500	2,500	2,500	1,500	1,605	1,701
<i>Furniture and Office Equipment</i>		1,323	1,012	1,043	2,500	2,500	2,500	1,500	1,605	1,701
Machinery and Equipment		1,257	803	936	1,300	1,300	1,300	1,300	1,391	1,474
<i>Machinery and Equipment</i>		1,257	803	936	1,300	1,300	1,300	1,300	1,391	1,474
Transport Assets		8,384	6,486	10,777	7,500	7,500	7,500	12,000	12,840	13,610
<i>Transport Assets</i>		8,384	6,486	10,777	7,500	7,500	7,500	12,000	12,840	13,610
Land		800	805	1,178	850	850	850	900	945	997
<i>Land</i>		800	805	1,178	850	850	850	900	945	997
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<i>Zoo's, Marine and Non-biological Animals</i>										
Total Depreciation	1	64,443	61,697	69,409	73,550	73,550	73,550	79,150	84,325	89,218

NC091 Sol Plaatje - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand	1									
<u>Markets</u>		-	-	-	-	1,000	1,000	8,000	-	-
Stalls										
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals										
Capital Spares										
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Indoor Facilities										
Outdoor Facilities										
Capital Spares										
<u>Heritage assets</u>		-	-	-	-	-	-	-	-	-
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
<u>Investment properties</u>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property										
Unimproved Property										
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property										
Unimproved Property										
<u>Other assets</u>		-	1,806	-	-	-	-	-	-	-
Operational Buildings		-	1,806	-	-	-	-	-	-	-
Municipal Offices		-	1,806	-	-	-	-	-	-	-
Pay/Enquiry Points										
Building Plan Offices										
Workshops										
Yards										
Stores										
Laboratories										
Training Centres										
Manufacturing Plant										
Depots										
Capital Spares										
Housing		-	-	-	-	-	-	-	-	-
Staff Housing										
Social Housing										
Capital Spares										
<u>Biological or Cultivated Assets</u>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets										
<u>Intangible Assets</u>		-	-	-	-	-	-	-	-	-
Servitudes										
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications										
Load Settlement Software Applications										
Unspecified										
<u>Computer Equipment</u>		-	-	-	-	-	-	-	-	-
Computer Equipment										
<u>Furniture and Office Equipment</u>		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment										
<u>Machinery and Equipment</u>		-	-	-	-	-	-	-	-	-
Machinery and Equipment										
<u>Transport Assets</u>		-	-	-	-	-	-	-	-	-
Transport Assets										
<u>Land</u>		-	-	-	-	-	-	-	-	-
Land										
<u>Zoo's, Marine and Non-biological Animals</u>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals										
Total Capital Expenditure on upgrading of existing assets	1	138,193	50,443	79,738	35,500	44,412	44,412	40,500	15,677	17,018
<u>Upgrading of Existing Assets as % of total capex</u>		0.0%	25.1%	58.2%	23.0%	28.6%	28.6%	22.6%	13.9%	14.7%
<u>Upgrading of Existing Assets as % of deprecn*</u>		214.4%	81.8%	114.9%	48.3%	60.4%	60.4%	51.2%	18.6%	19.1%

NC091 Sol Plaatje - Supporting Table SA35 Future financial implications of the capital budget

Vote Description	Ref	2021/22 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Present value
R thousand								
Capital expenditure	1							
Vote 01 - Executive & Council		-	-	-	-	-	-	-
Vote 02 - Municipal And General		55,500	47,177	55,018	-	-	-	-
Vote 03 - Municipal Manager		-	-	-	-	-	-	-
Vote 04 - Corporate Services		-	-	-	-	-	-	-
Vote 05 - Community Services		-	-	-	-	-	-	-
Vote 06 - Financial Services		-	-	-	-	-	-	-
Vote 07 - Strategy Econ Development And Planning		8,000	-	-	-	-	-	-
Vote 08 - Infrastructure And Services		115,766	65,948	60,768	-	-	-	-
Vote 09 -		-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-
<i>List entity summary if applicable</i>								
Total Capital Expenditure		179,266	113,125	115,786	-	-	-	-
Future operational costs by vote	2							
Vote 01 - Executive & Council								
Vote 02 - Municipal And General								
Vote 03 - Municipal Manager								
Vote 04 - Corporate Services								
Vote 05 - Community Services								
Vote 06 - Financial Services								
Vote 07 - Strategy Econ Development And Planning								
Vote 08 - Infrastructure And Services								
Vote 09 -								
Vote 10 -								
Vote 11 -								
Vote 12 -								
Vote 13 -								
Vote 14 -								
Vote 15 - Other								
<i>List entity summary if applicable</i>								
Total future operational costs		-	-	-	-	-	-	-
Future revenue by source	3							
Property rates		603,707	647,214	702,111				
Service charges - electricity revenue		861,157	952,511	1,038,966				
Service charges - water revenue		294,012	314,138	333,503				
Service charges - sanitation revenue		76,648	81,626	86,434				
Service charges - refuse revenue		59,567	63,433	67,799				
Rental of facilities and equipment		13,145	13,809	14,569				
<i>List other revenues sources if applicable</i>		9,000	12,000	15,000				
<i>List entity summary if applicable</i>								
Total future revenue		1,917,235	2,084,730	2,258,382	-	-	-	-
Net Financial Implications		(1,737,969)	(1,971,605)	(2,142,596)	-	-	-	-

NC091 Sol Plaatje - Supporting Table SA36 Detailed capital budget

R thousand	Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Audited Outcome 2019/20	Current Year 2020/21 Full Year Forecast	2021/22 Medium Term Revenue & Expenditure Framework		
															Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Parent municipality:																	
List all capital projects grouped by Function																	
Finance And Administration	Infrastructure:Existing:Renewal:Roads Infrastructure	–	RENEWAL	competitive and responsive economic infrastructure	Inclusion and Access			Roads Infrastructure	Roads	WHOLE OF THE MUNICIPALITY	0	0	–	7,000	13,000	14,000	16,000
Finance And Administration	Capital:Infrastructure:Existing:Renewal:Storm Water Infrastructure	–	RENEWAL	competitive and responsive economic infrastructure	Inclusion and Access			Storm Water Infrastructure	Storm Water Conveyance	WHOLE OF THE MUNICIPALITY	0	0	–	2,000	–	–	–
Finance And Administration	Capital:Infrastructure:Existing:Upgrading:Roads Infrastructure	–	UPGRADING	competitive and responsive economic infrastructure	Inclusion and Access			Roads Infrastructure	Roads	WHOLE OF THE MUNICIPALITY	0	0	79,738	39,912	30,000	15,677	17,018
Finance And Administration	Capital:Non-Infrastructure:New:Computer Equipment	–	NEW	efficient, effective and development-oriented public infrastructure	Growth			Computer Equipment	Computer Equipment	WHOLE OF THE MUNICIPALITY	0	0	3,253	4,500	3,500	3,500	4,000
Finance And Administration	Capital:Non-Infrastructure:New:Furniture And Office Equipment	–	NEW	efficient, effective and development-oriented public infrastructure	Growth			Furniture And Office Equipment	Furniture And Office Equipment	WHOLE OF THE MUNICIPALITY	0	0	634	2,000	2,000	2,000	3,000
Finance And Administration	Capital:Non-Infrastructure:New:Investment	–	NEW		Growth			Revenue Generating	Improved Property	WHOLE OF THE MUNICIPALITY	0	0	813	5,000	3,000	5,000	5,000
Finance And Administration	Capital:Non-Infrastructure:New:Transport Assets	–	NEW		Growth			Transport Assets	Transport Assets	WHOLE OF THE MUNICIPALITY	0	0	5,323	2,000	4,000	7,000	10,000
Finance And Administration	Capital:Non-Infrastructure:New:Community Facilities	–	NEW	inclusive, responsive and sustainable social protection	Growth			Community Facilities	Fire/Ambulance Stations	WARD 3	0	0	4,534	6,400	–	–	–
Planning And Development	Capital:Non-Infrastructure:Existing:Upgrading:Community Facilities	–	UPGRADING	efficient, effective and development-oriented public infrastructure	Inclusion and Access			Community Facilities	Stalls	WHOLE OF THE MUNICIPALITY	0	0	–	1,000	8,000	–	–
Planning And Development	Capital:Non-Infrastructure:New:Intangible Assets	–	NEW	efficient, effective and development-oriented public infrastructure	Growth			Licences And Rights	Unspecified	WHOLE OF THE MUNICIPALITY	0	0	–	14,400	–	–	–
Energy Sources	Capital:Infrastructure:Existing:Upgrading:Electrical Infrastructure	–	UPGRADING	competitive and responsive economic infrastructure	Inclusion and Access			Electrical Infrastructure	Hv Substations	WARD 29	0	0	–	500	–	–	–
Energy Sources	Capital:Infrastructure:Existing:Upgrading:Electrical Infrastructure	–	UPGRADING	competitive and responsive economic infrastructure	Inclusion and Access			Electrical Infrastructure	Hv Substations	WARD 34	0	0	–	–	1,500	–	–
Energy Sources	Capital:Infrastructure:New:Electrical Infrastructure	–	NEW	competitive and responsive economic infrastructure	Growth			Electrical Infrastructure	Lv Networks	WARD 21	0	0	221	–	–	–	–
Energy Sources	Capital:Infrastructure:New:Electrical Infrastructure	–	NEW	competitive and responsive economic infrastructure	Growth			Electrical Infrastructure	Lv Networks	WARD 28	0	0	42	17,206	12,000	–	–
Energy Sources	Capital:Infrastructure:New:Electrical Infrastructure	–	NEW	competitive and responsive economic infrastructure	Growth			Electrical Infrastructure	Lv Networks	WARD 38	0	0	–	–	20,000	–	–
Energy Sources	Capital:Infrastructure:New:Electrical Infrastructure	–	NEW	competitive and responsive economic infrastructure	Growth			Electrical Infrastructure	Lv Networks	WARD 4	0	0	5,137	–	–	–	–
Energy Sources	Capital:Infrastructure:New:Electrical Infrastructure	–	NEW	competitive and responsive economic infrastructure	Growth			Electrical Infrastructure	Lv Networks	WHOLE OF THE MUNICIPALITY	0	0	4,897	–	33,000	22,000	20,000
Energy Sources	Capital:Infrastructure:New:Electrical Infrastructure	–	NEW	competitive and responsive economic infrastructure	Growth			Electrical Infrastructure	Capital Spares	WHOLE OF THE MUNICIPALITY	0	0	1,811	–	–	–	–
Energy Sources	Capital:Infrastructure:Existing:Renewal:Electrical Infrastructure	–	RENEWAL	competitive and responsive economic infrastructure	Inclusion and Access			Electrical Infrastructure	Capital Spares	WHOLE OF THE MUNICIPALITY	0	0	–	1,000	1,000	–	–
Water Management	Capital:Infrastructure:Existing:Renewal:Water Supply Infrastructure	Distrib010	RENEWAL	competitive and responsive economic infrastructure	Inclusion and Access			Water Supply Infrastructure	Distribution	WHOLE OF THE MUNICIPALITY	0	0	–	–	–	12,000	11,500
Water Management	Capital:Infrastructure:Existing:Upgrading:Water Supply Infrastructure	–	UPGRADING	competitive and responsive economic infrastructure	Inclusion and Access			Water Supply Infrastructure	Distribution	WHOLE OF THE MUNICIPALITY	0	0	–	3,000	1,000	–	–
Water Management	Capital:Infrastructure:New:Water Supply Infrastructure	PA2_SD03_OS04_W	NEW	competitive and responsive economic infrastructure	Growth			Water Supply Infrastructure	Bulk Mains	WARD 28	0	0	693	–	–	–	–
Water Management	Capital:Infrastructure:New:Water Supply Infrastructure	–	NEW	competitive and responsive economic infrastructure	Growth			Water Supply Infrastructure	Distribution	WHOLE OF THE MUNICIPALITY	0	0	6,365	3,500	–	–	–
Waste Water Management	Capital:Infrastructure:Existing:Renewal:Sanitation Infrastructure	–	RENEWAL	competitive and responsive economic infrastructure	Inclusion and Access			Sanitation Infrastructure	Pump Station	WHOLE OF THE MUNICIPALITY	0	0	877	12,972	25,000	14,948	5,000
Waste Water Management	Capital:Infrastructure:Existing:Renewal:Sanitation Infrastructure	–	RENEWAL	competitive and responsive economic infrastructure	Inclusion and Access			Sanitation Infrastructure	Reliculation	WHOLE OF THE MUNICIPALITY	0	0	–	–	–	12,000	11,500
Waste Water Management	Capital:Infrastructure:Existing:Renewal:Sanitation Infrastructure	–	RENEWAL	competitive and responsive economic infrastructure	Inclusion and Access			Sanitation Infrastructure	Waste Water Treatment Works	WHOLE OF THE MUNICIPALITY	0	0	5,857	–	–	–	–
Waste Water Management	Capital:Infrastructure:Existing:Renewal:Sanitation Infrastructure	–	RENEWAL	competitive and responsive economic infrastructure	Inclusion and Access			Sanitation Infrastructure	Toilet Facilities	WARD 17	0	0	–	12,000	–	5,000	12,768
Waste Water Management	Capital:Infrastructure:New:Sanitation Infrastructure	–	NEW	competitive and responsive economic infrastructure	Growth			Sanitation Infrastructure	Reliculation	WARD 28	0	0	16,823	21,055	22,266	–	–
Parent Capital expenditure													137,018	155,446	179,266	113,125	115,786
Total Capital expenditure													137,018	155,446	179,266	113,125	115,786

NC091 Sol Plaatje - Supporting Table SA37 Projects delayed from previous financial year/s

[illegible]

R thousand																Prior year outcomes		2021/22 Medium Term Revenue & Expenditure Framework		
	Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Audited Outcome 2019/20	Current Year 2020/21 Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24			
Parent municipality:																				
List all operational projects grouped by Function																				
Executive And Council																				
Executive And Council	Operational:Municipal Running Cost	M123	Municipal Running Cost	nan settlements and improved quality of life	Governance					WHOLE OF THE MUNICIPALITY	0	0	68,267	72,691	73,796	77,523	81,787			
Finance And Administration	Operational:Municipal Running Cost	M123	Municipal Running Cost	nan settlements and improved quality of life	Governance					WHOLE OF THE MUNICIPALITY	0	0	419,900	522,137	551,990	583,233	612,050			
Finance And Administration	Operational:Typical Work Streams:Elections		Work Streams	nan settlements and improved quality of life	Inclusion and Access					WHOLE OF THE MUNICIPALITY	0	0	5,623	2,000	2,000	2,000	2,000			
Finance And Administration	Operational:Typical Work Streams:Expanded Public Works Programme:Project		Work Streams	effective and development-oriented projects	Inclusion and Access					WHOLE OF THE MUNICIPALITY	0	0	3,608	4,170	3,362	-	-			
Finance And Administration	TwS:Emergency & Disaster Management:Disaster Management		Work Streams	effective and development-oriented projects	Governance					WHOLE OF THE MUNICIPALITY	0	0	3,060	22,070	-	-	-			
Finance And Administration	Operational:Maintenance:Infrastructure:Preventative Maintenance:Interval Based:Electrical Infrastructure		Preventative Maintenance	effective and responsive economic infrastructure	Inclusion and Access					Electrical Infrastructure	0	0	210	300	300	318	340			
Finance And Administration	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based:Roads		Preventative Maintenance	effective and development-oriented projects	Governance					Furniture And Office Equipment	0	0	971	1,570	1,524	1,609	1,699			
Finance And Administration	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based:Roads		Preventative Maintenance	effective and development-oriented projects	Governance					Machinery And Equipment	0	0	19,222	20,790	21,383	22,666	24,253			
Finance And Administration	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Interval Based:Roads		Preventative Maintenance	effective and development-oriented projects	Governance					Machinery And Equipment	0	0	12	15	15	16	17			
Finance And Administration	Operational:Maintenance:Non-Infrastructure:Corrective Maintenance:Planned:Other		Corrective Maintenance	effective and development-oriented projects	Governance					Operational Buildings	0	0	11,834	13,157	13,779	14,606	15,410			
Finance And Administration	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based:Roads		Preventative Maintenance	effective and development-oriented projects	Governance					Municipal Offices	0	0	-	30	10	11	11			
Finance And Administration	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based:Roads		Preventative Maintenance	effective and development-oriented projects	Governance					Operational Buildings	0	0	926	1,100	1,100	1,166	1,248			
Finance And Administration	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:Roads		Preventative Maintenance	effective and responsive economic infrastructure	Inclusion and Access					Workshops	0	0	5,884	6,000	6,000	9,000	12,000			
Finance And Administration	Operational:Maintenance:Non-Infrastructure:Corrective Maintenance:Emergency:Transport Assets		Corrective Maintenance	effective and development-oriented projects	Governance					Roads Infrastructure	0	0	113	280	250	265	284			
Finance And Administration	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based:Roads		Preventative Maintenance	effective and development-oriented projects	Governance					Transport Assets	0	0	182	517	448	474	501			
Finance And Administration	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Interval Based:Roads		Preventative Maintenance	effective and development-oriented projects	Governance					Transport Assets	0	0	102	362	156	164	173			
Internal Audit	Operational:Municipal Running Cost	M123	Municipal Running Cost	nan settlements and improved quality of life	Governance					WHOLE OF THE MUNICIPALITY	0	0	5,884	6,713	6,979	7,397	7,804			
Internal Audit	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based:Roads		Preventative Maintenance	effective and development-oriented projects	Governance					Furniture And Office Equipment	0	0	1	3	3	3	3			
Community And Social Services	Operational:Municipal Running Cost	M123	Municipal Running Cost	nan settlements and improved quality of life	Governance					WHOLE OF THE MUNICIPALITY	0	0	37,818	40,721	41,475	48,078	50,266			
Community And Social Services	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based:Roads		Preventative Maintenance	effective and responsive and sustainable social projects	Inclusion and Access					Community Facilities	0	0	60	100	90	400	422			
Community And Social Services	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based:Roads		Preventative Maintenance	effective and responsive and sustainable social projects	Inclusion and Access					Community Facilities	0	0	297	330	330	350	369			
Community And Social Services	Operational:Maintenance:Non-Infrastructure:Corrective Maintenance:Planned:Community		Corrective Maintenance	effective and development-oriented projects	Inclusion and Access					Community Facilities	0	0	110	120	130	138	145			
Community And Social Services	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based:Roads		Preventative Maintenance	Quality basic education	Inclusion and Access					Halls	0	0	12	40	30	32	33			
Community And Social Services	Operational:Maintenance:Non-Infrastructure:Corrective Maintenance:Planned:Community		Corrective Maintenance	Quality basic education	Governance					Libraries	0	0	1	2	2	2	2			
Community And Social Services	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based:Roads		Preventative Maintenance	Quality basic education	Governance					Machinery And Equipment	0	0	28	195	173	183	193			
Sport And Recreation	Operational:Municipal Running Cost	M123	Municipal Running Cost	nan settlements and improved quality of life	Governance					Transport Assets	0	0	45,339	52,235	51,183	53,923	56,924			
Sport And Recreation	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based:Roads		Preventative Maintenance	effective and development-oriented projects	Inclusion and Access					WHOLE OF THE MUNICIPALITY	0	0	1,035	1,000	2,200	2,310	2,437			
Sport And Recreation	Operational:Maintenance:Non-Infrastructure:Corrective Maintenance:Planned:Community		Corrective Maintenance	effective and development-oriented projects	Governance					Community Facilities	0	0	1,668	949	954	1,009	1,064			
Sport And Recreation	Operational:Maintenance:Non-Infrastructure:Corrective Maintenance:Planned:Community		Corrective Maintenance	long and healthy life for all South Africans	Inclusion and Access					Machinery And Equipment	0	0	1,068	370	370	390	414			
Sport And Recreation	Operational:Maintenance:Non-Infrastructure:Corrective Maintenance:Planned:Community		Corrective Maintenance	long and healthy life for all South Africans	Inclusion and Access					Indoor Facilities	0	0	366	400	420	56	59			
Sport And Recreation	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based:Roads		Preventative Maintenance	long and healthy life for all South Africans	Governance					Outdoor Facilities	0	0	518	618	695	731	772			
Public Safety	Operational:Municipal Running Cost	M123	Municipal Running Cost	nan settlements and improved quality of life	Governance					Transport Assets	0	0	49,869	54,502	56,854	58,450	61,672			
Public Safety	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based:Roads		Preventative Maintenance	effective and responsive and sustainable social projects	Inclusion and Access					WHOLE OF THE MUNICIPALITY	0	0	94	220	240	253	267			
Public Safety	Operational:Maintenance:Non-Infrastructure:Corrective Maintenance:Planned:Community		Corrective Maintenance	effective and responsive and sustainable social projects	Inclusion and Access					Community Facilities	0	0	-	200	200	202	213			
Public Safety	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based:Roads		Preventative Maintenance	effective and development-oriented projects	Inclusion and Access					Community Facilities	0	0	176	212	200	210	223			
Public Safety	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based:Roads		Preventative Maintenance	effective and development-oriented projects	Governance					Public Open Space	0	0	224	370	350	354	373			
Public Safety	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:Roads		Preventative Maintenance	effective and responsive economic infrastructure	Inclusion and Access					Machinery And Equipment	0	0	11,220	15,940	18,517	19,535	20,708			
Public Safety	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based:Roads		Preventative Maintenance	effective and responsive economic infrastructure	Governance					Landfill Sites	0	0	662	805	755	763	805			
Housing	Operational:Municipal Running Cost	M123	Municipal Running Cost	nan settlements and improved quality of life	Governance					Transport Assets	0	0	14,941	16,614	17,019	17,870	18,852			
Housing	Operational:Non-Infrastructure:Existing:Renewal:Community Assets:Community Facilities		RENEWAL	effective and development-oriented projects	Inclusion and Access					WHOLE OF THE MUNICIPALITY	0	0	-	3	2	2	2			
Housing	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based:Roads		Preventative Maintenance	effective and development-oriented projects	Spatial Integration					Capital Spares	0	0	5,051	5,889	5,899	6,252	6,628			
Housing	Operational:Maintenance:Non-Infrastructure:Corrective Maintenance:Emergency:Investment		Corrective Maintenance	effective and development-oriented projects	Spatial Integration					Revenue Generating	0	0	464	500	510	541	573			
Housing	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Interval Based:Roads		Preventative Maintenance	effective and development-oriented projects	Governance					Improved Properties	0	0	23	60	50	53	56			
Health	Operational:Municipal Running Cost	M123	Municipal Running Cost	nan settlements and improved quality of life	Governance					Transport Assets	0	0	16,635	19,782	18,343	19,260	20,292			
Health	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based:Roads		Preventative Maintenance	effective and development-oriented projects	Governance					WHOLE OF THE MUNICIPALITY	0	0	35	74	62	65	68			
Health	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based:Roads		Preventative Maintenance	effective and development-oriented projects	Governance					Furniture And Office Equipment	0	0	2	50	30	32	33			
Planning And Development	Operational:Municipal Running Cost	M123	Municipal Running Cost	nan settlements and improved quality of life	Governance					Transport Assets	0	0	43,252	51,254	54,231	57,152	60,279			
Planning And Development	Operational:Typical Work Streams:Expanded Public Works Programme:Project		Work Streams	effective and development-oriented projects	Inclusion and Access					WHOLE OF THE MUNICIPALITY	0	0	(2)	625	-	-	-			
Planning And Development	Operational:Typical Work Streams:Local Economic Development:Project Implementation		Work Streams	effective and development-oriented projects	Spatial Integration					WHOLE OF THE MUNICIPALITY	0	0	74	650	570	604	637			
Planning And Development	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based:Roads		Preventative Maintenance	effective and development-oriented projects	Governance					WHOLE OF THE MUNICIPALITY	0	0	10	36	35	37	39			
Planning And Development	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based:Roads		Preventative Maintenance	effective and development-oriented projects	Governance					Furniture And Office Equipment	0	0	0	12	12	13	13			
Planning And Development	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Interval Based:Roads		Preventative Maintenance	effective and development-oriented projects	Governance					Transport Assets	0	0	2	30	25	27	28			
Road Transport	Operational:Municipal Running Cost	M123	Municipal Running Cost	nan settlements and improved quality of life	Governance					WHOLE OF THE MUNICIPALITY	0	0	35,609	43,542	46,329	48,877	51,565			
Road Transport	Operational:Non-Infrastructure:Existing:Renewal:Community Assets:Community Facilities		RENEWAL	effective and development-oriented projects	Inclusion and Access					Capital Spares	0	0	394	260	200	212	226			
Road Transport	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based:Roads		Preventative Maintenance	effective and development-oriented projects	Governance					Furniture And Office Equipment	0	0	11	25	25	27	28			
Road Transport	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based:Roads		Preventative Maintenance	effective and development-oriented projects	Governance					Machinery And Equipment	0	0	50	275	275	290	306			
Road Transport	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:Roads		Preventative Maintenance	effective and responsive economic infrastructure	Inclusion and Access					Roads Infrastructure	0	0	322	560	510	538	568			
Road Transport	Operational:Maintenance:Infrastructure:Corrective Maintenance:Planned:Roads Infrastructure		Corrective Maintenance	effective and responsive economic infrastructure	Inclusion and Access					Roads Infrastructure	0	0	6,216	5,450	2,400	2,544	2,709			
Road Transport	Operational:Maintenance:Infrastructure:Corrective Maintenance:Planned:Roads Infrastructure		Corrective Maintenance	effective and responsive economic infrastructure	Inclusion and Access					Roads Infrastructure	0	0	28	120	180	191	203			
Road Transport	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:Roads		Preventative Maintenance	effective and responsive economic infrastructure	Inclusion and Access					Roads Infrastructure	0	0	31,339	32,361	33,505	35,516	37,824			
Road Transport	Operational:Maintenance:Infrastructure:Corrective Maintenance:Planned:Storm Water		Corrective Maintenance	effective and responsive economic infrastructure	Inclusion and Access					Storm Water Infrastructure	0	0	-	330	300	318	339			
Road Transport	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based:Roads		Preventative Maintenance	effective and responsive economic infrastructure	Inclusion and Access					Storm Water Infrastructure	0	0	-	335	300	318	339			

NC091 Sol Plaatje - Supporting Table SA38 Consolidated detailed operational projects

R thousand	Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Prior year outcomes		2021/22 Medium Term Revenue & Expenditure Framework			
													Audited Outcome 2019/20	Current Year 2020/21 Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	
Road Transport	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Based	–	Preventative Maintenance	Governance			Transport Assets	Transport Assets	OF THE MUNIC	0	0	95	255	200	211	223		
Road Transport	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Interval Based	–	Preventative Maintenance	Governance			Transport Assets	Transport Assets	OF THE MUNIC	0	0	–	10	10	11	11		
Environmental Protection	Operational:Municipal Running Cost	M123	Municipal Running Cost	han settlements and improved quality of	Governance			WHOLE OF THE MUNIC		0	0	41,274	43,774	47,425	50,650	54,215		
Environmental Protection	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based	–	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Solid Waste Infrastructure	e Processing Fac	OF THE MUNIC	0	0	189	3,280	280	294	310		
Energy Sources	Operational:Municipal Running Cost	M123	Municipal Running Cost	han settlements and improved quality of	Governance			WHOLE OF THE MUNIC		0	0	647,392	703,575	794,752	880,472	961,532		
Energy Sources	Operational:Non-Infrastructure:Existing:Renewal:Community Assets:Community Faci	–	RENEWAL	effective and development-oriented pu	Inclusion and Access		Community Facilities	Capital Spares	OF THE MUNIC	0	0	1	200	200	212	224		
Energy Sources	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based	–	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Capital Spares	OF THE MUNIC	0	0	24,766	30,809	32,616	34,653	36,635		
Energy Sources	Operational:Maintenance:Infrastructure:Corrective Maintenance:Emergency:Electrical	–	Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Hv Substations	OF THE MUNIC	0	0	121	160	160	170	179		
Energy Sources	Operational:Maintenance:Infrastructure:Corrective Maintenance:Planned:Electrical In	–	Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Hv Substations	OF THE MUNIC	0	0	120	170	170	180	190		
Energy Sources	Operational:Maintenance:Infrastructure:Preventative Maintenance:Interval Based	–	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Hv Substations	OF THE MUNIC	0	0	857	900	950	1,007	1,062		
Energy Sources	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based	–	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	v Switching Stat	OF THE MUNIC	0	0	–	–	200	212	224		
Energy Sources	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based	–	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	v Switching Stat	OF THE MUNIC	0	0	20	250	200	212	224		
Energy Sources	Operational:Maintenance:Infrastructure:Preventative Maintenance:Interval Based	–	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	v Switching Stat	OF THE MUNIC	0	0	1,967	2,000	2,150	2,279	2,404		
Energy Sources	Operational:Maintenance:Infrastructure:Corrective Maintenance:Emergency:Electrical	–	Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Lv Networks	OF THE MUNIC	0	0	1,943	1,950	2,100	2,226	2,348		
Energy Sources	Operational:Maintenance:Infrastructure:Corrective Maintenance:Planned:Electrical In	–	Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Lv Networks	OF THE MUNIC	0	0	3,164	4,060	3,800	4,028	4,250		
Energy Sources	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based	–	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Lv Networks	OF THE MUNIC	0	0	418	500	500	530	559		
Energy Sources	Operational:Maintenance:Infrastructure:Preventative Maintenance:Interval Based	–	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Lv Networks	OF THE MUNIC	0	0	1,284	1,150	1,350	1,431	1,510		
Energy Sources	Operational:Maintenance:Infrastructure:Preventative Maintenance:Interval Based	–	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Lv Networks	OF THE MUNIC	0	0	7,497	7,000	8,300	8,881	9,503		
Energy Sources	Operational:Maintenance:Infrastructure:Corrective Maintenance:Planned:Electrical In	–	Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Mv Networks	OF THE MUNIC	0	0	395	–	100	106	112		
Energy Sources	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based	–	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Mv Networks	OF THE MUNIC	0	0	673	1,230	1,150	1,219	1,286		
Energy Sources	Operational:Maintenance:Infrastructure:Preventative Maintenance:Interval Based	–	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Mv Networks	OF THE MUNIC	0	0	509	750	650	689	727		
Energy Sources	Operational:Maintenance:Infrastructure:Corrective Maintenance:Emergency:Electrical	–	Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Mv Substations	OF THE MUNIC	0	0	225	250	250	265	280		
Energy Sources	Operational:Maintenance:Infrastructure:Corrective Maintenance:Planned:Electrical In	–	Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Mv Substations	OF THE MUNIC	0	0	256	250	280	297	313		
Energy Sources	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based	–	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	Mv Substations	OF THE MUNIC	0	0	1,072	1,000	1,100	1,166	1,230		
Energy Sources	Operational:Maintenance:Infrastructure:Corrective Maintenance:Emergency:Electrical	–	Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	v Switching Stat	OF THE MUNIC	0	0	2,538	2,600	3,050	3,233	3,411		
Energy Sources	Operational:Maintenance:Infrastructure:Corrective Maintenance:Planned:Electrical In	–	Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	v Switching Stat	OF THE MUNIC	0	0	1,212	1,320	1,600	1,696	1,789		
Energy Sources	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based	–	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	v Switching Stat	OF THE MUNIC	0	0	517	500	550	583	615		
Energy Sources	Operational:Maintenance:Infrastructure:Preventative Maintenance:Interval Based	–	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	v Switching Stat	OF THE MUNIC	0	0	526	610	650	689	727		
Energy Sources	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Bas	M123	Preventative Maintenance	Spatial Integration			Revenue Generating	Improved Property	OF THE MUNIC	0	0	842	1,100	1,100	1,166	1,230		
Water Management	Operational:Municipal Running Cost		Municipal Running Cost	han settlements and improved quality of	Governance			WHOLE OF THE MUNIC		0	0	223,096	247,946	244,166	261,469	278,797		
Water Management	Tw's:Emergency & Disaster Management:Disaster Management	–	Work Streams	e; responsive and sustainable social p	Governance			WHOLE OF THE MUNIC		0	0	–	4,500	–	–	–		
Water Management	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Bas	–	Preventative Maintenance	Governance			Machinery And Equipment	hinery And Equip	OF THE MUNIC	0	0	1,079	230	1,200	1,272	1,348		
Water Management	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based	–	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Roads Infrastructure	Roads	OF THE MUNIC	0	0	2,267	3,150	2,600	2,756	2,921		
Water Management	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based	–	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Sanitation Infrastructure	Pump Station	OF THE MUNIC	0	0	217	50	700	742	787		
Water Management	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Interval Base	–	Preventative Maintenance	Governance			Transport Assets	Transport Assets	OF THE MUNIC	0	0	716	1,800	2,000	2,120	2,247		
Water Management	Operational:Maintenance:Infrastructure:Corrective Maintenance:Emergency:Water Su	–	Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Water Supply Infrastructure	Bulk Mains	OF THE MUNIC	0	0	2,125	2,189	3,000	3,180	3,371		
Water Management	Operational:Maintenance:Infrastructure:Corrective Maintenance:Planned:Water Supp	–	Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Water Supply Infrastructure	Capital Spares	OF THE MUNIC	0	0	1,249	900	1,400	1,484	1,573		
Water Management	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based	–	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Water Supply Infrastructure	Capital Spares	OF THE MUNIC	0	0	118	205	155	164	174		
Water Management	Operational:Maintenance:Infrastructure:Preventative Maintenance:Interval Based	–	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Water Supply Infrastructure	Capital Spares	OF THE MUNIC	0	0	4,096	840	800	848	899		
Water Management	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based	–	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Water Supply Infrastructure	Distribution	OF THE MUNIC	0	0	23,882	35,656	30,943	32,799	34,767		
Water Management	Operational:Maintenance:Infrastructure:Corrective Maintenance:Emergency:Water Su	–	Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Water Supply Infrastructure	Pump Stations	OF THE MUNIC	0	0	66	50	1,400	1,484	1,573		
Water Management	Operational:Maintenance:Infrastructure:Corrective Maintenance:Emergency:Water Su	–	Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Water Supply Infrastructure	Reservoirs	OF THE MUNIC	0	0	244	–	700	742	787		
Water Management	Operational:Maintenance:Infrastructure:Corrective Maintenance:Planned:Water Supp	–	Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Water Supply Infrastructure	Reservoirs	OF THE MUNIC	0	0	191	1,200	1,000	1,060	1,124		
Water Management	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based	–	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Water Supply Infrastructure	Reservoirs	OF THE MUNIC	0	0	239	3,600	3,700	3,922	4,157		
Water Management	Operational:Maintenance:Infrastructure:Corrective Maintenance:Emergency:Water Su	–	Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Water Supply Infrastructure	ter Treatment W	OF THE MUNIC	0	0	4,742	1,582	2,200	2,332	2,472		
Water Management	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based	–	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Water Supply Infrastructure	ter Treatment W	OF THE MUNIC	0	0	765	100	700	742	787		
Waste Water Management	Operational:Municipal Running Cost	M123	Municipal Running Cost	han settlements and improved quality of	Governance			WHOLE OF THE MUNIC		0	0	46,125	51,935	52,979	56,445	59,841		
Waste Water Management	Tw's:Emergency & Disaster Management:Disaster Management		Work Streams	e; responsive and sustainable social p	Governance			WHOLE OF THE MUNIC		0	0	–	3,000	–	–	–		
Waste Water Management	Operational:Non-Infrastructure:Existing:Renewal:Community Assets:Community Faci	–	RENEWAL	effective and development-oriented pu	Inclusion and Access		Community Facilities	Capital Spares	OF THE MUNIC	0	0	777	1,920	1,250	1,325	1,398		
Waste Water Management	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based	–	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Electrical Infrastructure	v Switching Stat	OF THE MUNIC	0	0	1,884	2,000	2,000	2,120	2,237		
Waste Water Management	Operational:Maintenance:Infrastructure:Corrective Maintenance:Emergency:Sanitatio	–	Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Sanitation Infrastructure	Pump Station	OF THE MUNIC	0	0	1,781	6,250	6,250	6,625	6,989		
Waste Water Management	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based	–	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Sanitation Infrastructure	Pump Station	OF THE MUNIC	0	0	1,163	980	1,100	1,166	1,230		
Waste Water Management	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based	–	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Sanitation Infrastructure	Reticalulation	OF THE MUNIC	0	0	17,039	21,629	20,553	21,786	22,984		
Waste Water Management	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based	–	Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Sanitation Infrastructure	Toilet Facilities	OF THE MUNIC	0	0	144	1,300	1,800	1,908	2,013		
Waste Water Management	Operational:Maintenance:Infrastructure:Corrective Maintenance:Emergency:Sanitatio	–	Corrective Maintenance	petitive and responsive economic infra	Inclusion and Access		Sanitation Infrastructure	Water Treatment	OF THE MUNIC	0	0	25	400	500	530	559		
Waste Water Management	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Interval Base	–	Preventative Maintenance	Governance			Transport Assets	Transport Assets	OF THE MUNIC	0	0	939	1,700	1,600	1,696	1,789		
Waste Management	Operational:Municipal Running Cost	M123	Municipal Running Cost	han settlements and improved quality of	Governance			WHOLE OF THE MUNIC		0	0	771	850	900	945	997		
Waste Management	Operational:Maintenance:Infrastructure:Preventative Maintenance:Condition Based		Preventative Maintenance	petitive and responsive economic infra	Inclusion and Access		Solid Waste Infrastructure	Landfill Sites	OF THE MUNIC	0	0	2,582	3,763	4,181	4,390	4,631		
Other	Operational:Municipal Running Cost	M123	Municipal Running Cost	han settlements and improved quality of	Governance			WHOLE OF THE MUNIC		0	0	9,131	9,657	9,852	10,425	10,998		
Other	Operational:Typical Work Streams:Tourism:Tourism Projects		Work Streams	effective and development-oriented pu	Growth			WHOLE OF THE MUNIC		0	0	166	420	400	422	445		
Other	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Bas	–	Preventative Maintenance	effective and development-oriented pu	Governance		Furniture And Office Equipment	re And Office Equi	OF THE MUNIC	0	0	22	40	30	32	34		
Other	Operational:Maintenance:Non-Infrastructure:Preventative Maintenance:Condition Bas	–	Preventative Maintenance	effective and development-oriented pu	Governance		Operational Buildings	Municipal Offices	OF THE MUNIC	0	0	0	2	1	1	1		
Parent Operational expenditure													0	1,936,838	2,241,373	2,344,984	2,524,262	2,699,808
Total Operational expenditure														1,936,838	2,241,373	2,344,984	2,524,262	2,699,808

SECTION 2:

TARIFFS

That, in terms of Section 24(2) of the Local Government : Municipal Finance Management Act, 2003 (Act No. 56), the following levies, fees and tariffs for Sol Plaatje Municipality be levied, and a General Rate be recovered on the values appearing in the 2019 General Valuation Roll



ALL TARIFFS ARE VAT INCLUSIVE WHERE APPLICABLE
ANY FUTURE CHANGES IN VAT WILL BE IMPLEMENTED ACCORDINGLY.

1.1

LEVY OF RATES (FINANCE/VALUATIONS)

	PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
Residential Property	0.010376	0.011179	0.011985	0.013001
Vacant Residential Property	0.015564	0.016768	0.017978	0.019502
Industrial Property	0.033204	0.035774	0.038353	0.041605
Vacant Industrial	0.036316	0.039126	0.041948	0.045505
Business and Commercial Property	0.031128	0.033537	0.035955	0.039004
Vacant Business and Commercial Property	0.036316	0.039126	0.041948	0.045505
Agricultural Property	0.002594	0.002795	0.002996	0.003250
Mining Property	0.228275	0.245938	0.263670	0.286029
Public Service Property	0.046693	0.050307	0.053934	0.058507
Public Service Infrastructure	0.000000	0.000000	0.000000	0.000000
Public Benefit Activity Property	0.000000	0.000000	0.000000	0.000000
Place of Worship	0.000000	0.000000	0.000000	0.000000
Land Reform Beneficiary	0.000000	0.000000	0.000000	0.000000
Private Open Space	0.010376	0.011179	0.011985	0.013001
Municipal property used for Municipal Purposes	0.000000	0.000000	0.000000	0.000000
Independent Schools	0.002594	0.005589	0.005993	0.006501
Sports Grounds and facilities operated for gain	0.000000	0.000000	0.000000	0.000000
Average rates tariff	0.017204	0.017359	0.018611	0.020189

1.1.1

An allowance has been made for the inclusion of rebates for Pensioners, Disabled Persons, Bona Fide Agricultural Property, Rural Residential Properties, Rural Commercial, Rural Industrial, Creches and Guesthouse Properties meeting certain criteria. The proposed rebate for Pensioners and Disabled Persons is 60 % and the income threshold to qualify is R 140 000 in addition to criteria per the Policy. The proposed rebate for Rural Residential is 15%, bona fide Agricultural Property is 50 %, Rural Commercial and Industrial properties is 75% and Creches and Guesthouses is 30% subject to the requirements per the policy.

1.1.2

Public Service Infrastructure is no longer feasible to rate due to the regulated rating ratios. It is therefore zero (0) rated.

1.1.3

A special rebate has been introduced where property is affected by any natural disaster as defined by the Disaster Management Act, No 16 of 2015. This rebate is set at 50 % of the tariff of the particular category of the particular category of property affected by such natural disaster and is additional to any other rebates.

1.1.4

The next General Valuation Roll is set down for implementation on the 1st of July 2023.

1.1.5

There have been additions to the rating categories which have been brought about by recent amendments of the Local Government: Municipal Property Rates Act 6 of 2004.

1.1.6

The categories of property with zero rate tariffs are those that are impermissible to rate in terms of the MPRA, not feasible to rate, or for public benefit purposes not desirable to rate.

1.1.7

Subject to section 19, a municipality may, in terms of the criteria set out in its rates policy, levy different rates for different categories of rateable property, determined in subsection (2) and (3), which must be determined according to the:

- use of the property;
- permitted use of the property; or
- a combination of (a) and (b).

The following categories was based on ownership and will be removed as from 1 July 2021 and incorporated into other categories according to use:

- Property Used by Organ of State
- Solar Farms
- University

	PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
1.2	<u>MUNICIPAL SWIMMING POOLS & SPORTS FIELDS (COMMUNITY & SOCIAL DEVELOPMENT SERVICES)</u>			
1.2.1	<u>Karen Muir Swimming Pool</u>			
	Admission fees - Children	13.00	14.00	15.00
	Admission fees - Adults	18.00	19.00	20.00
	Season tickets - Children	138.00	144.00	154.00
	Season tickets - Adults	239.00	249.00	267.00
	Hire of pool	2,014.00	2,095.00	2,246.00
	Key / Loss / damage / breakage deposit	1,696.00	1,764.00	1,891.00
1.2.2	<u>Florianville Swimming Pool</u>			
	Admission fees - Children	13.00	14.00	15.00
	Admission fees - Adults	18.00	19.00	20.00
	Season tickets - Children	117.00	122.00	131.00
	Season tickets - Adults	191.00	199.00	213.00
	Hire of pool	1,908.00	1,984.00	2,127.00
	Key / Loss / damage / breakage deposit	1,696.00	1,764.00	1,891.00
1.2.3	<u>Roodepan Swimming Pool</u>			
	Admission fees - Children	10.00	10.00	11.00
	Admission fees - Adults	18.00	19.00	20.00
	Season tickets - Children	106.00	110.00	118.00
	Season tickets - Adults	170.00	177.00	190.00
	Hire of pool	1,908.00	1,984.00	2,127.00
	Key / Loss / damage / breakage deposit	1,696.00	1,764.00	1,891.00
1.2.4	<u>Galeshewe Swimming Pool</u>			
	Admission fees - Children	10.00	10.00	11.00
	Admission fees - Adults	18.00	19.00	20.00
	Season tickets - Children	106.00	110.00	118.00
	Season tickets - Adults	170.00	177.00	190.00
	Hire of pool	1,908.00	1,984.00	2,127.00
	Key / Loss / damage / breakage deposit	1,696.00	1,764.00	1,891.00
	* Hire of pool for functions / commercial use (tariff applicable to all pools)	4,240.00	4,410.00	4,728.00
	* Key / Loss / damage / breakage deposit	2,650.00	2,756.00	2,955.00
1.2.5	<u>De Beers Stadium</u>			
	Hire of athletics track	1,420.00	1,477.00	1,583.00
	Key / Loss / damage / breakage deposit	1,420.00	1,477.00	1,583.00
	Apparatus per day	848.00	882.00	946.00
	Key / Loss / damage / breakage deposit	1,166.00	1,213.00	1,300.00
	Training sessions (Schools/Clubs) per season	196.00	204.00	219.00
	Hire of sports field/preparation fee	763.00	794.00	851.00
	Key / Loss / damage / breakage deposit	1,166.00	1,213.00	1,300.00
	Preparation Fee	763.00	794.00	851.00
	VIP Lounge	763.00	794.00	851.00
	Lights :Fixed (plus hourly rate)	1,632.00	1,697.00	1,819.00
	: Hourly rate	51.00	53.00	57.00
	HIRE OF STADIUM			
	Other than sport	2,650.00	2,756.00	2,955.00
	Key / Loss / damage / breakage deposit	2,120.00	2,205.00	2,364.00
	Music festivals/events /commercial use	24,380.00	25,355.00	27,183.00
	Key / Loss / damage / breakage deposit	33,920.00	35,277.00	37,820.00
	HIRE OF HALL NO. 4			
	Indoor sport	170.00	177.00	190.00
	Hire of cafeteria/bar	339.00	353.00	378.00
	Key / Loss / damage / breakage deposit	1,166.00	1,213.00	1,300.00

	PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
PRACTICE SESSIONS FOR ATHLETICS				
Season ticket for individuals	180.00	187.00	200.00	217.00
Individual per session	46.00	48.00	51.00	55.00
GROUPS:				
1 - 10 per session	80.00	83.00	89.00	97.00
11 - 20 per session	102.00	106.00	114.00	124.00
21 - 30 per session	129.00	134.00	144.00	156.00
31 - 40 per session	159.00	165.00	177.00	192.00
41 - 60 per session	186.00	193.00	207.00	225.00
61 and more per session	270.00	281.00	301.00	327.00
1.2.6 Galeshewe Stadium				
Sport per day	1,060.00	1,102.00	1,181.00	1,281.00
Key / Loss / damage / breakage deposit	1,431.00	1,488.00	1,595.00	1,730.00
Other than sport	4,770.00	4,961.00	5,319.00	5,770.00
Key / Loss / damage / breakage deposit	2,120.00	2,205.00	2,364.00	2,564.00
Music festivals/events /commercial use	19,080.00	19,843.00	21,274.00	23,078.00
Key / Loss / damage / breakage deposit	32,860.00	34,174.00	36,638.00	39,745.00
Lights :Fixed (plus hourly rate)	3,286.00	3,417.00	3,663.00	3,974.00
: Hourly rate	95.00	99.00	106.00	115.00
1.2.7 Galeshewe Arena				
Hire of arena per day	413.00	430.00	461.00	500.00
Hire of hall per day	212.00	220.00	236.00	256.00
Key / Loss / damage / breakage deposit	689.00	717.00	769.00	834.00
Music festivals/events /commercial use	6,254.00	6,504.00	6,973.00	7,564.00
Key / Loss / damage / breakage deposit	12,720.00	13,229.00	14,183.00	15,386.00
Lights :Fixed (plus hourly rate)	53.00	55.00	59.00	64.00
: Hourly rate	15.00	16.00	17.00	18.00
1.2.8 West-End Indoor Facility				
<u>Competitive sport -</u>				
Prior occupation per day	777.00	808.00	866.00	939.00
Main Hall (per day)	1,826.00	1,899.00	2,036.00	2,209.00
Key / Loss / damage / breakage deposit	1,815.00	1,888.00	2,024.00	2,196.00
Small Hall (per day)	1,134.00	1,179.00	1,264.00	1,371.00
Key / Loss / damage / breakage deposit	1,134.00	1,179.00	1,264.00	1,371.00
<u>Training sessions -</u>				
Main Hall (per hour)	188.00	196.00	210.00	228.00
Key / Loss / damage / breakage deposit	284.00	295.00	316.00	343.00
Small Hall (per hour)	136.00	141.00	151.00	164.00
Key / Loss / damage / breakage deposit	249.00	259.00	278.00	302.00
<u>Other than sport -</u>				
Prior occupation per day	907.00	943.00	1,011.00	1,097.00
Main Hall	2,268.00	2,359.00	2,529.00	2,743.00
Key / Loss / damage / breakage deposit	2,268.00	2,359.00	2,529.00	2,743.00
Small Hall	1,270.00	1,321.00	1,416.00	1,536.00
Key / Loss / damage / breakage deposit	1,361.00	1,415.00	1,517.00	1,646.00
<u>Commercial use -</u>				
Prior occupation per day	931.00	968.00	1,038.00	1,126.00
Main Hall (per day)	5,104.00	5,308.00	5,691.00	6,174.00
Key / Loss / damage / breakage deposit	15,085.00	15,688.00	16,819.00	18,245.00
Small Hall (per day)	2,268.00	2,359.00	2,529.00	2,743.00
Key / Loss / damage / breakage deposit	2,268.00	2,359.00	2,529.00	2,743.00
Kitchen (per day)	647.00	673.00	722.00	783.00
Key / Loss / damage / breakage deposit	1,134.00	1,179.00	1,264.00	1,371.00

	PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
Braai (per day)	681.00	708.00	759.00	823.00
Key / Loss / damage / breakage deposit	1,134.00	1,179.00	1,264.00	1,371.00
Conference room	681.00	708.00	759.00	823.00
Key / Loss / damage / breakage deposit	794.00	826.00	886.00	961.00

1.2.9

West-End Club**Commercial use -**

Prior occupation per day	998.00	1,038.00	1,113.00	1,207.00
Main Hall (per day)	4,877.00	5,072.00	5,438.00	5,899.00
Key / Loss / damage / breakage deposit	11,909.00	12,385.00	13,278.00	14,404.00

Competitive sport -

Prior occupation per day	851.00	885.00	949.00	1,029.00
Main Hall (per day)	1,134.00	1,179.00	1,264.00	1,371.00
Key / Loss / damage / breakage deposit	1,134.00	1,179.00	1,264.00	1,371.00

Training sessions -

Main Hall (per hour)	187.00	194.00	208.00	226.00
Key / Loss / damage / breakage deposit	306.00	318.00	341.00	370.00
Main Hall (other than specified)	2,552.00	2,654.00	2,845.00	3,086.00
Key / Loss / damage / breakage deposit	2,552.00	2,654.00	2,845.00	3,086.00
Kitchen	646.00	672.00	720.00	781.00
Key / Loss / damage / breakage deposit	1,134.00	1,179.00	1,264.00	1,371.00
Braai area	681.00	708.00	759.00	823.00
Key / Loss / damage / breakage deposit	1,134.00	1,179.00	1,264.00	1,371.00
Trog Bar	907.00	943.00	1,011.00	1,097.00
Key / Loss / damage / breakage deposit	1,134.00	1,179.00	1,264.00	1,371.00
Soccer Field	646.00	672.00	720.00	781.00
Key / Loss / damage / breakage deposit	907.00	943.00	1,011.00	1,097.00
Cricket field	646.00	672.00	720.00	781.00
Key / Loss / damage / breakage deposit	907.00	943.00	1,011.00	1,097.00
Air Conditioner	737.00	766.00	821.00	891.00
Deposit on hiring of facilities (Within 7 days of the request for the reservation)	50% of total amount	50% of total amount	50% of total amount	50% of total amount

Cancellation

If a reservation is cancelled within 30 days of occupation the refund to the client will be 50% of the deposit amount paid.

If a reservation is cancelled within 10 days of occupation the client will forfeit the total deposit amount paid.

Conditions

1. Right of admission reserved.
2. Facility used at own risk.
3. Total reservation fee to be paid within 10 (ten) days of booking.
4. Payment to be made in relation to booking.
5. Facility may not be used unless payment is received in advance.
6. Use of the facility will not be allowed unless a contract has been completed and signed by the Lessee.
7. No equipment may be removed from the facility.
8. Facility to be left in same condition as it was found on occupation.
9. Lessee will be held responsible for any littering, damages or loss of any equipment of the property and strict action will be taken against such lessee.
10. Losses and breakages of any items brought onto the premises by the lessee will not be compensated by the lessor of this facility.
11. A pre occupation fee payable if the lessee needs to decorate the hall one day or more before the function.
12. Canceling of bookings - see cancellations.
13. No private liquor allowed on premises. No private bar allowed on premises. Strict adherence to the aforementioned can lead to arrest, prohibition from the facility and forfeiture of total deposit.

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**PROPOSED
TARIFFS**
2022/07/01
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**PROPOSED
TARIFFS**
2023/07/01
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14. A market related corkage fee may be charged for wine and champagne.
15. The playing of musical instruments, live musical performances and any other form of amplified music is prohibited outdoors. The playing of music will be allowed indoor only until 24:00.
16. Ignorance of any of the above can lead to: Arrest, prohibition from the facility and forfeiture of total deposit.
17. All reservations will be accommodated on the basis of first come first served.
18. Funerals to be charged as per item 1.9.5

If a request is received from the following organizations * to use the facilities at a reduced tariff ONLY the Municipal Manager may approve a reduced tariff. The relevant deposit, which is refundable, is payable.

* Registered Welfare Organisations

* Registered Non-profitable Organisations

* Schools and Churches

NB. Government Departments to pay full tariff.

If a contract is drawn up with a specific Provincial or National body for the hire of any of the facilities for sport (seasonal), the fee is R37 000-00 for the season

Deposit for reservation = 25% of total reservation fee to be paid within 7 days of booking.

Cancellation fee = 25% of total reservation fee.

1.2.10	<u>Open Mine Caravan Park</u>				
	Caravans - (per Caravan)	147.00	153.00	164.00	178.00
	- (per person)	74.00	77.00	83.00	90.00
	Caravan Club				
	Minimum of 20 Caravans - (per Caravan)	108.00	112.00	120.00	130.00
	- (per person)	68.00	71.00	76.00	82.00
	Pensioners - (per Caravan)	102.00	106.00	114.00	124.00
	- (per person)	68.00	71.00	76.00	82.00
	Tent (per site)	108.00	112.00	120.00	130.00
	(per person)	85.00	88.00	94.00	102.00
	Day Visitors:				
	Car (per car)	85.00	88.00	94.00	102.00
	(per person)	91.00	95.00	102.00	111.00
	Bus (per bus)	420.00	437.00	469.00	509.00
	(per person)	74.00	77.00	83.00	90.00
1.3	<u>BURIAL PLOT FEES (COMMUNITY & SOCIAL DEVELOPMENT SERVICES)</u>				
1.3.1	<u>West-End and Kenilworth Cemeteries</u>				
	Re-opening (casket)	1,081.00	1,124.00	1,205.00	1,307.00
	Re-opening (adults)	880.00	915.00	981.00	1,064.00
	Re-opening (babies)	700.00	728.00	780.00	846.00
	Burial of ashes	233.00	242.00	259.00	281.00
	Grave fees (adult)	1,484.00	1,543.00	1,654.00	1,794.00
	Grave fees (children under 7)	1,134.00	1,179.00	1,264.00	1,371.00
	Special graves (casket)	2,088.00	2,172.00	2,329.00	2,526.00
	Wall of Remembrance (per niche)	2,194.00	2,282.00	2,447.00	2,655.00
	Two burials per grave	3,180.00	3,307.00	3,545.00	3,846.00
	Reserved graves	3,180.00	3,307.00	3,545.00	3,846.00
	Monument erection fee - single graves	541.00	563.00	604.00	655.00
	Monument erection fee - double graves	933.00	970.00	1,040.00	1,128.00
	Sundry payment - Saturday funerals	1,113.00	1,158.00	1,241.00	1,346.00

		PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
1.3.2	<u>Roodepan, Greenpoint and Galeshewe Cemeteries</u>				
	Re-opening (casket)	933.00	970.00	1,040.00	1,128.00
	Re-opening (adults)	710.00	738.00	791.00	858.00
	Re-opening (babies)	615.00	640.00	686.00	744.00
	Burial of ashes	233.00	242.00	259.00	281.00
	Grave fees (adult)	933.00	970.00	1,040.00	1,128.00
	Grave fees (children under 7)	413.00	430.00	461.00	500.00
	Special graves (casket)	1,802.00	1,874.00	2,009.00	2,179.00
	Pauper graves	392.00	408.00	437.00	474.00
	Two burials per grave	2,226.00	2,315.00	2,482.00	2,692.00
	Reserved graves	2,268.00	2,359.00	2,529.00	2,743.00
	Monument erection fee - single graves	541.00	563.00	604.00	655.00
	Monument erection fee - double graves	933.00	970.00	1,040.00	1,128.00
	Sundry payment - Saturday funerals	1,113.00	1,158.00	1,241.00	1,346.00
1.3.3	<u>Ritchie, Motswedimosa and Rietvale Cemeteries</u>				
	Re-opening (casket)	933.00	970.00	1,040.00	1,128.00
	Re-opening (adults)	710.00	738.00	791.00	858.00
	Re-opening (babies)	615.00	640.00	686.00	744.00
	Burial of ashes	233.00	242.00	259.00	281.00
	Grave fees (adult)	933.00	970.00	1,040.00	1,128.00
	Grave fees (children under 7)	413.00	430.00	461.00	500.00
	Special graves (casket)	1,802.00	1,874.00	2,009.00	2,179.00
	Pauper graves	392.00	408.00	437.00	474.00
	Two burials per grave	2,226.00	2,315.00	2,482.00	2,692.00
	Reserved graves	2,268.00	2,359.00	2,529.00	2,743.00
	Monument erection fee - single graves	541.00	563.00	604.00	655.00
	Monument erection fee - double graves	933.00	970.00	1,040.00	1,128.00
	Sundry payment - Saturday funerals	1,113.00	1,158.00	1,241.00	1,346.00
	<u>Phutanang Cemetery</u>				
	Re-opening (dome casket/casket)	1,081.00	970.00	1,040.00	1,128.00
	Re-opening (adults)-normal	880.00	738.00	791.00	858.00
	Re-opening (babies)	700.00	640.00	686.00	744.00
	Burial of ashes	233.00	242.00	259.00	281.00
	Grave fees (adult)	1,484.00	970.00	1,040.00	1,128.00
	Grave fees (children under 7)	1,134.00	430.00	461.00	500.00
	Special graves (dome casket/casket)	2,088.00	1,874.00	2,009.00	2,179.00
	Pauper graves	2,194.00	408.00	437.00	474.00
	Two burials per grave	3,180.00	2,315.00	2,482.00	2,692.00
	Reserved graves	541.00	2,359.00	2,529.00	2,743.00
	Monument erection fee - single graves	933.00	563.00	604.00	655.00
	Monument erection fee - double graves	1,113.00	970.00	1,040.00	1,128.00
	Sundry payment - Saturday funerals	403.00	1,158.00	1,241.00	1,346.00
1.3.4	Grave Fees for Deceased Indigent Account holders	360.00	374.00	401.00	435.00
1.4	<u>PLEASURE RESORTS AND CARAVAN PARKS (COMMUNITY & SOCIAL DEVELOPMENT SERVICES)</u>				

50% Discount on school groups with a minimum of 30 day visitors (Riverton).

That a 10% levy be charged on the normal tariff on all one-day reservations during weekends and long weekends.

Accommodation cancellation

If a reservation is cancelled within 20 days of occupation the refund to the client will be 85% of the total amount paid.

If a reservation is cancelled within 10 days of occupation the client will forfeit the total deposit amount paid.

No refund will be made to a client who does not arrive or who departs prior to the departure date.

PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
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Accommodation deposit

A deposit must be paid within 48 hours of the date of the request for a reservation. Deposit amount is 75% of total amount.

Preference would be given to all clients (reservations) who utilise accommodation for longer periods during high peak season. Deposits for such reservations will be the full amount of the reservation with the provision that payments being received within the month the reservation has been done.

***No free entry for Riverton residents

All Resorts - Festivals /events (see condition no 33)

as per quotation as per quotation as per quotation as per quotation

1.4.1

Riverton Pleasure Resort

Chalets/Villas

Basic tariff per unit

143.00 149.00 160.00 174.00

Per bed available in the unit

201.00 209.00 224.00 243.00

With the proviso that if a five-bed unit is available and only a four-bed unit is required, the tariff for a four-bed unit is applicable (converted to the nearest multiple of 5).

Rondavels

Basic tariff per unit

83.00 86.00 92.00 100.00

Per bed available in the unit

143.00 149.00 160.00 174.00

If group bookings are made where more than 50 beds are required, a 15% discount becomes applicable.

Upgraded Rondavels : Basic tariff per unit

118.00 123.00 132.00 143.00

Upgraded Rondavels : Per bed available in the unit

157.00 163.00 175.00 190.00

Caravan Park

Caravan (per day)

118.00 123.00 132.00 143.00

Per person (per day)

56.00 58.00 62.00 67.00

Caravan Clubs (minimum of 15 caravans)

(excluding December holidays)

30% discount 30% discount 30% discount 30% discount

Pensioners (excluding December holidays)

40% discount 40% discount 40% discount 40% discount

Super Tube per ride

6.00 6.00 6.00 7.00

Day visitors

45.00 47.00 50.00 54.00

Day visitors (1 May - 31 August)

28.00 29.00 31.00 34.00

Cars

33.00 34.00 36.00 39.00

Season ticket (minimum 100 tickets)

50% discount 50% discount 50% discount 50% discount

Boats

85.00 88.00 94.00 102.00

Hall (for period of 24 hours)

601.00 625.00 670.00 727.00

Key / Loss / damage / breakage deposit

Chalets and Villas

562.00 584.00 626.00 679.00

Rondavels

562.00 584.00 626.00 679.00

Hall

562.00 584.00 626.00 679.00

Group reservations

6,292.00 6,544.00 7,016.00 7,611.00

For calculation of tariffs, a day will be calculated from 15:00 - 11:00 the following day or part thereof. In the event of these times being exceeded a pro-rata hourly rate of 10% of the tariff will be recovered from the deposit. If the occupier should choose to occupy the living unit before the stipulated time the abovementioned payment of 10% will be payable, subject to availability.

1.4.2

Langleg Pleasure Resort

Chalets

143.00 149.00 160.00 174.00

Basic tariff per unit

129.00 134.00 144.00 156.00

Per bed available in the unit

Rondavels

Basic tariff per unit

83.00 86.00 92.00 100.00

Per bed available in the unit

42.00 44.00 47.00 51.00

Entire Resort: (Chalets, Rondavels, Hall, Dormitories, Ablutions, Day visitors area)

(Key deposit of R19000-00 as well as payment for 15 (fifteen) security guards from a recognized security company on the day of the festival is compulsory)

39326.00 40,899.00 43,848.00 47,566.00

	PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
<u>Key / Loss / damage / breakage deposit</u>				
Resort	20,225.00	21,034.00	22,551.00	24,463.00
Chalets	562.00	584.00	626.00	679.00
Rondavels	562.00	584.00	626.00	679.00
<u>Camping sites</u>				
Tent 6 persons(per day)	106.00	110.00	118.00	128.00
Per person (per day)	56.00	58.00	62.00	67.00
<u>Caravans</u>				
Per caravan (per day)	124.00	129.00	138.00	150.00
Per person (per day)	68.00	71.00	76.00	82.00
<u>Hall</u>				
24-hour period	1,348.00	1,402.00	1,503.00	1,630.00
Per person	39.00	41.00	44.00	48.00
Key / Loss / damage / breakage deposit	562.00	584.00	626.00	679.00
<u>Day visitors</u>				
Per person	45.00	47.00	50.00	54.00
Cars	34.00	35.00	38.00	41.00
<u>Group accommodation</u>				
Key / Loss / damage / breakage deposit	1,685.00	1,752.00	1,878.00	2,037.00
Per person per night (without bedding)	112.00	116.00	124.00	135.00
Per person per night (with bedding)	135.00	140.00	150.00	163.00
For calculation of tariffs, a day will be calculated from 15:00 - 11:00 the following day or a part thereof. In the event of these times being exceeded a pro-rata hourly rate of 10% of the tariff will be recovered from the deposit. If the occupier should choose to occupy the living unit before the stipulated time the abovementioned payment of 10% will be payable, subject to availability.				
1.4.3 <u>Rekaofela and Transka Pleasure Resorts</u>				
<u>Chalets : Rekaofela</u>				
Basic tariff per unit	174.00	181.00	194.00	210.00
Per bed available in the unit	208.00	216.00	232.00	252.00
(Amount converted to the nearest multiple of 5).				
Key / Loss / damage / breakage deposit	562.00	584.00	626.00	679.00
<u>Chalets : Transka</u>				
Basic tariff per unit	143.00	149.00	160.00	174.00
Per bed available in the unit	143.00	149.00	160.00	174.00
Key / Loss / damage / breakage deposit	562.00	584.00	626.00	679.00
<u>Caravan Park :Transka</u>				
Caravan (per day)	129.00	134.00	144.00	156.00
Per person (per day)	68.00	71.00	76.00	82.00
<u>Group accommodation</u>				
Transka - per person per night (with bedding)	129.00	134.00	144.00	156.00
Key / Loss / damage / breakage deposit	1,685.00	1,752.00	1,878.00	2,037.00
Rekaofela - per person per night	152.00	158.00	169.00	183.00
Key / Loss / damage / breakage deposit	1,685.00	1,752.00	1,878.00	2,037.00

	PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
Hall - (24-hour period) Kopano	1,180.00	1,227.00	1,315.00	1,427.00
- (48-hour period)	1,236.00	1,285.00	1,378.00	1,495.00
- (72-hour period)	1,292.00	1,344.00	1,441.00	1,563.00
- (96-hour period)	1,348.00	1,402.00	1,503.00	1,630.00
(More than 96 hours)	1,966.00	2,045.00	2,192.00	2,378.00
Key / Loss / damage / breakage deposit	1,685.00	1,752.00	1,878.00	2,037.00
<u>Training Centre - Mongano Hall</u>				
Per person per night	152.00	158.00	169.00	183.00
Key / Loss / damage / breakage deposit	1,685.00	1,752.00	1,878.00	2,037.00
Hall - (24-hour period)	2,528.00	2,629.00	2,819.00	3,058.00
- (48-hour period)	2,640.00	2,746.00	2,944.00	3,194.00
- (72-hour period)	2,809.00	2,921.00	3,132.00	3,398.00
- (96-hour period)	2,921.00	3,038.00	3,257.00	3,533.00
(More than 96 hours)	5,000.00	5,200.00	5,575.00	6,048.00
Key / Loss / damage / breakage deposit	1,685.00	1,752.00	1,878.00	2,037.00
Prior occupation	1,124.00	1,169.00	1,253.00	1,359.00
<u>Recreation Hall - Riverside Hall</u>				
Hall - (24-hour period)	6,292.00	6,544.00	7,016.00	7,611.00
- (48-hour period)	6,517.00	6,778.00	7,267.00	7,883.00
- (72-hour period)	6,629.00	6,894.00	7,391.00	8,018.00
- (96-hour period)	6,854.00	7,128.00	7,642.00	8,290.00
(More than 96 hours)	7,528.00	7,829.00	8,393.00	9,105.00
Prior occupation (per day)	640.00	666.00	714.00	775.00
Key / Loss / damage / breakage deposit	2,809.00	2,921.00	3,132.00	3,398.00
<u>Meals and refreshments</u>				
That a 10% levy be charged on all catering costs over weekends, long weekends and public holidays.				
<u>Catering at Rekaofela Resort is compulsory</u>				
<u>No outside Caterers are allowed to do catering at this facility</u>				
Daily conference tariff per person per day for a minimum of 20-40 delegates.	764.00	795.00	852.00	924.00
Daily conference tariff per person per day for less than 20 delegates,	899.00	935.00	1,002.00	1,087.00
Breakfast	58.00	60.00	64.00	69.00
	61.00	63.00	68.00	74.00
	74.00	77.00	83.00	90.00
	87.00	90.00	96.00	104.00
	99.00	103.00	110.00	119.00
	113.00	118.00	127.00	138.00
	152.00	158.00	169.00	183.00
Lunch / Dinner				
	74.00	77.00	83.00	90.00
	87.00	90.00	96.00	104.00
	93.00	97.00	104.00	113.00
	99.00	103.00	110.00	119.00
	93.00	97.00	104.00	113.00
	107.00	111.00	119.00	129.00
	112.00	116.00	124.00	135.00
	118.00	123.00	132.00	143.00
	124.00	129.00	138.00	150.00
	129.00	134.00	144.00	156.00
	136.00	141.00	151.00	164.00
	148.00	154.00	165.00	179.00
	157.00	163.00	175.00	190.00
	169.00	176.00	189.00	205.00
	198.00	206.00	221.00	240.00

	PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
Poeding	34.00 39.00 51.00	35.00 41.00 53.00	38.00 44.00 57.00	41.00 48.00 62.00
<u>Additional meals</u>				
Finger lunch per person	56.00 74.00 81.00 107.00 124.00	58.00 77.00 84.00 111.00 129.00	62.00 83.00 90.00 119.00 138.00	67.00 90.00 98.00 129.00 150.00
Spitbraai per person	247.00 286.00 325.00	257.00 297.00 338.00	276.00 318.00 362.00	299.00 345.00 393.00
Weddings per person	265.00 286.00 339.00 382.00	276.00 297.00 353.00 397.00	296.00 318.00 378.00 426.00	321.00 345.00 410.00 462.00
<u>Coffee/Tea & Refreshments</u>				
Coffee/Tea (per person)	23.00	24.00	26.00	28.00
Coffee/Tea & refreshments (per person)	57.00	59.00	63.00	68.00
Coffee/Tea & muffens (per person)	49.00	51.00	55.00	60.00
Tableclothes (weddings) each	61.00	63.00	68.00	74.00
Crockery and cutlery (per day)	371.00	386.00	414.00	449.00
Overhead projector (per day)	73.00	76.00	81.00	88.00
Video machine (per day)	68.00	71.00	76.00	82.00
Television (per day)	45.00	47.00	50.00	54.00
Flip chart	45.00	47.00	50.00	54.00
Flip chart paper (per batch)	309.00	321.00	344.00	373.00
Cool room (24-hours)	123.00	128.00	137.00	149.00
Data Projector (per day)	247.00	257.00	276.00	299.00
<u>Printing charges and phone calls</u>				
Paper prints - A4	11.00	11.00	12.00	13.00
Paper prints - A3	15.00	16.00	17.00	18.00
Fax - A4	24.00	25.00	27.00	29.00
<u>Day Visitor Tariff</u>				
Per person (Transka)	24.00	25.00	27.00	29.00
Per person Seasonal (Transka) Easter/ December till 10th of January	67.00	70.00	75.00	81.00
School children out of season (Transka)	12.00	12.00	13.00	14.00
Winter Period (1 May till 31st July	12.00	12.00	13.00	14.00
Buses (15 Seater and more) / Cars	33.00	34.00	36.00	39.00
Putt-Putt	22.00	23.00	25.00	27.00

For calculation of tariffs, a day will be calculated from 15:00 - 11:00 the following day or part thereof. In the of these times being exceeded a pro-rata hourly rate of 10% of the tariff will be recovered from the deposit. If the occupier should choose to occupy the living unit before the stipulated time the abovementioned payment of 10% will be payable, subject to availability.

	PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
<u>Hire of Lapas</u>				
Lapa A	424.00	441.00	473.00	513.00
Lapa B	424.00	441.00	473.00	513.00
Lapa C	477.00	496.00	532.00	577.00
Key / Loss / damage / breakage deposit	530.00	551.00	591.00	641.00

Cancellation fee on Conferences, Seminars and Training sessions is 25% of the total reservation fee.

1.4.4

Adventure Centre

Course fees

Instruction (per activity, per person)	477.00	496.00	532.00	577.00
1-Activity introduction (per person) - instruction, refreshments, equipment	530.00	551.00	591.00	641.00

Instructor's fees

Instructor's fees per day (with OAA Level 2 training)	477.00	496.00	532.00	577.00
Instructor's fees per day (with OAA Level 3 training)	530.00	551.00	591.00	641.00
Instructor's transport costs (per Km)	6.00	6.00	6.00	7.00

Cancellation fee is 25% of the total reservation fee.

CONDITIONS:

1. Right of admission reserved.
2. Entry at own risk.
3. Private parties are not allowed in any accommodation.
4. Noise or disturbing music is not allowed.
5. The refund of key deposits between 07:00 - 11:30, after the chalet has been checked by a member of the Resort Staff.
6. No refunds during weekends.
7. No parking on grass or paving areas.
8. No bedding and equipment may be removed from the chalets or may be used outside the chalet.
9. A day is calculated from 15:00 - 11:00 the next day.
10. No day visitors are allowed at the chalets without the knowledge of the Manager.
11. Day visitors must leave the premises at 18:00.
12. The amount of people will be determined by the amount of beds in the chalets.
13. No animals are allowed in the Resort.
14. Payment to be made in relation to the booking made.
15. If the chalets are evacuated later than 11:00, an additional tariff will be charged.
16. The chalets must be left in the same condition as it was found on occupation.
17. The visitors will be responsible for any damages or loss of any equipment in the chalets.
18. Strict action will be taken against any person who damages or removes any equipment or belongings of the Sol Plaatje Pleasure Resorts.
19. No visitor has the authority to choose his chalet or stand to be occupied.
20. Hotplates may only be used to cook on and not as heaters.
21. No tents may be erected next to accommodation units.
22. Ignorance or any of the above can lead to (*without refunding of any payment made in advance*) arrests, prohibitions from the Resort and no refunds on key deposits.
23. The management has the authority to determine whether any occupier's behaviour is acceptable to the Resort Manager.
24. Normal meal hours will be: 08:00 - 09:00; 13:00 - 14:00; 18:00 - 19:00. A levy of 10% will be charged on all meals taken outside the normal meal hours.
25. There will be no refund of the payment should the occupier cancel any time during their visit or should the person be prohibited from the resort.
26. All meals at weddings will be served not later than 20H00 and the kitchen will be closed at 22h30. A levy equal to the key deposit on the hall will be charged in the case of exceeding the prescribed hours.


PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
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27. No private caterers or private individuals are allowed to use any catering equipment or kitchen facilities or any resources of the Rekaofela Resort for personnel or private use.
28. The serving of meals in all cases will not exceed the 2.5 hour prescribed time frame.
29. In the event of catering at Rekaofela, all payments must be received 5 days prior to the actual reservation date. In the case of not receiving payment in the prescribed period no catering will be done, the reservation cancelled and the cancellation fee is applicable.
30. All individuals, private institutions, schools, political parties, private companies, wedding arrangements, family reunions etc. must pay upfront before any service are to be rendered.
31. In the event of outstanding accounts, no new reservations will be accepted before all outstanding payments have been received. Where state departments are involved, no service will be provided without an official order at least 4 days prior to the reservation.(see cancellation fee)
32. Preference would be given to all clients (reservations) who utilise accommodation for longer periods during high peak season. Such reservations will be accommodated well in advance of 1/2 day reservations with the provision that payments being received within the month the reservation has been done.
33. An application for hire of a resort to stage a festival / event should be made on the relevant application form, after which the Resort Manager will compile a quotation and submit same to the CFO for approval.

1.4.5	<u>PERSONNAL HEALTH</u> <u>PATIENT INFORMATION FROM CLINICS</u> Per enquiry per person	449.00	467.00	501.00	543.00
1.5	<u>HOUSING (SERVICES & INFRASTRUCTURE)</u> That the rental on all Municipal Renting Schemes be increased as per National Housing Guidelines as per the following based on market related rentals: <u>Impala Court</u> 1 Bedroom 2 Bedroom <u>Hercules Court</u> 1 Bedroom 2 Bedroom <u>Holland Court</u> 1 Bedroom 2 Bedroom 3 Bedroom Bachelor <u>Newton Court</u> 1 Bedroom 2 Bedroom 3 Bedroom <u>Tiffany Court</u> 2 Bedroom <u>Eugenie Court</u> 1 Bedroom 2 Bedroom <u>Jonker Court</u> 1 Bedroom 2 Bedroom <u>Eureka Court</u> 1 Bedroom 2 Bedroom <u>Krisant Court</u> 1 Bedroom 2 Bedroom <u>Roodepan Flats</u> 1 Bedroom 2 Bedroom 3 Bedroom	1,590.00 2,014.00 1,749.00 2,120.00 2,332.00 2,862.00 3,074.00 2,067.00 2,597.00 3,180.00 3,657.00 3,180.00 2,544.00 3,074.00 2,120.00 2,544.00 2,120.00 2,597.00 2,014.00 2,597.00 774.00 1,272.00 1,749.00	1,654.00 2,095.00 1,819.00 2,205.00 2,425.00 2,976.00 3,197.00 2,150.00 2,701.00 3,307.00 3,803.00 3,307.00 2,646.00 3,197.00 2,205.00 2,646.00 2,701.00 2,095.00 2,701.00 805.00 1,323.00 1,819.00	1,773.00 2,246.00 1,950.00 2,364.00 2,600.00 3,191.00 3,428.00 2,305.00 2,896.00 3,545.00 4,077.00 3,545.00 2,837.00 3,428.00 2,364.00 2,837.00 2,896.00 2,246.00 2,896.00 863.00 1,418.00 1,950.00	1,923.00 2,436.00 2,115.00 2,564.00 2,820.00 3,462.00 3,719.00 2,500.00 3,142.00 3,846.00 4,423.00 3,846.00 3,078.00 3,719.00 2,564.00 3,078.00 3,142.00 2,436.00 3,142.00 936.00 1,538.00 2,115.00

	PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
<u>Flamingo Court</u>				
1 Bedroom	1,325.00	1,378.00	1,477.00	1,602.00
2 Bedroom	1,696.00	1,764.00	1,891.00	2,051.00
Bachelor	1,219.00	1,268.00	1,359.00	1,474.00
<u>Carports</u>				
Carport with locking facility (per month)	117.00	122.00	131.00	142.00
Carport without locking facility (per month)	53.00	55.00	59.00	64.00
Key deposit	159.00	165.00	177.00	192.00
Administration fee	180.00	187.00	200.00	217.00
<u>By-pass houses</u>				
7 Villiers street	1,961.00	2,039.00	2,186.00	2,371.00
9 Villiers street	1,802.00	1,874.00	2,009.00	2,179.00
27a St Augustines road	1,961.00	2,039.00	2,186.00	2,371.00
28 St Augustines road	2,226.00	2,315.00	2,482.00	2,692.00
29 St Augustines road	1,749.00	1,819.00	1,950.00	2,115.00
20 Auction	1,961.00	2,039.00	2,186.00	2,371.00
4 Marriott	1,802.00	1,874.00	2,009.00	2,179.00
21 Diebel	2,385.00	2,480.00	2,659.00	2,884.00
13 Fuller	1,590.00	1,654.00	1,773.00	1,923.00
49 Jacobson	2,650.00	2,756.00	2,955.00	3,206.00
183 Barkly	1,113.00	1,158.00	1,241.00	1,346.00
185 Barkly	2,438.00	2,536.00	2,719.00	2,950.00
30 Meyer	3,604.00	3,748.00	4,018.00	4,359.00
West end Nursery house	1,961.00	2,039.00	2,186.00	2,371.00
Pioneer cemetery house	519.00	540.00	579.00	628.00
104a Waterworks street	2,226.00	2,315.00	2,482.00	2,692.00
Administration fee	159.00	165.00	177.00	192.00
<u>Santa centre</u>				
Rental units	74.00	77.00	83.00	90.00
<u>Dingaan family units</u>				
Bachelor	307.00	319.00	342.00	371.00
1 Bedroom	339.00	353.00	378.00	410.00
<u>Selling Scheme</u>				
Administration charges	106.00	110.00	118.00	128.00
Insurance	48.00	50.00	54.00	59.00
<u>Informal housing</u>				
Occupation fee	127.00	132.00	142.00	154.00
1.6 <u>MARK (STRATEGY, ECONOMIC DEVELOPMENT & PLANNING SERVICES)</u>				
<u>Hire</u>				
Office (per m2) per month	33.00	34.00	36.00	39.00
<u>Cold rooms per month</u>				
Outsdie	3181.00	3,308.00	3,547.00	3,848.00
Inside	6346.00	6,600.00	7,076.00	7,676.00
<u>Outside buildings</u> (per m2) per month	39.00	41.00	44.00	48.00
Parking per month	68.00	71.00	76.00	82.00
Transaction fees per transaction	1.20	1.00	1.00	1.00
Ripening fees per pallet per day	21.00	22.00	24.00	26.00
Ripening fees per box per day	5.00	5.00	5.00	5.00
Hiring of the Lapa	1,348.00	1,402.00	1,503.00	1,630.00
<u>Small trollies per day</u>				
Trolley	6.00	6.00	6.00	7.00
Pallet jack	29.00	30.00	32.00	35.00
Storage (per m2) per month	12.00	12.00	13.00	14.00
Big trollies (plus refundable deposits of R10.00)	11	11.00	12.00	13.00

	PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
1.7	<u>SIDEWALK AND ROAD TARIFFS (SERVICES & INFRASTRUCTURE)</u>			
	Lowered curbing per meter	257.00	267.00	286.00
	Per safety pole on sidewalk	231.00	240.00	257.00
	Tar patching work per m2 - area ÷ 30mm thickness installed	387.00	402.00	431.00
	Application fee for upgrading of sidewalk per square meter	2.00	2.08	2.00
	Application and advertisement for closure of road	5,618.00	5,843.00	6,264.00
	Lowered kerbs inspections	90.00	94.00	101.00
	Erf peg inspections (per inspection)	152.00	158.00	169.00
	Wayleave applications: Once-off fee			
	a) Application of a wayleave (to offset the cost of the documentation and inspection costs),	2,500.00	2,600.00	2,787.00
	b) A non-refundable deposit per road crossing shall be apply.	2,000.00	2,080.00	2,230.00
	Recurring fee			
	c) An additional cost per linear metre per annum, in lure of a rental fees of use of the municipal infrastructure.	2.00	2.08	2.23
	d) Failure to comply with the stipulated request as per (c) above will result in a fixed cost per annum being applied.	200,000.00	208,000.00	222,997.00
1.8	<u>URBAN PLANNING (STRATEGY, ECONOMIC DEVELOPMENT & PLANNING SERVICES)</u>			
1.8.1	<u>Building Control Section</u>			
	<u>Building Plan Inspection Fees</u>			
	The fees for the approval of building plans of all buildings (including covered stoep, veranda's, carports and outbuildings) calculated along the external walls on each floor and excluding the areas of external staircases, chimney breasts, architectural features and eaves, are as follows:			
	The minimum charge for any approval	755.00	785.00	842.00
	Minor building work as defined in the definitions of the NBR	755.00	785.00	842.00
	Swimming Pool	755.00	785.00	842.00
	Boundary Wall - Plan Submission	755.00	785.00	842.00
	Cellphone Mast - Plan Submission	1,049.00	1,091.00	1,170.00
	Re-inspection of defective work (every inspection more than two)	712.00	740.00	793.00
	Re-submission of lapsed plans	1,360.00	1,414.00	1,516.00
	Alterations to drainage systems	618.00	643.00	689.00
	For all new buildings per m2	19.00	20.00	21.00
	For all as-built buildings, completed or under construction	92.00	96.00	103.00
	For new buildings over 500m2 (per m2)	17.00	18.00	19.00
	For all new buildings per m2 exceeding 1000m2	16.00	17.00	18.00
	Per Government subsidized house	75.00	78.00	84.00
	For additions to any existing building per m2	19.00	20.00	21.00
	For additions over 500m2 (per m2)	17.00	18.00	19.00
	For additions of buildings per m2 exceeding 1000m2	16.00	17.00	18.00
	For business temporary structure/s per square meter	11.00	11.00	12.00
	For any government building/s per square meter	19.00	20.00	21.00
	For residential temporary structure per square meter	6.00	6.00	6.00
	<u>For internal alterations to existing buildings.</u>			
	Between 0 & 250m2 any existing building	1,135.00	1,180.00	1,265.00
	Between 250 & 500m2 any existing building	1,287.00	1,338.00	1,434.00
	Between 500 & 750m2 any existing building	2,191.00	2,279.00	2,443.00
	Between 750 & 1000m2 any existing building	4,202.00	4,370.00	4,685.00
	Between 1000 & 5000m2 any existing building	8,000.00	8,320.00	8,920.00
	Between 5000 & 10000m2 any existing building	13,209.00	13,737.00	14,727.00
	Private Contractors - Council supervision per house type (over and above inspection fees)	152.00	158.00	169.00
	Postage of Plans less than weigh 1Kg	226.00	235.00	252.00
	Postage of Plans less than weigh 2Kg	453.00	471.00	505.00
	Postage of Plans less than weigh 5Kg	906.00	942.00	1,010.00
	Postage of Plans less than weigh 7Kg	1,812.00	1,884.00	2,020.00
	Postage of Plans exceeding weigh 7Kg	3,020.00	3,141.00	3,367.00
1.8.1.2	<u>Building Control Penalty and Fine schedule for Law-Enforcement (New)</u>			
	Demolition Permit	1,112.00	1,156.00	1,239.00

	PRESENT TARIFFS 	PROPOSED TARIFFS 2021/07/01	PROPOSED TARIFFS 2022/07/01	PROPOSED TARIFFS 2023/07/01
	R	R	R	R
Temporary Occupancy	1,112.00	1,156.00	1,239.00	1,344.00
Section 7 (6) Approval	6,180.00	6,427.00	6,890.00	7,474.00
Accumulative daily fine CIB	152.00	158.00	169.00	183.00
Under construction illegal work per m2	92.00	96.00	103.00	112.00
Submission fee for completed illegal work per m2	92.00	96.00	103.00	112.00
Dumping building rubble exceed 30days per m3	303.00	315.00	338.00	367.00
Dumping building rubble exceed 60days per m3	454.00	472.00	506.00	549.00
Encroachment to council land (per day)	152.00	158.00	169.00	183.00
Failing to display building permit onsite	755.00	785.00	842.00	913.00
Aggressive FDBP (per day)	152.00	158.00	169.00	183.00
Structure as nuisance in terms of Section 10	152.00	158.00	169.00	183.00
Aggressive structure as nuisance	1,511.00	1,571.00	1,684.00	1,827.00
Unauthorised erected public tent 500-1000m2	755.00	785.00	842.00	913.00
Unauthorised erected public tent 1000-5000m2	1,511.00	1,571.00	1,684.00	1,827.00
Unauthorised erected public tent 2000-10000m2	3,020.00	3,141.00	3,367.00	3,653.00
Unauthorised erected public tent 10000-above	7,551.00	7,853.00	8,419.00	9,133.00
Unauthorised erected artist stage	2,265.00	2,356.00	2,526.00	2,740.00
Unauthorised demolishing of structure/s	7,551.00	7,853.00	8,419.00	9,133.00
Unauthorised occupying building/s	3,775.00	3,926.00	4,209.00	4,566.00
Amendment fee	755.00	785.00	842.00	913.00
Additional Occupancy per certificate	159.00	165.00	177.00	192.00
Services rendered: Application in terms of the Sol Plaatje Land Use By-Laws 2015 read together with SPLUM Act (Act 16 of 2013): Basic fee plus	3,171.00	3,298.00	3,536.00	3,836.00
Rezoning	1,163.00	1,210.00	1,297.00	1,407.00
Consent use / Conditional uses	1,163.00	1,210.00	1,297.00	1,407.00
Phasing of Layout Plan	631.00	656.00	703.00	763.00
All departures included in applications submitted for council approval(basic fee included)	1,163.00	1,210.00	1,297.00	1,407.00
Consolidation	631.00	656.00	703.00	763.00
Subdivision:				
Basic subdivision fee	1,163.00	1,210.00	1,297.00	1,407.00
Thereafter:				
3-10 erven an additional payment (per erf)	126.00	131.00	140.00	152.00
11-50 erven an additional payment (per erf)	63.00	66.00	71.00	77.00
51 and above erven an additional payment (per erf)	13.00	14.00	15.00	16.00
Advertising deposit per application (Local Newspapers)	2,265.00	2,356.00	2,526.00	2,740.00
Removal, Suspension or Amendment of Title Deed	1,163.00	1,210.00	1,297.00	1,407.00
Advertising: Government Gazette	5,736.00	5,965.00	6,395.00	6,937.00
Advertising: Local Newspaper (two placements)	3,775.00	3,926.00	4,209.00	4,566.00
Amendment of condition of approval/layout plan of previous Council decision without the basic fee	1,163.00	1,210.00	1,297.00	1,407.00
Extension of Council approval without basic fee	1,163.00	1,210.00	1,297.00	1,407.00
Cancellation Fee	455.00	473.00	507.00	550.00
Delegated Departures as per Zoning Scheme:				
Delegated departures (coverage: Erven less than 600m² not exceeding 60%)	680.00	707.00	758.00	822.00
Delegated departures (second dwelling: max 75m²) (excluding electrical contribution fees)	680.00	707.00	758.00	822.00
Delegated departures (garages/carports: not exceeding 6m on Street Building Lines except title conditions for garages)	680.00	707.00	758.00	822.00
All departures excluding the above for Council approval	1,966.00	2,045.00	2,192.00	2,378.00

PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
Home business registration	831.00	864.00	926.00
Home business registration (Galeshewe)	831.00	864.00	926.00
Other:			
Information (without copy costs)	38.00	40.00	43.00
Zoning Certificate	120.00	125.00	134.00
CUP Reports/SDF/LUMS/IDP/GURP	1,360.00	1,414.00	1,516.00
Building Plan research (without copy costs)	38.00	40.00	43.00
Building statistics - Monthly	226.00	235.00	252.00
- Annually	1,663.00	1,730.00	1,855.00

1.8.1.3

RESIDENTIAL BUSINESS BYLAW 2011**OFFENCE****SECT**

Any person who contravenes or fails to comply with this: The owner/operator of every residential business shall be the dwelling unit on the premises in which the business operates.	4.1 (i)	2,247.00	2,337.00	2,505.00	2,717.00
Any person who contravenes or fails to comply with this: All heavy equipment such as tractors trailers, semi-trailers, or construction equipment must be garaged screened with plantings or fencing to at least the height of the equipment	4.2	1,124.00	1,169.00	1,253.00	1,359.00
Any person who contravenes or fails to comply with this: One commercial vehicle which is not heavy equipment and which is not more than two tons in rated capacity may be parked outdoors on the property. Additional commercial vehicle must be garaged or screened as for heavy equipment.	4.3	1,124.00	1,169.00	1,253.00	1,359.00
Any person who contravenes or fails to comply with this: Any outdoors lighting fixture newly installed or replaced shall be shield so that it does not produce a strong, direct light beyond the property boundaries. Lighting must be compatible with the character of the district.	4.6 (i)	562.00	584.00	626.00	679.00
Any person who contravenes or fails to comply with this: Hours of operation: In no case shall a residential business be open to the public, including non-resident employees, clients, visitors, deliveries, earlier than 07h00 nor later than 21h00 with the exception of Tuck Shops may operate from 06h00-22h00.	4.7	1,124.00	1,169.00	1,253.00	1,359.00
Any person who contravenes or fails to comply with this: General Nuisances: Any activity that might result in excessive noise, electrical interference, smoke, dust, odours, heat, or glare beyond that which is common to the residential character of the area is prohibited.	4.8	2,247.00	2,337.00	2,505.00	2,717.00
Any person who contravenes or fails to comply with this: Hazardous Materials: No highly toxic, explosive, Flammable, combustible, corrosive, radioactive or similar hazardous materials shall be used, stored, or manufactured on the premises in amounts exceeding those found in normal residential use.	4.9	2,247.00	2,337.00	2,505.00	2,717.00
Any person who contravenes or fails to comply with this: Retail sales: There shall be no sales of services or products on the premises which are not produced on the premises, except those sales which are incidental to the business.	4.1	2,247.00	2,337.00	2,505.00	2,717.00
Any person who contravenes or fails to comply with this: No more two (2) employees who do not live on the premises shall be permitted to work on the premises at any one time for residential business	5.1	2,247.00	2,337.00	2,505.00	2,717.00
Any person who contravenes or fails to comply with this: A residential business may not use more than of the gross floor area of the buildings for business purposes, as in accordance's with the municipality's Land Use Management scheme, from time to time.	5.2	1,124.00	1,169.00	1,253.00	1,359.00
Any person who contravenes or fails to comply with this: Tuck shop shall serve a minimum of at least 60 household and least be at least 200m from formal business opportunity	6.1	2,247.00	2,337.00	2,505.00	2,717.00
Any person who contravenes or fails to comply with this: Tuck shop trade is restricted to general household consumables and liquor sales shall not be permitted.	6.2	2,247.00	2,337.00	2,505.00	2,717.00
Any person who contravenes or fails to comply with this: Tuck Shops shall only be allowed to operate between the hours of 06h00 to 22h00	6.3	1,124.00	1,169.00	1,253.00	1,359.00
Any person who contravenes or fails to comply with this: Tuck Shops shall be of a separate, permanent structure and must be separated by a wall and/or door from other activities in the residential home, such as sleeping cooking or entertainment areas, if attached to the house	6.4	1,124.00	1,169.00	1,253.00	1,359.00
Any person who contravenes or fails to comply with this: Tuck shop must adhere to the conditions as prescribed by the Municipality's Environmental Health By-law and must comply with National Building Regulations and Building Standards Act, 1977 (103 of 1977)	6.5	1,124.00	1,169.00	1,253.00	1,359.00

1.8.1.4

BED & BREAKFAST –AND GUESTHOUSE ESTABLISHMENT BYLAW 2011**OFFENCE**

Any person who contravenes or fails to comply with this: no person may operate a bed and breakfast or a guesthouse facility on any premises unless he/she has complied with all applicable legislation, including:-

- (a) the National Building Regulations and Building Standards Act, 1977 (Act No. 103 of 1977) where all buildings constructed on the premises must comply with this Act and its by-laws;
- (b) the municipality's applicable Town Planning Scheme with specific reference to parking, floor area ratio, height, coverage and zoning, number of rooms, if prescribed by a Town Planning Scheme applicable to the area where the property is located and with municipality's Outdoor Advertising Signs Bylaws with reference to signage.
- (c) the Foodstuffs, Cosmetics and Disinfectants Act, 1972 (Act No 54 of 1972) as amended, and the By-laws governing general hygiene requirements for food premises and the transport of food, and the provisions of the National Health Act, 2003, (Act No 61 of 2003) in general.
- (d) the Broadcasting Act, 1999 (Act No 4 of 1999), as amended, if the lettable room is supplied with a television set;
- (e) the South African Music Rights Organisation (SAMRO) where a licence is required if background music is to be played to the guests;
- (f) the Northern Cape Liquor Act 4, 2008 (Act No 4 of 2008) read together with the Liquor Act 59, 2003, (Act 59 of 2003) if liquor, including complimentary drinks, are served to guests;
- (g) the Tobacco Products Control Amendment Act, 1999 (Act No 12 of 1999), as amended, where it is a requirement that signs are displayed in areas designated for smoking and no-smoking signs are displayed elsewhere;

2.1 (a)-
(g)

- Any person who contravenes or fails to comply with this: The premises must provide: access to bedrooms and bathrooms at all the times for registered guests; 2.2 (a)
- Any person who contravenes or fails to comply with this: an area where breakfast can be served, adequate for the use of, and easily accessible to any guest on the premises 2.2 (c)
- Any person who contravenes or fails to comply with this: A bathroom and toilet for each lettable room suitably placed in a separate compartment which is close to the lettable room and is easily accessible to the guest/s of a lettable room and separate to that of the owner of the facility; 2.2 (d)
- Any person who contravenes or fails to comply with this: No kitchen facility may be provided to guests in the lettable rooms; 2.3
- Any person who contravenes or fails to comply with this: The operation of the facility may not detract from the residential character and amenities of the property or the immediate surroundings; 2.4
- Any person who contravenes or fails to comply with this: The facility may not include a place of public assembly or a place of public amusement. 2.6
- Any person who contravenes or fails to comply with this: At least 20% of residential guest houses' site must be attributed to a garden area for common usage. 2.7
- Any person who contravenes or fails to comply with this: At least 40% of the commercial guest houses' site must be attributed to a garden area for common usage. 2.8
- Any person who contravenes or fails to comply with this: Effective, paved parking, together with the necessary maneuvering area shall be providing on the erf to the satisfaction of the municipality, in accordance to the following ratios: 2.9
- (a) 1 parking space per bedroom or suite; plus
- (b) 1 parking space for staff; and
- (c) 1 parking space for visitors

Any person who contravenes or fails to comply with this: A person who wants to operate a bed and breakfast or guest house facility must –

- (a) be resident on the property;
- (b) abide by all relevant health, fire, business, labour, town planning and media laws and by-laws;
- (c) ensure that the application for municipality's special consent to operate a bed and breakfast or guest house facility is accompanied by letters of consent from the registered owners of the adjoining properties;
- (d) keep all sanitary, ablution and water supply fittings in good working order;
- (e) keep the premises and all furniture, fittings, appliances, equipment, containers, curtains, covers, hangings and other soft furnishings, table linen, bed linen and cloths of whatever nature used in connection with the facility in a clean, hygienic and good condition at all times;
- (f) supply fresh linen and unused soap for each letting; and
- (g) Take adequate measures to eradicate pests on the premises.

5 (a) –
(g)

2,247.00	2,337.00	2,505.00	2,717.00
2,247.00	2,337.00	2,505.00	2,717.00
1,685.00	1,752.00	1,878.00	2,037.00
1,685.00	1,752.00	1,878.00	2,037.00
1,685.00	1,752.00	1,878.00	2,037.00
1,685.00	1,752.00	1,878.00	2,037.00
1,124.00	1,169.00	1,253.00	1,359.00
1,124.00	1,169.00	1,253.00	1,359.00
1,685.00	1,752.00	1,878.00	2,037.00
1,685.00	1,752.00	1,878.00	2,037.00
2,000.00	2,000.00	2,000.00	2,000.00

PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
2.1	2,247.00	2,337.00	2,505.00
2.2	2,247.00	2,337.00	2,505.00
2.3	2,247.00	2,337.00	2,505.00
2.4	1,124.00	1,169.00	1,253.00
2.5	562.00	584.00	626.00
3.1 (a) - (e)	-	-	-
	562.00	584.00	626.00
	562.00	584.00	626.00
	562.00	584.00	626.00
	562.00	584.00	626.00
	-	-	-
	1,124.00	1,169.00	1,253.00
	562.00	584.00	626.00
	1,124.00	1,169.00	1,253.00
	562.00	584.00	626.00
	225.00	234.00	251.00
	1,124.00	1,169.00	1,253.00
	562.00	584.00	626.00
	899.00	935.00	1,002.00
	1,124.00	1,169.00	1,253.00

1.8.1.5 **CRECHES, CHILDCARE CENTRES AND NURSERY SCHOOLS BYLAW 2011****OFFENCE**

No person or body of persons shall establish, erect, maintain or conduct a crèche, child care centre or facility, or a crèche-cum-nursery school unless such person or body is in possession of a license from the municipality authorizing him to do so, specifying the premises to which such license relates and stating the number and ages of children permitted to be kept on such premises.

Any person who contravenes or fails to comply with this: A license shall not be granted in terms of subsection (1) unless a crèche, child care centre or crèche-cum-nursery school complies with the provisions of these by-laws to the satisfaction of the municipality's officer of health

Any person who contravenes or fails to comply with this: A person, or in the case of crèche or crèches-cum-nursery school administered by a body of persons, such body, licensed in terms of subsection (1), shall be responsible for the care and supervision of the children specified in such license and shall at all times be responsible to the municipality for the satisfactory performance of his obligations in terms of such license.

Any person who contravenes or fails to comply with this: A license issued in terms of this section shall not be transferable.

Any person who contravenes or fails to comply with this: A license issued in the form of a certificate of approval must be displayed at all times on the inside of the main door of the child care facility, crèche or crèche-cum-nursery school.

Any person who contravenes or fails to comply with this: The following minimum accommodation and facilities shall be provided in respect of crèche, child care centres and crèches-cum-nursery schools admitting for all-day care children aged 3 years and over but under school-going age.

(a) An office

(b) A staff room provided that one room may, subject to the approval of the officer of health, be used as an office and staff room combined;

(c) An isolation room with a minimum floor area of 2m x 3m, fitted with a built-in wash-hand basin with hot and cold running water and equipped with a first-aid cupboard and equipment and bed or stretcher

(d) A playroom for play activities, serving of meals and sleeping purposes with a minimum free-playing area of 3m² for every child, not more than one-third of the total indoor play area may consist of a covered veranda or stoep, which shall be protected against wind, rain and other inclement weather conditions.

(e) A kitchen complying with the following requirements

(i) The kitchen including scullery, shall have a minimum floor area of 14m² for a maximum of 30 children accommodated with an additional 0,3 m² per child for 30 to 100 children and a further 0.1 m² per child for every child in excess of

(ii) The kitchen shall be provided with a double compartment sink, wash-hand basin, vegetable washing sink and where the officer of health deems it necessary; an approved pot-washing sink shall be installed on the premises

(iii) In the discretion of the municipality and after due consideration having being given to the manner, amount and nature of cooking undertake on the premises, there shall be provided, immediately above every cooking stove, oven or similar apparatus, a hood or canopy of adequate size, having a flue at least 300mm in diameter and in addition such mechanical device as the Municipality shall deem necessary in these circumstances, exhausting to the atmosphere at such a position or manner as is necessary to prevent the discharge there from constituting a nuisance or annoyance to the neighbourhood: provided that where the municipality is satisfied that the purposes of this subsection will be effectively achieved thereby, a mechanical device may be provided instead of a hood or canopy as aforesaid;

(iv) The washbasins mentioned in paragraph (5)(b) shall be made of stainless steel or other approved impervious material and shall have an adequate and wholesome supply of hot and cold running water effectively distributed and laid over the sinks and wash-hand basins

(v) Each bowl of the double-compartment sink shall have a minimum depth of 225mm and minimum capacity of 55 litres

(vi) The draining boards of the sinks shall be fitted with 150 mm splash screens and installed 100mm from any wall surface, and every part of a wall surface within 600mm from any part of the sink or draining board so installed, shall be tiled or given some other approved finish having similar properties to a tiled surface, to a height at least 1.5 m from the floor.

(vii) The floor of the kitchen shall be of concrete or other similar impervious material

(viii) Natural light and ventilation shall be provided in accordance with the municipality's building by-laws

(ix) Wall surfaces shall be tiled or smooth-plastered and oil-painted in light-coloured oil

	PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
(x) Ceilings shall be dust proof	562.00	584.00	626.00	679.00
(xi) All cupboards, shelves and other equipment for the storage of kitchen utensils and equipment shall be of metal and shall be so fitted or situated as to be easily cleaned and not for favour the harbourage of insects, rodents and other vermin;	899.00	935.00	1,002.00	1,087.00
(xii) All worktables shall be constructed of metal with a stainless steel top;	562.00	584.00	626.00	679.00
(xiii) The stove or other cooking units shall be so installed as to allow easy access between the stove or cooking unit and the adjoining wall surfaces to allow for cleaning;	562.00	584.00	626.00	679.00
(xiv) Facilities for the storage of vegetables shall be provided;	562.00	584.00	626.00	679.00
(xv) There shall be provided suitable refrigeration facilities for the storage of perishable foodstuffs	1,124.00	1,169.00	1,253.00	1,359.00
(xvi) There shall be provided a sufficient number of metal bins with covers for the temporary storage of refuse pending disposal	1,124.00	1,169.00	1,253.00	1,359.00
	-	-	-	-
1.8.2 Advertising				
Application fee	356.00	370.00	397.00	431.00
Directional sign board single once off	1,391.00	1,447.00	1,551.00	1,683.00
Directional sign board double once off	2,727.00	2,836.00	3,040.00	3,298.00
LED - Digital Billboard displayed on municipal property per month	2,092.00	2,176.00	2,333.00	2,531.00
	-	-	-	-
Per banner	334.00	347.00	372.00	404.00
Per Illegal Boards	417.00	434.00	465.00	504.00
Per Illegal Boards Additional fee if not removed within 2 (two) weeks	278.00	289.00	310.00	336.00
NGO's, Churches, Schools etc. deposit upfront and if the posters are removed within a week, the deposit is 100% refundable, if it is not removed within a week Council will be liable to clean the city and the deposit is then non-refundable	1,391.00	1,447.00	1,551.00	1,683.00
Political poster deposit upfront and if the posters are removed within a week, the deposit is 100% refundable, if it is not removed within a week Council will be liable to clean the city and the deposit is then non-refundable	6,956.00	7,234.00	7,756.00	8,414.00
The above advertising tariffs are subject to a 5% discount only when the following criteria are met: Five (5) or more boards must be placed. The application fee must exceed R1 500-00 for any particular advertising.				
1.8.3 Plan Printing Charges				
<u>Paper prints:</u>				
Size A4	10.00	11.00	12.00	13.00
Size A3	12.00	12.00	13.00	14.00
Size A2	16.00	17.00	18.00	20.00
Size A1	62.00	64.00	69.00	75.00
Size A0	91.00	95.00	102.00	111.00
<u>Opaque Film Prints & Transparent Prints</u>				
Size A4	24.00	25.00	27.00	29.00
Size A3	45.00	47.00	50.00	54.00
Size A2	119.00	124.00	133.00	144.00
Size A1	166.00	173.00	185.00	201.00
Size A0	257.00	267.00	286.00	310.00
<u>Plans plotted by REGIS System</u>				
Size A4	52.00	54.00	58.00	63.00
Size A3	70.00	73.00	78.00	85.00
Size A2	139.00	145.00	155.00	168.00
Size A1	207.00	215.00	231.00	251.00
Size A0	245.00	255.00	273.00	296.00

	PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
<u>Paper prints: Color</u>				
Size A4	6.00	6.00	6.00	7.00
Size A3	4.00	4.00	4.00	4.00
Size A2	13.00	14.00	15.00	16.00
Size A1	67.00	70.00	75.00	81.00
Size A0	83.00	86.00	92.00	100.00
<u>Opaque Film Prints & Transparent Prints Color</u>				
Size A4	28.00	29.00	31.00	34.00
Size A3	54.00	56.00	60.00	65.00
Size A2	147.00	153.00	164.00	178.00
Size A1	200.00	208.00	223.00	242.00
Size A0	301.00	313.00	336.00	364.00
<u>Plans plotted by REGIS System - Color</u>				
Size A4	57.00	59.00	63.00	68.00
Size A3	104.00	108.00	116.00	126.00
Size A2	174.00	181.00	194.00	210.00
Size A1	280.00	291.00	312.00	338.00
Size A0	297.00	309.00	331.00	359.00
<u>Other</u>				
Information (without copy cart)	30.00	31.00	33.00	36.00
CUP Reports/SDF/LUMS/IDP/GURP	144.00	150.00	161.00	175.00
Building Plan search fee (without copy cart)	1,506.00	1,566.00	1,679.00	1,821.00
Building Statistics - Monthly	144.00	150.00	161.00	175.00
- Annually	1,506.00	1,566.00	1,679.00	1,821.00
Building Occupancy Certificate	876.00	911.00	977.00	1,060.00
Temporary Occupancy	876.00	911.00	977.00	1,060.00
Hoarding on Municipal property per square meter	144.00	150.00	161.00	175.00
Compulsory (removal executed by Municipal) of Building rubble per m3 load	753.00	783.00	839.00	910.00
Penalty on illegal building structure/s, per day and to be attached to account	226.00	235.00	252.00	273.00
Penalty on illegal encroaching to adjacent erf/erven, per day and to be attached to account	226.00	235.00	252.00	273.00
Penalty on Illegal usage of property other than as zoned, per day and to be attached to account	226.00	235.00	252.00	273.00
Penalty on Illegal closing of adjacent neighbour access, per day and to be attached to account	226.00	235.00	252.00	273.00
Penalty on Illegal closing for storm water flow allowance, per day and to be attached to account	226.00	235.00	252.00	273.00
Penalty on deviation from approved building plan/s, per day and to be attached to account	226.00	235.00	252.00	273.00
Penalty on illegal encroaching to municipality land or property, per day and to be attached to account	226.00	235.00	252.00	273.00
Unauthorised sewer connection	1,511.00	1,571.00	1,684.00	1,827.00
Unauthorised water connection	1,511.00	1,571.00	1,684.00	1,827.00
Unauthorised electrical connection	1,511.00	1,571.00	1,684.00	1,827.00
Commencing building work or statutory stages controlled without council authorisation	754.00	784.00	841.00	912.00
Unauthorised erection of structures for event	22,472.00	23,371.00	25,056.00	27,181.00

1.9 **PARKS & RECREATION (COMMUNITY & SOCIAL DEVELOPMENT SERVICES)**

1.9.1 **TARIFFS FOR RECREATION HALL**

Development Sport

Training sessions (Monday - Thursday)

07:45 - 16:30 (per hour)

Key / Loss / damage / breakage deposit

51.00	53.00	57.00	62.00
125.00	130.00	139.00	151.00

PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
* <u>Monday - Friday</u>			
07:00 - 12:00 (per session)	363.00	378.00	405.00
12:00 - 17:00 (per session)	363.00	378.00	405.00
17:00 - 07:00 (per hour)	454.00	472.00	506.00
* <u>Saturdays</u>			
A basic fee is charged for 4 hours or part thereof	737.00	766.00	821.00
For every additional hour which the facility is used an additional tariff is payable	363.00	378.00	405.00
* <u>Sundays & Public Holidays</u>			
A basic fee is charged for 4 hours or part thereof	794.00	826.00	886.00
For every additional hour which the facility is used an additional tariff is payable	374.00	389.00	417.00
* <u>All Dances</u>			
A basic fee is charged for 4 hours or part thereof	2,836.00	2,949.00	3,162.00
For every additional hour which the facility is used an additional tariff is payable	748.00	778.00	834.00
* Funerals - for 4 hours	681.00	708.00	759.00
For every additional hour	369.00	384.00	412.00
Preparation fee (per hour)	454.00	472.00	506.00
* Key / Loss / damage / breakage deposit	1,248.00	1,298.00	1,392.00
<u>TARIFFS FOR SOCIAL CENTRE, R C ELLIOTT HALL AND RITCHIE</u>			
<u>Development Sport</u>			
Training sessions (Monday - Thursday)			
07:45 - 16:30 (per hour)	51.00	53.00	57.00
Key / Loss / damage / breakage deposit	125.00	130.00	139.00
* <u>Monday - Friday</u>			
07:00 - 12:00 (per session)	363.00	378.00	405.00
12:00 - 17:00 (per session)	258.00	268.00	287.00
17:00 - 07:00 (per hour)	454.00	472.00	506.00
* <u>Saturdays</u>			
A basic fee charged for 4 hours or part thereof	737.00	766.00	821.00
For every additional hour which the facility is used an additional tariff is payable	374.00	389.00	417.00
* <u>Sundays & Public Holidays</u>			
A basic fee is charged for 4 hours or part thereof	794.00	826.00	886.00
For every additional hour which the facility is used an additional tariff is payable	374.00	389.00	417.00
* <u>All Dances</u>			
A basic fee is charged for 4 hours or part thereof	2,836.00	2,949.00	3,162.00
For every additional hour which the facility is used an additional tariff is payable	748.00	778.00	834.00
* Funerals - for 4 hours	681.00	708.00	759.00
For every additional hour	369.00	384.00	412.00
Preparation fee (per hour)	454.00	472.00	506.00
* Key / Loss / damage / breakage deposit	1,248.00	1,298.00	1,392.00

1.9.2

PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
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1.9.3

TARIFFS FOR FLORIANVILLE HALL

Development Sport

Training sessions (Monday - Thursday)

07:45 - 16:30 (per hour)

Key / Loss / damage / breakage deposit

51.00	53.00	57.00	62.00
125.00	130.00	139.00	151.00

* Monday - Friday

07:00 - 12:00 (per session)

12:00 - 17:00 (per session)

17:00 - 07:00 (per hour)

363.00	378.00	405.00	439.00
363.00	378.00	405.00	439.00
454.00	472.00	506.00	549.00

* Saturdays

A basic fee charged for 4 hours or part thereof

For every additional hour which the facility is used an additional tariff is payable

738.00	768.00	823.00	893.00
374.00	389.00	417.00	452.00

* Sundays & Public Holidays

A basic fee is charged for 4 hours or part thereof

For every additional hour which the facility is used an additional tariff is payable

794.00	826.00	886.00	961.00
787.00	818.00	877.00	951.00

* All Dances

A basic fee is charged for 4 hours or part thereof

For every additional hour which the facility is used an additional tariff is payable

2,836.00	2,949.00	3,162.00	3,430.00
748.00	778.00	834.00	905.00

* Funerals - for 4 hours

For every additional hour

Preparation fee (per hour)

681.00	708.00	759.00	823.00
369.00	384.00	412.00	447.00
454.00	472.00	506.00	549.00

* Key / Loss / damage / breakage deposit

1,248.00	1,298.00	1,392.00	1,510.00
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1.9.4

**GARDNER WILLIAMS HALL, GREENPOINT HALL
AND GALESHEWE CENTRE (ABATHO BANTU HALL)**

Development Sport

Training sessions (Monday - Thursday)

07:45 - 16:30 (per hour)

Key / Loss / damage / breakage deposit

51.00	53.00	57.00	62.00
125.00	130.00	139.00	151.00

* Monday - Friday

07:00 - 12:00 (per session)

12:00 - 17:00 (per session)

17:00 - 07:00 (per hour)

244.00	254.00	272.00	295.00
244.00	254.00	272.00	295.00
244.00	254.00	272.00	295.00

* Saturdays

A basic fee charged for 4 hours or part thereof

For every additional hour which the facility is used an additional tariff is payable

681.00	708.00	759.00	823.00
340.00	354.00	380.00	412.00

* Sundays & Public Holidays

A basic fee is charged for 4 hours or part thereof

For every additional hour which the facility is used an additional tariff is payable

* Key / Loss / damage / breakage deposit

703.00	731.00	784.00	850.00
374.00	389.00	417.00	452.00
1,248.00	1,298.00	1,392.00	1,510.00

* All Dances

A basic fee is charged for 4 hours or part thereof

For every additional hour which the facility is used an additional tariff is payable

2,836.00	2,949.00	3,162.00	3,430.00
748.00	778.00	834.00	905.00

	PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
* Funerals - for 4 hours	681.00	708.00	759.00	823.00
For every additional hour	369.00	384.00	412.00	447.00
Preparation fee (per hour)	454.00	472.00	506.00	549.00
* Key / Loss / damage / breakage deposit	1,248.00	1,298.00	1,392.00	1,510.00

1.9.5

CITY HALL*** Monday - Friday**

07:00 - 12:00 (per session)

1,090.00 1,134.00 1,216.00 1,319.00

12:00 - 17:00 (per session)

1,090.00 1,134.00 1,216.00 1,319.00

17:00 - 07:00 (per hour)

657.00 683.00 732.00 794.00

*** Saturdays**

A basic fee charged for 4 hours or part thereof

1,701.00 1,769.00 1,897.00 2,058.00

For every additional hour which the facility is used
an additional tariff is payable

454.00 472.00 506.00 549.00

*** Sundays & Public Holidays**

A basic fee is charged for 4 hours or part thereof

1,871.00 1,946.00 2,086.00 2,263.00

For every additional hour which the facility is used
an additional tariff is payable

657.00 683.00 732.00 794.00

* Key / Loss / damage / breakage deposit

1,361.00 1,415.00 1,517.00 1,646.00

**** All Dances**

A basic fee is charged for 4 hours or part thereof

2,836.00 2,949.00 3,162.00 3,430.00

For every additional hour which the facility is used
an additional tariff is payable

782.00 813.00 872.00 946.00

** Key / Loss / damage / breakage deposit

1,701.00 1,769.00 1,897.00 2,058.00

***** Supper Room**

07:00 - 12:00 (per session)

851.00 885.00 949.00 1,029.00

12:00 - 17:00 (per session)

851.00 885.00 949.00 1,029.00

17:00 - 07:00 (per hour)

625.00 650.00 697.00 756.00

*** Funerals - for 4 hours

1,701.00 1,769.00 1,897.00 2,058.00

For every additional hour

369.00 384.00 412.00 447.00

***** Key / Loss / damage / breakage deposit**

1,134.00 1,179.00 1,264.00 1,371.00

Preparation fee (per hour) applicable to all activities

499.00 519.00 556.00 603.00

Aircon \ 8 hour session

1,134.00 1,179.00 1,264.00 1,371.00

If a request is received from a the following organizations * to use the facilities at a reduced tariff ONLY
the Municipal Manager may approve a reduced tariff. The relevant deposit, which is refundable, is payable.

* Registered Welfare Organisations

* Registered Non-profitable Organisations

* Schools

* Churches

NB. Government Departments to pay full tariff.

1.9.6

PROPERTY SERVICES

Administration costs for the sale of land (once-off) -

15% of the sale / hire price:

* Minimum

636.00 661.00 709.00 769.00

* Maximum

1,919.00 1,996.00 2,140.00 2,321.00

Administration costs for the leasing of land/property (with each renewal of contract)

636.00 661.00 709.00 769.00

Advertising for alienation or leasing of land

848.00 882.00 946.00 1,026.00

1.9.7

TRAFFIC**FUNCTIONS, MARCHES & SPORT****Monday to Saturday**

One or two Officers per event

1,092.00

1,140.00

1,222.00

1,326.00

Three or four Officers per event

2,162.00

2,250.00

2,412.00

2,617.00

More than four Officers per event

2,692.00

2,800.00

3,002.00

3,257.00

Sunday and Public Holidays

Per Officer per hour or part thereof

1,039.00

1,080.00

1,158.00

1,256.00

ESCORT OF ABNORMAL LOADS**Monday to Saturday**

Per Officer per hour or part thereof

636.00

670.00

718.00

779.00

Sunday and Public Holidays

Per Officer per hour or part thereof

2,099.00

2,180.00

2,337.00

2,535.00

RENTAL OF ROAD SIGNS

Renting of temporary Road Signs -

360.00

370.00

397.00

431.00

Deposit per sign

212.00

220.00

236.00

256.00

HIRE OF PARKING BAY

Hiring of a Parking Bay per Parking Bay per Day

244.00

250.00

268.00

291.00

SEARCH FEES

Service of Summonses for other Local Authorities (per Summons executed)

117.00

120.00

129.00

140.00

Accident Report

new

100.00

107.00

116.00

WEIGHBRIDGE

0 - 3500 kg

138.00

140.00

150.00

163.00

3500 - 9000 kg

254.00

260.00

279.00

303.00

9000 - 16000 kg

376.00

390.00

418.00

453.00

Above 16000 kg

625.00

650.00

697.00

756.00

1.9.8

LIBRARY

Videos, Fiksie en Nie-fiksie / DVD

8.00

8.00

9.00

10.00

Damaged barcode

5.00

5.00

5.00

5.00

Postal tariffs : reminders

9.00

9.00

10.00

11.00

Fines : per week

3.00

3.00

3.00

3.00

: per month

11.00

11.00

12.00

13.00

Maximum fine per item

42.00

44.00

47.00

51.00

Reservation fee

5.00

5.00

5.00

5.00

Admin fee : Phone calls

16.00

17.00

18.00

20.00

Admin fee : Cell phone calls

19.00

20.00

21.00

23.00

Book record covers

13.00

14.00

15.00

16.00

Duplicate computer membership card

42.00

44.00

47.00

51.00

Photocopy charges - A4

0.60

1.00

1.00

1.00

- A3

1.10

1.00

1.00

1.00

Country members (per annum)

170.00

177.00

190.00

206.00

Visitors - deposit

180.00

187.00

200.00

217.00

- fee

159.00

165.00

177.00

192.00

PRESENT
TARIFFS
RPROPOSED
TARIFFS
2021/07/01
RPROPOSED
TARIFFS
2022/07/01
RPROPOSED
TARIFFS
2023/07/01
R

	PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
<u>Laminates:</u>				
A4	8.00	8.00	9.00	10.00
A3	16.00	17.00	18.00	20.00
85mm x 60	5.00	5.00	5.00	5.00
A5	6.00	6.00	6.00	7.00
Inter library loans	95.00	99.00	106.00	115.00
Books rebinding	85.00	88.00	94.00	102.00
Toilet tariff	1.00	1.00	1.00	1.00
CD container / DVD	6.00	6.00	6.00	7.00
Research fee (inter library loans)	30.00	31.00	33.00	36.00
<u>Fax facility:</u>				
Local per page	5.00	5.00	5.00	5.00
National per page	13.00	14.00	15.00	16.00
International per page	34.00	35.00	38.00	41.00
Faxes received per page	3.00	3.00	3.00	3.00
Fax to mail (all 086 numbers) per page	11.00	11.00	12.00	13.00
<u>MAIN- AND GALESHEWE LIBRARIES</u>				
<u>Non-profitable Organisations and Cultural Activities</u>				
Per session	180.00	187.00	200.00	217.00
Kitchen facilities	64.00	67.00	72.00	78.00
Key / Loss / damage / breakage deposit	509.00	529.00	567.00	615.00
<u>Commercial Institutions and Political Parties</u>				
Per session	424.00	441.00	473.00	513.00
Kitchen facilities	64.00	67.00	72.00	78.00
Key / Loss / damage / breakage deposit	509.00	529.00	567.00	615.00
Audio visual material (per item)	85.00	88.00	94.00	102.00
Data Projector (Main Library only) per session	339.00	353.00	378.00	410.00
<u>HALL RENTALS</u>				
<u>SONNY LEON LIBRARY</u>				
<u>Non-profitable organisations and Cultural Activities</u>				
Per session	106.00	110.00	118.00	128.00
Kitchen facilities	64.00	67.00	72.00	78.00
Key / Loss / damage / breakage deposit	509.00	529.00	567.00	615.00
<u>Commercial Institutions and Political Parties</u>				
Per session	265.00	276.00	296.00	321.00
Kitchen facilities	64.00	67.00	72.00	78.00
Key / Loss / damage / breakage deposit	509.00	529.00	567.00	615.00
Audio visual material (per item)	85.00	88.00	94.00	102.00
<u>HALL RENTALS</u>				
<u>BEACONSFIELD AND JUDY SCOTT LIBRARIES</u>				
<u>Non-profitable organizations and Cultural Activities</u>				
Per session	106.00	110.00	118.00	128.00
Kitchen	64.00	67.00	72.00	78.00
Key / Loss / damage / breakage deposit	509.00	529.00	567.00	615.00
<u>Commercial Institutions and Political Parties</u>				
Per session	265.00	276.00	296.00	321.00
Kitchen facilities	64.00	67.00	72.00	78.00
Key / Loss / damage / breakage deposit	509.00	529.00	567.00	615.00
Audio visual material (per item)	85.00	88.00	94.00	102.00

PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
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AFRICANA LIBRARY**Research fees**

* National	933.00	970.00	1,040.00	1,128.00
* International	1,166.00	1,213.00	1,300.00	1,410.00

* Pro rata fees will be levied for partially research request

1.9.9

EMERGENCY SERVICES**Km Turnout fees**

(Calculated per vehicle per Km traveled from turnout to the incident to return to the Fire Station)

* Fire fighting vehicle	46.00	48.00	51.00	55.00
* Assistance vehicle	8.50	9.00	10.00	11.00

Turnout fees for the fire fighting vehicles, portable pumps and assistance vehicles

(Calculated per fire fighting vehicle, portable pump or assistance vehicle for the first two (2) hours from turnout to the incident to the time the vehicle return to the Fire Station)

Fire fighting vehicles / Rescue pumper	2,192.00	2,280.00	2,444.00	2,651.00
Portable pump	1,096.00	1,140.00	1,222.00	1,326.00
Assistance vehicle	1,096.00	1,140.00	1,222.00	1,326.00
Hazmat Pumps	2,192.00	2,280.00	2,444.00	2,651.00

Turnout fees for the fire fighting vehicles, portable pumps and assistance vehicles

(Calculated per fire fighting vehicle, portable pump or assistance vehicle for every hour or part thereof after the first two (2) hours from the first minute from the first two (2) hours to the time the vehicle return to the Fire Station)

Fire fighting vehicles / Rescue pumper	1,096.00	1,140.00	1,222.00	1,326.00
Portable pump	548.00	570.00	611.00	663.00
Assistance vehicle	548.00	570.00	611.00	663.00
Hazmat Pumps	1,096.00	1,140.00	1,222.00	1,326.00

Personnel tariffs

(Calculated per personnel member on duty at the incident for every hour or part thereof from the turnout to the incident to the time the vehicle return to the Fire Station)

Chief Emergency service or any member	594.00	618.00	663.00	719.00
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Specialized equipment

(Calculated per unit used)

Chemical extinguisher	455.00	473.00	507.00	550.00
CO ² extinguisher	455.00	473.00	507.00	550.00
Breathing apparatus	315.00	328.00	352.00	382.00
Refill of SCBA/SCUBA cylinder : per cylinder	36.00	37.00	40.00	43.00
* Jaws of Life rescue equipment - per incident / use	943.00	981.00	1,052.00	1,141.00
* Rollgliss rescue equipment - per incident / use	943.00	981.00	1,052.00	1,141.00
* Medical equipment (consumables) - per patient	455.00	473.00	507.00	550.00
* Pneumatic Equipment - per incident / use	943.00	981.00	1,052.00	1,141.00
* Chemical suites - per suit per incident	Replacement cost+20%	Replacement cost+20%	Replacement cost+20%	Replacement cost
* Hazmat equipment (consumables) - per incident / use	Replacement cost+20%	Replacement cost+20%	Replacement cost+20%	Replacement cost

Fire extinguishing material

(Calculated per unit state or part thereof)

Water - municipal tariff per Kl				
CO ² - purchase tariff per Kg	Tariff +20%	Tariff +20%	Tariff +20%	Tariff +20%
Dry chemical powder - purchase tariff per Kg	Tariff +20%	Tariff +20%	Tariff +20%	Tariff +20%
Foam - purchase tariff per liter	Tariff +20%	Tariff +20%	Tariff +20%	Tariff +20%

PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
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Inspection fees

(Calculated per inspection or plan approved)

Fire prevention inspection, building plans and sites per project

548.00	570.00	611.00	663.00
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Inspection of flammable liquids, solids and gasses installations:

* 1 liter - 2000 liter

636.00	661.00	709.00	769.00
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* 2001 liter - 5000 liter

822.00	855.00	917.00	995.00
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* 5001 liter - 50000 liter

1,003.00	1,043.00	1,118.00	1,213.00
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* 50001 litre and more

1,187.00	1,234.00	1,323.00	1,435.00
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*Tankers - irrespective the size and inspected at the Emergency Services - per registration certificate

606.00	630.00	675.00	732.00
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Inspection and service of fire extinguishers for Municipal Sections - per extinguisher serviced.

as per tender	as per tender	as per tender	as per tender
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Monitoring of fire alarms (per month per alarm)

244.00	254.00	272.00	295.00
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Training

As per Prospectus - calculated in terms of time and material used.

1.9.10

DEVELOPMENT SERVICES**Tram**

Single trip (Adults) (Return Trip 2x single)

11.00	12.00	13.00	14.00
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Single trip (Children - Primary School) (Return Trip 2x single)

11.00	12.00	13.00	14.00
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Regional Tourism Centre

Kiosk:

Minimum tender price/month - 12 month period

1,325.00	1,378.00	1,477.00	1,602.00
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Cubicles:

Minimum tender price/month - 12 month period

954.00	992.00	1,064.00	1,154.00
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Exhibition space per m² per day

18.00	19.00	20.00	22.00
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Hawkers shelter per day

34.00	35.00	38.00	41.00
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Informal Trade facilities

Stalls with storage facilities

373.00	388.00	416.00	451.00
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Stalls without storage facilities

179.00	186.00	199.00	216.00
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Fruits and Vegetable Structures

243.00	253.00	271.00	294.00
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Pension Pay Points (Card Carrying Pensioners)

71.00	74.00	79.00	86.00
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Caravans within CBD (Auction set-off price)

472.00	491.00	526.00	571.00
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Caravans outside CBD

237.00	246.00	264.00	286.00
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1.9.11

POUND SERVICES**Impounding:**

Horses, donkey's, cattle and pigs (each, once off payment)

170.00	177.00	190.00	206.00
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Sheep and goat (each, once off payment)

68.00	71.00	76.00	82.00
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Maintenance

Horses, donkey's, cattle and pigs (each per day)

68.00	71.00	76.00	82.00
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Sheep and goat (each per day)

35.00	36.00	39.00	42.00
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G.W.K rent tariff

Large stock unit

68.00	71.00	76.00	82.00
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Small stock unit

41.00	43.00	46.00	50.00
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The tariff per kilometre will be applicable for animals brought to the pound by an individual with a (LCV) light commercial vehicle. The tariff paid will be in accordance with the AA Vehicle Rates Calculator.

PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
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1.10 **LABORATORY TARIFFS (COMMUNITY & SOCIAL DEVELOPMENT SERVICES)**

Chemical Analysis

Digester samples	635.00	660.00	708.00	768.00
Waste activated sludge	180.00	187.00	200.00	217.00
Sludge volume index	91.00	95.00	102.00	111.00
Nitrates	144.00	150.00	161.00	175.00
Potassium	173.00	180.00	193.00	209.00
Sulfates	173.00	180.00	193.00	209.00
Phosphate	173.00	180.00	193.00	209.00
Fluoride	173.00	180.00	193.00	209.00
Total solids	173.00	180.00	193.00	209.00
Free Residual Chlorine	91.00	95.00	102.00	111.00
Magnesium	197.00	205.00	220.00	239.00
COD	157.00	163.00	175.00	190.00
TKN = Total Kjeldahl Nitrogen	197.00	205.00	220.00	239.00
NH-3/Ammonia	197.00	205.00	220.00	239.00
Zinc	197.00	205.00	220.00	239.00
Iron	197.00	205.00	220.00	239.00
Manganese	197.00	205.00	220.00	239.00
Plate Count	180.00	187.00	200.00	217.00
Suspended solids	180.00	187.00	200.00	217.00
Hardness	180.00	187.00	200.00	217.00
Alkalinity	180.00	187.00	200.00	217.00
Total Chloride	180.00	187.00	200.00	217.00
Aluminium	180.00	187.00	200.00	217.00
PH	79.00	82.00	88.00	95.00
Conductivity	79.00	82.00	88.00	95.00
Turbidity	79.00	82.00	88.00	95.00
Dissolved Oxygen	79.00	82.00	88.00	95.00

Packets

Water Bacteriological E. coli and coli	363.00	378.00	405.00	439.00
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1.11 **MISCELLANEOUS (FINANCIAL SERVICES)**

1.11.1 Furnishing of information

(a) Search of any account	95.00	99.00	106.00	115.00
(b) For the inspection of any Deed document or diagram or any details relating thereto	95.00	99.00	106.00	115.00
(c) For the supply of any Certificate of Valuation or of the outstanding charges against property (excluding requests by the court for estate purposes or by attorneys)	95.00	99.00	106.00	115.00
(d) In respect of any search or provision of information where a fee for such search has not been prescribed by (a), (b) or (c).	212.00	220.00	236.00	256.00
NB. ABOVE - In respect of (a)(b) and (d) for every hour or portion thereof				

1.11.2	Water - Reconnection fees	1,060.00	1,102.00	1,181.00	1,281.00
	Water - Disconnection fees	1,060.00	1,102.00	1,181.00	1,281.00
	Water - Temporary consumption (Funerals, etc.)	212.00	220.00	236.00	256.00
1.11.3	Special meter reading	212.00	220.00	236.00	256.00
1.11.4	Meter test - Electricity	636.00	661.00	709.00	769.00
	Electricity - Temporary consumption (Funerals, etc.)	318.00	331.00	355.00	385.00
1.11.5	Electricity - Non-payment penalty:				
	* For Conventional meters	689.00	717.00	769.00	834.00
	* For Prepaid meters	424.00	441.00	473.00	513.00

		PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
1.11.6	Electricity - Reconnection fees (Controller Wire)	742.00	772.00	828.00	898.00
	Tampering administration fee	1,802.00	1,874.00	2,009.00	2,179.00
	Tamper disconnection fee	3,445.00	3,583.00	3,841.00	4,167.00
	Tamper reconnection fee	3,445.00	3,583.00	3,841.00	4,167.00
1.11.7	<u>Informal Housing - Erven with pails</u>				
	Bulk refuse	32.00	33.00	35.00	38.00
	Pails	See sanitation	See sanitation	See sanitation	See sanitation
	High Mast	30.00	31.00	33.00	36.00
	Gravel road	28.00	29.00	31.00	34.00
	Stand pipe	32.00	33.00	35.00	38.00
1.11.8	<u>Informal Housing - Sewered Erven</u>				
	Bulk refuse	32.00	33.00	35.00	38.00
	Sewerage	See sanitation	See sanitation	See sanitation	See sanitation
	High Mast	30.00	31.00	33.00	36.00
	Gravel road	28.00	29.00	31.00	34.00
	Stand pipe	32.00	33.00	35.00	38.00
1.11.9	Electricity availability	265.00	276.00	296.00	321.00
1.11.10	Water availability	265.00	276.00	296.00	321.00
1.11.11	Fixed electricity (limited supply - 2Amps)	265.00	276.00	296.00	321.00
1.11.12	<u>Deposits - Electricity and Water Supply</u>				
	<u>Flats:</u>				
	1-Bedroom	1,325.00	1,405.00	1,512.00	1,617.00
	2-Bedroom	1,590.00	1,685.00	1,814.00	1,940.00
	3-Bedroom	2,014.00	2,135.00	2,298.00	2,457.00
	<u>Townhouses:</u>				
	2-Bedroom	1,590.00	1,685.00	1,814.00	1,940.00
	3-Bedroom	2,014.00	2,135.00	2,298.00	2,457.00
	<u>Domestic Houses:</u>				
	2-Bedroom	1,590.00	1,685.00	1,814.00	1,940.00
	3-Bedroom	2,014.00	2,135.00	2,298.00	2,457.00
	More than 3-bedrooms	2,862.00	3,034.00	3,265.00	3,491.00
	Builders water deposit	2,862.00	2,976.00	3,191.00	3,462.00
	<u>Business/Industries:</u>				
	Small power users	2,862.00	3,034.00	3,265.00	3,491.00
	Large power users	6,890.00	7,303.00	7,860.00	8,405.00
	<u>Rural consumers</u>				
	Informal housing	80.00	85.00	91.00	97.00
	<u>Businesses/Industries:</u>				
	Bulk water supply	6,890.00	7,303.00	7,860.00	8,405.00
	Indigents - Water deposit	74.00	78.00	84.00	90.00
1.11.13	Valuation Roll (CD or Disk)	5,035.00	5,236.00	5,614.00	6,090.00
1.11.14	Address List (CD or Disk)	5,035.00	5,236.00	5,614.00	6,090.00

		PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
1.11.15	<u>Penalty for an unmetered</u> (official) Water connection Thereafter a daily penalty until meter is installed (per day) Consumption per house	12,720.00 1,378.00 6,890.00	13,229.00 1,433.00 7,166.00	14,183.00 1,536.00 7,683.00	15,386.00 1,666.00 8,335.00
1.11.16	Electricity and water availability for Business/Industries/State.	265.00	276.00	296.00	321.00
1.11.17	<u>Late objection to General Valuation Roll or Supplementary Valuation Roll</u> Prescribed application fee for consideration of late objection and review	371.00	386.00	414.00	449.00
1.11.18	A basic tariff for services which are impractical to be metered as per the Tariff Policy	159.00	165.00	177.00	192.00
1.11.19	All financial transactions on services or other, billed by the municipality attracting interest will be charged such interest at a rate of prime (bank rate) plus 1 %.				
1.12	<u>WATER TARIFFS (SERVICES & INFRASTRUCTURE)</u>				
1.12.1	<u>Water Connections</u> Size of Connection (mm) Size of Meter (mm)				
	20 15	9,130.00	9,495.00	10,145.00	10,770.00
	25 20	9,488.00	9,868.00	10,544.00	11,194.00
	40 32	18,740.00	19,490.00	20,825.00	22,108.00
	50 40	22,056.00	22,938.00	24,509.00	26,019.00
	80 50	35,983.00	37,422.00	39,985.00	42,448.00
		Additional costs	Additional costs	Additional costs	Additional costs
	100 75	41,971.00	43,650.00	46,640.00	49,513.00
		Additional costs	Additional costs	Additional costs	Additional costs
	150 100	49,744.00	51,734.00	55,278.00	58,683.00
		Additional costs	Additional costs	Additional costs	Additional costs
	250 150	49,744.00	51,734.00	55,278.00	58,683.00
		Additional costs	Additional costs	Additional costs	Additional costs
	300 150	49,744.00	51,734.00	55,278.00	58,683.00
		Additional costs	Additional costs	Additional costs	Additional costs
	<u>Builders Water</u> These connections are temporary connections supplied for the purpose of providing construction water during the period when building activities are taking place. The cost of this connection will be 50% of the initial cost of a similar size connection for general use but in the case of larger meters, any additional cost required to install the meter will be payable in full. A deposit (refundable on closure of account) is payable.	1,342.00	1,396.00	1,492.00	1,584.00
1.12.2	<u>Testing of Water Meters</u> Tariff per meter tested	1,363.00	1,418.00	1,515.00	1,608.00
1.12.3	<u>Exposure of Services</u> Tariff per service exposure	677.00	704.00	752.00	798.00
1.12.4	<u>Water</u> (Normal tariff structure) Schools, Sports fields and Parks Charities/Churches Business - Commercial Business - Industrial Indigents (0 - 6 Kl) Residential (0 - 6 Kl) Residential (7 - 20 Kl) Residential (21 - 40 Kl) Residential (41 - 60 Kl) Residential (more than 60 Kl)	20.37 20.37 34.58 28.25 6.65 6.65 28.24 31.79 33.62 35.92	21.19 21.19 35.97 29.38 6.91 6.91 29.37 33.06 34.97 37.36	22.64 22.64 38.43 31.40 7.39 7.39 31.38 35.32 37.36 39.92	24.03 24.03 40.80 33.33 7.84 7.84 33.32 37.50 39.66 42.38

	PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
Flats (0 - 6 Kl)	6.65	6.91	7.39	7.84
Flats (7 - 20 Kl)	28.25	29.38	31.40	33.33
Flats (21 - 40 Kl)	31.79	33.06	35.32	37.50
Flats (more than 40 Kl)	35.92	37.36	39.92	42.38
Prepaid water per Kl Households	17.09	17.77	18.99	20.16
Builders Water	39.77	41.36	44.20	46.92
Rural consumers: as above plus	4.00%	4.00%	4.00%	4.00%

1.12.5 **Water restriction tariffs**

- **Stage/Level one:** Restrictions are intended to enforce sensible use of water and to prevent inefficient water use practices, by reducing non-essential use of water by 20%. These restrictions are meant to minimize unnecessary water consumption during peak daily demand periods, but to have little impact on amenity of community and residential assets. This may be achieved by enforcing water restrictions tariffs and other related measures as approved by Council.
- **Stage/Level two:** Restrictions are designed to reduce non-essential water use by 40% of average consumption. Non-essential residential and commercial use is limited to alternative days, and watering of lawns and filling of swimming pools is banned.
- **Stage/Level three:** Non-essential use is reduced by 70% of average consumption. Watering of residential, commercial and public gardens is limited to levels intended to prevent long term vegetation damage. Normal watering of lawns is banned.
- **Stage/Level four:** Restrictions only allow the consumption of water for essential public health purposes. All non-essential uses are banned.
- **Stage/Level Five:** Water Conservation Notice. Water restrictions are imposed to effect emergency water conservation (Emergency Management). No non-essential water use is permitted at any time during the restriction. Only essential domestic, industrial and commercial use may be permitted under strict monitoring.

level 1 - 20% saving

Residential/Indigents (0 - 6 Kl)	6.65	6.91	7.39	7.84
Residential (7 - 20 Kl)	29.67	30.85	32.97	35.00
Residential (21 - 40 Kl)	34.97	36.37	38.86	41.26
Residential (41 - 60 Kl)	38.67	40.21	42.97	45.61
Residential (more than 60 Kl)	43.11	44.83	47.90	50.85
Flats (0 - 6 Kl)	6.65	6.91	7.39	7.84
Flats (7 - 20 Kl)	29.67	30.85	32.97	35.00
Flats (21 - 40 Kl)	34.97	36.37	38.86	41.26
Flats (more than 40 Kl)	43.11	44.83	47.90	50.85
Schools,sport, parks	23.42	24.36	26.03	27.63
Churches	23.42	24.36	26.03	27.63
Builders water	45.73	47.56	50.82	53.95
Industries	39.77	41.36	44.20	46.92
Commercial	32.48	33.78	36.10	38.32

level 2 - 40% saving

Residential/Indigents (0 - 6 Kl)	6.65	6.91	7.39	7.84
Residential (7 - 20 Kl)	31.07	32.31	34.53	36.65
Residential (21 - 40 Kl)	38.16	39.69	42.40	45.02
Residential (41 - 60 Kl)	42.02	43.70	46.70	49.57
Residential (more than 60 Kl)	50.29	52.30	55.89	59.33
Flats (0 - 6 Kl)	6.97	7.25	7.75	8.23
Flats (7 - 20 Kl)	33.90	35.25	37.67	39.99
Flats (21 - 40 Kl)	38.16	39.69	42.40	45.02
Flats (more than 40 Kl)	50.29	52.30	55.89	59.33
Schools,sport, parks	24.43	25.41	27.15	28.82
Churches	24.43	25.41	27.15	28.82
Builders water	47.72	49.63	53.03	56.29
Industries	41.49	43.15	46.11	48.95
Commercial	33.90	35.25	37.67	39.99

	PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
level 3 - 70% saving				
Residential/Indigents (0 - 6 KI)	7.31	7.60	8.12	8.62
Residential (7 - 20 KI)	33.90	35.25	37.67	39.99
Residential (21 - 40 KI)	39.74	41.33	44.16	46.88
Residential (41 - 60 KI)	43.71	45.46	48.57	51.56
Residential (more than 60 KI)	53.89	56.04	59.88	63.57
Flats (0 - 6 KI)	7.31	7.60	8.12	8.62
Flats (7 - 20 KI)	33.90	35.25	37.67	39.99
Flats (21 - 40 KI)	41.33	42.99	45.93	48.76
Flats (more than 40 KI)	53.89	56.04	59.88	63.57
Schools,sport, parks	26.47	27.53	29.41	31.23
Churches	26.47	27.53	29.41	31.23
Builders water	51.70	53.76	57.45	60.98
Industries	44.95	46.75	49.95	53.03
Commercial	36.72	38.19	40.81	43.32
level 4 - survival				
Residential/Indigents (0 - 6 KI)	7.31	7.60	8.12	8.62
Residential (7 - 20 KI)	42.38	44.07	47.09	49.99
Residential (21 - 40 KI)	47.70	49.60	53.00	56.27
Residential (41 - 60 KI)	60.51	62.94	67.25	71.39
Residential (more than 60 KI)	64.67	67.26	71.87	76.29
Flats (0 - 6 KI)	7.31	7.60	8.12	8.62
Flats (7 - 20 KI)	42.38	44.07	47.09	49.99
Flats (21 - 40 KI)	57.23	59.52	63.60	67.52
Flats (more than 40 KI)	64.67	67.26	71.87	76.29
Schools,sport, parks	36.66	38.13	40.74	43.25
Churches	36.66	38.13	40.74	43.25
Builders water	71.58	74.45	79.54	84.44
Industries	62.25	64.73	69.17	73.43
Commercial	50.85	52.89	56.51	59.99
level 5 - emergency				
Residential/Indigents (0 - 6 KI)	7.31	7.60	8.12	8.62
Residential (7 - 20 KI)	56.50	58.76	62.78	66.65
Residential (21 - 40 KI)	63.60	66.14	70.67	75.02
Residential (41 - 60 KI)	67.25	69.94	74.73	79.33
Residential (more than 60 KI)	71.86	74.73	79.85	84.77
Flats (0 - 6 KI)	7.31	7.60	8.12	8.62
Flats (7 - 20 KI)	56.50	58.76	62.78	66.65
Flats (21 - 40 KI)	63.60	66.14	70.67	75.02
Flats (more than 40 KI)	71.86	74.73	79.85	84.77
Schools,sport, parks	40.73	42.36	45.26	48.05
Churches	40.73	42.36	45.26	48.05
Builders water	79.54	82.72	88.38	93.83
Industries	69.17	71.93	76.86	81.59
Commercial	56.50	58.76	62.78	66.65

1.12.6 **DEFINITIONS FOR THE PURPOSE OF WATER
CONSUMPTION CATEGORIZATION**

Residential

Any consumer located in a stand-alone house with associated ground surrounding the house.

Flat

Any consumer located in a dwelling grouped with other dwellings and not having grounds associated with that specific dwelling even when there is ground associated with the dwelling complex.

Charity/Church

Any consumer which carries out **bona fide** charity work and which is registered as a charitable non-profit organization will be classified as charity.

Any consumer where the property is used for the primary purpose of religious gatherings and where the property is situated on an Erf zoned as "Church".

Parks, Schools and Sports Fields

A Park is defined as a municipal park where vegetation is grown for the purpose of beautifying the City.

A School is a property where the primary activity is educational.

Sports fields are organizations where the primary activity is the playing of sports requiring grassed surfaces and where the area of grassed surface exceeds 1000m².

Business : Industrial

Any consumer where the primary activity is manufacturing or processing and where water is either a component of the manufactured product or is used in the process for cleaning, cooling or similar purposes.

Business : Commercial

Any consumer where the primary activity is commercial or retail and the primary activity is not water-based cleaning.

Rural Consumers

Any consumer located outside the municipal boundaries.

Builders Water

Any water supplied through a builders connection.

1.13 **CLEANSING SERVICES (SERVICES & INFRASTRUCTURE)**

For the removal of refuse the tariff of charges shall be at the following rates:

1.13.1 All premises other than private dwelling houses:

(a) Payable by the owner -

One regular removal of refuse not exceeding 0,8m³ per week per month

732.74

762.05

811.51

867.34

(b) Payable by the owner or occupier at the discretion of the Council for each additional removal of removal of 0,8m³ of refuse per week per month

732.74

762.05

811.51

867.34

(c) where the owner or occupier provides containers for the removal of refuse by bulk which can be mechanically emptied in the Council's vehicle and of which the volume does not exceed 1,6m³ per one removal per week per month

732.74

762.05

811.51

867.34

Where more than one removal is necessary payment must be made monthly in advance.

(d) Where the owner or occupier provides containers for the removal of refuse in bulk which can be loaded by the Council's mechanical handling vehicles and of which the volume does not exceed 6m³ per one removal per week the tariff for each removal shall be

2,750.45

2,860.47

3,046.11

3,255.68

Where more than one removal is necessary payment must be made monthly in advance.

(e) Where the owner or occupier hires a 1,54m³ bulk container from the City Council - that hire shall be 6,0m³ container hire

446.61

464.48

494.62

528.65

(f) Where special garden refuse is removed the tariff per per m² applicable shall be

643.75

669.50

712.95

762.00

(g) All premises pay the tariff of one regular refuse removal per week where the actual removal is undertaken by the business itself.

71.36

74.21

79.03

84.47

(h) Payable by the owner of a small business that generates one container or bag of refuse per week and that such concession only be implemented on receipt of a written application from such business

732.74

762.05

811.51

867.34

370.35

385.16

410.16

438.38

1.13.2 Private dwellings

Payable by the indigent for one regular removal of refuse per week - the tariff shall be

124.45

129.43

137.83

147.31

Payable by the owner for one regular removal of refuse per week - the tariff shall be

124.45

129.43

137.83

147.31

1.13.3 Flats

1.13.4 Availability charge

A basic monthly charge - Indigent

62.22

64.71

68.91

73.65

A basic monthly charge - Residential

62.22

64.71

68.91

73.65

- Business

370.35

385.16

410.16

438.38

1.14 **SANITATION TARIFFS (SERVICES & INFRASTRUCTURE)**

1.14.1 Sewerage

Private dwelling houses and premises (excluding flats, semi-detached dwellings, hotels, boarding and lodging houses and hostels):

Basic monthly charge for indigents

174.33

181.30

193.07

204.44

Basic monthly charge (two sanitary convenience)

174.33

181.30

193.07

204.44

Additional monthly charge (each additional connection, excluding private dwellings)

104.61

108.80

115.86

122.68

Flats and semi-detached dwellings:

Basic monthly charge (first living unit)

174.33

181.30

193.07

204.44


Additional monthly charge (each additional unit)

104.61

108.80

115.86

122.68

<div>PRESENT TARIFFS</div> <div>R</div>	PROPOSED	PROPOSED	PROPOSED
	TARIFFS	TARIFFS	TARIFFS
	<u>2021/07/01</u>	<u>2022/07/01</u>	<u>2023/07/01</u>
R	R	R	R
174.33	181.30	193.07	204.44
104.61	108.80	115.86	122.68
153.11	159.24	169.57	179.56
289.78	301.37	320.93	339.83
47.82	49.74	52.96	56.08
239.12	248.68	264.82	280.42
453.71	471.86	502.49	532.08
77.71	80.82	86.06	91.13
334.75	348.14	370.74	392.57
596.89	620.76	661.05	699.99
92.66	96.37	102.62	108.67
470.75	489.58	521.36	552.06
54.03	56.19	59.83	63.36
136.15	141.59	150.78	159.66
74.73	77.71	82.76	87.63
37.36	38.85	41.37	43.81
939.03	976.60	1,039.98	1,101.23
1,392.67	1,448.38	1,542.38	1,633.23
575.37	598.38	637.21	674.75
702.39	730.48	777.89	823.71
1,046.12	1,087.96	1,158.57	1,226.81
261.52	271.98	289.64	309.56
560.42	582.83	620.66	663.36
3,250.42	3,380.44	3,599.83	3,847.50
3,773.48	3,924.42	4,179.12	4,466.64
15.05	15.66	16.67	17.82

1.14.2

1.14.3

		PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
1.14.4	<u>Purified effluent tariffs</u>				
	Basic Charge (Use in Excess of 1 Megalitre - 1000kl per billing cycle of approximately 30 days)	68,257.69	70,988.00	75,595.12	80,796.07
	Plus per KI	0.1930	0.2007	0.2138	0.2285
	Basic Charge (Use LESS than 1 Megalitre per billing cycle of approximately 30 days)	-	-	-	-
	Plus per KI	0.6448	0.6706	0.7141	0.7632
1.15	<u>INCENTIVE/DISCOUNT EARLY PAYMENT</u>				
	An incentive/discount on the early payment of water, rates, sewerage and refuse services charges if the account is paid before or on the monthly deadline date. To be implemented from the first account run in July.	10%	10%	10%	10%
1.16	<u>ELECTRICITY (SERVICES & INFRASTRUCTURE)</u>				
1.16.1	<u>TARIFFS FOR SERVICE CONNECTIONS</u>				
	<u>SCALE 4 - STREET LIGHTS</u>				
	Cost of an additional street light	As per quote	As per quote	As per quote	As per quote
	Cost to move a street light	As per quote	As per quote	As per quote	As per quote
	Replacement of a damaged street light pole:				
	* 6m single cantilever	26,692.00	30,586.00	33,831.00	36,903.00
	* 9m single cantilever	42,422.00	48,611.00	53,769.00	58,651.00
	* 9m double cantilever	42,957.00	49,224.00	54,447.00	59,391.00
	* 12m single cantilever	45,538.00	52,182.00	57,719.00	62,960.00
	<u>SINGLE PHASE DIS- & RECONNECTION FEE WHEREBY AN ELECTRICIAN IS INVOLVED</u>				
	Disconnection fee for an O/H supply system	2,922.00	3,348.00	3,703.00	4,039.00
	Disconnection fee for an U/G supply system	7,036.00	8,063.00	8,918.00	9,728.00
	Reconnection fee for an P/H supply system	2,969.00	3,402.00	3,763.00	4,105.00
	Reconnection fee for an U/G supply system	389.00	446.00	493.00	538.00
	<u>3-PHASE DIS- & RECONNECTION FEE WHEREBY AN ELECTRICIAN IS INVOLVED</u>				
	Disconnection fee for an O/H supply system	4,164.00	4,772.00	5,278.00	5,757.00
	Disconnection fee for an U/G supply system	7,251.00	8,309.00	9,191.00	10,026.00
	Reconnection fee for an O/H supply system	5,745.00	6,583.00	7,281.00	7,942.00
	Reconnection fee for an U/G supply system	7,251.00	8,309.00	9,191.00	10,026.00
	<u>CALL OUT TO CONSUMER</u>				
	Call out to a fault on consumer's installation	589.00	675.00	747.00	815.00
1.16.2	<u>COSTS OF NEW SERVICE CONNECTIONS</u>				
	<u>60-AMP STANDARD SINGLE PHASE</u>				
	Airdac connection from O/H supply system with prepayment meter & ready board	21,098.00	24,176.00	26,741.00	29,169.00
	Airdac connection from O/H supply system with prepayment meter only	18,523.00	21,226.00	23,478.00	25,610.00
	Cable connection from U/G supply system with prepayment meter	29,426.00	33,719.00	37,297.00	40,684.00
	Cable connection from U/G supply system with conventional meter	26,094.00	29,901.00	33,073.00	36,076.00
	<u>60AMP STANDARD 3-PHASE</u>				
	Airdac connection from O/H supply system with prepayment meter & ready board	25,665.00	29,410.00	32,530.00	35,484.00
	Airdac connection from P/H supply system with prepayment meter only	23,091.00	26,460.00	29,267.00	31,924.00
	Cable connection from U/G supply system with prepayment meter	31,949.00	36,610.00	40,494.00	44,171.00
	Cable connection from U/G supply system with conventional meter	38,233.00	43,811.00	48,459.00	52,859.00
	<u>ALTERATIONS TO SERVICE CONNECTIONS</u>				
	Alterations on existing single phase connection	As per quote	As per quote	As per quote	As per quote
	Alterations on existing 3-phase connection	As per quote	As per quote	As per quote	As per quote

1.16.3	UPGRADING OF SERVICES				
	UPGRADING OF AN EXISTING SINGLE PHASE				
	SERVICE CONNECTION ON CONDITION OF				
	A service connection with a 10 x 2mm square service cable upgraded to max. 80-amp with curve 1MCB at consumer mains and curve 2MCB at supply authority mains	As per quote and stipulated conditions	As per quote and stipulated conditions	As per quote and stipulated conditions	As per quote and stipulated conditions
	A service connection with a 16 x 2mm square service cable upgraded to max. 100-amp with curve 1MCB at consumer mains and curve 2MCB at supply authority mains.	As per quote and stipulated conditions	As per quote and stipulated conditions	As per quote and stipulated conditions	As per quote and stipulated conditions
	CONNECTION ON CONDITION OF				
	A service connection with a 10 x 4mm square service cable upgraded to max. 80-amp with curve 1MCB at consumer mains and curve 2MCB at supply authority mains	As per quote and stipulated conditions	As per quote and stipulated conditions	As per quote and stipulated conditions	As per quote and stipulated conditions
	A service connection with a 16 x 4mm square service cable upgraded to max. 100-amp with curve 1MCB at consumer mains and curve 2MCB at supply authority mains	As per quote and stipulated conditions	As per quote and stipulated conditions	As per quote and stipulated conditions	As per quote and stipulated conditions
	Supply above 100A (single & 3-phase)	As per quote	As per quote	As per quote	As per quote
	Replacement of conventional meter with prepayment meter (Meter only)	Bin price + VAT	Bin price + VAT	Bin price + VAT	Bin price + VAT
	Replacement of conventional meter with prepayment meter (Meter and labour)	10,261.00	11,758.00	13,006.00	14,187.00
	NB. MAXIMUM OF TWO PREPAYMENT METERS DOMESTIC ERF, EXCEPT WHEN 3-PHASE				
	 CABLES AND VARIOUS				
	Installation of public address system	5,504.00	6,307.00	6,976.00	7,609.00
	Meter test	1,113.00	1,275.00	1,410.00	1,538.00
	Special meter reading	361.00	414.00	458.00	500.00
1.16.4	ELECTRICITY TARIFFS (POWER USERS)				
	(Subject to the approval of the NERSA)				
	NERSA guideline tariffs for municipalities necessitate the introduction and implementation of inclined block tariff for domestic users.				
	This has had a major impact on all categories of electricity tariffs. In addition to this, SPM sought to simplify and align it's "Large Power User" tariffs with Eskom's municipal billing structure. This required a revision of all commercial/business based tariffs.				
	For large power users a low and high demand season tariff was introduced.				
	<u>A. The customer groupings are as follows:</u>				
	<u>Domestic Consumers:</u> Defined as residential use.				
	<u>Indigent Consumers:</u> Defined as consumers registered as indigent with the Municipality and who consume for residential purposes.				
	<u>Public Benefit Activity Consumers:</u> Defined as churches, schools, halls, old age homes and other charitable and non profit organisations.				
	<u>Small Power Consumers:</u> Defined as all other consumers not on the Time of Use Billing Structure and not defined as "Domestic" or "Public Benefit Activities".				
	<u>Time of Use Consumers:</u> Defined as all consumers who have installed TOU capable metering to SPM's standards. Such metering to be installed at their own costs.				
1.16.4.1	<u>Domestic Tariff (Conventional and Prepaids)</u>				
	Block 1 (0 - 350 Kwh)	1.7703	2.0285	2.2438	2.4475
	Block 2 (> 350 Kwh)	2.4701	2.8305	3.1309	3.4151
1.16.4.2	<u>Indigents Tariff (Prepaids)</u>				
	Block 1 (0 - 50 Kwh) (subsided)	1.7703	2.0285	2.2438	2.4475
	Block 2 (51 - 350 Kwh)	1.7703	2.0285	2.2438	2.4475
	Block 3 (> 351 Kwh)	2.4701	2.8305	3.1309	3.4151
1.16.4.2	<u>Public Benefit and Schools</u>				
	Conventional and Prepayment Meter users				
	Summer	2.3820	2.7295	3.0191	3.2933
	Winter	2.4186	2.7715	3.0655	3.3439
	Basic Charge per month	329.81	377.93	418.03	455.98
1.16.4.3	<u>Business Tariff</u>				
1.16.4.3.1	<u>Small Power Users (Conventional and prepaid meters)</u>				
	Energy charge per Kwhr				
	Basic Charge per month	329.81	377.93	418.03	455.98
	<u>Summer</u>				
	Block 1 (0 - 1200 Kwh)	2.5774	2.9534	3.2668	3.5634
	Block 2 (> 1200 Kwh)	2.8867	3.3079	3.6588	3.9911
	<u>Winter</u>				
	Block 1 (0 - 1200 Kwh)	2.6752	3.0655	3.3908	3.6986
	Block 2 (> 1200 Kwh)	3.0311	3.4733	3.8419	4.1907

PRESENT TARIFFS R	PROPOSED TARIFFS 2021/07/01 R	PROPOSED TARIFFS 2022/07/01 R	PROPOSED TARIFFS 2023/07/01 R
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1.16.4.3.2 **Time of Use Consumers**

1.16.4.3.2.1 **NPO, NGO, SCHOOLS**

Basic charge per month

<75 KVA	1465.84	1,679.70	1,857.92	2,026.62
>75<100 KVA	2931.67	3,359.40	3,715.84	4,053.23
>100	4153.20	4,759.15	5,264.10	5,742.08
Network Demand Charge R/kVA	153.88	176.33	195.04	212.75
Network Access Charge R/kVA	52.16	59.78	66.12	72.12

Energy Charges R/Kwh

Low Demand Season: (September - May) Summer

Peak

<75 KVA	1.8541	2.1246	2.3500	2.5634
>75<100 KVA	1.9468	2.2308	2.4675	2.6916
>100	2.0951	2.4008	2.6555	2.8966

Standard

<75 KVA	1.3784	1.5795	1.7471	1.9058
>75<100 KVA	1.4197	1.6269	1.7995	1.9629
>100	1.5162	1.7374	1.9217	2.0962

Off-peak

<75 KVA	1.1114	1.2735	1.4087	1.5366
>75<100 KVA	1.1336	1.2990	1.4368	1.5673
>100	1.2337	1.4137	1.5637	1.7057

High Demand Season: (June - August) Winter

Peak

<75 KVA	3.7712	4.3215	4.7800	5.2140
>75<100 KVA	3.8082	4.3638	4.8268	5.2651
>100	3.8453	4.4063	4.8738	5.3163

Standard

<75 KVA	1.6833	1.9289	2.1335	2.3272
>75<100 KVA	1.7169	1.9674	2.1762	2.3738
>100	1.8178	2.0831	2.3041	2.5133

Off-peak

<75 KVA	1.2225	1.4008	1.5495	1.6902
>75<100 KVA	1.2225	1.4008	1.5495	1.6902
>100	1.3570	1.5549	1.7199	1.8761

1.16.4.3.2.2 **INDUSTRIAL AND BUSINESSES**

Basic charge per month

<75 KVA	1,954.45	2,239.60	2,477.22	2,702.16
>75<100 KVA	3,237.05	3,709.34	4,102.90	4,475.45
>100	4,495.23	5,151.08	5,697.61	6,214.96
Network Demand Charge R/kVA	181.41	195.93	216.71	236.39
Network Access Charge R/kVA	61.49	66.41	73.46	80.13

Energy Charges R/Kwh

Low Demand Season: (September - May) Summer

Peak

<75 KVA	2.1433	2.4560	2.7166	2.9633
>75<100 KVA	2.0765	2.3795	2.6319	2.8709
>100	2.1067	2.4140	2.6702	2.9126

Standard

<75 KVA	1.4491	1.6605	1.8366	2.0034
>75<100 KVA	1.4557	1.6681	1.8451	2.0127
>100	1.5027	1.7219	1.9046	2.0776

Off-peak

PRESENT TARIFFS	PROPOSED		PROPOSED		PROPOSED	
	TARIFFS	TARIFFS	TARIFFS	TARIFFS	TARIFFS	TARIFFS
2021/07/01	2022/07/01	2022/07/01	2023/07/01	2021/07/01	2022/07/01	2023/07/01
R	R	R	R	R	R	R
1.3681	1.5677	1.7341	1.8915	1.3681	1.5677	1.7341
1.5269	1.7497	1.9353	2.1111	1.5269	1.7497	1.9353
1.6491	1.8897	2.0902	2.2799	1.6491	1.8897	2.2799
5.1647	5.9183	6.5462	7.1406	5.1647	5.9183	6.5462
5.2140	5.9747	6.6087	7.2087	5.2140	5.9747	6.6087
5.3616	6.1438	6.7957	7.4127	5.3616	6.1438	6.7957
1.8178	2.0831	2.3041	2.5133	1.8178	2.0831	2.3041
1.8280	2.0948	2.3170	2.5274	1.8280	2.0948	2.3170
1.8814	2.1559	2.3846	2.6011	1.8814	2.1559	2.3846
1.5049	1.7245	1.9075	2.0807	1.5049	1.7245	1.9075
1.7101	1.9597	2.1676	2.3644	1.7101	1.9597	2.1676
1.8470	2.1164	2.3410	2.5535	1.8470	2.1164	2.3410
400.00	458.36	506.99	553.03	400.00	458.36	506.99
0.00	-	-	-	0.00	-	-
0.00	-	-	-	0.00	-	-
1.8637	2.1357	2.3622	2.5767	1.8637	2.1357	2.3622
1.1882	1.3616	1.5060	1.6428	1.1882	1.3616	1.5060
1.1897	1.3632	1.5079	1.6448	1.1897	1.3632	1.5079
4.4911	5.1463	5.6924	6.2092	4.4911	5.1463	5.6924
1.5808	1.8114	2.0036	2.1855	1.5808	1.8114	2.0036
1.3086	1.4996	1.6587	1.8093	1.3086	1.4996	1.6587
1.8725	2.1457	2.3734	2.5889	1.8725	2.1457	2.3734
412.68	472.88	523.06	570.55	412.68	472.88	523.06
0.4147	0.4752	0.5256	0.5733	0.4147	0.4752	0.5256
0.2854	0.3271	0.3618	0.3946	0.2854	0.3271	0.3618
0.1810	0.2074	0.2294	0.2502	0.1810	0.2074	0.2294
1.2707	1.4561	1.6106	1.7568	1.2707	1.4561	1.6106
0.3849	0.4411	0.4879	0.5322	0.3849	0.4411	0.4879
0.2090	0.2395	0.2650	0.2890	0.2090	0.2395	0.2650

SECTION 3:

**HISTORY OF
TARIFFS**

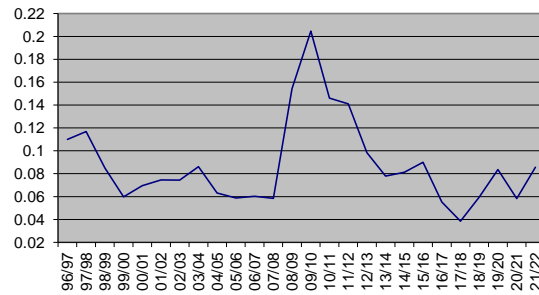
SOL PLAATJE MUNICIPALITY

TARIFF HISTORY

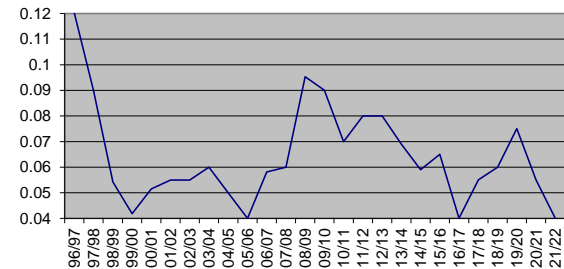
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RATES	9.91%	9.99%	8.85%	9.99%	8.50%	7.98%	6.03%	6.00%	8.50%	11.97%	8.50%	9.91%	9.80%	8.91%	6.99%	6.50%	4.00%	5.50%	6.00%	6.00%	5.50%	4.00%
SEWERAGE	5.46%	5.50%	5.50%	6.50%	4.00%	4.00%	5.61%	6.00%	7.54%	9.50%	7.00%	9.90%	9.90%	6.50%	6.50%	6.50%	4.00%	5.50%	5.95%	6.50%	5.50%	4.00%
CLEANSING	5.15%	5.50%	5.50%	6.00%	5.00%	4.00%	5.81%	6.00%	9.53%	9.00%	7.00%	8.00%	8.00%	6.90%	5.90%	6.50%	4.00%	5.50%	6.00%	7.50%	5.50%	4.00%
WATER	8.72%	9.97%	9.63%	14.92%	8.40%	6.90%	6.01%	6.00%	18.96%	9.60%	9.50%	11.95%	9.90%	8.90%	14.99%	6.50%	4.00%	5.50%	5.90%	6.00%	5.50%	4.00%
ELECTRICITY	4.99%	5.50%	5.51%	4.93%	4.00%	4.30%	5.78%	5.60%	32.60%	34.00%	22.22%	24.98%	9.99%	6.90%	6.72%	12.20%	7.50%	1.88%	5.95%	11.40%	6.22%	14.59%
AVERAGE	6.95%	7.46%	7.44%	8.61%	6.31%	5.88%	6.03%	5.84%	15.43%	20.46%	14.60%	14.09%	9.85%	7.79%	8.13%	9.00%	5.53%	3.85%	5.96%	8.36%	5.82%	8.56%

SOL PLAATJE MUNICIPALITY

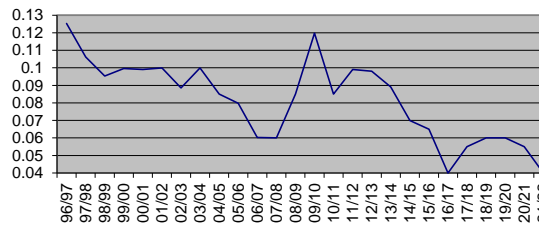
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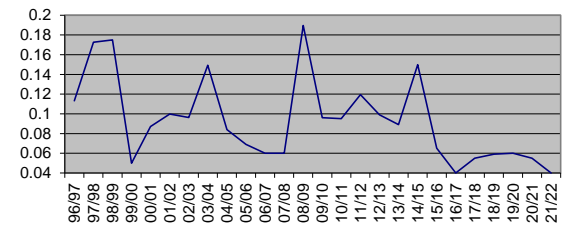
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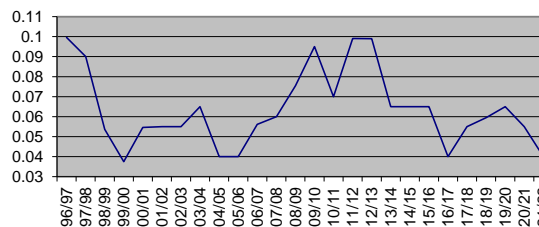
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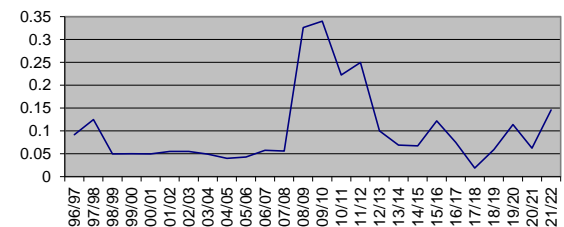
WATER



SEWERAGE



ELECTRICITY



SECTION 4:

INTEGRATED DEVELOPMENT PLAN OVERVIEW



SOL PLAATJE MUNICIPALITY

Integrated Development Plan (IDP)

***DRAFT IDP REVIEW 2020/2021
PLANNING 2021/22***

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LIST OF ACRONYMS

B2B	Back To Basics
BBBEE	Broad-Based Black Economic Empowerment
BNG	Breaking New Ground
CBD	Central Business District
CGE	Commission for Gender Equality
CLCB	Centre for Local Capacity Building
COGHSTA	Department of Co-operative Governance, Human Settlement and Traditional Affairs
DMS	Disaster Management Framework
DTI	Department of Trade and Industry
DOE	Department of Energy
DWA	Department of Water Affairs
EAP	Employee Assistance Programme
EEDSM	Energy Efficiency and Demand Side Management
EPWP	Expanded Public Works Programme
EU	European Union
FBDM	Frances Baard District Municipality
FY	Financial Year
GDP	Gross Domestic Product
GDS	Growth and Development Strategy
GV	General Valuation
GVA	Gross Value Added
HRM	Human Resource Management
IDP	Integrated development Plan
IGR	Inter-Governmental Relations
INEP	Integrated National Electrification Programme
IPP	Independent Power Producer
ISDG	Infrastructure Skills Development Grant
IT	Information Technology
IUDF	Integrated Urban Development Framework
IUDG	Integrated Urban Development Grant
KPA	Key Performance Area
LA	Local Administation
LED	Local Economic Development
LGMIM	Local Government Management Improvement Model
LUMS	Land Use Management Scheme
MAYCO	Mayoral Committee

MIIF	Municipal Infrastructure Investment Framework
MPC	Monetary Policy Committee
MSA	Municipal Structures Act
MTREF	Medium Term Revenue Expenditure Framework
NDP	National Development Plan
NDPG	Neighbourhood Development Partnership Grant
NERSA	National Energy Regulator of South Africa
OPCAR	Operational Clean Audit Report
PMS	Performance Management System
RDP	Reconstruction and Development Programme
RBIG	Regional Bulk Infrastructure Grant
SARB	South African Reserve Bank
SCM	Supply Chain Management
SDBIP	Service Delivery Budget Implementation Plan
SDF	Spatial Development Framework
SDG	Sustainable Development Goals
SECCU	Sustainable Energy and Climate Change Unit
SLP	Social Labour Plans
SMME	Small, Medium and Micro-Sized Enterprise
SPLM	Sol Plaatje Local Municipality
SPLUMA	Spatial Planning and Land Use Management Act
SSEG	Small Scale Embedded Generators
TOD	Transit Orientated Development
UDS	Urban Network Strategy
UDZ	Urban Development Zone
WSA	Water Service Authority
WWTW	Waste Water Treatment Works

PREFACE

VISION AND MISSION OF SOL PLAATJE MUNICIPALITY

The strategic focus and direction for the municipality have been set out for five years to:

- Transform the city spatially
- Support Inclusive economic growth
- Provide services to all
- Govern well

The SDF NDP, IUDF, SDG, provincial and district strategies were looked at and these provided the development principles.

The strategic development agenda of SPLM is aimed at giving effect to the vision of the Municipality, namely:

TOWARDS A LEADING AND MODERN CITY

The vision set out for the Sol Plaatje Municipality to work towards a leading and modern city was announced by the Executive Mayor in August 2016 post elections. The strategic path to be forged is presented in the IDP. It is a programme to unlock the value of land to create economic opportunities and liveable human settlements with the foundation of quality and reliable infrastructure to deliver access to basic services. The vision – *Towards a Leading and Modern City* – underpins the idea of thinking in new ways, doing in new ways, being forward looking and innovative. As such this vision does not necessarily refer to the implementation of new projects, but rather *rethinking the way* in which we implement existing projects.

In order to achieve this vision, it will be important for SPLM to ensure growth in the local economy in order to be sustainable. The SPLM also needs to improve on the efficiency of its service delivery, the sustainability of its finances and the effectiveness of its administration. Achieving a developmental state is not the responsibility of just the government – let alone local municipalities. In the spirit of the National Planning Commission's "National Development Plan - Vision 2030", stronger social partnerships between government, organised labour, organised business and the community constituency are needed to address investment, employment and poverty challenges our country faces.

The Key Tasks achieving a local developmental state as identified during the preparation of the IDP are:

- Include all in society – consultations and programmes
- Include all in the economy – rich and poor
- Develop post-apartheid settlements and pride of place
- Provide for universal coverage to deliver access to basic services

STRATEGIC PRIORITIES

Sol Plaatje is a pilot for the “new deal” - the Integrated Urban Development Framework. This is a unique opportunity for the municipality and the residents of Sol Plaatje. In the course of making the “Back to Basics” program of local government a reality, a new vision “Towards a leading and modern city” is presented in the current IDP. The Future is a new deal wherein all stakeholders will work towards developing a:

- Clean city
- City that attracts investment, manufacturers and tourists
- City with good infrastructure
- Safe and secure City - A city that cares
- City where there is security- jobs, shelter
- City that facilitates the creation of jobs
- City that houses people
- City with youth involved productively
- City that harnesses integrated development
- City that facilitates skills development
- City that invests in public participation, is connected with the people
- City that works together
- City with good IGR harnessed to build integrated human settlements

The goal is to lead the city towards modernization. To achieve this, the following strategic objectives will guide the city towards the future:

Spatial Transformation:

To transform the spatial structure of the City towards an equitable, inclusive, efficient and compact form consisting of a series of integrated and well-connected economic corridors, nodes and attractive mixed-use/mixed-income sustainable human settlements of varying densities. The overarching strategy for the development of the Sol Plaatje Municipality proposes looking at the IDP through the lens of geographical “space-economy”.

The “space-economy” means the geographic distribution of settlements (large and small), the activities within them (residential, commercial, institutional, recreational, etc.) and the relationship of these settlements and activities to the infrastructure that connects and supports them and links in turn to surrounding agriculture and nature areas.

People live their lives in geographic space; how activities and infrastructure are organized in space, fundamentally impacts on people's access to economic and social opportunities. For example, locating housing for the poor far away from work opportunities, impacts on disposable income, work productivity and transport infrastructure provision. People have to pay a disproportionately high percentage of their incomes to move to and from work,

journeys take a long time, and infrastructure and vehicles have to be provided and maintained to transport them. Also, locating business opportunities far from infrastructure increases the cost of products and diminishes the chances of success for large and small businesses. An informal trader or small café owner cannot hope to succeed without necessities such as water or a reasonable flow of passers-by.

The apartheid spatial legacy is the foundation for much of the inequity in society. A primary strategy of Apartheid was to manipulate the space-economy of towns, to provide good opportunities for whites and the rich and to deny opportunities for blacks and the poor. The best land and most viable locations, the best infrastructure and networks, have traditionally been offered to the minority of citizens. Only through restructuring the space-economy of our settlements can we hope to overcome our divided legacy.

Secondly, municipal strategy has over the last decade taken a strong “sectoral” approach. The approach looks at development in sectors such as Local Economic Development Plans, plans for ‘creative industries’, small enterprises, tourism, and so on. Unfortunately, much of this work is silent on the impact of space on specific sectors and has assisted to hide spatial inequity in our settlements. For example, very few, if any, Local Economic Development Plans will look at the relationship between transport infrastructure, economic opportunity and job creation.

Thirdly, municipal government has considerable influence over the space economy of settlements. By virtue of its mandate, local government can determine the nature and location of key infrastructure and where settlement is to occur and where not. Local government cannot grow the economy, but it impacts on economic success through the provision and maintenance of infrastructure and how activities are organized in space

Inclusive Growth:

To establish a competitive economic position that attracts diverse investments, increases economic growth and creates targeted number of jobs.

Service Provision:

To plan for, install, maintain and operate infrastructure, and provide services more efficiently and on a sustainable basis that adequately supports:

- transformed spatial structure
- economic growth objectives
- universal access to basic services,
- differentiated service requirements of households and human settlements and economic activity

Governance:

- To enhance the capacity of the state and its citizens to work together to achieve spatial and social integration.
- To lead, direct and manage spatial growth of the City robustly, enhance revenue generation and improve operational efficiency.

The municipality has taken steps over the past years to rebuild and stabilize the internal processes of delivery and build financial sustainability but due to the temporary suspension of the Municipal Manager and the Chief Financial Officer in June 20, as well as strike actions and the impact of Covid-19, it contributed to the decline in investments and financial constraints. The instability of the top management is a result of the Section 106 report, which is still at court. The vacancy of the CFO and MM can only be dealt with once the court has pronounced itself with regard to the Section 106 Investigation Report.

Even though the current situation is not ideal for the institution Sol Plaatje Municipality is still committed to exploit its full potential to:

- Reverse inefficient land use patterns
- Tackle the aging infrastructure of the city
- Deal with the results of the relatively stagnant economic landscape in a systematic way
- Increase debt collection
- Critical service delivery

Although the current needs are not fully funded, it is envisaged that a momentum on delivery will be developed to attract funding and additional investments to reach the goal and strategic objectives set out.

The focus is on developing thriving township economies and integrating the various organic urban nodes and economic corridors to make the appropriate linkages between urban and rural settlements. Once this strategic spatial vision is planned, implementation will follow through the development of urban management mechanisms and precinct developments.

At present land locked spaces and sprawling informal settlements dominate the spatial landscape. The land use patterns within the urban centres are not conducive to investment and robustness. This situation has led to crime, grime and dilapidation. This IDP places a higher value and importance on spatial governance and local economic development programs playing a bigger role in transforming the spatial landscape and resultant consequences.

The strong elements of inequality in the form of racial or class exclusion in the spatial form will be attended to through programs of public participation and intergovernmental relations. Community involvement will include participation in developing pride of place and in incoming generating projects. The areas of highest population densities in locations furthest away from economic opportunities with the least access to basic services will be targeted for inclusion. In achieving inclusion, subsidized housing and provision thereof will be located close to the urban core. This will require robust intergovernmental relations as the government housing developments provide platforms for people to develop and exit the trap of inter-generational poverty.

Low density areas enjoy the privilege of owning large tracts of land that are located in very close proximity to economic opportunities. The divide between high and low density areas

will be linked through a coordinated effort of spatial planning, local economic development and access to services.

The program to eradicate the housing backlogs will be undertaken in a manner that creates integrated human settlements. In this respect a partnership with the province and national department of Human Settlements will be the main focus of intergovernmental relations. 30% of the Northern Cape housing backlog exists in Sol Plaatje, thus the focus would be to ramp up the planning and delivery of houses, with clear economic spin offs to boost the local economy.

Housing developments that will build the future should take pride in creating spaces for recreation, sports, and community gathering. These developments should encompass elements that combat crime, promote social cohesion and improve the quality of life for the poor. The stubborn problem of the inability to reach universal coverage on basic services to all will be tackled with integrated infrastructure plans that link to spatial planning and local economic development potentials.

A special attempt will be made to attract investment to grow the economy over time with the tourism being developed as the anchor. At the same time, the informal sector and small and micro enterprises will be supported to participate in the industrial value chain. A substantial number of households are dependent on social grants. These households will be targeted to be involved in a range of income generating activities to enable community development, social upliftment and personal growth. These efforts will begin to fundamentally address the challenges of poverty, vulnerability, inequality and social exclusion.

The biggest challenge confronting many municipalities in South Africa including the Sol Plaatje Municipality is on addressing service delivery backlogs whilst at the same time meeting the demands arising from continuous local population growth (combination of natural growth and in-migration) with the concomitant growth in the number of households.

The problem of cable theft, vandalism of properties and land grab are also huge challenges that Sol Plaatje Municipality must deal with for which there are no easy and quick solutions.

The historical backlog together with the resultant demand from growth for new infrastructure, services and housing surpasses the fiscal capacity of many municipalities. The equitable share and conditional financial grants as well as own revenue generation are insufficient to meet infrastructure investment requirements. Own revenue generation by municipalities is constrained by weak local fiscal bases due to low economic growth and very low employment and household income levels.

- As the local state is a developmental state, a special focus on the involvement of all stakeholders will be developed. All communities will be involved in working to make Sol Plaatje a clean, livable and vibrant city. The future focus is about leaving a legacy for the next generation, the building blocks of skills, leveraging local resources and maintaining active engagements with all

citizens will modernize the city and provide the necessary platform for Sol Plaatje leaders to lead the “new deal” for all citizens.

SPLM's IDP Objectives and strategies are indicated in the table below:

Table 1: National KPA's and IDP Objectives

National KPA	National Outcome 9: A responsive, accountable, effective and efficient local government system	Strategic Objectives to reach the Vision "Towards a Leading and Modern City"	Key Strategic Focus	IDP Strategies	Detail Project related objectives as per the SDBIP
Strategic Economic Development and Planning	Outcome: A spatially transformed, equitable and productive city	Inclusive Growth: To establish a competitive economic position that attracts diverse investments, increases economic growth and creates targeted number of jobs. Spatial Transformation: To transform the spatial structure of the City towards an equitable, inclusive, efficient and compact form consisting of a series of integrated and well connected economic corridors, nodes and attractive mixed-use/mixed-income sustainable human settlements of varying densities	Land Development	Accelerate preparation, approvals and release of land for development supporting integrated human settlement, agricultural production, redevelopment of mining land and regional economic targets	To develop sustainable living through job creation (EPWP and other initiatives)
			Skills Development and Income Generation	Facilitate skills development, encourage incubation hubs for enterprise development and employment placement programmes in partnership with the private sector. Facilitate household income generating activity linked to various sectors in the economy	To capacitate SMME's and local entrepreneurs
			Place Marketing	Undertake a rigorous and consistent investment facilitation and place marketing programme to attract investment and promote tourism underpinned by strongly positioned and managed Brand	Marketing the municipality as premier destination for tourism and investment
			City Centre	Create an activity spine with a number of mixed use land uses that will extend upon the corridor	To ensure effective spatial planning and development in order to establish a competitive economic position

National KPA	National Outcome 9: A responsive, accountable, effective and efficient local government system	Strategic Objectives to reach the Vision "Towards a Leading and Modern City"	Key Strategic Focus	IDP Strategies	Detail Project related objectives as per the SDBIP
				emerging from the Kimberly CBD	
			New urban nodes	Identify and develop new urban nodes as mixed use sustainable human settlements that will integrate the City.	
			Galeshewe to become a post-apartheid town	Undertake upgrading, formalisation and institute better spatial governance so that majority of people are able to carry out income generating activity and live work and play in an integrated human settlement	
			Economic nodes	Massively expand agricultural production and agro-processing by developing an agro-export corridor, unlock the value of degraded mining land and heritage and tourist attractions.	To promote agricultural development within the Sol Plaatje municipal area through agricultural support initiatives; To place marketing as a productive and profitable section of the municipality
Basic and Sustainable Service delivery and Infrastructure Development	Outcome: Access to quality and affordable basic services for all	Service Provision: To plan for, install, maintain and operate infrastructure, and provide services more efficiently and on a sustainable basis that adequately supports: <ul style="list-style-type: none"> transformed spatial structure economic growth objectives universal access to basic services, differentiated service requirements of households and 	Basic Services	Install adequate and well managed infrastructure and deliver basic services in a consistent and sustainable manner	To ensure the adequate provision, upgrading and maintenance of water and sanitation services infrastructure
			Community Services	Provide and operate community services according to sustainable human settlement norms and standards	To ensure the adequate provision, upgrading and maintenance of solid waste services infrastructure
			Social Services	Work with provincial and national government for adequate provisioning of social services	To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse

National KPA	National Outcome 9: A responsive, accountable, effective and efficient local government system	Strategic Objectives to reach the Vision "Towards a Leading and Modern City"	Key Strategic Focus	IDP Strategies	Detail Project related objectives as per the SDBIP
		human settlements and economic activity			delivery services
			Production	Provide necessary infrastructure for economic production purposes and for income generating activity in households including city-wide as well as regional connectivity	To ensure the adequate provision, upgrading and maintenance of electricity services infrastructure.
			Economic Sectors	Raise the contribution of each sector to the local economy according to agreed plans and targets in respect of growth and job creation with the private sector	To improve public transport system and services
			Basic Services		To address the poor condition of the roads in the Sol Plaatje area through maintenance and upgrading projects
					Development of suitably located and affordable housing (shelter) and decent human settlements;
					To build equitable, cohesive, sustainable and caring communities with improved access to work and social amenities, including sports and recreational facilities (community development and optimal access/inclusion).
					To ensure sustainable delivery of community services (including environmental health, emergency and traffic

National KPA	National Outcome 9: A responsive, accountable, effective and efficient local government system	Strategic Objectives to reach the Vision "Towards a Leading and Modern City"	Key Strategic Focus	IDP Strategies	Detail Project related objectives as per the SDBIP
					services) to all residents of SPLM.
					To ensure the availability of critical service delivery tools at all times (fleet management)
Municipal Financial Viability and Management	Outcome: Improved financial sustainability and administrative capacity	Governance: To lead, direct and manage spatial growth of the City robustly, enhance revenue generation and improve operational efficiency	Financial Governance	Revenue enhancement and operational efficiency	Promote sound financial management and financial sustainability of Sol Plaatje Municipality through prudent fiscal management
				Grow the rates base and grow revenue collection; and undertake municipal functions in a cost effective manner	Enhance revenue through leveraging alternate sources of funding and identifying new revenue streams
Municipal Institutional Development and Transformation	Outcome: Implemented differentiated approach to financial planning and support	Governance: To enhance the capacity of the state and its citizens to work together to achieve spatial and social integration. To lead, direct and manage spatial growth of the City robustly, enhance revenue generation and improve operational efficiency.	Spatial Governance	Regulate the entire City space according to a common spatial development vision and single land use management system	To provide a basis for sustainable municipal performance improvement
			IGR and Stakeholder Relations	Improve IGR and stakeholder relations targeted towards developing integrated human settlements and local economic growth	To improve effective human resource development to staff and Councillors
					To ensure continuous maintenance and replacement of furniture, office and computer equipment and create a secure environment within the municipality
					To enable effective training and skills development through various initiatives and partnering with the private sector.

National KPA	National Outcome 9: A responsive, accountable, effective and efficient local government system	Strategic Objectives to reach the Vision "Towards a Leading and Modern City"	Key Strategic Focus	IDP Strategies	Detail Project related objectives as per the SDBIP
Good Governance and Public Participation	Outcome: Good Governance and public participation	Governance: To enhance the capacity of the state and its citizens to work together to achieve spatial and social integration. To lead, direct and manage spatial growth of the City robustly, enhance revenue generation and improve operational efficiency.	Ward Committees	Focus on outreach and meaningful involvement of the wards in improving the quality of life	To promote community participation and communication
					To facilitate and promote Inter-governmental relations programmes and projects on a continuous basis.
			-		To ensure an improved audit opinion through continuous assessment of risk.

CHAPTER 1: EXECUTIVE SUMMARY

1.1 INTRODUCTION

The Sol Plaatje Municipal (SPLM) Council adopted its 5-year Integrated Development Plan for its term of office on 31 May 2017. This is the 4th review of the 2017/18 – 2021/22 IDP and is therefore not a “new” IDP. This reviewed IDP indicates the changes to the adopted IDP and the implementation of the Plan thus far – at mid-year 2020/21 as well as new information, both internal and external that will have an effect on the further implementation of the IDP. The IDP will also be reviewed in terms of the relevance of its strategic objectives in line with shifts in national and provincial policies and plans.

This is a draft document which is tabled to Council for public consultation and to finalise the IDP Review for submission and adoption by not later than 31 May 2021.

1.2 LEGAL BACKGROUND

The IDP process is guided by various legislation, policies and guidelines which require careful consideration when the document is compiled. These include amongst others the following:

- SA Constitution, Act 108 of 1996 White paper on Local Government
- Municipal Structures Act, 117 of 1998, Municipal Systems Act, 32 of 2000
- Municipal Planning & PMS Regulations (2001) Municipal Finance Management Act, Act 56 of 2003
- Intergovernmental Relations Framework Act, Act 13 of 2006

The **Constitution of the Republic of South Africa** outlines the type of local government needed. Sections 152 and 153 of the Constitution prescribe local government being in charge of the development process and municipal planning, and describe the following objectives of local government:

- To ensure the sustainable provision of services;
- To provide democratic and accountable government for all communities;
- To promote social and economic development;
- To promote a safe and healthy environment;
- To give priority to the basic needs of communities; and
- To encourage involvement of communities and community organisations in matters of local government.

The **Municipal Systems Act (MSA) Act 32 of 2000** requires municipalities to develop Integrated Development Plans that should be single, inclusive and strategic in nature. Once adopted, the IDP of a municipality will guide development within the relevant council's area of jurisdiction, and should also be reviewed annually. In addition, the Act also stipulates the IDP process and the components to be included.

The Local Government: Municipal Planning and Performance Management Regulations of 2001 set out the minimum requirements for an Integrated Development Plan Section 21(2)

of the **Municipal Finance Management Act (Act 56 of 2003) (MFMA)** states that, when preparing the annual budget, the Mayor of a municipality must:

- Take into account the municipality's Integrated Development Plan;
- Take all reasonable steps to ensure that the municipality revises the integrated development plan in terms of section 34 of the MSA, taking into account realistic revenue and expenditure projections for future years;
- Take into account the national budget, the relevant provincial budget, the national government's fiscal and macroeconomic policy, the annual Division of Revenue Act and any agreements reached in the Budget Forum;

Consult-

- the relevant district municipality and all other local municipalities within the area of the district municipality, if the municipality is a local municipality;
- the relevant provincial treasury, and when requested, the National Treasury; and
- any national or provincial organs of state, as may be prescribed; and

Provide, on request, any information relating to the budget-

- to the National Treasury; and subject to any limitations that may be prescribed, to
- the national departments responsible for water, sanitation, electricity and any other service as may be prescribed;
- any other national and provincial organ of states, as may be prescribed; and
- another municipality affected by the budget.

1.3 IDP REVIEW PROCESS

According to Section 28(1) of the Municipal System Act, 32 of 2000, a municipal council must adopt a process set out in writing to guide the planning, drafting and review of its IDP. Council adopted the Process Plan for 2021/2022 during a Virtual Council meeting held on 26 August 2020, resolution C161/08/2020 and is attached as Annexure 1. The process plan enhances integration and alignment between the IDP and the Budget, thereby ensuring the development of an IDP-based budget.

Annexure 1 (Process Plan)

Public participation

Measures will be taken to ensure that municipalities engage with their communities.

Municipalities must develop affordable and efficient communication systems to communicate regularly with communities and disseminate urgent information. The basic measures to be monitored, include:

- The existence of the required number of functional Ward committees.
- The number of effective public participation programmes conducted by Councils.
- The regularity of community satisfaction surveys carried out.

The Public Participation Process will commence during April/May 2021 should this be allowed as Covid-19 measures are still in place. The schedule for public participation will be included when the Final IDP Review 2020/21 and Planning 2021/22 is tabled to Council for approval before end of May 2021. The program for public participation will be attached in the Final IDP as **Annexure 2**.

CHAPTER 2: STRATEGIC ANALYSIS

2.1 MUNICIPAL PROFILE

Below are some key statistics relating to demographic and socio-economic trends in the Sol Plaatje Municipality. This information comes from STASSA 2011 Census, the 2016 Community Survey, Sol Plaatje Statistical Overview performed by IHS Information and Insight in 2015 and IHS Markit Regional eXplorer version 1946. The statistics included in the IDP document were obtained mainly from the Census 2011 outcomes. However, for the purposes of the IDP review, and taking cognisance of the fact that the Community Survey 2016 is used as a basis for the budget assumptions, this chapter also includes statistical information from these two additional sources. At the end of this section some conclusions and contextual issues are mentioned relating to this information.

2.1.1 Person Statistics

The table below present relevant assumptions that were used in the development of the IDP and IDP review.

Table 2: Key Statistics Summary

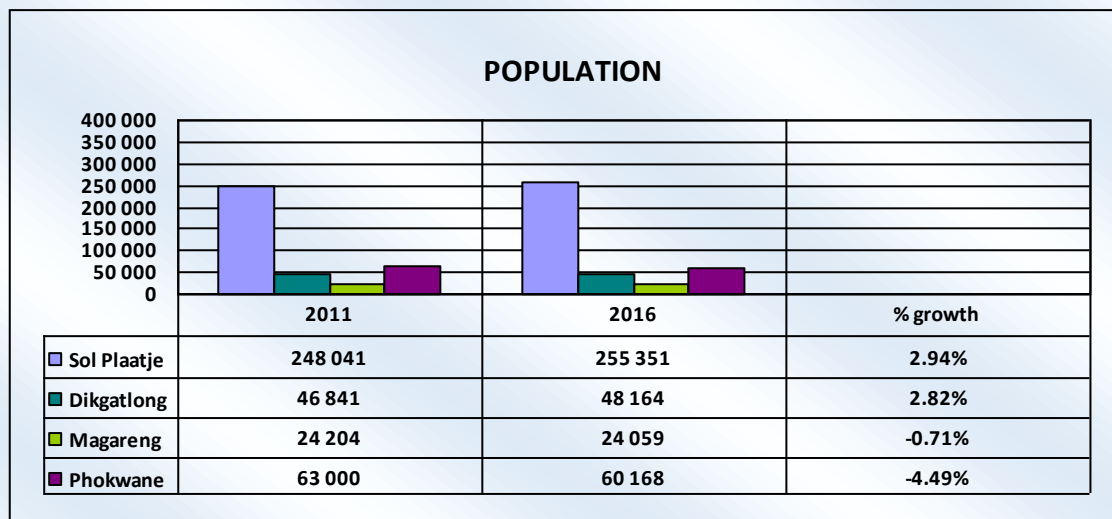
Key Statistics summary		
People	2011 Census	2016 CS
Region area (sq km)	3 145	3 160
Population	248 041	255 351
Population density (nr of people per sq km)	79	81
Population growth rate (pa 2001-2011)	2.04%	0.6%
Economically active population (as % of total pop.)	66,2%	
No schooling age 20+	10%	
Higher education aged 20+	9%	
Matric aged 20+	21%	72 593
Households		
No of households	60 297	72 012
Average household size	3.9	3.5
Percentage female headed households	41%	n.a
Formal Dwellings	81.6%	85.9%
Houses owned/paying off	61.2%	n.a
Flush toilet connect to sewerage	82.8%	88.1%

Key Statistics summary		
People	2011 Census	2016 CS
Weekly refuse removal	84.3%	n.a
Piped water inside dwelling	61.9%	n.a
Electricity for lighting	84.9%	91.8%
Disposable income (Rand, current prices)	10 824	n.a
Economy		
Formal sector employment estimates	60 457	n.a
Informal sector employment estimates	15 297	n.a
Unemployment rate (official)	31.9%	n.a
Youth unemployment rate (official) 15-34	41.7%	n.a
Economic output in 2013 (GDP, R' million current prices)	16 531	23 170
Share of economic output (GDP% of SA in current prices)	0.6%	0.58%
Gross domestic fixed investment (Rm constant prices)	1904	n.a
Economic growth performance 1995-2013 (GVA at basic prices)	0.6%	1.51%

Source: Stats SA and Quantec

The chart below shows the population growth from 2011 to 2016 in the Sol Plaatje and surrounding municipal areas.

Chart 1: Population Community Survey 2016



The municipality has experienced a positive growth of 2.94% in the population from 2011 to 2016 while Magareng and Phokwane experienced a negative growth.

Table 3: Total population - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2011-2016 [Numbers percentage]

	Sol Plaatje	Frances Baard	Northern Cape	National Total	Sol Plaatje as % of district municipality	Sol Plaatje as % of province	Sol Plaatje as % of national
2015	260,000	393,000	1,200,000	54,900,000	66.2%	21.8%	0.47%
2016	255,351	387,741	1,193,780	55,653,654	65.8%	21.3%	0.45%
2017	265,000	399,000	1,230,000	56,500,000	66,6%	21.5%	0.47%
Average Annual growth							
2007-2017	2.19%	1.83%	1.69%	1.56%			

Source: IHS Markit Regional eXplorer version 1570

With 265 000 people, the Sol Plaatje Local Municipality housed 0.5% of South Africa's total population in 2017. Between 2007 and 2017 the population growth averaged 2.19% per annum which is slightly higher than the growth rate of South Africa as a whole (1.56%). Compared to Frances Baard's average annual growth rate (1.83%), the growth rate in Sol Plaatje's population at 2.19% was slightly higher than that of the district municipality.

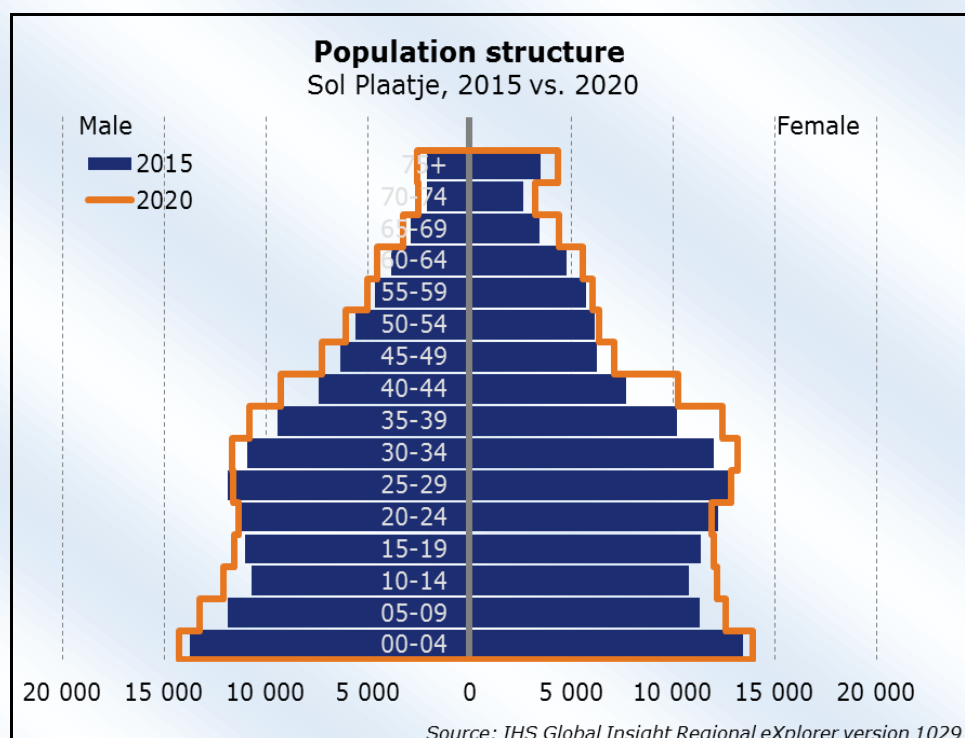
Table 4: Population projections - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2015-2020 [Numbers percentage]

	Sol Plaatje	Frances Baard	Northern Cape	National Total	Sol Plaatje as % of district municipality	Sol Plaatje as % of province	Sol Plaatje as % of national
2016	265,000	400,000	1,210,000	55,700,000	66.3%	21.9%	0.48%
2017	271,000	407,000	1,230,000	56,500,000	66.5%	21.9%	0.48%
2018	276,000	414,000	1,250,000	57,400,000	66.6%	22.0%	0.48%
2019	281,000	421,000	1,270,000	58,100,000	66.6%	22.1%	0.48%
2020	285,000	428,000	1,290,000	58,900,000	66.7%	22.2%	0.48%
Average Annual growth							
2015-2020	1.85%	1.70%	1.46%	1.42%			

Source: IHS Global Insight Explorer Version 1029

The population projection of Sol Plaatje Local Municipality shows an estimated average annual growth rate of 1.9% between 2015 and 2020. The average annual growth rate in the population over the projection period for Frances Baard District Municipality, Northern Cape Province and South Africa is 1.7%, 1.5% and 1.4% respectively and is lower than that the average annual growth in Sol Plaatje Local Municipality.

Chart 2: Population structure 2015 vs 2020



The population pyramid reflects a projected change in the structure of the population from 2015 and 2020. The differences can be explained as follows:

In 2015, there is a significantly larger share of young working age people between 20 and 34 (27.4%), compared to what is estimated in 2020 (25.4%). This age category of young working age population will decrease over time.

The fertility rate in 2020 is estimated to be slightly higher compared to that experienced in 2015.

The share of children between the ages of 0 to 14 years is projected to be slightly smaller (27.4%) in 2020 when compared to 2015 (27.6%).

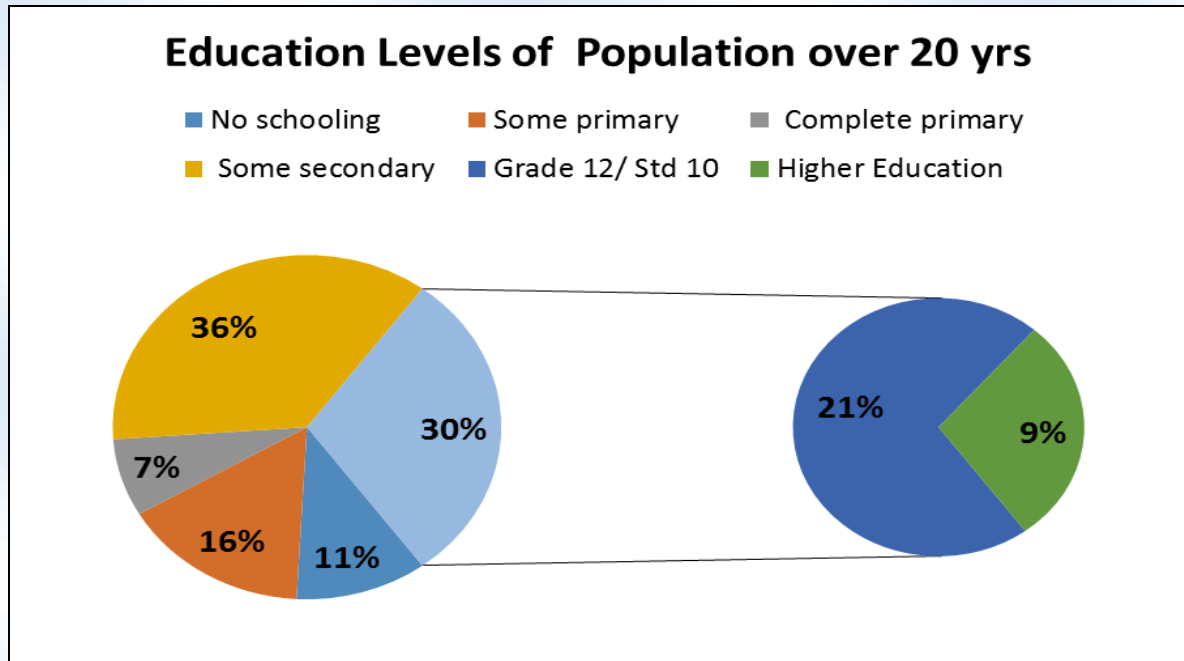
In 2015, the female population for the 20 to 34 years age group amounts to 14.3% of the total female population while the male population group for the same age amounts to 13.2% of the total male population. In 2020, the male working age population at 12.1% does not exceed that of the female population working age population at 13.3%, although both are at a lower level compared to 2015.

2.1.2 Labour Market and Educational Statistics

Of the population over 20 years, 30% have matric and higher education, while 10% indicate no schooling. The remaining 60% have some primary schooling and some secondary

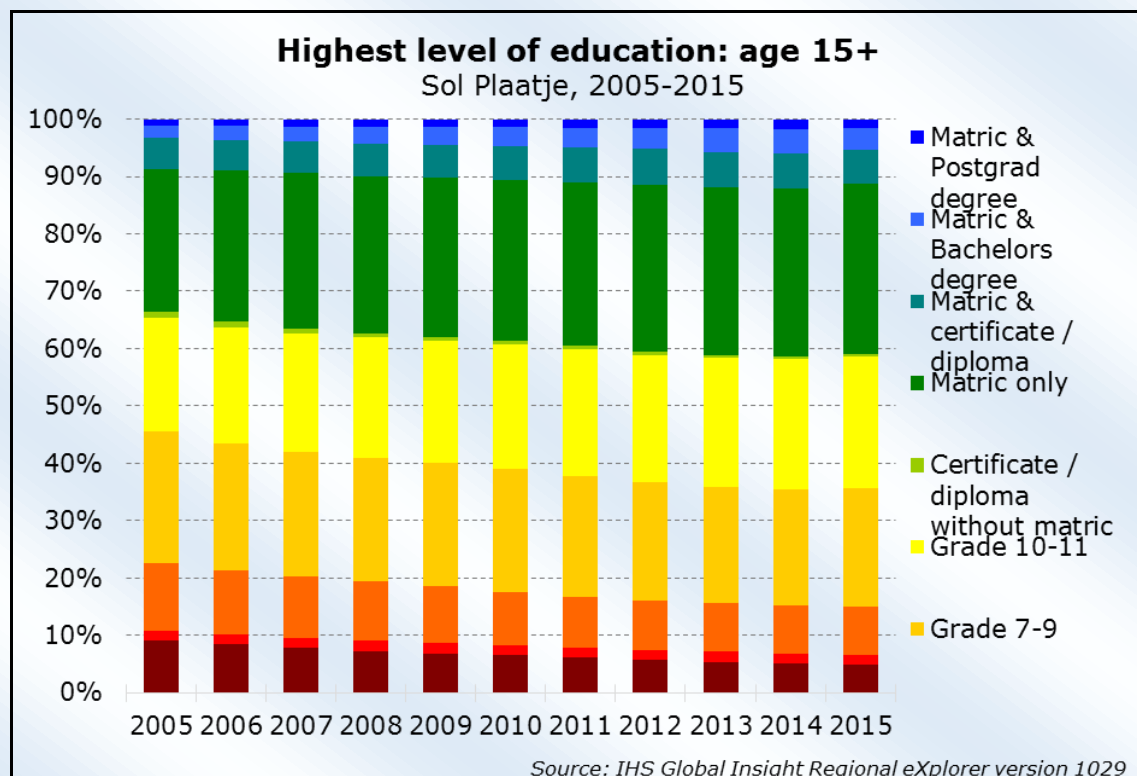
schooling. This will pose a serious problem for the future economic trajectory as skills will have to be built to suit the economic path and in the short-term skills will have to be brought in from skilled areas.

Chart 3: Labour Market and Education Statistics 2011 compared to 2001



Source Stats SA & Quantec

Chart 4: Highest level of Education 15+ (2005 vs. 2015)



Source: IHS Global Insight Regional eXplorer version 1029

Within Sol Plaatje Local Municipality, the number of people without any schooling decreased from 2005 to 2015 with an average annual rate of -3.43%, while the number of people within the 'matric only' category, increased from 32,100 to 49,200. The number of people with 'matric and a certificate/diploma' increased with an average annual rate of 3.65%, with the number of people with a 'matric and a Bachelor's' degree increasing with an average annual rate of 7.82%. Overall improvement in the level of education is visible with an increase in the number of people with 'matric' or higher education.

Chart 5: Involvement in the economy

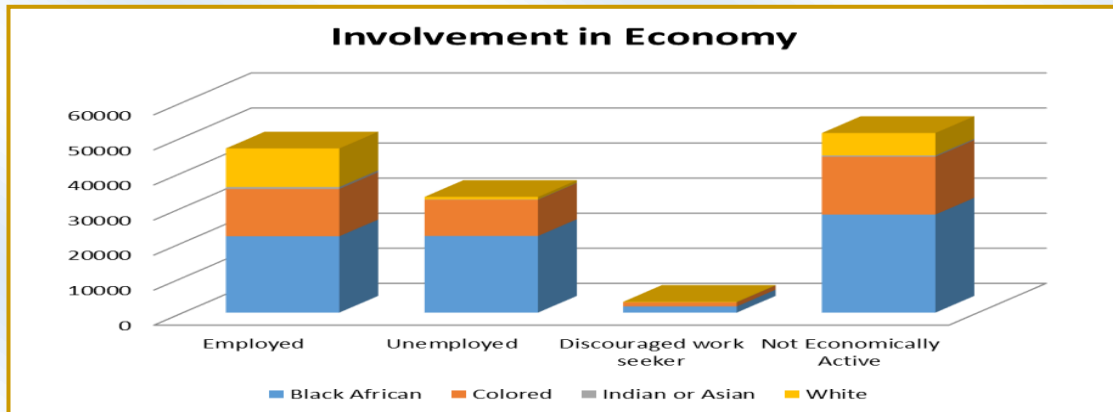
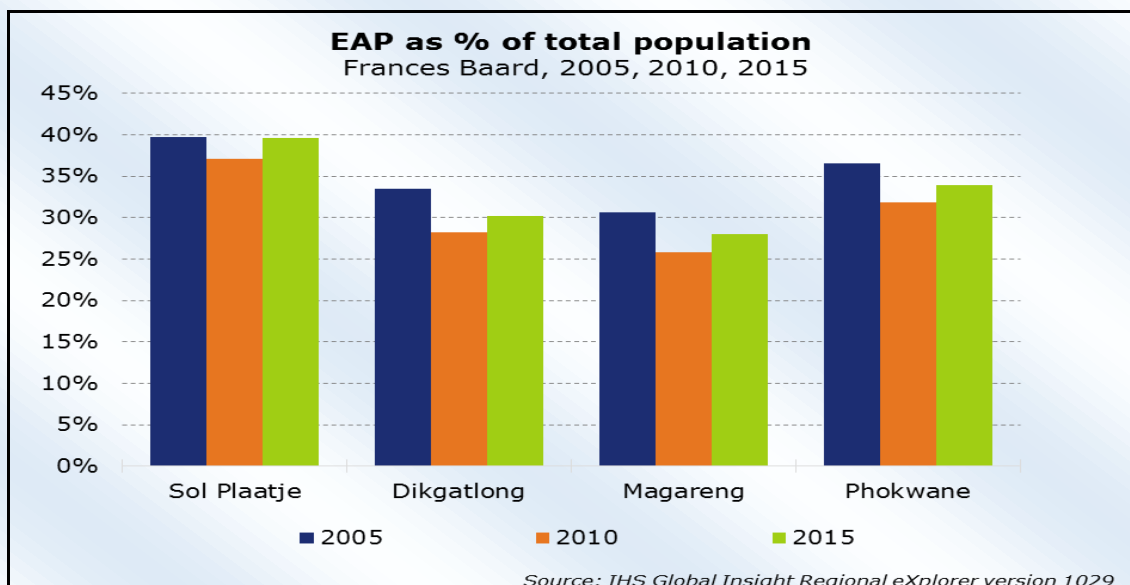
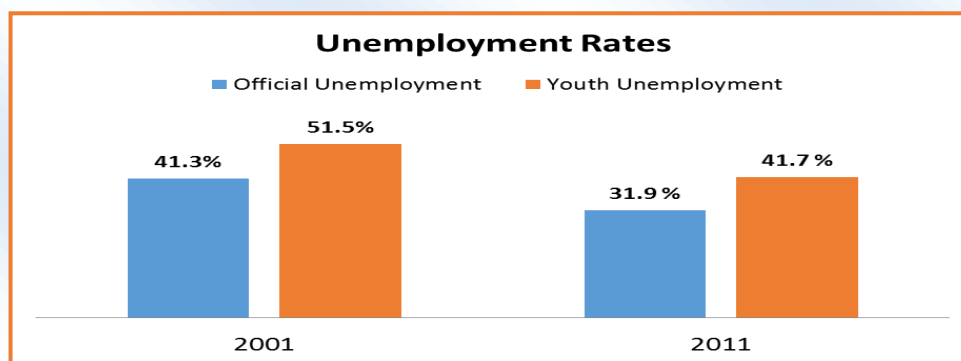


Chart 6: EAP as a percentage of total population



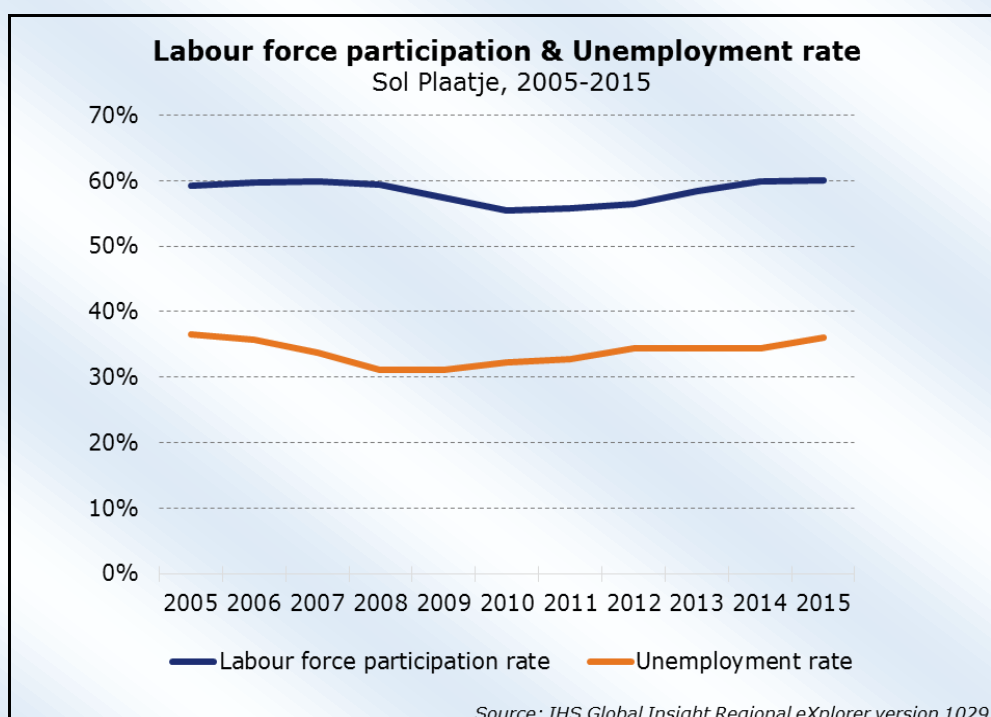
In 2005, 39.7% of the total population in Sol Plaatje Local Municipality were classified as economically active which decreased to 39.6% in 2015. Compared to the other regions in Frances Baard District Municipality, Sol Plaatje local municipality had the highest EAP as a percentage of the total population within its own region relative to the other regions. On the other hand, Magareng local municipality had the lowest EAP with 28.0% people classified as economically active population in 2015.

Chart 7: Unemployment Rates



Of the economically active people in the municipality, 31.9% are unemployed (narrow definition of unemployment). 41.7% of the economically active youth (15 – 34 years) in the area are unemployed. This figure is compelling enough to direct a special focus on youth employment.

Chart 8: Labour force and Unemployment Rates



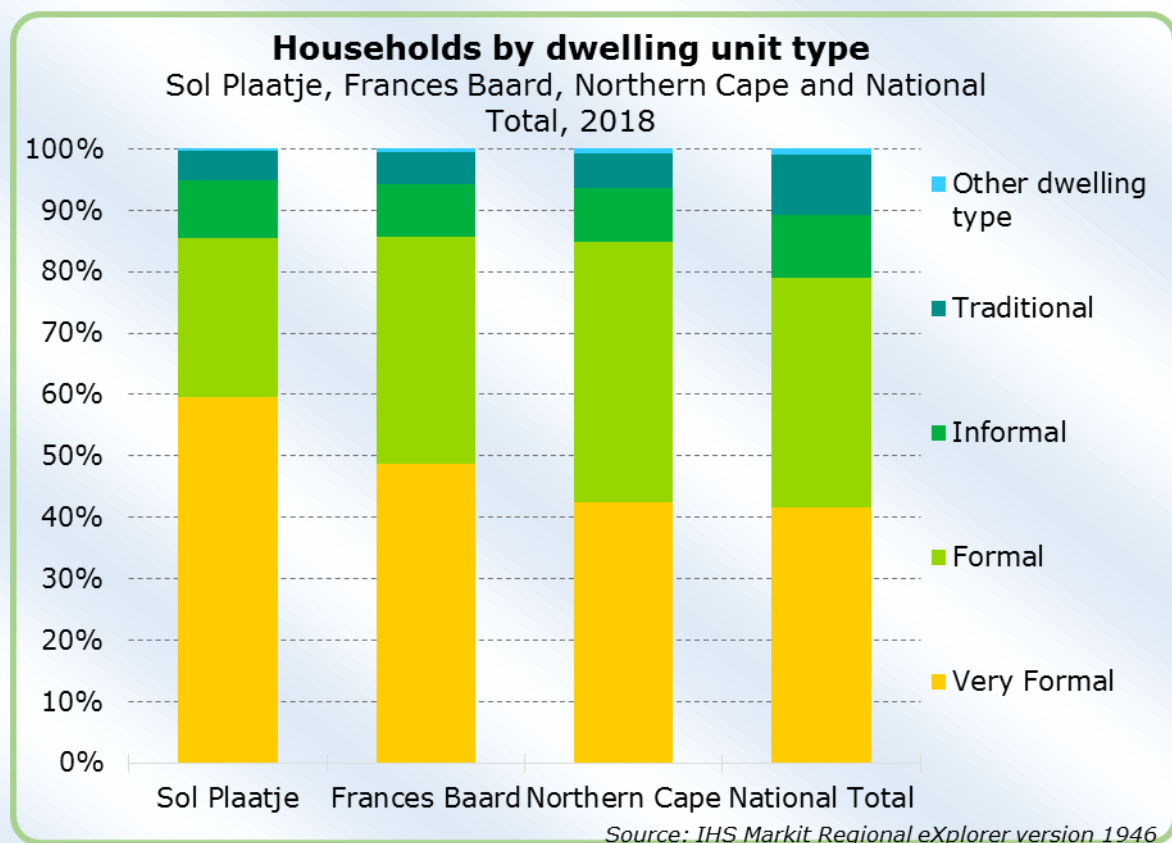
In 2015 the labour force participation rate for Sol Plaatje was at 60.0% which is very similar when compared to the 59.2% in 2005. The unemployment rate is an efficient indicator that measures the success rate of the labour force relative to employment. In 2005, the unemployment rate for Sol Plaatje was 36.6% and decreased overtime to 36.0% in 2015. The gap between the labour force participation rate and the unemployment rate decreased which indicates a negative outlook for the employment within Sol Plaatje Local Municipality.

2.1.3 Household Statistics

Chart 9 shows a comparison between the number and types of dwellings in Sol Plaatje and surrounding municipal areas, from 2001 to 2016.

During the 2011 Census 10378 households lived in informal settlements. This number increased to 9829 by end of 2016, according to the Community Survey performed by STATS SA. Refer to chart 9 below for further detail.

Chart 9: Households by dwelling unit type - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2018 [Percentage]



Sol Plaatje Local Municipality had a total number of 44 600 (59.56% of total households) very formal dwelling units, a total of 19 400 (25.98% of total households) formal dwelling units and a total number of 6 940 (9.27% of total households) informal dwelling units.

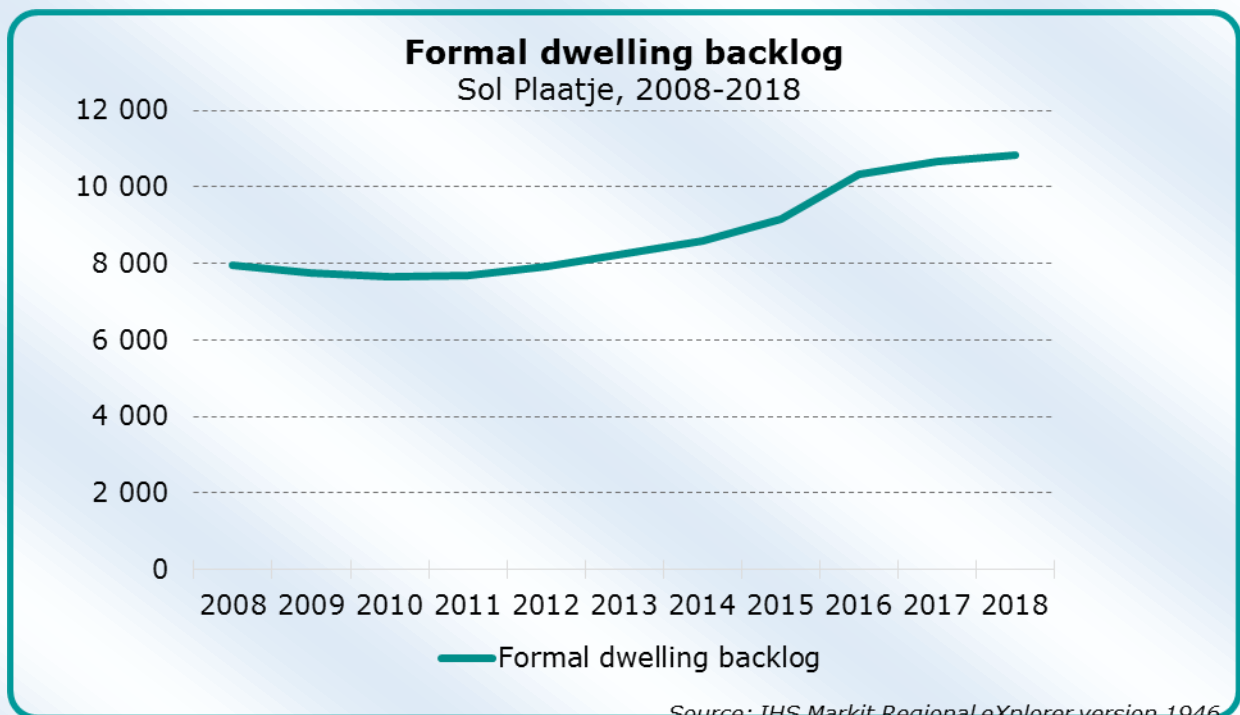
Table 5: Households by dwelling unit type - Sol Plaatje and the rest of Frances Baard, 2018 [Number]

	Very Formal	Formal	Informal	Traditional	Other dwelling type	Total
Sol Plaatje	44,573	19,447	6,940	3,640	242	74,842
Dikgatlong	2,909	8,208	1,029	969	210	13,325
Magareng	1,950	4,524	482	379	4	7,339
Phokwane	6,567	10,455	1,279	1,135	89	19,526
Total Frances Baard	56,000	42,634	9,731	6,123	545	115,033

Source: IHS Markit Regional eXplorer version 1946

The region within the Frances Baard District Municipality with the highest number of very formal dwelling units is Sol Plaatje Local Municipality with 44 600 or a share of 79.59% of the total very formal dwelling units within Frances Baard. The region with the lowest number of very formal dwelling units is Magareng Local Municipality with a total of 1 950 or a share of 3.48% of the total very formal dwelling units within Frances Baard.

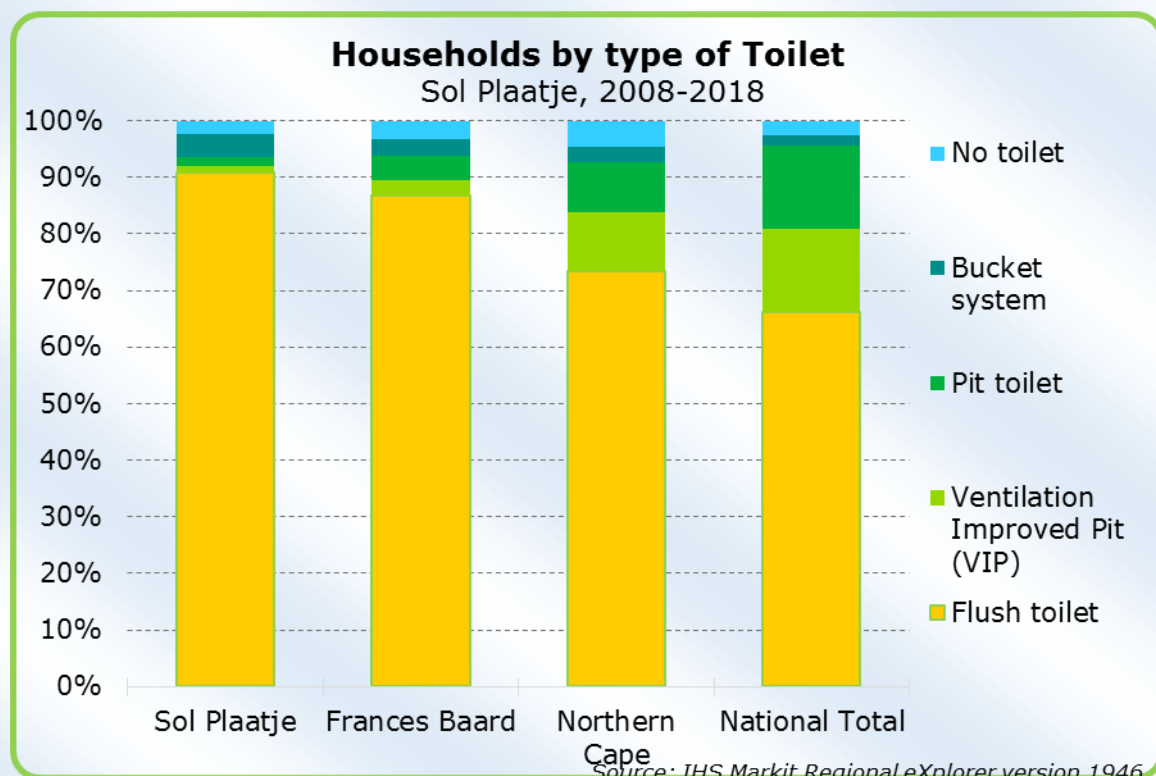
Chart 10: Formal dwelling backlog - number of Households not living in a formal dwelling - Sol Plaatje Local Municipality, 2008-2018 [Number of Households]



When looking at the formal dwelling unit backlog (number of households not living in a formal dwelling) over time, it can be seen that in 2008 the number of households not living in a formal dwelling were 7 970 within Sol Plaatje Local Municipality. From 2008 this number increased annually at 3.11% to 10 800 in 2018.

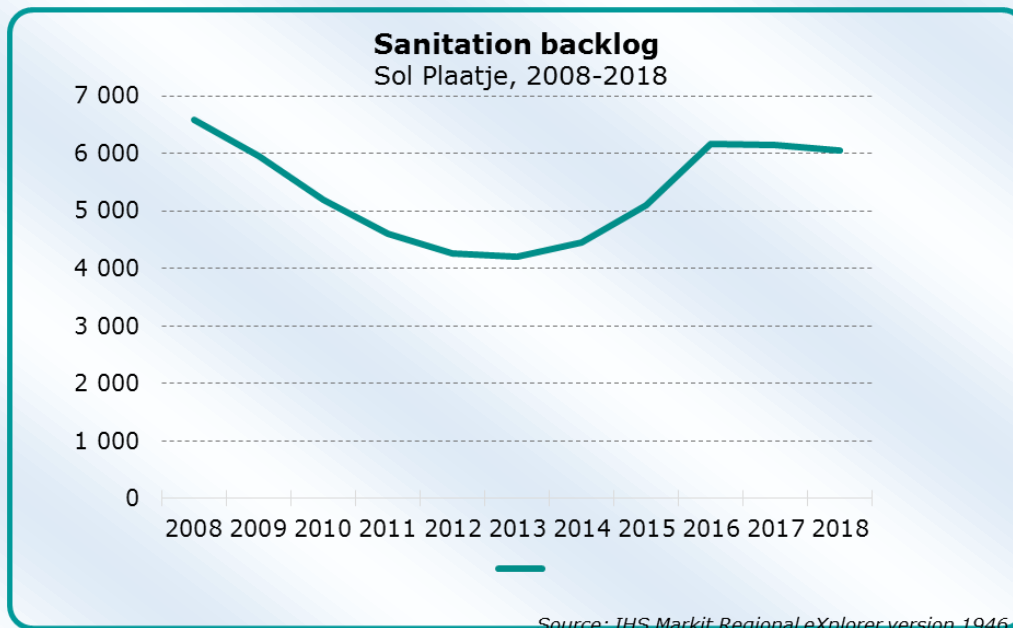
The total number of households within Sol Plaatje Local Municipality increased at an average annual rate of 2.91% from 2008 to 2018, which is higher than the annual increase of 2.13% in the number of households in South Africa. With high in-migration into a region, the number of households increased, putting additional strain on household infrastructure. In the short to medium term this can result in an increase in the number of households not living in a formal dwelling, as the provision of household infrastructure usually takes time to deliver.

Chart 11: Households by type of sanitation - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2018 [Percentage]



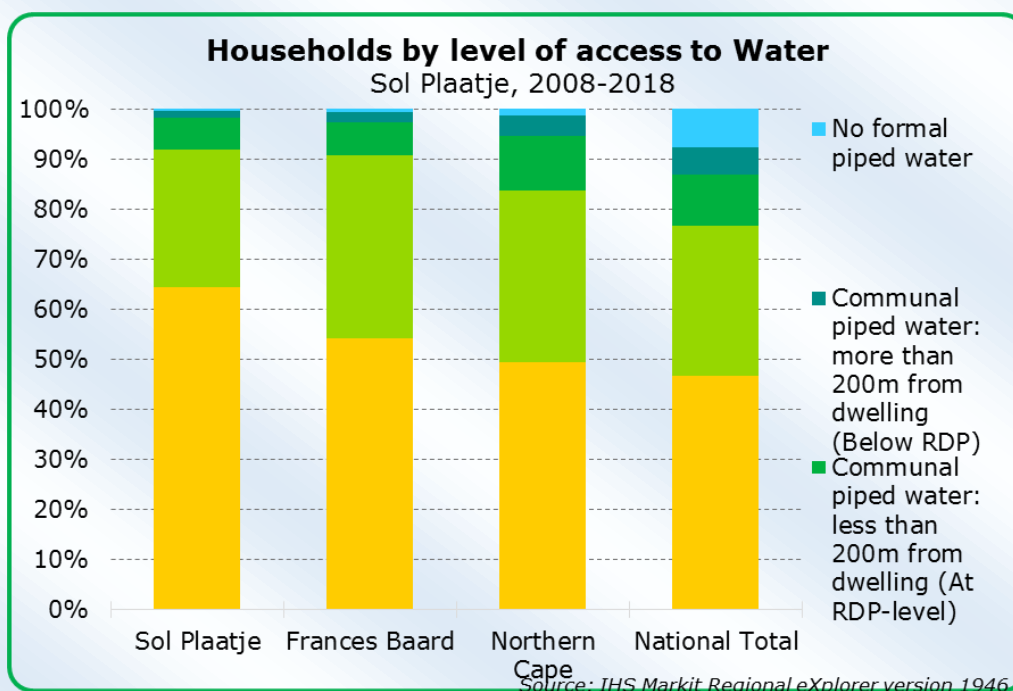
Sol Plaatje Local Municipality had a total number of 68 000 flush toilets (90.92% of total households), 744 Ventilation Improved Pit (VIP) (0.99% of total households) and 1 320 (1.76%) of total households pit toilets.

Chart 12: Sanitation backlog - Sol Plaatje Local Municipality, 2008-2018 [Number of households without hygienic toilets]



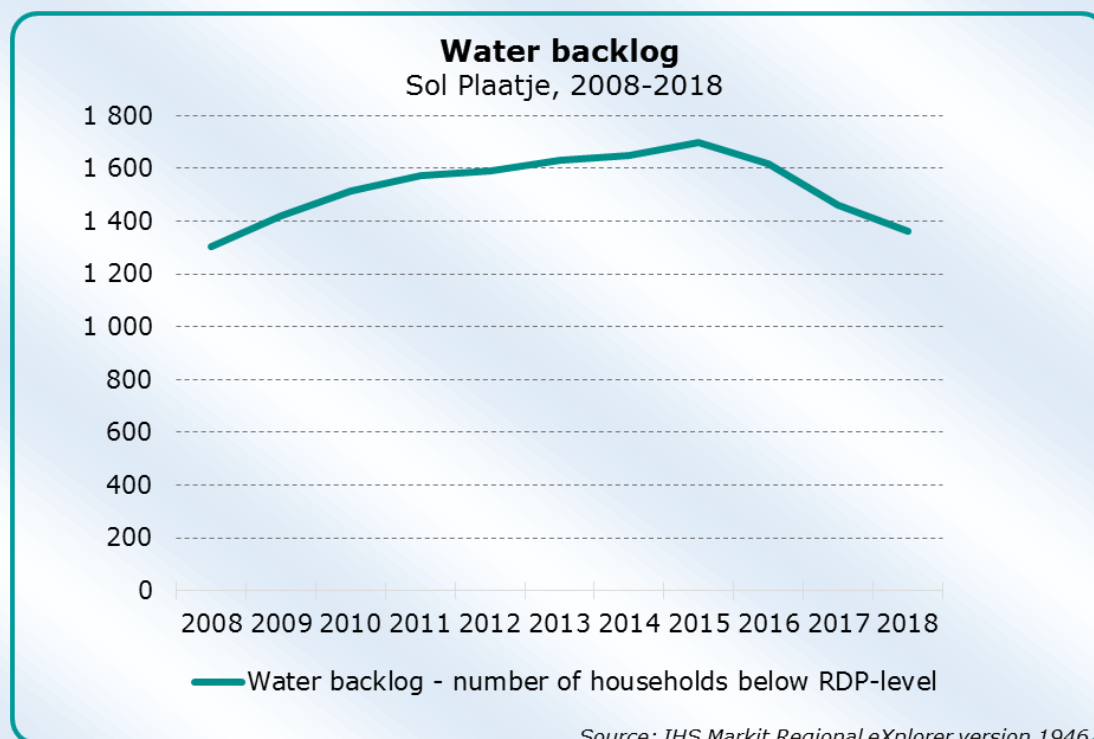
When looking at the sanitation backlog (number of households without hygienic toilets) over time, it can be seen that in 2008 the number of Households without any hygienic toilets in Sol Plaatje Local Municipality was 6 580, this decreased annually at a rate of -0.83% to 6 060 in 2018.

Chart 13: Households by type of water access - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2018 [Percentage]



Sol Plaatje Local Municipality had a total number of 48 300 (or 64.52%) households with piped water inside the dwelling, a total of 20 500 (27.44%) households had piped water inside the yard and a total number of 218 (0.29%) households had no formal piped water.

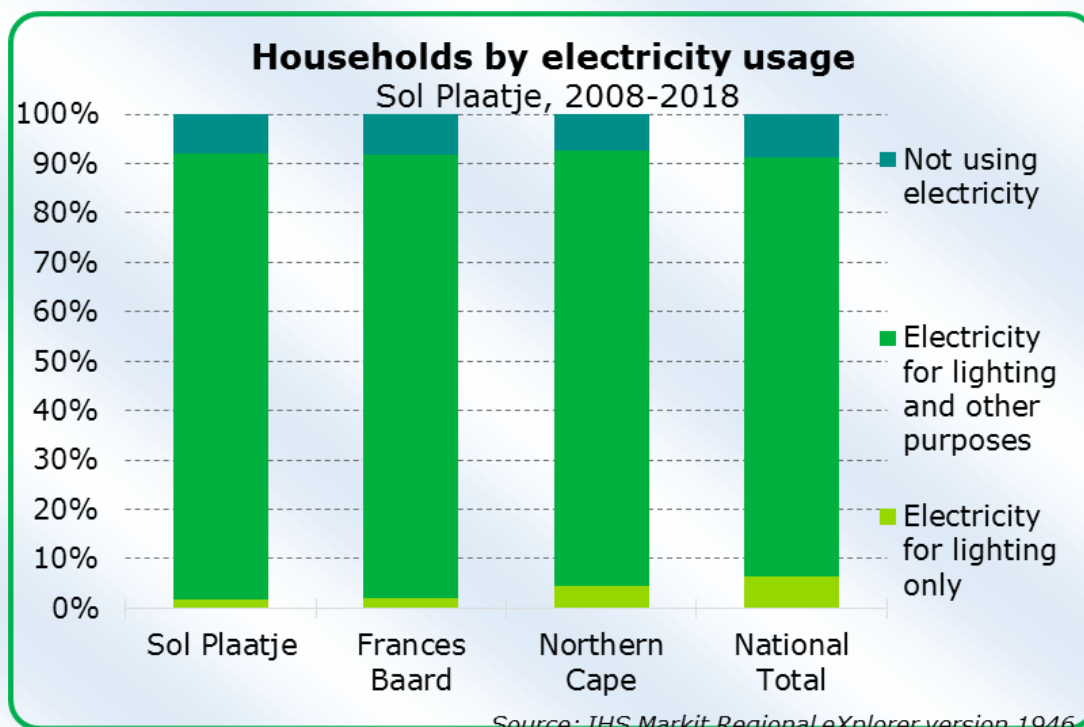
Chart 14: Water Backlog - Sol Plaatje Local Municipality, 2008-2018 [Number Of Households Below Rdp-Level]



When looking at the water backlog (number of households below RDP-level) over time, it can be seen that in 2008 the number of households below the RDP-level were 1 300 within Sol Plaatje Local Municipality, this increased annually at 0.43% per annum to 1 360 in 2018.

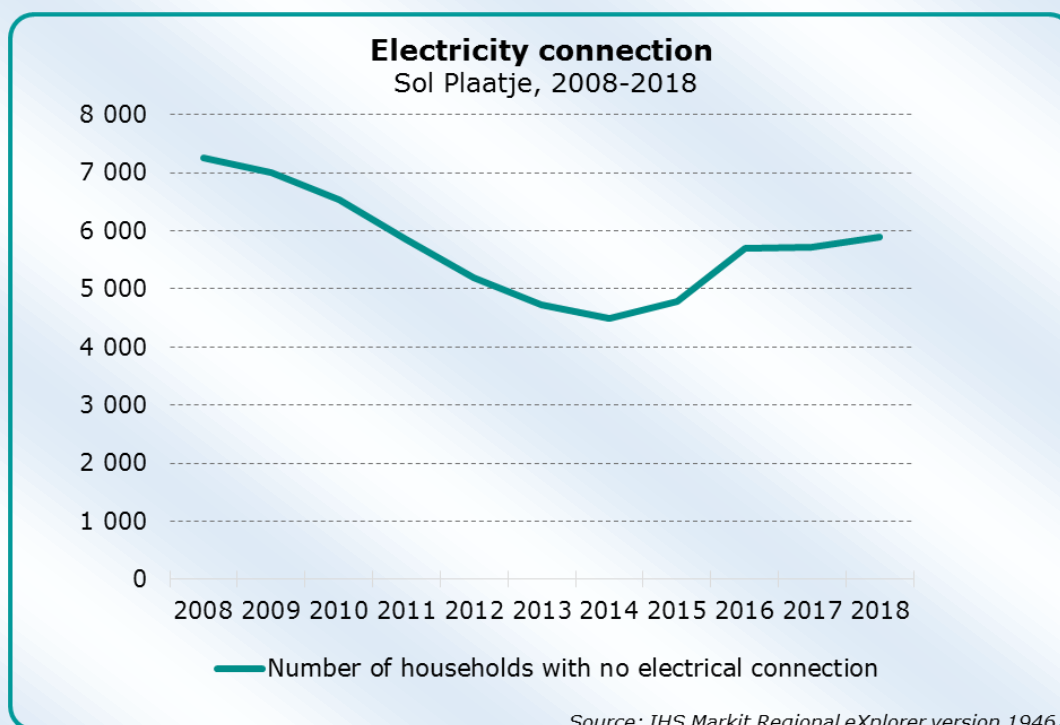
The total number of households within Sol Plaatje Local Municipality increased at an average annual rate of 2.91% from 2008 to 2018, which is higher than the annual increase of 2.13% in the number of households in South Africa. With high in-migration into a region, the number of households increases, putting additional strain on household infrastructure. In the short to medium term this can result in an increase in the number of households not living in a formal dwelling, as the provision of household infrastructure usually takes time to deliver

Chart 15: Households by type of electrical connection - Sol Plaatje, Frances Baard, Northern Cape and National Total, 2018 [Percentage]



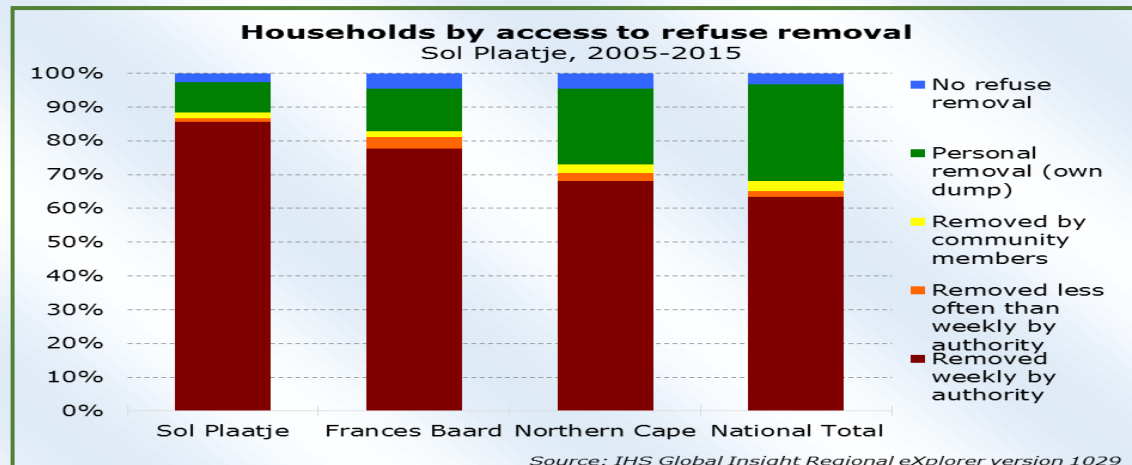
Sol Plaatje Local Municipality had a total number of 1 270 (1.69%) households with electricity for lighting only, a total of 67 700 (90.43%) households had electricity for lighting and other purposes and a total number of 5 900 (7.88%) households did not use electricity.

Chart 16: Electricity connection - Sol Plaatje Local Municipality, 2008-2018 [Number of households with no electrical connection]



When looking at the number of households with no electrical connection over time, it can be seen that in 2008 the households without an electrical connection in Sol Plaatje Local Municipality was 7 260, this decreased annually at -2.06% per annum to 5 900 in 2018.

Chart 17: Households by access to refuse removal

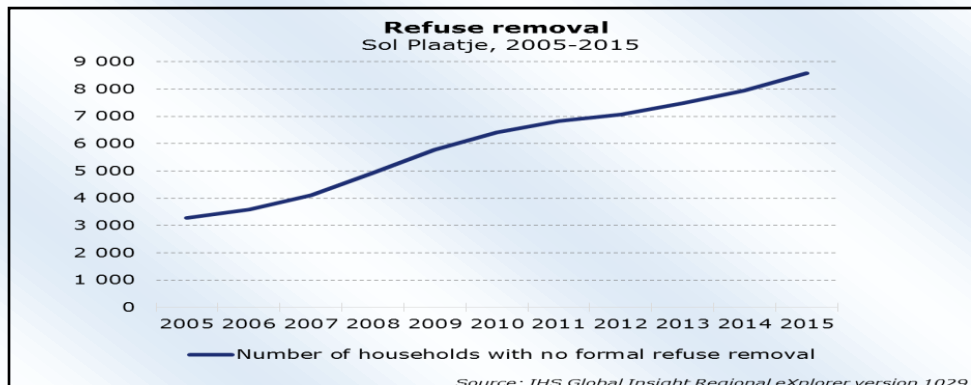


A distinction is made between formal and informal refuse removal. When refuse is removed by the local authorities, it is referred to as formal refuse removal. Informal refuse removal is where either the household or the community disposes of the waste, or where there is no refuse removal at all. A further breakdown is used in terms of the frequency by which the refuse is taken away, thus leading to the following categories:

- Removed weekly by authority
- Removed less often than weekly by authority
- Removed by community members
- Personal removal / (own dump)
- No refuse removal

Sol Plaatje Local Municipality had a total number of 54 800 (85.53%) households which had their refuse removed weekly by the authority, a total of 714 (1.11%) households had their refuse removed less often than weekly by the authority and a total number of 5 690 (8.88%) households which had to remove their refuse personally (own dump). The region within Frances Baard with the highest number of households where the refuse is removed weekly by the authority is Sol Plaatje local municipality with 54 800 or a share of 71.19% of the households where the refuse is removed weekly by the authority within Frances Baard. The region with the lowest number of households where the refuse is removed weekly by the authority is Magareng local municipality with a total of 4 330 or a share of 5.63% of the total households where the refuse is removed weekly by the authority within the district municipality.

Chart 18: Households with no formal refuse removal



When looking at the number of households with no formal refuse removal, it can be seen that in 2005 the households with no formal refuse removal in Sol Plaatje Local Municipality was 3 280, this increased annually at 10.07% per annum to 8 560 in 2015.

The total number of households within Sol Plaatje Local Municipality increased at an average annual rate of 1.67% from 2005 to 2015, which is higher than the annual increase of 1.86% in the number of households in South Africa. For the financial year of 2018/19 Sol Plaatje Municipality had a total number of 59 306 households which had their refuse removed on a weekly basis and a backlog of 9 000 with regard to informal settlements that are making use of bulk containers. There are 30 bulk containers with 170 removals per month.

2.1.4 Economic Statistics

As seen in chart 18 below, the tertiary sector employs relatively little unskilled labour compared to the primary and secondary sectors. Therefore, growth in the tertiary sector does not normally have a significant impact on unemployment as the majority of unemployed people are not highly skilled.

The Province economy grew at 2.8% in 2017, an improvement from the below par growth of - 1.2% experienced in 2016. The number of unemployed people, however increased by 12 652 in the 2nd Quarter of 2019 with the Province having the highest rate of young people unemployed and second highest for those aged 15 to 24 years at a rate of 45.9%. Currently 125 313 people in the Northern Cape are without employment, aged 15 to 24 years not in employment, education and training.

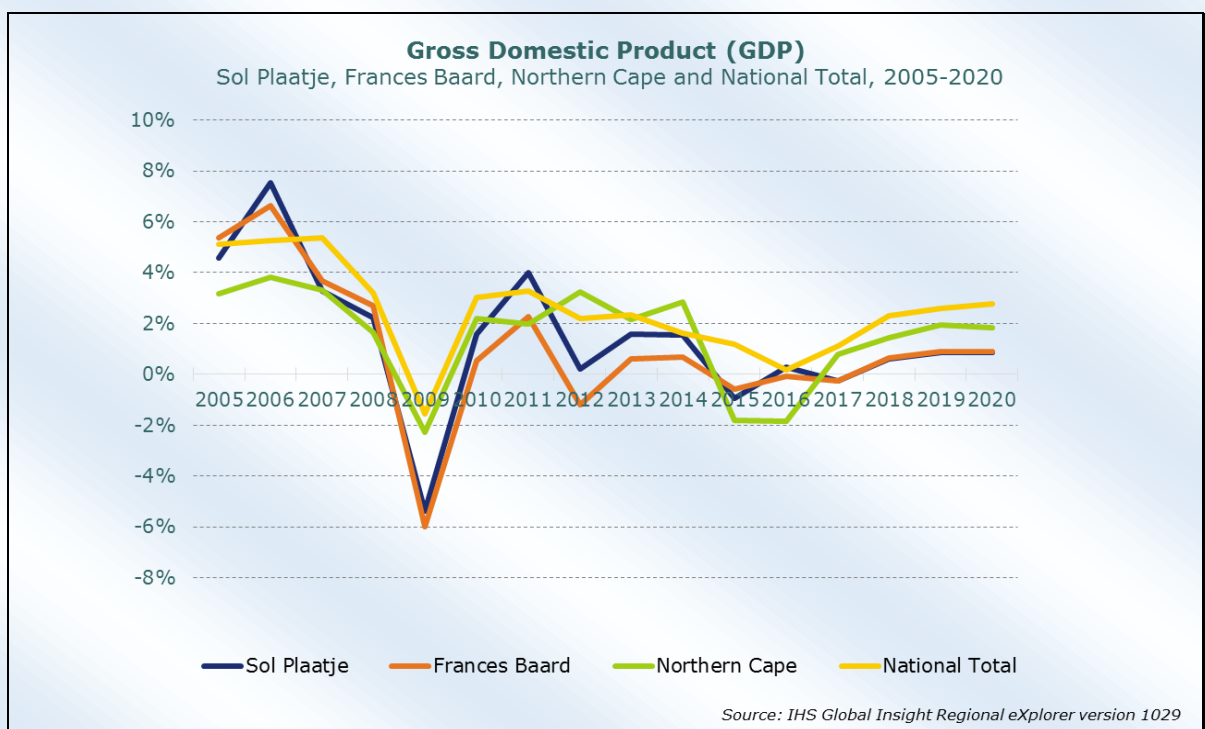
The high youth unemployment means young people are not acquiring the skills or experience needed to drive the economy forward, which inhibits the province's economic development.

Chart 19: GVA – Broad sector composition, 2015

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Chart 20: Gross Domestic Product (GDP) Forecast, 2005 - 2015



From the above chart it can be seen that when compared to the national economy of South Africa, Sol Plaatje Local municipality has a comparative advantage on community services and almost the same advantage on the transport industry. A slight advantage is also noted on financial services.

However, when it comes to specifically manufacturing, Sol Plaatje has a significant comparative disadvantage relative to the country as a whole. In terms of trade the quotient of Sol Plaatje is relatively similar to that of South Africa. Generally speaking, Sol Plaatje has a very narrow economy.

2.1.5 South African Perspective

During the State of the Nation Address by President Cyril Ramaphosa on 11 February 2021 some key announcements were made.¹

Coronavirus pandemic - Fundamental to our nation's recovery is an unrelenting and comprehensive response to overcome the coronavirus. Plans had to be adapted in response to a global emergency. Budgets had to be reprioritised and many programmes had to be deferred. South Africa has experienced a sharp decline in growth and a significant increase in unemployment. Poverty is on the rise and Inequality is deepening. There were 1.7 million fewer people employed in the third quarter of 2020 than there were in the first quarter, before the pandemic struck and the unemployment rate now stands at a staggering 30.8%.

The social and economic relief package that were introduced in April 2020 last year is the largest intervention of its kind in our history.

It identified measures worth a total of R500 billion – or about 10% of our GDP – to provide cash directly to the poorest households, to provide wage support to workers and to provide various forms of relief to struggling businesses.

Acceleration of our economic recovery - Since the launch of the Economic Reconstruction and Recovery Plan, four priority interventions were identified.

- a massive rollout of infrastructure throughout the country,
- a massive increase in local production,
- an employment stimulus to create jobs and support livelihoods,
- the rapid expansion of our energy generation capacity.

Massive Rollout of Infrastructure - To achieve this objective technical skills within government must be rebuilt to prepare and manage large infrastructure projects. Infrastructure projects will lead to the revival of the construction industry and the creation of much-needed jobs. The R100 billion Infrastructure Fund is now in full operation. This Fund will blend resources from the fiscus with financing from the private sector and development institutions.

¹www.gov.za

Massive Increase in Local Production - This objective is to support a massive increase in local production and to make South African exports globally competitive. This will encourage greater investment by the private sector in productive activity. Key to this plan is a renewed commitment from government, business and organised labour to buy local. This commitment should lead to increased local production, which will lead to the revival of our manufacturing industry.

The COVID-19 pandemic forced the closure of global value chains but as the local supply chains became open for locally manufactured products this will gain momentum.

Cabinet approved the SMME Focused Localisation Policy Framework which identified the 1,000 products. Furthermore, the departments of Small Business Development and Trade, Industry and Competition are supporting SMMEs to access larger domestic and international markets which are supported by robust manufacturing support programmes.

SA's vision for industrialisation is underpinned by sector master plans to rejuvenate and grow key industries and these four master plans have been completed and signed which are part of the social compact between labour, business, government and communities and already had an impact in the respective industries.

The African Continental Free Trade Area (AfCFTA) came into operation on the 1st of January 2021 following the adoption of the Johannesburg Declaration by the African Union. This provided a platform for South African businesses to expand into markets across the continent and for South Africa to position itself as a gateway to the continent.

Employment Stimulus to create jobs and support livelihoods – The largest numbers of jobs will be created by the private sector in a number of industries as the economy recovers. Government work in a social compact with the private sector to create a more conducive environment for the section to be able to create jobs which is underpinned by a clear commitment to grow our economy and to create jobs. The public sector has a responsibility to stimulate job creation both through their policies and direct job creation opportunities.

The Presidential Employment Stimulus is one of the most significant expansions of public and social employment in South Africa's history. 430 000 Opportunities have already been supported through the stimulus in areas like education, arts and culture, global business services, early childhood development and small-scale and subsistence farming. It involves environmental programmes such as the clearing of alien trees, wetland rehabilitation, fire prevention and cleaning and greening across all municipalities. Nearly half a million people are receiving an income, developing new skills and contributing to their community and the country's economy.

The National Youth Development Agency and the Department of Small Business Development provided grant funding and business support to young entrepreneurs to face the huge challenge of youth unemployment. Due to coronavirus restrictions it had been put on hold but this provides a firm foundation to support 15 000 businesses by 2024. A National Pathway Management Network was established to provide support and opportunities to young people across the country.

Rapid expansion of energy generation capacity – Central to this objective is to restore Eskom to operational and financial health and accelerating its restructuring process. Eskom has been restructured into three separate entities for generation, transmission and

distribution which will lay the foundations for an efficient, modern and competitive energy system. Proposals to improve the financial position, management the debt and reduce Eskom's dependence the tariff path must be reviewed to ensure that it reflects all reasonable costs and measures to resolve the problem of municipal debt.

The threat that climate change poses to our environmental health, socio-economic development and economic growth cannot be ignored and SA is therefore working to fulfil its commitments under the UN Framework Convention on Climate Change and Its Paris Agreement which include the reduction of greenhouse gas emissions.

Climate change will be guided by the Presidential Coordinating Commission on Climate Change. The Commission will work on a plan for a just transition to a low-carbon economy and climate resilient society.

Operation Vulindlela -i This operation has been established to implement structural economic reforms in order to achieve higher rates of growth and employment and involves a team in National Treasury and the President's Office and is focusing on reforms in the electricity, water, telecommunications and transport sectors as well as reforms to visa and immigration regime.

The following structural economic reforms that will take place are summarized below:-

Digital migration is vital to our ability to effectively harness the enormous opportunities presented by technological changes. Process will be done province-by-province and be completed by end March 2022;

Revive the Green Drop and Blue Drop Programmes to strengthen water quality monitoring. Finalise and implement the revised raw water pricing strategy and accelerate the establishment of a National Water Resource Infrastructure Agency;

Revised list of critical skills to be published to reflect the skills needed by the economy;

National School of Government will roll-out courses and training programmes for government officials from entry level to Senior Management and Executive. The public service is the coalface of government and lack of professionalism doesn't just impact service delivery and also dents public confidence. Advancing honesty, ethics and integrity in the public service is critical if we are to build a capable state;

To continue with the strengthening of local government infrastructure and acceleration of service delivery through the **District Development Model** to ensure that all 3 spheres of government focus on key priorities and implementation of critical high impact projects;

Implementation of measures to support municipalities to address inadequate and inconsistent service delivery in areas such as water provision, infrastructure build and maintenance by working with public and private sector partners;

Focusing on **appointment of properly qualified officials** at a local level to ensure effective management and provision of services;

General

Corruption is the greatest impediment for a country's growth and development. Government has commence with the implementation of a National Anti-Corruption Advisory Council.

Crime and Violence undermine people's sense of safety and security and tackling crime is central to the success of recovery. Steps have been taken to deal with crimes like cable theft, railway infrastructure vandalism, land invasions, construction site disruptions and attacks on truck drivers which hamper economic activity and discourage investment. Task teams have been mobilized in provinces to deal with extortion and violence on site of economic activity.

The launch of the National Strategic Plan on Gender-Based Violence in April 2020 was to strengthen the criminal justice system to prevent women and children to be traumatised and to ensure that perpetrators face justice. Three key pieces of legislation were introduced in Parliament to make the criminal justice system for effective in combatting gender-based violence, namely:--

- To reduce the backlog of gender-based violence cases and perpetrators are brought to book
- Provide care and support to survivors of gender-based violence
- Economic Empowerment of women

In 2020 Cabinet approved a policy that 40% of public procurement should go to women-owned businesses. In February 2021 a ground-breaking private sector-led Gender-Based Violence Response Fund was launched. Several South African companies and global philanthropies made pledges to the value of R128 million.

Government will allocate approximately R12 billion to implement the various components of the National Strategic Plan. Gender-based violence will only end when everyone takes responsibility for doing so in their homes, in their communities, in their workplaces, in their places of worship and in their schools.

In 2021 efforts will be made to provide greater opportunities for persons with disabilities to participate in the economy and in society in general.

Economic overview

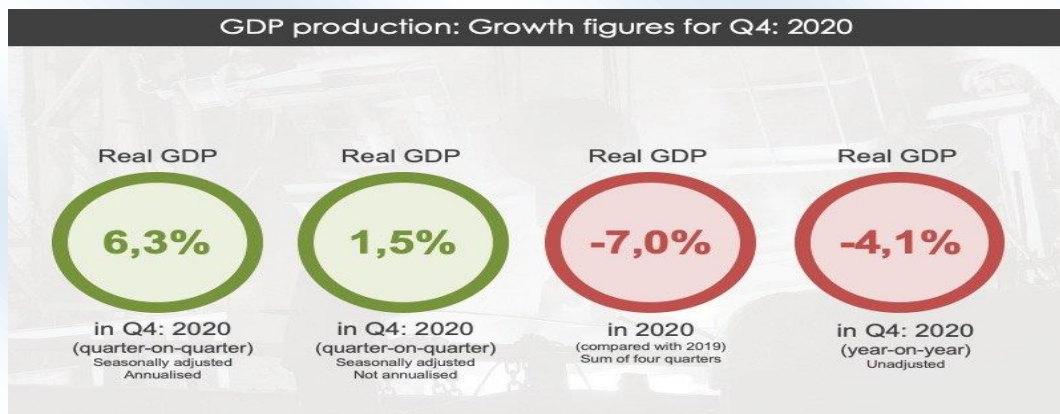
This 2021 budget framework puts South Africa on course to achieve a primary surplus. By doing this, government debt will stabilise at 88.9 per cent of GDP in 2025/26.

The path is challenging but achievable. It is the most prudent way to achieve higher levels of prosperity and avoid a sovereign debt crisis.

South Africa's real GDP growth for the fourth quarter was up 1.5% on a seasonally-adjusted basis. Year-on-year, there was a decline of 4.1%. On a seasonally-adjusted, annualised basis, growth was recorded at 6.3%.

For 2020 as a whole, projections of an annual contraction in GDP of 7% were on the mark. If we explore the historical data, this is the biggest annual fall in economic activity the country has seen since at least 1946.

Figure 1: Economic Growth in 4th Quarter 2020 (SA Statistics)



The manufacturing industry increased at a rate of 21.1% in the fourth quarter, contributing 2.4 percentage points to GDP growth.

The positive growth recorded in the third and fourth quarters was not enough to offset the devastating impact of COVID-19 in the second quarter when lockdown restrictions were at their most stringent. Economic activity for the entire year decreased by 7,0% in 2020 compared with 2019.

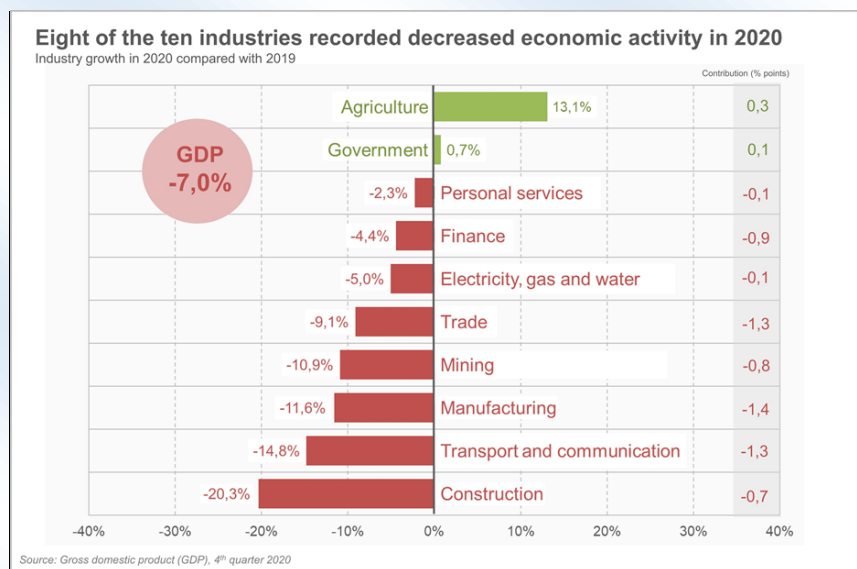
Global economic growth is expected to rebound to 5.5 per cent in 2021 before moderating slightly to 4.2 per cent in 2022, spurred on by the expected rollout of Covid-19 vaccines and other additional policy initiatives.

China is expected to grow at 8.1 per cent in 2021, while India will achieve a growth rate of 11.5 per cent in 2021. Sub-Saharan Africa is forecast to grow by 3.2 per cent.

In this context, the South African economy is expected to rebound by 3.3 per cent this year, following a 7.2 per cent contraction in 2020, and average 1.9 per cent in the outer two years.

If we explore the historical data, this is the biggest annual fall in economic activity the country has seen since at least 1946.

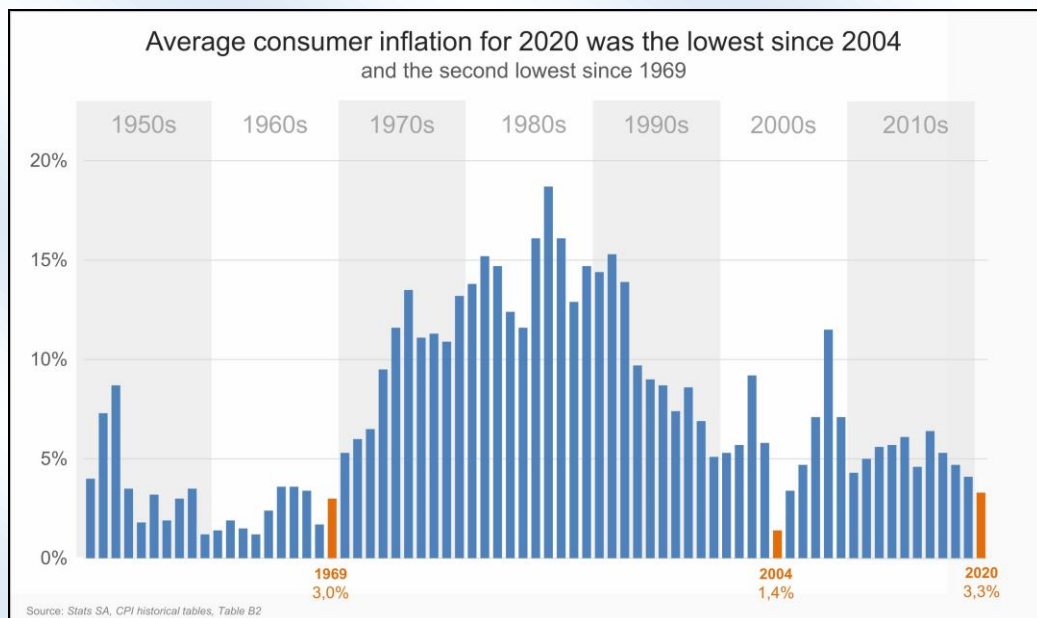
Chart 21: Industry growth in 2020(SA Statistics)



Eight of the ten industries made positive gains in the fourth quarter, most notably manufacturing (bolstered by increased production in food, beverages and motor vehicles) and trade (driven by retail, motor trade, catering and accommodation). Mining and finance, real estate and business services were the two industries that recorded a decline in economic activity.²

Despite the impact of the pandemic on economic growth, agriculture escaped the effects of the pandemic by expanding production by 13,1% in 2020. Government also grew marginally in the year, up by 0,7%.

Chart 22: SA's Consumer Price Inflation, January 2020 (SA Statistics)

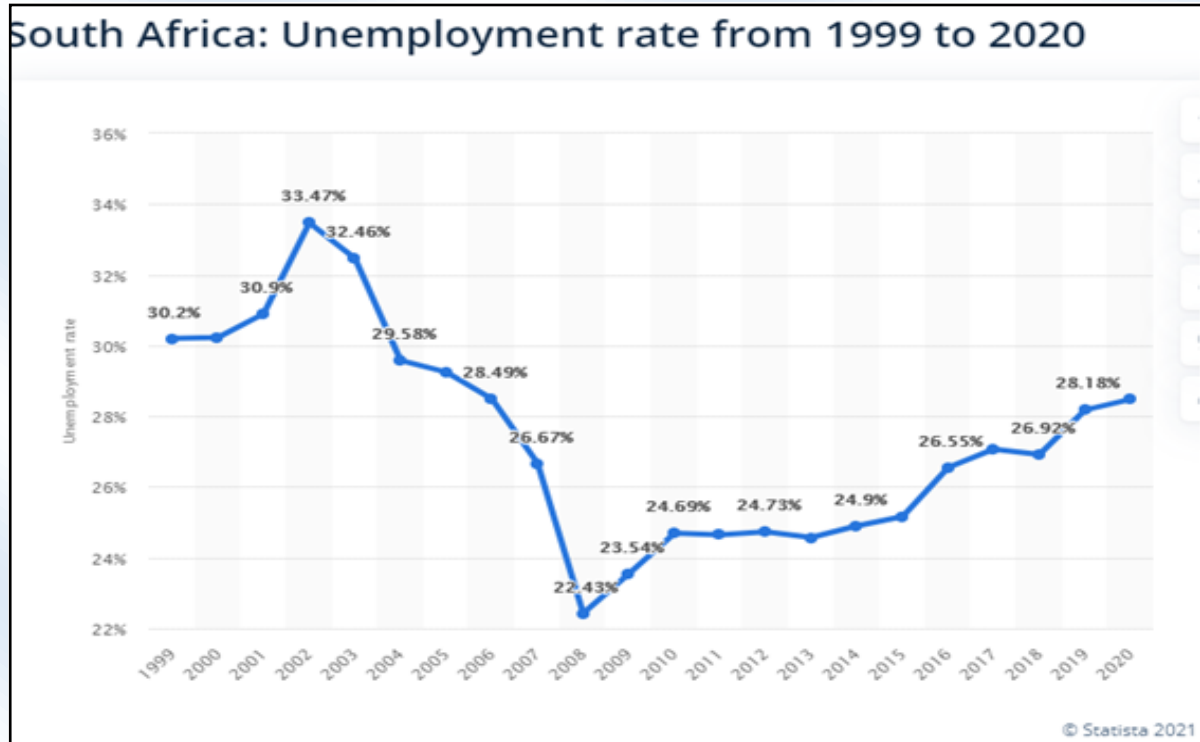


As seen from the above chart the inflation for 2020 was the lowest in 16 years and the second lowest in 51 years. The average annual inflation rate for 2020 was 3,3%. This is the lowest annual average rate since 2004 (1,4%) and the second lowest since 1969 (3,0%).

The annual rate of consumer inflation was 3,2% in January, slightly up from December's reading of 3,1%. The monthly increase in the consumer price index was 0,3%, following 0,2% between November and December

Chart 23: SA's Unemployment Rate, (1999 to 2020) SA Statistics)

² Statssa



South Africa's unemployment rate rose to 32.5% in the fourth quarter of 2020 from 30.8% in the previous period. It was the highest jobless rate since quarterly data became available in 2008, with more people entering the labour market and actively looking for jobs. Still, the market is not creating sufficient jobs to absorb enough people of working age into employment.

2.2 CONTEXTUALISING THE ISSUES RELATING TO DEMOGRAPHIC AND SOCIO-ECONOMIC INFORMATION

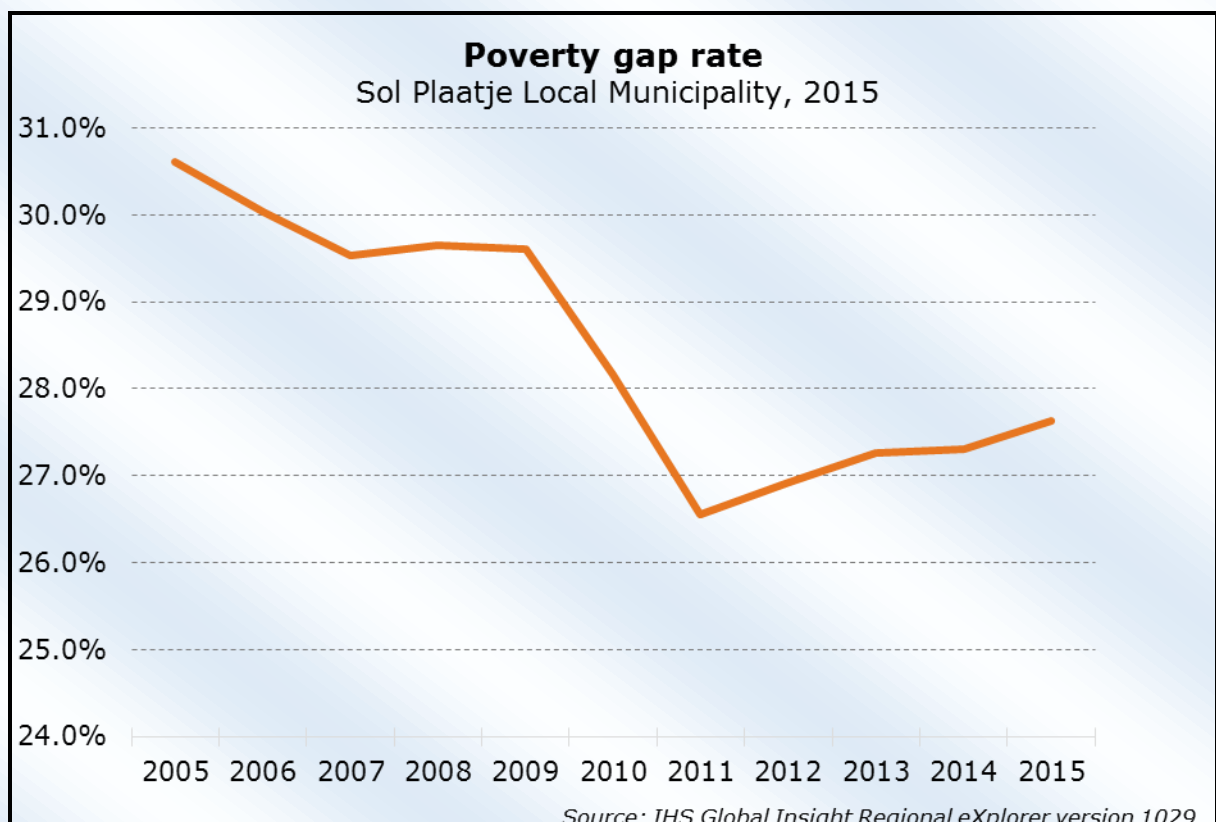
The issues identified above need to be considered when reviewing the IDP and preparing the budget for the 2021/22 MTREF. The Province economy grew at 2.8% in 2017, an improvement from the blow par growth of -1.2% experienced in 2016. The number of unemployed people, however increased by 12 652 in the 2nd Quarter of 2019 with the Province having the highest rate of young people unemployed and second highest for those aged 15 to 24 years at a rate of 45.9%. SPLM's population growth is 2, 95% (between 2011 and 2016). A large proportion of this growth is in the lower income and indigent component of the population. The unemployment rate is 31,9% (youth unemployment 41,7%). Only 10% of SPLM's population has a higher education than matric. More than half (55%) of SPLM's population also has an income of R3, 000 or less per month. All this indicate that economic growth and job creation must (in line with the NDP) be a high priority in SPLM as well.

Realizing economic growth in its area and creating sustainable jobs is, however, a huge challenge for SPLM as it is in itself not a "big" role-player in this process.

This challenge becomes even greater considering the fact that the primary and secondary sectors is the actual job creating sectors within the economy - especially in an area, such as SPLM, where the skills levels are low (refer to level of education above). Unfortunately the primary sectors form a very small portion of the SPLM's economy – only 12%. The tertiary sector on the other hand forms 69% of the local economy and these are also the sectors where SPLM has a comparative.

The state of the economy (in SA at present) should also be considered. That being said, the many challenges facing Sol Plaatje Municipality and the country as a whole, need to be analyzed and understood, in order to create workable mitigation strategies and action plans.

Chart 24: The “Poverty-Gap”



The poverty gap is used as an indicator to measure the depth of poverty. The gap measures the average distance of the population from the poverty line and is expressed as a percentage of the upper bound poverty line, as defined by StatsSA. The Poverty Gap deals with a major shortcoming of the poverty rate, which does not give any indication of the depth, of poverty. The upper poverty line is defined by StatsSA as the level of consumption at which individuals are able to purchase both sufficient food and non-food items without sacrificing one for the other.

It is estimated that the poverty gap rate in Sol Plaatje Local Municipality amounted to 27.6% in 2015 - the rate needed to bring all poor households up to the poverty line and out of poverty.

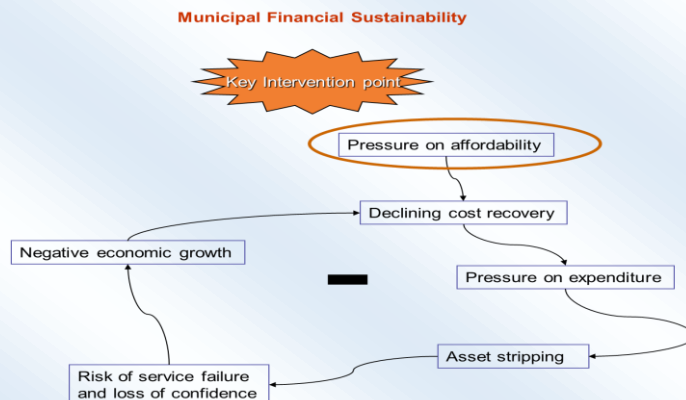
In 2015, the poverty gap rate was 27.6% and in 2005 the poverty gap rate was 30.6%, it can be seen that the poverty gap rate decreased from 2005 to 2015, which means that there were improvements in terms of the depth of the poverty within Sol Plaatje Local Municipality.

In order to deal with this gap a two-pronged approach is necessary, namely:

1. A job creation strategy for the indigent population in order for them to also contribute towards the creation and maintenance of the urban services and facilities, and
2. Create an enabling environment for private sector investment in order for this segment of the population to grow which will contribute towards sustainable economic growth.

It is of utmost importance to address the above issues as it also negatively influences the financial sustainability of the municipality who is tasked to ensure a livable City by providing and maintaining the necessary municipal services and facilities. This is illustrated by the figure below.

Figure 2: Municipal Financial Sustainability



Issues to be addressed to ensure the financial sustainability of the SPLM include, but are not restricted to:

- Economic growth and job creation
- Affordable Municipal Rates
- Increase revenue collection
- Reduce billing lag after development has been completed.

- Differentiated service levels according to affordability
- Core vs Non-core functions – concentrate on core functions (B2B)
- Optimum cost-efficient service delivery
- Reliable and increased infrastructure capacity for growth and development, especially related to connector and reticulation networks – specifically Electricity
- Reduce “Red Tape” for investors who wishes to invest in development in Kimberley

CHAPTER 3: SITUATIONAL ANALYSIS

3.1 STATUS QUO PER KEY PERFORMANCE AREA

3.1.1 STRATEGIC ECONOMIC DEVELOPMENT AND PLANNING

3.1.1.1 LOCAL ECONOMIC DEVELOPMENT

Status Quo

The history of LED in South Africa can be divided into six phases, as described in Table 5.

Table 6: South Africa and LED history

PRE-1994 (apartheid era)	<ul style="list-style-type: none"> ▪ The approach was government-planned industrial decentralisation and LED initiatives, as part of the social engineering and economic boosterism of the apartheid state (Rogerson, 1997; Nel & John, 2006). ▪ From the 1980s, programmes were introduced to attract industries, promote place marketing, and develop infrastructure, tourism and land. However, by the early 1990s, many of the decentralised, planned places (e.g. Botshabelo, Mdantsane) were failing, with plants closing and jobs being lost (Marais et al., 2016c; SACN, 2016).
1994–2002	<ul style="list-style-type: none"> ▪ The new Constitution (1996) came into force and included the principle of developmental local government, reinforcing the importance of economic planning at the local level. ▪ Two opposing approaches to LED developed: a city-based (or pro-market) approach and a community-based approach (Nel, 1997). As donors started channelling their funding through government, the community-based approach lost momentum (Nel, 2005). Community groups argued in favour of pro-poor approach to LED (Khanyaacidd, 2006). ▪ Government introduced the LED Fund (1998) that was aimed at projects with a pro-poor, poverty-relief focus. Projects had limited success because they were poorly planned and designed, seldom considered the value chains, were mostly implemented by the public sector and often did not include appropriate technical support (Marais & Botes, 2007). ▪ Some of the large cities implemented inner-city renewal programmes and large tourism investments, such as waterfront developments and convention centres, which were in many cases driven by public-private partnerships (Nel & Rogerson, 2007)
2003–2011	<ul style="list-style-type: none"> ▪ Having discontinued the LED Fund (2002), government developed a new LED

	<p>policy for South Africa, the National LED Framework 2006–2011 (DPLG, 2006), which was:</p> <ul style="list-style-type: none"> ▪ A five-year strategic framework aimed at supporting the development of sustainable local economies through integrated government action. ▪ A guide to LED that proposed a strategic implementation approach that government and communities could use to improve LED, and suggested actions for implementing LED Key Performance Indicators.
POST 2011	<ul style="list-style-type: none"> ▪ A review of the 2006–2011 LED Framework took into consideration the state of the economy and of local government, the existing national economic frameworks and national contemporary LED issues, and identified LED challenges and opportunities. ▪ Challenges included: the lack of a shared conceptual understanding of LED, poor intergovernmental relations on LED, sectoral plans not integrated as part of LED planning and implementation, limited funding and financing for municipal-led LED programmes, the lack of a differential approach to LED implementation, and skills deficit and general human resources issues.
2016	<ul style="list-style-type: none"> ▪ Cabinet adopted South Africa's national urban policy, the IUDF, which promotes a differentiated approach to cities and towns. ▪ The IUDF recognises the specific problems associated with intermediate cities in South Africa, including dependence on a single economic sector, poor urban management, inadequate maintenance of municipal infrastructure, and weak relations between the municipality and external role-players. ▪ The IUDF specifically calls for a national LED strategy and for economic development to be central to the municipal agenda.
2018	<ul style="list-style-type: none"> ▪ The Ministry of Cooperative Governance and Traditional Affairs (COGTA) published a draft National Framework for Local Economic Development: Creating Innovation driven Local Economies 2018–2028 (COGTA, 2018) that takes forward the policy proclamations. ▪ Its aim is to "provide strategic guidance to LED agents and actors and their activities in order to achieve innovative, competitive, sustainable, inclusive local economies that maximise local opportunities, address local needs, and contribute to national and provincial development objectives".

Understanding of the LED within Sol Plaatje Municipality

The main goal of Local Economic Development is improving the economic well-being of a community through efforts that entail job creation, job retention, tax base enhancements and quality of life. As there is no single definition for economic development, there is no single strategy, policy, or program for achieving successful economic development. Communities differ in their geographic and political strengths and weaknesses. Each community, therefore, will have a unique set of challenges for economic development.

Within municipalities, there still confusion about the LED department's role, and LED is not considered a high priority. As a result, projects identified in terms of SDBIP are not aligned with New Agenda LED 2017 in terms National LED Framework and are rarely updated in the IDP. These projects tend to be disconnected from reality, lack strong economic rationale or

make simplistic assumptions about the economic value chains, and assume that funding will come from other spheres of government. The private sector is also not aligned with the municipality, and economic analysis and intelligence are lacking.

The Integrated Urban Development Framework (DCOG, 2016) and research by the South African Cities Network (SACN) and the South African Local Government Association (SALGA) recognise that the economic development function at local level needs to be re-imagined.

This study recommends that the LED function be re-imagined, based on four principles and six strategic issues.

Four institutional principles for LED

1. A functional economic development directorate can exist on a small budget.
2. A functional economic development directorate needs to be involved in both pro-growth and pro-poor projects.
3. LED needs to occupy centre stage within a municipality and economic thinking must be integrated into the other functions performed by a municipality.
4. A functional economic development directorate should furnish the rest of the municipality with robust economic intelligence.

Six strategic issues in reimagining LED

1. Local governments should mainstream economic considerations into their sectoral departments and also into the accompanying strategies of those departments.
2. Local governments need to use municipal levers, such as land-use planning, to support their economies.
3. Municipalities should do more to build economic intelligence, with the assistance of other spheres of government.
4. Local governments should strengthen economic strategies that are appropriate for their specific economic context and based on solid economic intelligence.
5. Local governments should develop economic partnerships, as municipalities need to facilitate, not drive, economic development.
6. Local governments should create appropriate institutional arrangements that support economic development.

The LED challenges of Sol Plaatje Municipality as an intermediate city

The slower economic growth is due to various realities facing intermediate city, including SPM reliance on a single sector (especially mining). This makes SPM vulnerable to changes in mining and international markets, and to decisions and policies made at national level; for example, the imposition or relaxation of import tariffs. Compounding this reality is the disappointing state of economic planning at local government level, or local economic development (LED).

The draft National Framework for Local Economic Development

The draft Framework contains a vision for LED: “Innovative, competitive, sustainable, inclusive local economies that maximise local opportunities, address local needs, and

contribute to national development objectives", including the following strategic objectives:

- To launch a radical fight against poverty, inequality and unemployment, and enhance the quality of life for all through developing innovative and inclusive and competitive local economies.
- To support the potential of local economies to grow and develop the national economy.
- To raise greater awareness of the significance of regions, metropolitan municipalities and localities as focal points for generating national prosperity.

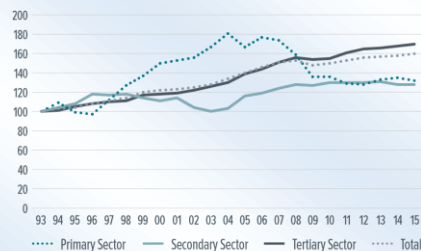


FIGURE 12: Percentage share of primary, secondary and tertiary sectors (1993–2015)



- To intensify the support for local economies to realise and build their economic potential, diversity, levels of employment and the creation of decent work for their communities.
- To strengthen intergovernmental coordination for the planning of inclusive economic development between government and non-governmental sectors.

Main economic function of Sol Plaatje Municipality

Two external factors saved the economy of what would otherwise be a dying mining town: the establishment of Sol Plaatje as the capital of the sparsely populated Northern Cape Province and the opening of a new national university five years ago.

The city's capital status ensured that large numbers of public servants settled in the city, helping to maintain the housing market and creating demand for office space, and served to direct government spending on hospitals and other public services.

This in turn expanded the regional services function of the city. For the last 25 years, diamond mining stimulated the economy, but this is no longer the case. A large artisanal mining sector has developed in Sol Plaatje that remains unregulated and illegal, despite attempts to formalise these activities. Over the last two years, the economy has changed, and economic development officials are concerned by the loss of large numbers of businesses. Overall, the city struggles with political instability, bulk water supply and basic service-delivery problems.

Economic development planning

Sol Plaatje has an SEDP whereby Local Economic Development Unit placed and that focuses on tourism and enterprise development. The municipality has started a process to develop a new economic development strategy. Integrated economic thinking is limited, and the overall strategy is unclear. However, the city's economy has benefited from external government decisions, such as in 1994 when the city became the provincial capital, and in 2015 when a national university opened its doors. Another boost came in 2012 when the provincial government established a convention centre, which enables the city to attract niche conferences, rather than compete with Cape Town or eThekweni for large conferences. The tourism experience focuses on the Big Hole, extreme adventure sports and desert tourism.

Achievement

The move towards Diversification and Innovation: A necessity for Mining Towns

A current innovation within Kimberley is the NC mLab (Mobile Applications Laboratories) project. In 2012 Sol Plaatje Local Municipality entered into a partnership with the Northern Cape provincial Department of Economic Development and Tourism (DEDaT), the Northern Cape Community Education Training College and NC mLab Africa to establish a local skills-development incubation hub within Sol Plaatje (MLAB Northern Cape).

The provincial government's Northern Cape Information Society Strategy (NCISS) noted as early as 2005 that: "a paradigm shift will be required to transition our resource rich industrial and agricultural economy to a knowledge-based information economy" (NCISS, 2005). Establishing an NC mLab within the province is an example of a progressive means towards the desired goal of diversifying the local economy. Northern Cape mLab is a Non-Profit Organisation which exists in order to provide skills, training and an incubation platform for the youth in the province, particularly in the areas of entrepreneurship, SMME development ICT and mobile applications.

Through the MLAB skills and innovation cycle, the organisation provides opportunities to scholars, budding entrepreneurs and upcoming innovators to gain new and highly sort after skills including:

- Coding skills
- Exposure and opportunities to participate in ICT industry innovation and research
- Business start-up an SMME skills
- Mobile application development skills

Currently the NC mLab is located in the Galeshewe SMME Village in Kimberly. Over twenty (20) youths comprising of small business owners, mobile app developers and "mentees" are currently part of the NC mLab establishment and are receiving training and skill up-scaling through one means or the other. NC mLab hopes to see an increase in the volume of youths and entrepreneurs that have been mentored by the business incubation programme run by the organisation.

In addition to the above, it is worth noting that **Sol Plaatje University offers a specialised undergraduate degree in Data Science** and is currently the only university in Africa that provides this course offering. It is clear that the municipality is charting its way towards innovation, new technologies and a knowledge-based economy, and this is commendable. It is hoped that many mining towns within the country may adopt means of economic diversification, best suited for them, and take the necessary steps towards innovation-driven local economic development. This forms an essential part of economic sustainability for mining towns' through-out the country.

NC mLab at Galeshewe SMME Village

The Department of Science and Technology and Department of Economic Development and Tourism allocated an amount of R11.8 m over a period of 2018/19 to 2020/21 for the NC mLab project as mentioned above with the SMME's in the Galeshewe township being the beneficiaries for this grant. This is an on-going project and in its 2nd year of implementation.

Review of the LED Strategy

The Review of the LED Strategy is funded by the Old Mutual Group in the amount of R1 m for the period 2020. The review must be done by the Centre for Local Economic Development from the University of Johannesburg (CENLED) being a condition of the grant. Beneficiaries are the entire community of Sol Plaatje which is extended to the entire region of the Frances Baard District Municipality.

Enhancing Sol Plaatje Local Municipality's economic governance & infrastructure for Business expansion Attraction & Retention (BEAR)

The third grant known as the General Budget Support National Treasury and European Union in the amount of R45 m is for the period 2020/21 to 2022/23.

The purpose of this grant is to enhance the institution's economic governance and infrastructure for Business Expansion Attraction and Retention (BEAR) with SPLM 's community being the beneficiaries which will be done through the Medium Term Revenue Expenditure Framework of SPLM.

Northern Cape Innovation Forum

A grant of R1 m was allocated for the Establishment of the Northern Cape Innovative Forum to enhance the implementation of science, technology and innovation through LED's strategic planning. This will be an on-going project of which Sol Plaatje University will be the champion of the project with the beneficiaries being the entire community of SPLM as well as the entire Northern Cape.

Partnership with Genk Municipality in Netherlands

The LED Unit is currently in engagement with Genk City in Limburg Province of Belgium to finalize a concept proposal to be able to qualify for the European Union Partnerships for Sustainable cities 2020 : Smart Cities' Grant of approximately R50 m for 2020. This grant must be used for smart data management in SPLM as driving force for city policy on waste, gender and local entrepreneurship is Beneficiaries will be the entire community and SPM's organisation. The condition of the grant is that SPLM must have an European Partner to qualify before submitting an application.

Integrated Township Economic Development Programme

The department is currently developing an integrated township economic development programme, which intends to develop township economies, and to target investments such as factories, workshops, technical hubs and locally-owned retail operations in our townships, large or small.

The driving force behind job creation must be the realization that interventions at local level do not need to be only small-scale, but that high value economic activity in townships must also be encouraged.

The approach to focus on townships is informed by the reality that South African townships are characterised by the highest levels of **unemployment, poverty and inequality**. Therefore, township economies have been identified as a critical vehicle to drive the South African economy to upward trajectory.

The initiative will be implemented in the following five townships: **Mankweng**, (Polokwane Municipality, Limpopo); **Imbali**, (Msunduzi Municipality, Kwa-Zulu Natal); **Ezibeleni**, (Enoch Mgijima Municipality, Eastern Cape); **Tlhabane**, (Rustenburg, North West) and **Galeshewe**, (Sol Plaatje Municipality in Northern Cape).

Mayibuye Uprising Monument-Kimberley – Frances Baard District

The defiance campaign inculcated the idea of the spirit of sacrifice of personal interest for the public good. Out of the campaign came a disciplined volunteer corps of men and women who gave freely of their time and energy without any remuneration in order to build the African National Congress and Alliance.

The Defiance Campaign put an end to deputations pleading with the government to grant rights which it had deliberately, as a matter of calculated policy, taken away from the oppressed and exploited majority.

The key objectives that the project hopes to achieve include:

- Preserving the heritage of the Northern Cape liberation struggle
- Unlocking the potential of these areas as tourist destinations
- Provide social investment to the communities in Galeshewe (Kimberley)

As an effort to preserve our heritage DSAC, together with Sol Plaatje Municipality has collaborated on the current monument since the monument. Since 2002 as part of DSAC's Flagship Programme of Honouring Heroes and Heroines who selflessly contributed to the liberation struggle of our country, Mayibuye Commemoration is held annually on 8th November.

At the moment, the Mayibuye Monument Precinct needs to be upgraded, thus there is a need for renovation or restoration of Robert Sobukwe Office; upgrading of the monument; upgrading of tombstones of the victims at the West End Cemetery, the construction of an onsite security room and upgrading the current ablution facilities. The project will be linked with the intended Nelson Mandela precinct where the intention is to construct a new Museum which will depict the history of Galeshewe Township.

Further development of the current monument is expected to redress the imbalances of the past by changing the heritage landscape of the province.

As the custodian of heritage in the Northern Cape Province, DSAC will be the champion of the project. With regard to the financial management, DSAC has competent financial management team lead by the Chief Financial Officer who will ensure that Public Finance Management Act of 1999 (PFMA) prescripts and regulations; and also make sure that all Supply Chain Management (SCM) processes are adhered to.

Mayibuye Uprising Memorial Precinct is owned and managed by the Sol Plaatje Municipality. Since the site falls within the Sol Plaatje Municipality Tourism Route, they will lead the Management Team. The team will be constituted by officials from DSAC, Frances Baard District Municipality, Sol Plaatje Municipality, McGregor Museum, Northern Cape Department of Tourism, PHRA, Historical Society of the Northern Cape, Galeshewe Memorial Project and other role players who will come on board for the sustainability of the site.

Due to the limited budget, it has been difficult for the DSAC and the Sol Plaatje Municipalities to upgrade the precinct. The project will afford the opportunity to the DSAC to upgrade the site and the graves of the victims as they are at appalling state.

Conclude with the cost of the proposed project as well as the development that was done on the site in the past

The costs of the work done - Estimated R3 000 000 on Sobukwe office for R150 000

The cost for the project is estimated at R55 000 000

NB DSAC has transferred R10 000 000 in 2016/17 to Sol Plaatje Municipality as the contribution towards the Mandela Precinct.

Enterprise and Supplier Development through procurement opportunities

In line with Northern Cape Procurement Localisation Strategy Sol Plaatje Municipality through its LED Unit has drafted agreement with local SMMEs forums and associations whereby 30% of SPM's procurement opportunities will be set aside as a pre-qualification criteria to benefit only members of the SMMEs forums and associations. The inception of the programme is the 01st July 2020 as new financial year.

Enterprise Development (ED) is the process of developing small or medium companies or businesses through the provision of finance and support, assisting in their business development and sustainability.

The initiative will be collaboration efforts with the following stakeholders:

- Small Enterprise Development Agency
- Small Enterprise Financial Agency
- National Youth Development Agency
- National Empowerment Fund
- Frances Baard District Municipality
- Department of Economic Development and Tourism

For suppliers, localisation helps to: improve overall technical know-how due to increased interaction with international specs; innovate; and have a direct positive impact on the economy as parties involved are able to maximize spare capacity and keep busy.

For international brands, localisation helps in: exercising a direct control on the supply chain locally instead of depending on global vendors, reducing the overall cost & risks as companies do not need to store or import large quantities, and in customizing and modifying designs based on regional needs as well as on geographical, cultural and working condition differences.

Enterprise Infrastructure is the basic services that represent a foundational tool for the enterprise programme of a nation, region or city. Infrastructure can include physical structures, systems, institutions, services and facilities. The following are common types of enterprise infrastructure;

- Transportation
 - Services such as roads, bridges, cycle highways, rail, airport and ports,
- Energy

- Production and delivery of energy including electric grids. Most nations are moving towards sustainable energy sources such as solar panels and wind.
- Water
 - Water infrastructure that provides a supply of clean water and management of water resources.
- Safety
 - Institutions and systems that allows a region to endure stresses such as a natural disaster. For example, earthquake detection systems, tsunami shelters and resilient sources of local food.
- Financial
 - Financial markets and services that support basic enterprise processes such as raising capital, investing, storing wealth, payments and managing risk.
- Public space
 - Public spaces that attracts enterprise activities such as tourists and companies to the province.
- Technology
 - Basic technology services such as networks.
- Environment
 - Systems that improve environmental conditions such as rain gardens and green.

Multi-Skills Acquisition and Job Employment Project

Mineworkers Development Agency (MDA) and Sol Plaatje Municipality partnered to establish a Multi- Skills Acquisition and Job Employment project.

The overall project objective is to "implement a skills acquisition and entrepreneurial support project for 384 young men and women over the next three years in Sol Plaatje Municipality, geared at reducing youth unemployment within Frances Baard District Municipality".

The specific objectives are:

- a) To set up an Operational Training and Entrepreneurial Unit at one of the Township of Sol Plaatje Municipality in Kimberley city, complete with office equipment and project personnel by May 2021
- b) To recruit 384 young men and women from within Frances Baard District Municipality to be trained and mentored while facilitating their employability into the Labour force
- c) To contract accredited partners to conduct training and provide mentoring and technical assistance to youth in Autobody Repair Entrepreneurship, Artisan Skills Training for Employability, Solar Geyser Skills Acquisition and Youth Agricultural Cooperatives
- d) To provide post-project follow-up initiatives to learners/ potential entrepreneurs for support and quality assurance, and

The project will have a life cycle of three years starting from May 2021 to May 2024 and the project area covers the entire Sol Plaatje Local Municipality, in Frances Baard District Municipality, in Northern Cape Province.

The target beneficiaries are young men and women aged between 18 and 35 years initially working with 384 recruits in the four identified enterprise development projects. The Autobody and the Artisans Skills Training for Employability will target both skilled and unskilled learners, while the Solar Geyser Skills Acquisition and the Youth Agricultural

Cooperatives will recruit mostly young women who have dropped out of school before their Matric level. Preference will be given to young women selected from all the four nodal areas of Frances Baard District Municipality (Sol Plaatje Municipality, Phokwane Municipality, Magareng Municipality and Dikgatlong Municipality).

Projects for 2021/22

The establishment of an Automotive Hub at Roodepan

The establishment of the NC Innovation at Sol Plaatje University

MARKET

The South African Fresh produce market system operates differently from the rest of the world. The market makes use of market agents to sell fresh produce products and pay agents a commission fee. This process is governed by legislation that protect the farmers, and the Agricultural Produce Agents Council (APAC). APAC is there to ensure that farmers are more of price makers rather than being price takers.

The producers send produce to the Fresh Produce Market and the products will remain the property of the producers until the stock is sold. The market agent's act as an intermediary between the producer and the buyer of the fresh produce. The market authorities receives 5% commission and the agents receive between 5-7.5% from the selling price of the fresh produce.

The market agents use the Fresh mark Electronic Sales Processing system software to obtain comprehensive data on price across all categories, overview of stock levels, price fluctuation as well as average across season. The producers can access this information at any time. The Sol Plaatje Market must have a strong relationship with the Local, Provincial and National farmers, to ensure that there is constant supply of fresh produce to the market.

The Code of best Practices for National fresh produce market was prepared by Project Rebirth Steering Committee (chaired by the Department of Agriculture Fishery and Forestry) to ensure that local markets are aligned with International code of best practices. The following key Pillars were identified in the document, Consignment Control, Hygiene, Food Safety standards, Safety and Security, Infrastructure, Information management, Human Capital Development and Transformation. This document is to ensure that the National Fresh Produce Markets are aligned with International Markets.

Sol Plaatje Fresh Produce creates a platform for business, hawkers and provides emerging farmers with a market for their produce, either locally or internationally, and gives retailers and distributors access to fresh fruit and vegetables at their doorsteps. All this will unlock the province agricultural potential in a big way and give opportunities to small-scale emerging farmers who is otherwise struggling to sell their produce.

Vision

- To become the leading Fresh Produce Market.
- Creating more job opportunities

- Focus on stabilising the operations and financial position of the market.
- To develop a strong innovative online value added service
- To ensure that Sol Plaatje Market remains the preferred channel of distribution of fresh produce in the Northern Cape Province.

Mission

- To promote, through partnership sound agricultural practices that stimulate economic growth and food security.

Goals and Objectives

- To provide timely and relevant agriculture economic service to the sector in support of sustainable economic service to the sector sustainable agriculture and agribusiness development to increase economic growth.
- To engage, empower and transform our small-scale farmers, to participate in sustainable agricultural environmental practices in order to realise economic development and food safety.

Challenges

- The market has a limited number of the security personnel, due to this it compromises the security level of the market
- Deteriorating Infrastructure, market infrastructure is outdate and needs to be refurbished (cold rooms and ripening complex).
- The buyers buy directly from the farmers.
- Limited marketing of fresh produce market

Opportunities

- The market is the only major fresh produce market in the Northern Cape Province, which creates a competitive advantage for the Sol Plaatje Fresh Produce Market.
- The market hall space is sufficient to accommodate at least one well-established agency and two BBBEE agents. Improving the market will also create opportunities for the establishment of more BBBEE market agents.
- The improvement of market infrastructure will create opportunities for value addition companies to establish at the Sol Plaatje Fresh Produce market.
- The market has vacant space that can be leased to generate more revenue (Agro-processing project on the market).

Institutional Mandate

The legislation of the department is derived from various section of the Constitution. The Department executes a concurrent National and Provincial legislative mandate in terms of schedule 4 of the constitution. Section 27 of the Bill of Right of the South African Constitution, Act of 108 of 1996, gives obligation to the state to uphold health care, food, water and social security rights. Section 27 1(b) states everyone has the right to have access to sufficient food and water.

The NDP state that a third of the food surplus should be produce from small-scale farmers or house household. The department is to continue providing continues support to all types of farmers. The support will increase number of people contributing in different sectors and will therefore participating in the economy.

Improve market revenue

- Marketing strategy will assist to promote market and assist in increasing the turnover.
- Engage with farmers, buyers and wholesalers
- More cold room, repining and freeze rooms can lead to the increase of revenue
- More agents on the markets – lead to competition and market will be profitable.
- Establish strategic partnership will all relevant stakeholders
- Promote food banks, Agro business facilities in the market, will create more job opportunities
- Diversity in the market increase the revenue.

INFORMAL TRADE

Upgrading of the current Craven Street Informal Trade Centre

The project entails the upgrading of the current Craven Street Informal Trade Centre with pre- owned shipping containers by appointing consulting engineers for documentation and project management.

The new building will boost to the look and feel of the area with regards to the uniform architectural standards and the beautification and aesthetic of the CBD.

The objectives are to:

- Create conducive trading environment and invest in people's dignity.
- Improve the image of the Central Business District (CBD).
- Uplift and dignify the area.
- Provide proper shelter to develop informal trading.
- Improve trading conditions of small entrepreneurs.
- Provide support for informal traders who have potential

3.1.1.2 URBAN PLANNING

The Urban Planning Division is a strategic Division within the Municipality mandated to focus on the containment of an orderly built environment and proper land use management for various land uses i.e. industrial, institutional, residential and various businesses. For the financial year 2020/2021 the Urban Planning Division will be having various initiatives and below is a summary of the proposed initiatives:

Status Quo

IUDF- The Sol Plaatje Municipality is the only municipality in the Northern Cape selected as a pilot project for the National programme facilitated and implemented by National Department of COGTA (Cooperative Governance and Traditional Affairs) and which also is a requirement in terms of the Spatial Planning and Land Use Management Act, 2013 (SPLUMA) Integrated Urban Development Framework funded by COGTA National in order to achieve spatial transformation. The municipality have developed a capital expenditure framework which will assist the municipality in allocating funds to previously disadvantaged areas and below is a detailed definition of CEF.

"A Capital Expenditure Framework is a comprehensive, high-level, long-term spatial-infrastructure plan which is underpinned by a 10-year financial plan". The capital

expenditure framework **estimates the level of affordable capital investment by the municipality over the long term.**

Affordable capital investment is determined by comparing an estimate of capital investment needs to an estimate of available capital finance sources. The affordable capital investment **should be disaggregated** by sector, by target user (poor households, non-poor households and non-residential users); by investment driver (**informal settlement upgrading, other new infrastructure and renewal**) and in space." In the financial year 2020/2021 the municipality will Review the Capital Expenditure.

ICLEI – EU –The Urban Planning Division have made submission to ICLEI's global Transformative Action Program (TAP) 2019 for program to determine the extent of flood-line and flood prone areas in preparation of climate change and creating resilient city. The municipality will equally have further engagements in 2020/2021 for the progress of submission and due way forward.

The Draft SDF was approved by council on the 26 February 2020 and it will be out for public participation in due course. This will enable the city to outline its growth strategy spatially and also encourage the investment in the City. The reviewed SDF will be able to guide the orderly and desirable spatial development inter alia developing development strategies. Thus creating integrated, sustainable and habitable city as well as rural areas.

Project for the feasibility studies for Ritchie (Draft EIA and Geo-Technical Report, Phase 1) and Fluffy Park (Layout Plan and Draft SG Diagramme) for financial year 2020/21.

In terms of NUSP (National Upgrading of Informal Settlement) program the municipality had 31 Informal Settlements from 2014 to date. In order to reduce informal settlements, the Sol Plaatje Local Municipality formalised a total of twenty (20) informal settlement from 2014 till 2020. However, the challenge remains the illegal land invasions which have known sprawled to private properties i.e. Lions Club next to St Boniface in Kimberley.

Challenges

Moreover, relocation within a close proximity of invaded spaces remains a challenge and the municipality will engage with Provincial COGHSTA in order to assist with the acquisition of land in various areas within the vicinity of Sol Plaatje Local Municipality. The Urban Planning Division of Sol Plaatje Local Municipality will have engagements in the year 2020/2021 in order for the municipality to be assisted with acquisition of land.

In light of the above the Urban Planning unit will continuously ensure that there is enabling environment in order to improve the investment in the City of Kimberley and Sol Plaatje Local Municipality in its entirety.

Planning 2021/22

The planning and surveying of 1200 erven in Ritchie.

Lastly in the financial year 2021/2022 the municipality will review the Land Use Management Scheme 2008 in order to comply with Section 27 (1) of the Spatial Planning and Land Use Management Act 16 of 2013.

3.1.2 BASIC AND SUSTAINABLE SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Two Directorates fall under this Key Performance Area, namely Infrastructure and Community and Social Development Services which will be separately reviewed, hereunder.

INFRASTRUCTURE SERVICES

3.1.2.1 ROADS AND STORM WATER

Status Quo

Currently there is no policy that prescribes the basic level of service for access roads in residential areas. The municipality, can only make reference to the Municipal Infrastructure Framework, which recommends an all-weather access road at a distance of not more than 500m. Considering this, the municipality does not have backlogs. However, the municipality has embarked on a programme to improve gravel roads to paved roads in the previously disadvantaged areas.

General condition of roads and streets in Sol Plaatje Municipality can be classified as fair to poor. This is due to lack of investment in terms of upgrading and routine maintenance challenges faced when it comes to the periodic maintenance of roads.

During the mid-year adjustment the IUDG funding for the upgrading of gravel roads to paved roads was increased from R8 m to R14 m. The kilometres paved for gravel roads for FY 2020/21 have thus increased from 2.5 km to 4.9 km to be done in various wards. This project will be completed by year end.

During the mid-year adjustment the IUDG funding for the resealing of paved roads was increased from R5 m to R9 m. The kilometres paved for gravel roads for FY 2020/21 have thus increased from 37 000 square meters to 66 600 square meters to be done in various wards. This project will be completed by year-end.

The NDPG funding for Phase 2A for the upgrading of storm water channels in Galeshewe, has been increased during the mid-year for FY 2019/20 from R40 m to R78.2. The project has reached practical completion during November 2020.

Frances Baard District Municipality (FBDM) provided additional funding in the amount of R2 million for the repairs of potholes in the Kimberley as well as R1.1 million for maintenance of gravel roads, various areas within Sol Plaatje Local Municipality.

Challenges

The availability of funds allocated to perform periodic maintenance.

Mitigations/Strategies

To respond to the Roads and storm water challenges, the municipality has put in place long term strategic projects to rationalize planning and coordination of activities. This will assist having a more focused and aligned long-term spatial development objectives. These plans

vigorously address the challenges and constraints that stand in a way of making our vision a reality. The six main plans are discussed below.

Integrated Transport Plan: This is a document that will guide the management, maintenance, rehabilitation and the improvement of the municipality's road network. This plan is meant to inform all roads infrastructure planning and its interaction with any future municipal developmental project. This will be an evolving planning tool that can be updated when changes occur to the development plans.

The transport sector in Kimberley is confronted with intensified demand for people and goods, especially in the already-congested CBD. Galeshewe is, however no exception as continuing economic growth accelerate the demand for transportation, and rising income generate a desire for greater mobility. The Integrated Transport Plan will reflect an acute awareness, safeguard against adverse social and environmental impacts of transport and highlight issues of how transportation can stimulate economic growth.

Storm Water Master Plan: This is a plan that will consolidate all information on municipal formal and informal storm water infrastructure, inform all storm water infrastructure upgrades, frequency of maintenance and the protection of the infrastructure. It will also most importantly deal with elements of possible water capture and reuse, flood lines, analysis of catchment areas, and integration with road infrastructure.

Rehabilitation and Upgrading of Storm Water Infrastructure: Emanating from the Storm Water Master Plan, the municipality would be in a position to know what its current and future needs are so it can appropriately plan and coordinate maintenance, rehabilitation and upgrading programs.

The municipality is already undertaking planning and implementation of storm water upgrading in Galeshewe as almost half the storm water runoff is collected from the Southern suburbs through pipe culverts and lined open channels, and get disposed at the attenuation pond in Thlageng. This pond falls under the most critical storm water sub-system within the Kimberley area since it conveys approximately 50% of the storm runoff.

Resealing of roads: Sol Plaatje Municipality finds itself as one of the main corridors between the North and South of the country, as well as a central hub for mining and transportation of commodities. As a result, this has had a negative impact on the road infrastructure as our roads have to carry heavy traffic volumes and excessive loads that they were not initially intended for, resulting in advanced deterioration. Most residential and arterial roads urgently need resurfacing as they are very old and show signs of brattling and cracking, later resulting into potholes. The municipality therefore acknowledges the unhealthy state of tarred roads and intends rolling out a resealing programme to prevent the roads from further deterioration and not lead to a state of disrepair. This project can only be implemented as and when funding has been secured.

Upgrading of roads: A number of streets in newly established townships as well as previously underdeveloped areas are either gravel roads or earth roads. Although acceptable, this is a low level of service and sustainability is a challenge. The municipality has therefore put as one of its priorities the upgrading of township roads to a paved surface in order to increase the level of service and accessibility in those areas.

Re-Alignment of N12: The effect of the closure of Bultfontein has a severe impact on the Municipality's budget and its ability to provide improved road infrastructure to its residents

and the through traffic through Kimberley. This diversion is placing severe strain on the alternative routes as these routes were not designed for the number and for the loading of traffic that it must now carry. In addition to the structural strain, traffic congestion caused by the N12 traffic through the centre business area of Kimberley as a result of the closer of Bultfontein has already increased to a point where additional capacity is required to alleviate the problem. Due to all these, and in order to alleviate delays through the city, a bypass is seen as the most suitable solution.

The plans discussed above will assist the municipality in transforming its service delivery by undertaking a more aligned and focused planning approach, which derives from reliable information and is in line with spatial developmental objectives of the municipality.

Planning 2021/22

Gravel roads will be upgraded to a paved surface,

Resealing and patching of roads,

Construction phase of the Thlageng attenuation dam will continue in the 2021/22 financial year.

3.1.2.2 WATER AND SANITATION

Status Quo

Sol Plaatje Municipality consists of two main towns, Kimberley and Ritchie, with varying levels of infrastructure quality and standards. Kimberley is an old city that was designed as a mining town which grew with time. The infrastructure is very old, retrofitted with time and buried under other structures with no accurate "as built" information. While Ritchie is a small predominantly farming town, with very limited water infrastructure.

The municipality has invested, and still investing in improvement of the infrastructure to realize its goals. The minimum requirements in terms of the provision of basic water and sanitation services delivery are met, but challenges still exist in the informal settlements due to uncontrollable sprawling of informal dwellings.

The completion of 50% of the reconstruction of 320 aged sink toilets in Kagisho, Kutlwanong and Phomolong. The appointment service provider failed to meet the Supply Chain requirements but a deviation order was issued to appoint a new service provider. Contract will commence in April 2021.

The construction of 2 out of the 4 elevated water tanks for critical areas will be completed by end June 2021.

The appointment of a contractor for the construction of the Carters Ridge sewer pump station building with all electrical and mechanical equipment. This project is funded through the WSIG grant and R25 m has been provided for the construction work to be done in FY 2021/22.

The construction work for the new sewer outfall mains for the Carters Ridge sewer pump station will be completed by end June 2021.

Complete the bulk sewer infrastructure for the Lerato Park development. This project is 84% complete and is delayed due to the electrical servitude.

Complete 25% of the installation of electrical and mechanical components in Lerato Park Sewer Pump stations in Eagle Street and Lerato Park. This project is currently at Evaluation Stage of the SCM process. This project forms part of the Bulk sewer infrastructure for Lerato Park.

Complete the construction work at the Homevale Fire Station. This project is currently 75% complete and the contractor is experiencing cash flow problems which is delaying the project. Meetings will be held with contractor to discuss the way forward.

The appointment of a contractor for the repair of Faulty Electrical and Mechanical equipment at Homevale WWTW is currently at Evaluation stage of the SCM process.

1 657 Water meters had been replaced by end December 2020.

Challenges

Funding remains one of the main challenges to timeously address challenges of maintenance, refurbishment, upgrading and development of new infrastructure at the same rate as demand and growth

Planning 2021/22

To complete 100% work for the bulk sewer infrastructure for the Lerato Park development funded through IUDG in the amount of R22 266 m.

To complete 75% of the construction work for the Carters Ridge sewer pump station building with all electrical and mechanical equipment funding through WSIG in the amount of R25 m and R19 948 for the outer years.

The excessive water losses reported over the past number of years necessitated the development of a practical action plan that identifies projects which would directly address these losses. The proposed plan is depicted in the table below:

Table 7: Water losses – Action plan

Water Losses – Action Plan				
Efficiencies at the purification plant (Riverton)	Catchment of purified water disposed during the back wash process	Upgrade of existing dam in Riverton that can be used to catch the water, ensuring that the already purchased and purified water is not flushed back into the river	Capital Budget or Maintenance as the asset exists already	It is estimated that 6% of water losses are as a result of this process

Unmetered consumers (farmers along the 900 and 630 lines from Riverton)	It is believed that there are farmers connected directly on the distribution line from Riverton that have no meters installed, and accordingly not being billed for the water.	Water Services Engineering must confirm the existence of such customers and ensure that these customers have a meter installed and are read and billed monthly	Part of day to day operations.	Depending on the number of customers found, it is estimated that this may be about 3% of the water losses reported. It will also improve on the monthly billing and receivables per month.
Major leaks identified in the distribution network.	There are apparent major leaks that need urgent attention of the Engineers. Some had been attended to. Pipe replacement projects have also be conceptualised in the current IDP Cycle.	Pipe replacement project as part of maintenance must be developed and funded within the available budget allocated.	Normal maintenance work or use of contractors to complete complex fixes required. A capital project was planned in phases from 2018/19 MTREF	Leaks and pipe bursts may be contributing about 5% to losses reported
Installation of bulk meters to all informal and formalised areas where household billing is not yet taking place	The municipality provides free basic water to formalised and illegal/unplanned settlements. However, water provided is not metered to determine amounts consumed for billing of FBW purposes. This unmetered water is reported as part of losses.	Installation of meters in all areas that receive FBW immediately	Part of day to day operations of technicians and plumbers.	It is estimated that 1,584 cubic litres of water is distributed as FBW thus contributing about 3-5% to the water losses
Covered meters	Inability of meter readers to read meters due to them being covered	Clearing of meters for reading purposes	Duties of Meter Readers and Meter Inspectors	Finance to provide a list of covered meters
Leaking meters and internal services	Many customers report leaking meters and leakages within the yard causing disputed bills	Establish a system to manage reported leaks and replacement of such meters	This work can be outsources to ensure quick turnaround times to complete the list available	There is a budget for water meter replacement
Replacement of water meters with SMART meters at all Council Properties	No proper management of meters installed at all council occupied properties and the reading rate of such is very poor.	Procure and install SMART water meters for all council occupied properties for accurate measurement of consumption.	Capital Project funded as water meter replacement	Identify municipal properties, analyse functionality of these meters, or immediate replacement of meters.
Reading of meters	Access to water meters is a challenge. Customers with more than 6 months interim water readings as a result of access issues have their meters moved to the pavement	This job be co-sourced with the local plumbing company to assist with relocation of meters as well as installation of meters where we have straight connections.	Contracted services – meter replacement project	Interim readings impact the accuracy of estimating water losses as a result of journal corrections monthly
Review of meter reading routes and use of advance technology for reading purposes	The municipality ran a pilot to test meter reading using electronic devices. The project was successful and new device requires to be purchased. However, this project must be enhanced to include an integrate-able meter reading system and reading devices for water and electricity	Procurement has been completed. Tender processes must now be followed in this regard. Consider Section 32 if possible.	This has been budgeted for as part of meter replacement, however, upon award, the system installation, staff training, testing and implementation will be moved with budget for correct classification. Annual license fees shall be budgeted for under ICT.	A 100% reading rate is sought after for good performance by Meter reading Section

3.1.2.3 ELECTRICITY

Sol Plaatje Municipality is licensed to purchase electricity from Eskom and distribute to residents via the 66kV, 11kV and low voltage electrical network.

Sol Plaatje has two bulk 66kV electricity supply points from Eskom namely, Herlear and HA Morris Substations which supply the Kimberley area and Riverton Substation. Although demarcated within the Sol Plaatje municipal area, Eskom is licensed to distribute electricity in Ritchie.

Status Quo

Complete the electrification of 200 households on project areas to be determined as per revised project schedule program. 103 households were connected by end December 2020.

The procurement of a consultant for the replacement of the 1KV Circuit Breakers at the Herlear Substation is currently at evaluation stage.

Complete 50% of the Lerato Bulk electrification project. Progress on this project is at 30%.

Challenges

Electrification remains a challenge due to continuous growth of informal settlements on vacant land. Electrical infrastructure and electrification of houses cannot be installed in informal settlements prior to township establishment.

Other major challenges regarding electricity are vandalism and copper theft that lead to equipment damage, electrical supply interruptions and possible fatalities to municipal employees or members of the public.

Planning 2021/22

The following projects are planned for financial year 2021/22:-

Completion of 35% of the construction work for Lerato Park Link Services.

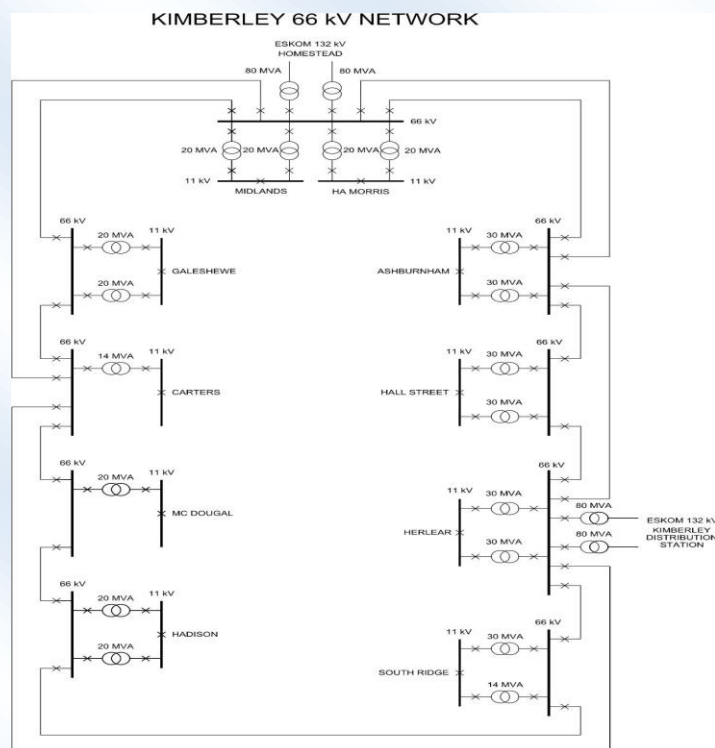
Electrification of 1 500 households in Lerato Park, Phase 6-7

Electrification of 1 100 households in Lethabo Park, Phase 1

The appointment of a professional service provider for the pre-engineering and professional consultancy associated works for Hadison Park Substation.

Refer to the Figure below for the 66 kV network layout.

Figure 3: Kimberley 66 Kv Network



Mitigation Strategies

An action plan has also been compiled to curb the high electricity losses:

Table 8: Electricity losses – Action plan

ELECTRICITY LOSSES - PROJECTS				
Faulty meters replacement	There are still faulty electricity meters that need to be replaced.	There is lack of supervision in as far as replacement of faulty meters is concerned – this may contribute to the electricity losses suffered by the municipality.	There is a detailed report on faulty meters. All meters must be replaced by 30 June 2019.	Appointment of contractor may be necessary to complete the project on time.
Replacement of all credit meters for residential customers.	The municipality has progressively replaced residential customer meters and there is less than 5 000 customers still on credit meters.	For revenue protection purposes, these customers must have their meters replaced as part of the meter replacement project	A report of residential customers with credit meters be obtained, customers on arrears for more than 90 days must have their meters replaced as a priority	Appointment of contractor may be necessary to complete the project on time.
Install of SMART electricity meters for large customers and ensure automated reading take place for accurate and efficient billing.	Project has been conceptualised. Out of 400 customers, over 250 customers have been installed with SMART meters.	Implement project to completion.	Accurate reading and reduction of customer queries that delays payment of accounts.	Billing and Electricity to meet and prepare a status quo report in this regard. CFO and ED I and S to guide immediately after the report is received.

3.1.2.4 FLEET

As indicated in numerous correspondence over the past decade, the funds allocated for vehicle and machinery replacement is hopelessly inadequate.

Deferring vehicle replacements eventually compounds costs due to increasing replacement costs, higher vehicle downtime, increased maintenance costs and ultimately reduces operational efficiency of services. **It is imperative that Vehicle Fleet Replacement takes priority on the IDP and that a more realistic budget is allocated annually to this project.** Without these critical service, delivery tools, most of the projects identified on the IDP will be challenging to complete.

Inadequate provision for fleet replacement leads to growth of refurbishing and repairing vehicles that have reached the end of their economic life, as is currently the situation.

For the past years, three-year vehicle replacement plans was submitted to management, but either very little or no funds are made available to finance these plans.

Consequently, the matter was steadily aggravated and has now passed the stage of crisis proportions.

The implications of this are frightening, from a service delivery point of view.

Without reliable service delivery tools (vehicles and machinery) the quality of service rendered to the community has rapidly decreased and has become inferior and in some instances, non-existent.

For the 2020/21 financial year, only R2m was made available for vehicle replacement.

Planning 2021/2022

A measly sum of R4m has once again, been allocated for vehicle and machinery replacement for the 2021/22 financial year.

A new Refuse Compactor Truck cost approximately R2.3m. This example indicates how very few vehicles can be procured with the funds allocated.

The allocated amount need to be urgently reviewed, in line with the 3year replacement plan.

Challenges

Funds made available for vehicle and machinery replacement is grossly insufficient.

3.1.2.5 HOUSING

Status Quo

It should be emphasised that the provision of housing is not the responsibility of the Local Municipality, but rather the Department of Cooperative Governance and Human Settlements (COGSTHA). The municipality had in the past acted as an implementing agent for the department, through appointing and monitoring of construction contractors. The function was, however taken back by the department in its entirety. The municipality is responsible for the identification, planning and surveying of land suitable for human settlement.

That being said, housing remains a major challenge in Sol Plaatje municipality, with backlogs as per the housing applications currently at approximately 12 000 applications. This is evident by the number of illegal and informal settlements that have mushroomed over the past decade, sitting currently at 31 informal settlements. Over the past IDP cycle 23 informal settlements have however been formalised, although infrastructure provision remains a challenge.

The municipality has a mandate to ensure provision of all basic housing to deserving communities and also promote the security of tenure to the communities.

Table 9: Estimated Housing Backlog

Estimated backlog		No. of Units
INCREMENTAL FORMAL HOUSING	Self-financed and improved housing	349
COMMUNAL/TRANSITIONAL HOUSING	Communal and transitional housing	146
BNG HOUSING	Municipal delivered stock for ownership in areas of high growth	5541
SOCIAL HOUSING	Medium to high-density social housing in Hull Street and Soul City	2803
FORMALISED HOME OWNERSHIP	mortgaged property for the Gap market(FLISP)	733
TOTAL		9572

The estimated number of families living in informal settlements is 12374, and this is something that through joint efforts between COGHSTA and SPLM is being resolved.

It is important that a progressive working agreement between the municipality and COGSTHA is maintained in order to deal with this issue in an effective manner.

The municipality is transferring title deeds to lawful owners, especially the pre-194 stock. This is in line with the budget speech from the National Minister of Human Settlement. The Minister emphasized how without the rightful owners, government is unable to revitalise old townships, which are in most cases in a state of decay. The municipality is looking at collaborating with department of Land Reform and the office of the Land Commission to create a dedicated unit to deal with fast tracking the issuing of these Title Deeds.

In addition to this, the department has also expressed its intention to donate the Community Rental Units (CRU's) in Lerato Park to the municipality. The municipality plans to outsource the management of these units – including the maintenance thereof.

The municipality has rental stock in the form of flats that addresses some of the housing needs faced in the jurisdiction. Currently, the municipality has a total rental stock of approximately 936 units in Kimberley, Roodepan, Kenilworth and Galeshewe. This consist of municipal owned flats aimed at providing short term accommodation to address the shortage of rental accommodation and affordable housing in the city. Furthermore, there is an on-going CRU project being implemented by the Provincial Department of COGHSTA which consists of 481 rental units which will be developed in phases.

However, the rent collection rate and maintenance of the municipal rental stock are serious challenges to the Municipality. Sustainability of CRUs maintenance is compromised due to

high default in rental payments. In order to address this challenge, the municipality is currently exploring more effective methods of enhancing revenue collection strategies, by looking at appointing a management company, for leasing and maintenance of the rental stock on behalf of the municipality.

Considering that the municipality owns various land portions in the urban areas, the scope for implementing CRU and Social Housing projects exist for public and private investment, provided that the property management functions be strengthened to manage and sustain these developments, and that resources are available to manage these complex projects.

Future Land Acquisition

The Sol Plaatje Municipality faces a serious challenge in terms of land availability intended for strategic urban development purposes. Currently, the municipality owns less than 3% of total land in the municipal jurisdiction. The municipality has as a result identified various pockets of privately owned land which is required for future urban development.

Work is already underway, and the municipality has started engaging the Northern Cape Department of COGHSTA to assist with acquisition of privately owned properties (vacant land). The identified parcels of land are located in the following areas:

- Roodepan
- R31 area towards Platfontein
- Homevale
- Kimdustria
- Kenilworth
- Hillcrest
- El Toro Park
- New Mental Hospital area
- Airport Precinct
- Greenpoint
- Cassandra
- Southridge
- De Beers

In addition, the Sol Plaatje Municipality is also at the verge of receiving land donation from EKAPA Mining JV (Kimberley). The identified land is located in the Green point area and measures an extent of approximately 100 hectares. Negotiations for the finalization of land donation are at an advanced stage between the two parties.

Achievements

In an effort to deal with overcrowding and density challenges in informal settlements, the municipality also undertook a project to identify new pockets of land suitable for low cost housing, survey sites and relocate families.

Challenges

The illegal invasion of municipal land and sporadic mushrooming of illegal settlements remains the biggest challenge facing the Housing Division. The safeguarding of municipal land has always been a challenge, and eviction of illegal occupants is even a much more difficult challenge to overcome due to non-cooperation from SAPS and insufficient security personnel from the municipality to enforce evictions. This also negatively impacts on municipal efforts to eradicate the Housing backlog as in some instances the invasion of land impedes proper coordination to providing services.

Land invasion also interferes with the Housing Needs Register as in most instances people who have illegally occupied land end up being permanent residents to the land they have occupied, thus interfering with the Planning and Development of the Implementation protocols of Human Settlements Development.

All the above are exacerbated by the shortage of suitable located land for BNG and the Gap Market potential beneficiaries, which are the two brackets most in need.

Maintenance of municipal rental stock is also a big challenge in the municipality as the municipal flats have drastically deteriorated over the years and are becoming more and more costly to maintain, of the revenue collected at the stock is far less than maintenance cost incurred. This needs to be investigated to look at possibilities of putting these flats/stock in being managed by a Social Housing Institute or a management company who can do that effectively on behalf of the Municipality.

The issuing of title deeds remains a challenge as the rightful owners have either left town, or do not attend organised meetings to have their details verified and to collect their title deeds. Difficulties in regards to transfers of deceased estate also adds to this predicament.

Mitigation Strategies

In order to address one of the biggest challenges that affect Housing in Sol Plaatje Municipality, the Housing Division will improve its interactions with town planning to ensure alignment in planning and exploring for land availability suitable for human settlement.

Subsequently this, the current waiting list would be converted to a National Housing Register and appropriately prioritized in order to consolidate and streamline the Housing Delivery value chain.

The Municipality has gone a long way in upgrading its bulk infrastructure to enable growth. It now has to prioritise the reticulation of services to business and households. In this process it is important to take cognisance of the spatial development taking place – both in terms of commercial development and residential development to ensure that the reticulation of services is aligned to the ‘space-economic’ development of the City.

The table below details the funded infrastructure projects that the municipality has included in its capital budget for 2021/22.

Table 10: Capital Infrastructure projects

Project Description	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework			Ward Location	Funding Source
	Full Year Forecast R'000	Budget Year 2021/22	Budget Year +1 2022/23 R'000	Budget Year +2 2023/24 R'0		
Replacement of 1000 prepaid meters	1 000	1 000	0	0	All	CRR
Replacement of 1000 water meters	1 000	1 000	3 000	3 000	All	CRR
Fleet Replacement	2 000	4 000	7 000	10 000	All	CRR
Computer equipment replacement	4 500	3 500	3 500	4 000	SPM	CRR
Furniture and equipment replacement	2 000	2 000	2 000	3 000	SPM	CRR
Craven Street Informal Trade	1 000	8 000	0	0	All	IUDG
Planning and Survey of 1200 erven in Ritchie	5 000	3 000	3 000	3 000	26	IUDG
European Union - Business Expansion, Attraction and Retention (BEAR)	14 400	18 850	11 750	0	All	EU
Electrification of 1 500 households, Lerato Park (Ph 6-7)	17 206	33 000	0	0	30	INEP
Electrification of 1 100 households, Lethabo Park, Ph 1	0	20 000	0	0	30	INEP
Completion of 35% construction work for Lerato Park Link Services	0	12 000	0	0	30	INEP
Pre-engineering and professional consultancy associated work for Hadison Park substation	0	1 500	0	0	21	INEP
To complete 100% work for the installation of electrical and mechanical components in Lerato Park Sewer pump Station	21 055	22 266	0	0	30	IUDG
Complete 75% construction work for the Carters Ridge sewer pump station building with all electrical and mechanical equipment	12 972	25 000	14 948	5 000	24	WSIG
Rehabilitation of Thlageng attenuation dam in Galeshewe	0	20 000	0	0	17	IUDG/NDPG
To upgrade 3 km of Galeshewe access roads to a paved surface	14 000	10 000	15 677	17 018	Various roads	IUDG
Patching and Resealing 86 000 square metres of various roads	7 000	13 000	14 000	16 000	All	IUDG
Total	103 133	198 116	117 016	61 018		

As can be seen from the table above, the following flag ship projects currently receive priority at the municipality:

The biggest project on the capital program is for the bulk electrification of Lerato Park in the amount of R53 m which is funded through the Integrated National Electrification Program (INEP).

The second biggest project is the construction of new sewer outfall mains for Carters Ridge new sewer pump station which is funded through Water Services Infrastructure Grant (WSIG) in the amount of R25 m for the 2021/22.

An allocation through the Integrated Urban Development Grant (IUDG) in the amount of R22 266 m for the construction of the bulk sewer infrastructure for Lerato Park.

An amount of R20 m was received which were funded through the IUDG and the Neighbourhood Development Partnership Grant (NDPG) for the rehabilitation of the Thlageng attenuation dam in Galeshewe

Planned capital funding sources for the next three financial years are shown in the table below:

Table 11: Capital funding sources over the MTREF

FUNDING	2021/22	2022/23	2023/24
IUDG	66 266 000	56 677 000	59 018 000
INEP	66 500 000	22 000 000	20 000 000
NDPG	10 000 000	0	0
WSIG	25 000 000	19 948 000	17 768 000
EUROPEAN UNION	18 850 000	11 750 000	0
CRR	11 500 000	14 500 000	19 000 000
TOTAL	198 116 000	124 875 000	115 786 000

The municipality has 33 wards. Ward priorities are received from the ward councilors in each ward. From these priorities it is evident that the main causes of concern are service delivery related. The condition of the roads and poor water and sanitation infrastructure is prevalent. Accordingly, these areas are also where the largest portion of the budget were allocated, Refer to **Annexure 3** – Multi-year capital plan for a comprehensive list of funded and unfunded projects.

ANNEXURE 3

Table 12: Ward Priorities

The list of ward priorities received, is attached as Annexure 4.

ANNEXURE 4

COMMUNITY AND SOCIAL DEVELOPMENT SERVICES

3.1.2.6 PARKS AND RECREATION

Status Quo

The Section had a major setback following the COVID-19 lockdown when facilities were closed and workers had to stay home to curb the spread of the virus. Most of the facilities were targeted, broken into and vandalized because the municipality is not in a position to appoint security services to safeguard facilities. Facilities that were vandalized include the Community Halls, Swimming Pools, Caravan Park, De Beers Stadium, Roodepan Cemetery offices and Pleasure Resorts.

Confirmation of the protest damages payout was received from Asset Management in 2020 and Maintenance Section started in October 2020 to repair the Recreation Hall. The RC Elliot Hall could not be repaired internally due to the seriousness of the damages that were estimated to be above R2 million.

Parks and Gardens developed a park in Mathibe Street that was officially opened as part of the Arbor week program which was led by the National Deputy Minister of Environment, Forestry and Fisheries. A headstone was also unveiled in memory of lives lost to Covid-19. A project initiated by LED and Parks and Gardens, funded by the Department of Economic Development and Tourism was rolled out and contract workers were appointed for the cleaning of the city and parks.

Following a number of wrongful burials that unfortunately took place at Cemeteries, brought about pain and distress to families that had been erred. Formal apologies were sent to the affected families. Control measures had to be put in place, which included not availing new graves at Cemeteries that have long ago reached capacity, except for graves that were previously reserved. New graves in Kimberley are only availed at Kenilworth and Phutanang Cemeteries. Due to good rainfall, indigenous grass and weeds have overgrown at cemeteries, making it difficult for grass to be cut at the desired standard. Parks personnel have started applying herbicide at Cemeteries.

Challenges

Due to the Municipality's low cash flow, vacant positions could still not be filled leading to inadequate manpower in terms of safeguarding of the facilities and general maintenance of the buildings. We once more have to rely on the Municipality's insurance to pay out for all facilities that have been broken into and vandalized during the COVID-19 lockdown period to be repaired.

Inadequate support by the Maintenance Section is a continuous challenge making it difficult to avail facilities for public use and revenue cannot be generated by these facilities as a result of the condition.

Sections have been struggling to procure goods and services from service providers via the Supply Chain Management Offices because the Municipality has been owing service providers. Some providers could not release tools and machinery due to non-payment, which was a stumbling block in maintaining facilities to the desired standard.

There is an inadequate number of safe vehicles allocated to the Section and this is hampering service delivery.

Mitigation Strategies

Applications received for leasing out of Sport and Recreation facilities is beneficial to the Municipality as that in itself will generate revenue for the Municipality and lessees will be held liable for the maintenance and safeguarding of such properties (as the Municipality is battling due to financial constraints) and lastly we have achieved our goal as the facilities will be utilized by the Community.

Parks and Gardens have, on a monthly basis been responsible for the removal of alien invasive vegetation that is having a negative impact on the environment. This was however not included on the Municipal IDP in line with the National Environmental Management: Biodiversity Act 10 of 2004.

A Committee comprising of Parks, LED and external stakeholders, has been established to deal with the vandalism of Kimberley's monuments. The first project will be the fencing of the Cenotaph in Du Toitspan Road.

A Burial Policy has been developed for the Council's approval as a control measure to avoid wrongful burials. An electronic application has been developed to replace the manual burial recording system which is at risk of being tampered with, lost in fire, or even stolen/misplaced. The app will capture coordinates of each grave used for burials and will report on revenue generated by Cemeteries.

The Pleasure Resorts have applied for funding from the Department of Economic Development and Tourism from their Extended Public Works Programme which will assist in manpower to address the shortage of staff in maintaining the Resorts and to attract clients.

Planning 2021/22

The following are the objectives planned:

ACTIVITY	COST ESTIMATION
Repair and upgrade of Community Halls	R 5 000 000-00
Upgrading of fencing of Swimming Pools	R 500 000-00
Fencing of Phutanang Cemetery	R 1 000 000-00
Repair of Phutanang and Ritchie Cemetery offices	R 1 500 000-00
Procurement of tablets for the new burial recording system	R 50 000-00
Continued application of herbicide at all Cemeteries	R 1 000 000-00
Upgrading and marketing of Pleasure Resorts	R 2 000 000-00
Redevelopment of a dilapidated park	R 1 000 000-00
Removal of alien invasive vegetation	R25 000 000-00
Replacement of apparatus used for athletics	R 1 000 000-00

3.1.2.7 LIBRARIES

Status Quo

The Kimberley Library and Research Services consist of two parts namely:

- A. The Public Library Section and
- B. The Africana Research Library

PUBLIC LIBRARIES

The Public Libraries consist of two service points namely Central Services and Northern Services.

Central Services	Northern Services
Beaconsfield Library	Galeshewe Library
Greenpoint Library	Judy Scott Library
Hadison Park Library	Sonny Leon Library
Kimberley Public Library	Ubuntu Library

Central Services also service the following Old Age Homes: Acacia, Belgrave Lodge, Ons Huis, Sally Aucamp Home for Physically Disabled Adults and Stillerweë.

The following services are rendered by the libraries:

Circulation of books, internet usage, research, photocopying, laminating of documents, monthly outreach programs, monthly displays to conduct awareness, old age home visits, reading clubs, marketing and advocacy.

Africana Library

Visitors from South Africa and abroad, visit the library on a regular basis and are taken on guided tours through the library.

Heritage Program for Students of Sol Plaatje University being offered at the library

Several documentaries for television are being shoot at the library on a regular basis

Trust meetings are held on a quarterly basis.

Daily research is done for people received via e-mail or telephone. Researchers worldwide visited the library to do own research.

Conservation and preservation of books, documents, etc. done at the library

Other daily activities include: Indexing and Digitization of municipal files, maps, photographs and newspapers.

Progress 2020/21

The Public Internet Access service at all public libraries were sorted out by Department of Sport, Arts and Culture.

Security guards appointed at Galeshewe and Judy Scott Libraries during the December Holidays from 24 December 2020 – 3 January 2021.

Due to the Covid-19 pandemic a huge strain was put on the library's budget. Extra PPE were needed that was not budgeted for.

Challenges

Internet Access at Judy Scott and Galeshewe Libraries – cables stolen and vandalised

Maintenance of libraries

Security at Judy Scott and Galeshewe Libraries huge risk – break-ins, theft and vandalism taking place on a monthly basis

Staff vacancies – vacancies increased to 4. It is becoming a huge problem

Budget constraints – Grant funding were decreased

Mitigation Strategies

Security Guards to be appointed on a regular basis at Galeshewe and Judy Scott Libraries to curb the break-ins.

Africana Library applied for Lotto Funding.

Planning 2021/22

- Public Internet Access Facilities at Judy Scott and Galeshewe Libraries to be upgraded
- New Air conditioners to be installed at Judy Scott and Beaconsfield Libraries
- Security upgrade at Judy Scott Library – new fence to be installed and security guards to be appointed
- New Photocopy Machines needed at following libraries: Beaconsfield, Sonny Leon, Judy Scott, Ubuntu
- Alternative storage facilities to assist with the increasing collection of the Africana Research Library
- Building upgrade and maintenance of Kimberley Public Library – roof, hall, kitchen
- The 2 heritage buildings namely Beaconsfield and Africana Libraries needs urgent maintenance and upgrade: gutters to be replaced, pointing to be done on the walls of the buildings as well as other maintenance and painting of buildings needed

Estimated cost: R 2 000 000

3.1.2.8 TRAFFIC SERVICES

Status Quo

The municipality is responsible for ensuring a safe road environment by providing efficient and effective law enforcement resulting in the reduction in the loss of life as well as the

number of persons injured on our roads, free flow of traffic, and creating public awareness with emphasis to educate all road users to arrive alive.

Challenges

Shortage of staff due to vacancies hamper service delivery. The absence of road signs and marking is a main contributory factor for accidents and fatalities on the roads.

General assistants – Only 1 cleaner to service 4 floors.

Light Duty Policy to be drawn up as positions are vacant due to personnel on light duty. Traffic wardens act in permanent positions to do the cleaning and road marking and signs after hours and on weekends to improve service delivery. No corrective measures can be taken against personnel on light duty as a traffic officer needs to have the necessary qualification specified by legislation.

3.1.2.9 SOCIAL DEVELOPMENT

Status Quo

The institution must become a meaningful and effective partner in a sustainable TB and STI/HIV/Aids prevention and treatment program. The normal activities is the Counselling and testing, awareness and promotion, condom distribution, support and poverty alleviation.

Achievements

UNAIDS has developed a new strategy to combat HIV/Aids which is known as 90-90-90 strategy. This strategy is labelled as an “ambitious” treatment target because its ultimate goal is to work towards eliminating HIV/Aids by 2030. SPLM has been nominated to lead the Northern Cape Province in this initiative and the former mayor, KD Molusi signed the declaration in March 2016 as a commitment to implement this strategy in partnership with relevant stakeholders in their City.

Progress was made in acquiring HCT (HIV Counselling & Testing) training for the Peer Educators

Successfully partnering with SAPS's EAP Unit on several TB/STI/HIV/AIDS Programmes

Assisted 2 families with the help of partners NGOs, colleagues and the community, who lost their belongings in two separate fires.

Challenges

Re-launch of Local Aids Council still outstanding – not operational

Resistance to HIV counselling and testing

Inadequate transport for Peer Educators to visit sections outside Kimberley (Ritchie, Riverton & Rekaofela)

Stigma and discrimination

Uniform for Peer Educators and warm jackets for early sessions during winter Partnership with Municipalities from other provinces to learn and expand the program

More condom dispensers to be purchased so that all municipal service points have one

Branding: Banners, Tents and Chairs – external campaigns

Inadequate budget

Officials from the Premier's Office still attempting to meet with Executive Mayor to discuss the 90-90-90 campaign. The Covid-19 lockdown affected the implementation of HCT (HIV Counselling & Testing) programme

The urgent need of a male assistant in the section who can assist with duties which require physical strength. Especially in lifting of boxes, material and equipment during events and outreach programmes

Mitigation Strategies

Re-emphasize importance of having a functional Local Aids Council

Highlight benefits of testing to employees as an encouragement to go for testing

Continue with arrangements with Security and Traffic Services to assist, when possible

Stigma and discrimination can be eliminated through more education to dispel the myths

Motivation needs to be approved by Executive Director or CFO for municipal warm jackets

Continue to follow-up SALGA on the request for assistance Condom dispensers to be purchased in small quantities during each financial year

Branding: Banner, tents and chairs to be procured pending on the availability of funds

Motivate for the Budget to be increased to ensure the continuation of programs as planned

Attempts by Premier's Office Officials to meet with Executive Mayor must continue

As the country moved to Level 1 lockdown, to gradually attempt conducting HIV tests in a safe manner

Presently Security Personnel and General Workers assist as far as they can with the duties requiring physical strength

Costing estimates: **R530 000**

Planning 2021/22

Revive discussion on the re-launch of the Local Aids Council and the significance of the committee

Promote HIV testing more in the workplace

Strengthen the Poverty Alleviation programme by collaborating with relevant stakeholders in the field

3.1.2.10 EMERGENCY SERVICES

Status Quo

The main functions of a fire service are to prevent fires and to protect life and property should a fire occur.

To carry out these functions the service must be well organized.

The National objective for Fire and Rescue services are to ensure that the Fire and Rescue Services in South Africa need to benchmark with the best to ensure sustainability on all levels and to strive to improve all the time. From there the adoption and use of National Fire Protection Association standards by the South African National Standards Body in South Africa.

The purpose of a standard is to provide advice on the measures that should be taken to ensure that fire services are efficient. It includes a schedule against which the performance potential of each aspect, as well as of the whole, of a fire service can be judged.

Two essentials for protection against fire are an efficient fire service and an adequate water supply. Local authorities should achieve and maintain a category 1 service.

- A survey of the fire hazards in the area should be made to determine the extent of the fire service needed to provide adequate protection for a fire area.
- Such a survey should cover the height and the type of construction and occupancy of buildings, the means of approach to buildings, the water supply available, and other features that might affect fire risks.
- Re-surveys of the area should be made at intervals of not more than three years to keep abreast of the expansion of the area.
- The survey should be made by persons suitably qualified to undertake such work.

This 5-year plan of the Emergency Services as set out hereunder is aligned with the IDP. The projects identified is based upon, and motivated, by the key performance indicators and targets of the Emergency Service as set out in the Standard Delivery and Budget Implementation Plan (SDBIP) of the Sol Plaatje Municipality.

A. LEGAL REQUIREMENTS:

The Emergency Services are guided by several acts, codes and standards. A summary of these are as follows:

- ✓ Fire Brigade Services Act, 1987 (Act 99 of 1987)
- ✓ SANS 10090, Community Protection against Fire (Regulation under the Fire Brigade Services Act from January 2007)
- ✓ Disaster Management Act, 2002 (Act 57 of 2002)
- ✓ SABS 0400, National Building Regulation
- ✓ Several other SABS and SANS codes and standards
- ✓ National Fire Protection Association (NFPA) codes and standards
- ✓ National Specifications: the specifications drawn up by the Technical Committee of the Southern African Emergency Services Institute to give guidance to a uniformed standard in fire fighting-, rescue-, grass fire-, specialized vehicles and rescue-, fire fighting- and HAZMAT equipment used by the Emergency Services.

B. KEY PERFORMANCE INDICATORS AND TARGETS:

The SDBIP of the Sol Plaatje Emergency Services identified the following key performance indicators and targets for the Emergency Service:

Activity	Performance Indicator, indicating unit of measurement	Annual target	IDP Link
To ensure sustainable service delivery to the residents of SPM	85% Of call outs responded to within time limits as prescribed in table 1 and table 2 of SANS 10090	85%	A
	Fire prevention inspections and awareness programmes per annum	720	B
	Fire prevention programs per annum	24	C
	Emergency preparedness and response programs	1	D
	Compliance with National Disaster Management Tool	75%	E

Tactical activity of the emergency service:

Provide efficient and effective Emergency and Disaster Management Service to the community of Sol Plaatje Municipality. The key performance indicators are:

- ✓ Compliance to the SANS 10090 Fire Brigade Classification (point 5.2.1.) with the aim to ensure Fire and Rescue operational capacity;
- ✓ % Compliance to the SANS 10040 parts T & W with the aim to promote the public safety capacity of the Sol Plaatje Municipality;
- ✓ % Compliance to the Disaster Management Evaluation Tool Guide from the National Disaster Management Centre and Disaster Management Act.

C. IDP OBJECTIVES:

The Emergency Services has the following two (2) IDP Objectives:

- ✓ Objective 1: Comply with the SANS 10090 (Community Protection against Fire) in totality which includes operational activities, public safety activities and training and development of personnel.
- ✓ Objective 2: Comply with the Disaster Management Act, 2002 (Act 57 of 2002) with reference to Local Authorities.

D. GAPS ANALYSIS:

To enable the management of the Emergency Services to do a proper "Gap Analysis", the following process were followed:

- ✓ Determine the Service Delivery requirements in accordance with SANS 10090 on Public Safety for a Category 1 Emergency Service. A category 1 Emergency Service is determined as follows in the said act:

5.2 Fire brigades

5.2.1 Classification

5.2.1.1 Brigades are classified according to the type and quantity of equipment held, and fall into one of the following categories:

Category 5 a): A brigade with adequate arrangements and provisions in place in relation to risk as given in annex A and annex C for:

- 1) risk profile of area of jurisdiction;
- 2) weight and speed of response;
- 3) call receipt and processing requirements;
- 4) vehicle/equipment availability and maintenance;
- 5) incident management procedures;
- 6) pre-fire planning and risk visits;
- 7) training/personnel;
- 8) water supplies; and
- 9) fire safety functions; and

Category 5 b): A brigade that is able to meet performance criteria for staff availability per appliance availability, pre-determined attendance (PDA), manning levels and attendance times, 35 % to 45 % of the time, measured annually.

Category 4: A brigade as given in category 5 a) as monitored by relevant performance indicators or statistics, or both, and which is able to meet the performance criteria given for category 5 b) 46 % to 55 % of the time, measured annually.

Category 3: A brigade as given for category 5 a) as monitored by relevant performance indicators or statistics, or both, and which is able to meet performance criteria as given for category 5 b) 56 % to 65 % of the time, measured annually.

Category 2: A brigade as given for category 5 a) as monitored by relevant performance indicators or statistics, or both, and which is able to meet performance criteria as given for category 5 b) 66 % to 75 % of the time, measured annually.

Category 1: A brigade as given for category 5 a) as monitored by relevant performance indicators or statistics, or both, and which is able to meet performance criteria as given for category 5 b) more than 75 % of the time, measured annually.

5.2.1.2 All brigades should endeavor to fall into a category 1 classification."

- ✓ risk profile of area of jurisdiction;
- ✓ weight and speed of response;
- ✓ call receipt and processing requirements;
- ✓ vehicle/equipment availability and maintenance;
- ✓ incident management procedures;
- ✓ pre-fire planning and risk visits;
- ✓ training/personnel;
- ✓ water supplies; and
- ✓ fire safety functions;

Sol Plaatje Emergency Services comply with the above 85 % of the time but we need to strive for at least 95 % of the time as one life lost is one to many.

NOTE: The successful control and extinguishing of fires and rescue of people in need depend on sufficient appliances responding with adequate manpower and arriving within a reasonable time.

The appliances in service should, when staffed, be sufficient to provide adequate fire protection in the area protected by the brigade.

The Risk Category will determine the number of specialized Pumper / Fire appliances to respond to the incident as well as the minimum number of personnel to man the vehicles.

The efficiency of a fire service is judged largely by the attendance time that the fire brigade is capable of achieving. The attendance times should not be exceeded as the typical risk will determine the maximum attendance time. The maximum attendance time is calculated from the time that the incident is reported till the time that the Fire Department arrived on the scene and is as follows;

- ✓ Risk category A: From time of receiving the call till the time of arrival maximum 8 minutes
- ✓ Risk category C: From time of receiving the call till the time of arrival maximum 13 minutes
- ✓ Risk Category D: From time of receiving the call till the time of arrival maximum 13 minutes
- ✓ Risk Category E: Special Category (Informal housing, Hospitals, Old age Homes Schools, Airports, Petrol Depots and other identified hi risk areas) From time of receiving the call till the time of arrival maximum 13 minutes

As already mentioned there are areas (Roodepan and Platfontein) where the minimum attendance times cannot be reached due to the distance to be travelled.

Siting of fire stations and determination of station areas

The ability to meet attendance time requirements will be directly influenced by the siting of stations and the size of turnout areas which should be determined by taking into consideration street grid net-works, speed of appliances, terrain, time of the day traffic conditions, etc.

From there the placement of the Satellite Fire Station in the Homevale area to reduce attendance times to the Roodepan area. A Satellite Fire Station form part of the current IDP.

Current service delivery:

Currently the Sol Plaatje Emergency Services render an Emergency Service in the following areas:

- ✓ *Larger Kimberley area:* render an Emergency Service in the larger Kimberley, Ritchie, Platfontein and Riverton areas.

To render a Category 1(a) Emergency Service in terms of SANS 10090 (Community protection against fire), the following gaps exists:

No	IDP Project	SDBIP Link	Identified GAPS in terms of the following: (resources)			
			Infrastructure	Vehicles	Equipment	Manpower
1	Pound & Comanage Farms		i. Fencing ii. Gates iii. Water troughs iv. Water tanks – to replace dams on farms v. "Skuur" sheds vi. Maintenance to the farmhouse on Paardenkamp Assistance is received from Dept Agriculture	i. Double axel wagon (to be used on all farms) Completed ii. Combined front loader and fork lift for tractor	i. Chainsaw ii. Pruning saw iii. Portable air compressor iv. Submersible pumps – to replace windmills v. 2 x Skid unit (Ritchie and Kenilworth) vi. Drip-torge for fire fighting vii. Napsack tanks/pumps	i. Four (4) general worker needed to assist with physical maintenance work.
2	Satellite Fire Station in the Platfontein area	A	No Satellite Fire Station exists in the Platfontein area (year 5)			
3	Satellite Fire Station in the Homevale area (Homevale / Roodepan)	A	No Satellite Fire Station exists in the Homevale area The building of a new Satellite Fire Station is in the 2018/19 budget. The building work will commence in the 2019/2020 budget building will be completed in April 2021	No fire fighting vehicles in the current budget for the Homevale Satellite Fire Station as funds were cut during 2018/2019/2019/2020 (Need multi-purpose fire and rescue vehicle) 2020/21 Year-1. Water Tanker with Fire Fighting	No equipment is in operation in the Homevale area (year 2)	No manpower is in operation in the Homevale area (year 1) 2 -shift system 10 Fire Fighters +2 Supervisors 4 shift System 20 Fire Fighters which includes Supervisor

No	IDP Project	SDBIP Link	Identified GAPS in terms of the following: (resources)			
			Infrastructure	Vehicles	Equipment	Manpower
			vi. Built of new offices and stores due to the expansion of the Emergency Services over the past 10 years. (year 1)			
5	Galeshewe Satellite Fire Station (GBS)	A	i. Standby generator for entire building (year 2) ii. Parking for staff upgraded (year 1) iii. Wash bay facility for vehicles – upgrade of existing facilities (year 2) vi. Upgrade of the security at the premises – fences and gates with lighting Continues process (year 1)	-	Pump 5 will be placed in GBS. Keep on operational budget for equipment (year 1)	4-Shift system proposed at all stations (year 1)
6	Ritchie Satellite Fire Station	A	iv. Standby generator for entire building (year 2) v. Parking for staff (year 1) vi. Wash bay facility for vehicles (year 2)	-	i. Poor HAZMAT equipment. Needs to be replaced (year 1) ii. Keep on operational budget for equipment (year 1)	4-Shift system proposed at all stations (year 1)
7	Training facilities - practical training courses (Legal	A	No proper training facility for rescue, fire fighting and HAZMAT training courses (Placed on 2012/2013 up to 2021 IDP for the upgrade of the	i. No dedicated fire fighting / rescue vehicle for training purposes;	No dedicated rescue and HAZMAT equipment (year 2)	-

No	IDP Project	SDBIP Link	Identified GAPS in terms of the following: (resources)			
			Infrastructure	Vehicles	Equipment	Manpower
	Requirement)		area) Divide into three phases / years. (Year 1 – Drainage, surface area and installation of tanks already at Main Station. Year 2 – Smoke room – use culverts Year 3 – high volume water tanks for training purposes.)	(year 2)		
8	Training facilities - theoretical training courses	A	i. Lecture room facility to small; ii. No kitchen/mess facilities (year 1)	-	-	-
9	Public Safety	B, C	-	Develop events trailer for fire safety and disaster management activities and community awareness programs (year 1)	i. Notebook for fire safety inspections and registrations; (year 1) ii. Computerized software for risk evaluations (year 4) iii. Equipment and camera for fire investigations. (year 1)	Need dedicated officials for Public Safety inspections Partially solved • Pier education • Fire safety inspections (Current officials do the work) (year 4)

E. IDENTIFIED PROJECTS:

Due to known financial constraints, the Emergency Services focus on the following projects as priority for year 1.

No	Projects	Capital Budget
1	<p><u>Replacement of firefighting vehicle – Rescue Pumper:</u></p> <p>The one rescue pumper (major firefighting vehicle) is redundant and needs to be replaced. Secondly, the new fire station in Homevale needs to be equipped with a rescue pumper. The vehicle will have both rescue and firefighting capacity. Vehicle need to be fully equipped.</p> <p>Over the past three years the Emergency Services had to take three firefighting vehicles out of service due to the age and non-serviceability of the vehicle. Parts for older firefighting vehicles become unavailable. Contradictory to this, the risk in especially Kimberley has grown and an additional fire station is being built. Not only is the age of the vehicles a risk, but the safe use and operations of the vehicle cannot be guaranteed.</p> <p>The manufacturing of the vehicle will be approximately 8 months. The vehicle needs to be built on the current specifications of the vehicle in service and will be fully equipped.</p>	R 5 000 000
2	<p><u>Refurbish of the Hydraulic Platform (Snorkel) used for high rise firefighting and rescues:</u></p> <p>The A-Risk categories in the CBD of Kimberley require that we must have a hydraulic platform for firefighting and rescues at high rise buildings. The existing vehicle is a 1980 model and the hydraulic system and firefighting pump with tank needs to be refurbished. The costs for a replacement vehicle is approximately R10 million.</p> <p>The costs for the refurbishment of the vehicle is based on an assessment done and an estimated cost by a company that rebuilt firefighting vehicles.</p>	R 2 500 000
3	<p><u>Training area:</u></p> <p>This area is used for practical and warm training exercises in accordance with the International Accreditation of Sol Plaatje Emergency Services.</p> <p>The development is in three phases; this is only phase one which will include the groundwork, water network system, drainage system, fire pans and the smoke house.</p>	R 1 500 000
4	<p><u>Veld fire firefighting vehicle:</u></p> <p>The firefighting vehicles currently used for veld fires are not suitable for the purpose. A custom manufactured firefighting vehicle for veld fires is needed. The vehicle will have 4x4 and pump-and-roll capabilities needed in the area. The</p>	R 4 000 000
5	Water security plan	R 200 000
6	Safety and Security at all Fire Stations	R 800 000
	Total	R 14 000 000

Challenges

- Budget constraints (Capital and operational)
- Vehicle fleet are on average 16 years old.
- Last new vehicle purchased and delivered was 2012.
- Maintenance on Fire Services Fleet costs are escalating due to the ageing fleet and equipment
- Parts of vehicles and equipment not available anymore due to the age with the consequence of parts being modified to fit to be able to continue to render a service
- Operational budget does not allow for any growth with the direct effect that personnel can't be appointed to be trained to man newly build Homevale Fire Station (Estimated delivery end of April 2021)

Corrective Measures

- Refurbish current snorkel hydraulic platform (1980 model) to the value of R2 500 000 instead of purchasing new vehicle at the cost of R17 250 000
- Purchase more local manufactured equipment to circumvent the non- availability of spares.
- Appointment of Contract workers instead of fulltime fire fighters and phase their fulltime appointment in over a period of 5 years.
- Develop a replacement policy for Fire Fighting Vehicles which need to be approved by Council.
- Phasing in of the purchasing of new vehicles to replace current old fleet which will surely reduce the maintenance costs of the current old fleet

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No	Projects	Capital Budget
1	<p><u>Replacement of firefighting vehicle – Rescue Pumper:</u></p> <p>The one rescue pumper (major firefighting vehicle) is redundant and needs to be replaced. Secondly, the new fire station in Homevale needs to be equipped with a rescue pumper. The vehicle will have both rescue and firefighting capacity. Vehicle need to be fully equipped.</p> <p>Over the past three years the Emergency Services had to take three firefighting vehicles out of service due to the age and non-serviceability of the vehicle. Parts for older firefighting vehicles become unavailable. Contradictory to this, the risk in especially Kimberley has grown and an additional fire station is being built. Not only is the age of the vehicles a risk, but the safe use and operations of the vehicle cannot be guaranteed.</p>	R 5 000 000

No	Projects	Capital Budget
	The manufacturing of the vehicle will be approximately 8 months. The vehicle needs to be built on the current specifications of the vehicle in service and will be fully equipped.	
2	<p><u>Refurbish of the Hydraulic Platform (Snorkel) used for high rise firefighting and rescues:</u></p> <p>The A-Risk categories in the CBD of Kimberley require that we must have a hydraulic platform for firefighting and rescues at high rise buildings. The existing vehicle is a 1980 model and the hydraulic system and firefighting pump with tank needs to be refurbished. The costs for a replacement vehicle is approximately R10 million.</p> <p>The costs for the refurbishment of the vehicle is based on an assessment done and an estimated cost by a company that rebuilt firefighting vehicles.</p>	R 2 500 000

3.1.3 MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

Status Quo – Budget and Expenditure

Sound financial management deals with the management of financial resources in a manner that supports service delivery, good governance and institutional transformation, whilst at the same time ensuring compliance with the local government legislative framework and its supporting regulations and circulars.

When planning the road ahead for the municipality, it is imperative to analyse and understand the financial situation, trends and forecasts. This will aid in ensuring that the planning objectives are realistic and takes into consideration the funds available. Part of this KPA is also to identify new and innovative strategies to generate revenue as well as optimizing the effectiveness of the current revenue related plans and strategies.

Table 13: State of the Budget – 2021/22 Tariff increases

SUMMARY SERVICES	AVERAGE
SEWER AND SANITATION	4.00%
CLEANSING / REFUSE COLLECTION	4.00%
ELECTRICITY	14.59%
WATER	4.00%
RATES	4.00%
	8.56%

The figures below depict the trend in terms of tariff increases over the past years, both on an average basis, and for the rates service specifically.

Chart 25: Average tariff increases

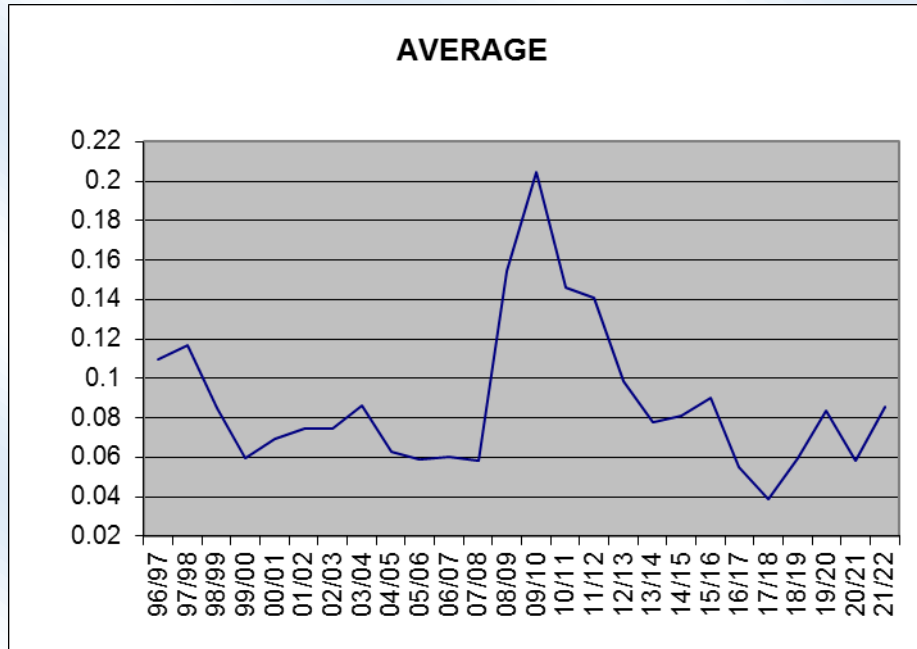
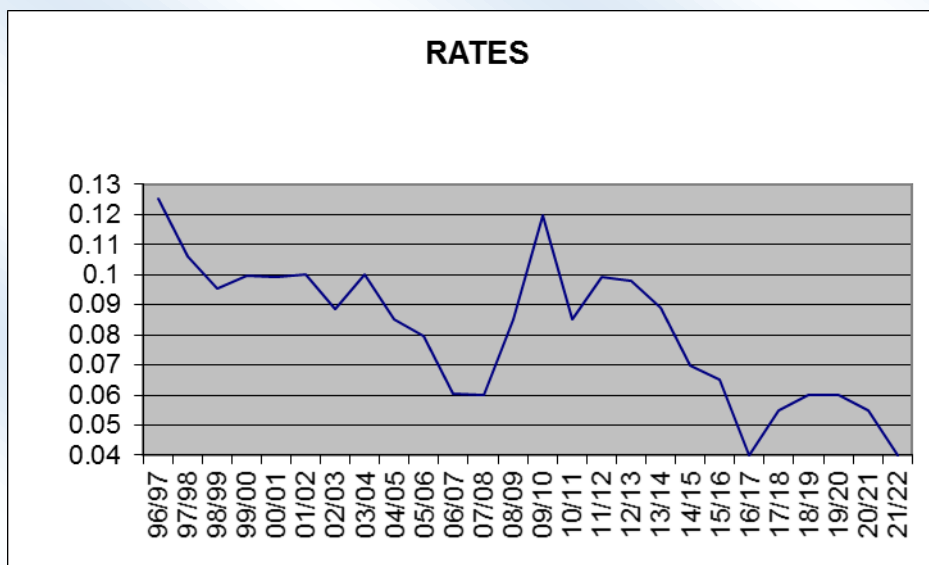


Chart 26: Rates tariff increases



The main cost drivers for the municipality are shown in the table below:

Table 14: Main cost drivers

Expenditure as a % of Total Expenditure	2021/22	% of Total Expenditure
Employee related costs	836,388	35.67%
Debt impairment	275,000	11.73%
Bulk purchases - electricity	647,000	27.59%
Inventory consumed	279,332	11.91%

It is clear from the information above that the largest part of operating expenditure relates to employee costs and bulk purchases of electricity. These costs are very difficult to reduce or contain and therefore it leaves very little room for leverage within the operating expenditure budget.

Achievements

The municipality was a pilot site for the implementation of the municipal Standard Chart of Accounts (mSCOA) since 2015. Version 6.4 of mSCOA was implemented in July 2020 and version 6.5 will be implemented from 1 July 2021. All submissions of supporting documents and data was done as per the regulation.

The municipality has managed to produce an adjusted budget for the FY 2021/2022 that was assessed by the National Treasury to be credible and funded.

For the 2019/20 financial year Sol Plaatje municipality received a financially qualified audit report and an unqualified audit performance report on predetermined objectives.

Due to the fact that the audit by the Auditor General of South Africa (AGSA) was only signed off by the 7th of March 2021 the Audit Action Plan for the financial year 2020/21 has not been developed.

REVENUE

A general valuation roll is required to be undertaken at least once every 4 years in terms of the Municipal Property Rates Act No 6 of 2004 (MPRA).

The process of review for the current General Valuation Roll (GVR) was concluded by the 1st January 2020 and was submitted to the Accounting officer before 31st January 2020, and has since been published for objection processes in February 2020.

The current valuation roll is completed. The Valuation Appeal Board has not been constituted for the hearing of appeals against certain entries to the Sol Plaatje Municipality General Valuation Roll 2020. We hope that the Valuation Appeal Board will be established within the next month for us to start the preparations and notifications to the appellants.

Below is a summary of the status of the General valuation roll:

Total number of registered properties as at January 2021: **55 172**

The G.V. 2020 and lodging of objections against the Municipal Valuer, was concluded. The Valuation Appeal Board was not yet established. Applications closed and the process should conclude within the next two months.

The new General Valuation Roll will see the increase of valuation for 31 July 2020, R35 503 108 070.00 with 55 031 properties to 31 January 2021 to R35 691 897 070.00 with 55 172 properties.

Chart 27: Current value of G.V. Roll – R35 691 897 070.00 (Jan 2021)

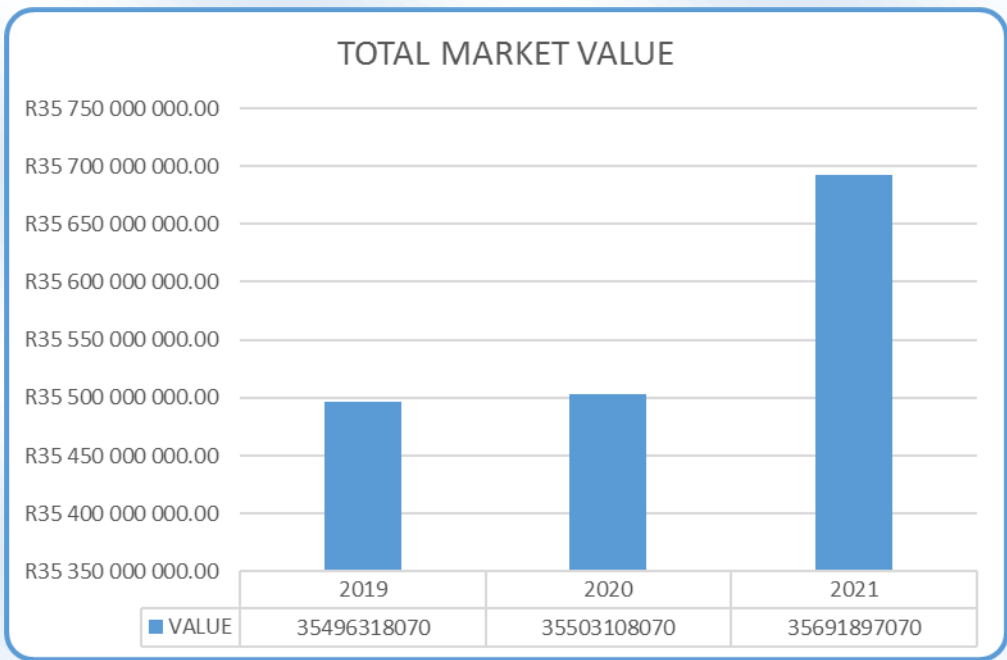
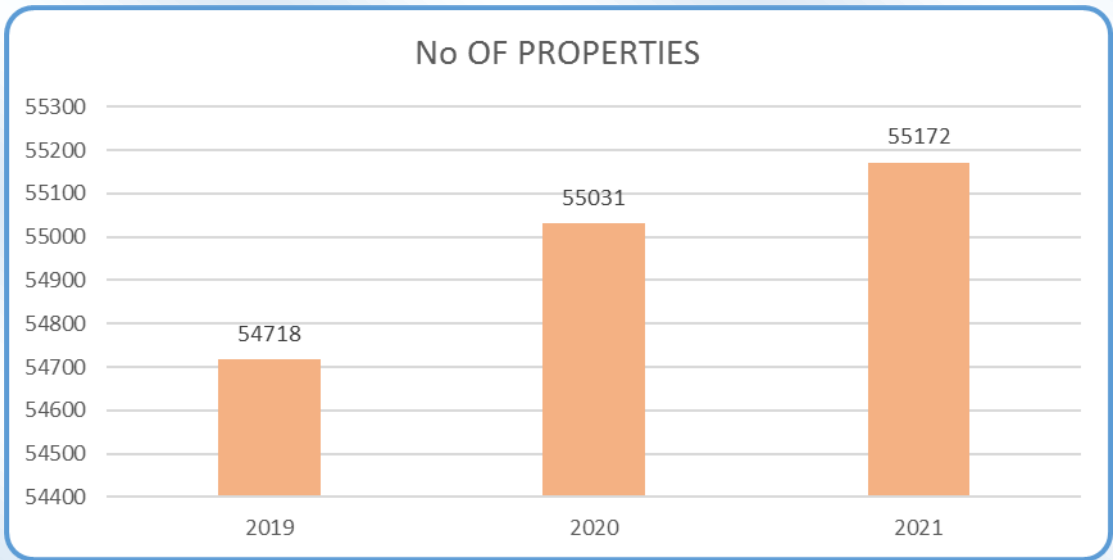


Chart 28: Growth in Number of Properties



Improved debt collection practices

The municipality embarked on an improved method to implement the credit control policy to own personnel, councilors, all categories of customers including Organs of State. The municipality also encouraged more debtors to enter into formal payment arrangements and offered relief to customers by introducing arrear debt settlements specials including black Fridays and December specials.

Challenges

There are many factors that impact on this KPA, both directly and indirectly. These factors can be broadly divided into internal and external factors.

Internal factors that affect the financial sustainability of the municipality negatively include:

- Non-compliance with policies, hence incorrect practices followed and payment arrangement to collect outstanding debt.
- Restrictive policy to enrol indigents to the register and strict audit reviews on indigent approval criteria and verifications.
- Public perception that SPLM does not offer fair value for the cost of tariffs and taxes
- Rental charges are not market related
- Penalties do not deter transgression
- Incentives offered are not sufficient to attract the required investment.
- Project planning and project management need to be improved. Poor spending on grant funded projects may lead to a reduction in grant funding for future years. The trend of underspending, specifically during the first 6 months of the financial year, should be curbed. Furthermore, additional or unplanned spending towards the end of a particular project causes unnecessary budgetary constraints.

External factors that play a role are described below:

- The biggest challenge this KPA faces remain the growth in debtors. This is largely attributable to the economic climate, the high unemployment rate and the consequential mushrooming of informal settlements. People are finding it increasingly difficult to settle their municipal bills.
- Consumer attitude towards regular settlement of monthly current accounts and honouring arrangement payments agreements is very concerning because only an average of R88,3 Million is collected from average monthly services billing of R130 million.
- Political and policy uncertainties which results more and more public protests to erupt.
- The rising costs of distribution and supply of electricity impacts negatively on the electricity tariffs. Increases applied for, are not always approved by NERSA, placing even more strain on the already overstretched budget.
- Another obstacle to financial sustainability is the unfunded mandates carried by the municipality, e.g. health services, library services and resorts. These services cost the municipality a significant amount of money, without any external funding being received.

Mitigation Strategies

In an effort to address the factors mentioned above, a shared understanding and appreciation of the importance of Revenue, Expenditure and Budget Management needs to be created. The community does not have an unlimited supply of money and they deserve to be given the best service possible at the most cost effective prices. Revenue collection as an administrative function belongs to Finance. Revenue management and collection as a principle and lifeline of the

community by way of provision of services is every person's responsibility. Two-way communication between the Municipality and its community is imperative and so is a need for reciprocal participation. The municipality should strive to create pride in the city through education and campaigns. Children should know that it is their city.

Estimated readings for water and electricity should be kept to a minimum. This will promote accuracy of billing. 100 Percent billing coverage is the aim. Stringent measures should be implemented when payments are not received and no arrangements were made. These measures should be consistently applied throughout the financial year.

Various avenues of obtaining readings should be possible. This includes automated readings, own readings, and prepayment metering. Turnaround times towards resolving reported billing queries, reported faulty meters and leakages should be attended to at shorter intervals. Access to account information can be made easier, with online account information (static and interactive).

Contents of existing policies and by-laws should be reviewed to determine the relevance and applicability thereof. Interpretation of provisions in policies and by-laws should also be reviewed and clarity provided where required. In doing so, existing sources of revenue will be optimized (including advertising and rental income).

In terms of tariff determination, the following key principles should continue to be applied:

- ✓ Transparency
- ✓ Efficiency
- ✓ Uniformity
- ✓ Parity

The following important considerations must be made in addition to the policy criteria and guidelines when considering tariffs and charges:

- What do we want the city to look like in 100 years?
- What do we want the city to be best known for: *Towards a leading and modern City?*
- What are the most pressing and immediate needs for the community?

Development of cycles of aggressive competitiveness, business and other sector maintenance, community relief, growth and development is key. The municipality should improve fluidity to maximize opportunity.

New sources of revenue that may be explored:

- ✓ Small Scale Embedded Electricity Generators (SSEG's). This involves the municipality buying excess energy from these electricity generators at a price lower than the ESKOM tariff.
- ✓ Independent Power Producers (IPP's): Similar to the above scenario, but on a larger scale. This may be more cumbersome as the IPP'S are more closely regulated.
- ✓ Land Development/Sales Partnerships should be encouraged
- ✓ Advertising income optimized
- ✓ Landfill Site – the upgrade of the landfill site will enable the municipality to develop charges for dumping of certain material.

- ✓ Purified Effluent can be sold to mining companies.
- ✓ Environmental and developmental Incentives and Partnerships

Planning 2021/22

The Development of a Revenue Enhancement Programme

The South African government mandated the Development Bank of Southern Africa (DBSA) to upscale support to under-resourced municipalities to reduce basic services backlogs in water, sanitation, electricity and access roads. In line with this national imperative, the DBSA Corporate Strategy prioritises the need to overcome planning, funding and implementation challenges for infrastructure projects in under-resourced municipalities. As part of this initiative DBSA has partnered with Sol Plaatje LM to develop a Revenue Enhancement Programme. The goal is to approach the project in an integrated and multidisciplinary nature. In line with this goal, the DBSA has appointed SMEC South Africa (Pty) Ltd (SMEC) as a multidisciplinary team of professionals to provide technical and financial skill in the areas of municipal revenue enhancement and all its associated disciplines for Sol Plaatje Local Municipality.

The implementation of the projects flowing from this initiative will assist the local municipality to improve the billing, revenue collection and its management. This will unlock the funds that will contribute to the municipality's capital programme funding and will also optimise service delivery. The appointment of Consultants also includes the suitable Level 4 supervision of the installation of smart electricity meters and bulk water meters in order to leverage the municipality's control over basic services.

The expected results from the project include the following:

- Report Situation Analysis
- Data cleansing report for water, sanitation and electricity services including:
 - Detailed oversight of all data cleansing activities
 - Illustration of revenue improvements against benchmark figures
- Recommendations for an updated SPLM indigent register
- Revenue Enhancement Programme
- Consolidated report with detailed recommendations
- Replacement/Installation of up to 250 Smart Electricity Meters (in area to be agreed with SPLM)
- Replacement of bulk water meters as agreed with SPLM

3.1.4 MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

Status Quo

Institutional development and transformation focuses on the provision of strategic managerial leadership of the integrated business, transformation, development strategies and plans for the organisation. It provides the framework within which the municipality must function, the collaborative development thereof, inclusive corporate strategies.

Objectives under this key performance area must ensure effective and appropriate use of organisational intelligence and information for strategic purposes for operational, planning purposes and enable reporting and compliance with the local government legislative framework.

It is also focusing on strategies aimed at building capacity for excellent performance and service delivery through developing and implementing sound recruitment policies and effective performance management framework. It aims at fostering synergies between various departments by developing workflows, clear job descriptions and organisational structure aimed at mobilising human capital that will match the organisational mission and vision and improve existing capital.

The Mission and Values that will guide the municipality over the five year term, as captured in the IDP:

Togetherness: there is no separation between Sol Plaatje municipality and community, we are intertwined.

Certainty: There is a clear plan of reaching out to every community in Sol Plaatje municipal area.

Availability: The services are available at different levels, everywhere.

Responsiveness: We will be innovative and embrace technology as means of communication

Appreciative: We are best placed in Sol Plaatje, and we choose to be here.

Relentlessness: We work, we serve, and we do our best.

Legacy: We create heritage through legacy.

Ethical work: We will work in an ethical manner to be efficient, effective and ensure value for money.

Respect: We are family.

These values provide the backdrop for the approach to Human Resource's contribution to the achievement of municipal strategic objectives in the medium to long term. The Human Resource function of the Municipality must therefore be capable to perform its strategic human resource function and not only personnel management. As of February 2021, Sol Plaatje had a total of 2310 employees including:

- 1314 permanent employees
- 451 contract employees
- 150 interns
- 65 councillors
- 330 ward committee members

The approved organisational structure of the municipality provides for 2701 posts (excluding ward committee members and ad hoc contract workers. The rest of the vacant positions are not budgeted for. SPLM currently employs 0.7% of SPLM population, and could potentially employ 1% of the population in future.

A Human Resource Strategy is developed and skills development plan is available. The Succession Management plan is addressed by the Human Resource Strategy.

The Performance Management System is institutionalized from the level of Executive Directors to General Workers. Some of the Executive Directors have not yet cascaded to lower levels, however additional training has been provided and is on-going. The Reward & Recognition Policy is completed and approved by Council.

Achievements

The nature of this KPA is largely driven by strategy, policy and legislation. It includes indicators such the submission of the IDP and SDBIP documents, conducting of bi-annual performance assessments, and compliance with equity employment targets within the legislated timeframes. Performance

assessments for the Municipal Manager and Managers reporting directly to the Municipal Manager were done.

The Annual Performance Assessment for FY 2019/20 was not done due to Covid-19 Lock down it has been postponed to April 2021 when both the Mid-year and Annual Performance Assessment will be done.

An item for the establishment of a Disciplinary Board was approved on 5 November 2020 at the Ordinary Council (C184/11/20). It was recommended that names of members be submitted who will sit on the Board at the next Council meeting.

A Consequence Management Policy was approved on 5 November 2020 (Council Resolution C184/11/20). The municipality is implementing consequence management as provided for in the Collective Agreement on disciplinary action. Cases of misconduct are processed as advised/requested by various departments.

A process is underway to review allowances to determine whether it is still applicable and relevant.

Council endeavors to work towards a Paperless Committee Service. All councillors were issued with the required tools of trade and the number of hard copies have been reduced substantially.

Challenges

The unresolved Section 106 report and the MM and CFO who are still on special leave has contributed to the current financial situation and the low morale of employees in the institution. An Acting MM, T Mabija and CFO, Z Cader have been appointed in October 2019 for a three month period which was extended to April 2020 and again until end May. The Acting CFO's contract was extended for another three month period until end August 2020 and a new Acting Municipal Manager, Mr B Dhlwayo (ED : Infrastructure Services) was appointed from 1 June 2020 to 31 May 2021 to take leadership in order for the institution to go forward. Mr K Samolapo has been appointed to act as Acting Chief Financial Services from 27 November 2020 to 31 May 2021.

Critical vacancies were advertised for the IDP Manager, Revenue, Expenditure and Supply Chain Manager and City Engineer: Roads and Storm water but held in abeyance until the financial situation has improved. Personnel are appointed to act in these positions on a rotating basis.

Outstanding appeals must be finalized and implemented.

Introduction and preparation of employees to go online leave application which continues and the biometric system, initial date was 1 March 2020. Currently the implementation has been delayed due to the Covid-19 for protective measures.

Mitigation Strategies

The approved organogram should be analyzed and reviewed to ensure that it is as efficient and service delivery orientated as possible, hence the municipality has requested SALGA to assist with an organizational work study. Research should be conducted with regards to organizational restructuring in order to achieve mentioned objectives e.g. where certain departments are overstaffed, these employees should be re-trained/re-skilled to fill critical vacancies in other departments where possible.

Open discussions in this regard must be held with the Labour Forums. Centralizing the training budget to the Human Resources department will also assist in fast tracking skills development and training of staff.

Another critical HR deliverable is a culture change program to reinvigorate the organization, establish a new code of conduct at all levels and positively enhance the profile of the municipality.

Planning 2021/22

It is also important to enhance the project management skills and processes in the administration to ensure the delivery of capital projects on time, within budget and according to set qualities.

In this process the Project Management Unit should play a central role. It is the intention of the municipality to focus on the capacitation of managers and leaders in project management and leadership skills in the 2021/2022 Workplace Skills Plan.

In order to achieve the strategic objectives, set out for this KPA, it is imperative to look at the information technology support systems and functionalities required for this department to function optimally. Currently a number of tasks are still performed manually (paper-based). Modernization in these areas should be prioritized.

ICT UNIT

Status Quo

ICT has made strides in enforcing the ICT strategy vision to connect, collaborate, and integrate not only for employee related services, but also for Council and the community. Core to aligning to the strategic vision of the municipality, is ICT governance. To this effect and in compliance with government policy, ICT has been strategically placed in the municipality. ICT is now reporting to the office of the municipal manager, providing for a better and broader response to the municipality's ICT needs.

The ICT strategic vision is directly aligned to the IDP vision for Leading to a modern city. To achieve this vision, ICT had prioritised key critical projects. The information security project to strengthen the current ICT physical infrastructure and provide for a secure platform to transact electronically in all spheres of user bases. This project also spans into necessary responses to the AG findings for automation that will allow better and effective controls in our environment.

Supplementary within the information security project is the Biometric access project, which is not only a basic core component of security but spans into the human resources extensively thus allowing for improved controls around employee related matters. The biometric access project although it could go-Live due to Covid-19, has been setup and is ready for implementation.

Providing to the community, ICT has rolled out the town planning application management system and the building plan application management system. The valuations rolls has also been automated through the property management and land management system which is integrated to the AFLA portal. These systems are being tested internally and will be accessible to the public on the GIS portal which is now available online on the municipality website.

The GIS system has the latest imagery of Kimberley. An Aerial photography (Pictometry) project was completed in January 2021. The new imagery on the GIS system will generate revenue for the Rates Section and will also be used as proof during objection and tribunal processes of valuations

considering that the public is very cautious to allow a municipal worker inside their property. The Building Control section will be also able to identify illegal additions to buildings, including homes, where building plan approvals have not been provided by the municipality.

Challenges

The main challenge experienced through the year is the financial constraint more so on the resource limitations. Over the past 3 years ICT has suffered loss of employees through a retirement and resignations. As a result delivery on day-to-day responsibility and project implementation has become difficult to run concurrently. The ICT structure is now under revision to ensure that at minimum ICT is able to support the basic service delivery requirements.

Planning 2021/22

The planning in preparation focuses on the 2nd phase of the information security project as well as disaster management. Automation of revenue-based processes and well as community focused initiatives will be the key priority to promote and realise the ICT strategy vision to connect, collaborate, and integrate with the community, employees, and council.

The municipality has aligned the ICT strategic plans in response to Covid-19. Implementing solutions for the Environmental Health Services and Infrastructure Services that support improved service delivery. Automation to achieve better collaboration internally and improved communication to better connect with the community will be realised through the implementation of electronic assessments and cell-phone apps.

GENDER AND SPECIAL PROGRAMMES

Status Quo

The Commission for Gender Equality has selected Sol Plaatje Municipality SPM amongst the NC Municipalities for CGE to work closely with. The engagement was to highlight certain areas which were not very clear to the Commission regarding the Gender Audit Tool and the Acting MM agreed to commit, support and co-operate in this regard.

Achievements

1. Staff Roadshows: this programme was implemented half way through due to Covid-19 level 4 and 5 lockdown. The programme was geared to empower staff on Gender based violence and Sexual harassment as well as the Covid-19 pandemic. Most Directorates were covered. The presentation was also done for Councillors at a full Council meeting.
2. The focus for this current FY was also on Children including Youth. The 4th National Plan of Action for Children for 2020- 2024 was endorsed by the President of South Africa. Municipalities have a role in ensuring that our children are safe and their needs are taken care of within our IDP. For example: The Directorate of Community Services must create safer spaces for both Women and Children. Parks must be utilised for family get together where children can play and feel safe. This is included as a KPI under Gender and Special Programmes.

The NPAC 2020-2024 is ready to be presented in the next Inter-governmental Committee meeting and will await approval by Council.

3. The Nelson Mandela Children's Parliament:

This programme is spearheaded by the Department of Social Development and Department of Education, however Municipalities play a pivotal role in assisting to identify and create awareness in the Wards. The voices of children expressing what they want to see happening in their environments.

Challenges

1. Due to Covid-19 regulations most of the planned programmes were suspended
2. The non availability of a designated budget for Gender and Special programmes makes it difficult to have outreach programmes externally targeting our most key stakeholders, Ward Committees
3. The 2021 Nelson Mandela Children's Parliament was supposed to be implemented before the State of the Nation address so that the selected Children from various Provinces and Districts could address the President of South Africa on their plight and what their expectations are.

Planning 2021/22

1. A standard KPI on Gender will be added on the Organisational objectives of Top layer and Line managers for 2021-2022 FY. Myself and will agree on the KPI. This will assist us in achieving desired transformational targets in the Organisation
2. SPM Sexual harassment policy must be reviewed to take into account realistic turnaround time on the completion of disciplinary cases. This policy must be shared with staff so that everyone is aware of the content of such a policy. This will be done in consultation with the Manager responsible for Policies as well as the HR Manager.
3. I need to check if our HR policies accommodate pregnant women in the workplace. Pregnancy policy must be used as a guide when reasonably accommodating pregnant women. This will be done in consultation with the Managers responsible for HR and Policies.
4. The procurement of goods and services: this must reflect the % of women who have been awarded these contracts on a quarterly basis, to reflect transformation and access for opportunities within SPM for economically active women companies.

NB: As Gender and Special Programmes matters cuts across every Directorate, all must have a KPI on this.

SECURITY SERVICES

Mission

To render a service to the Council through the provisioning of a system that meets the needs for safekeeping and protection of Council assets (employees, visitors, installations, buildings, equipment, etc.); in order to ensure safe and secure working conditions; and to reduce unnecessary losses caused by negligence or other factors.

A FEW OF SOL PLAATJE MUNICIPALITY'S ASSETS	
Civic Centre	Newton Reservoir
Traffic Building Pioneer House	Ritchie Reservoir/Service Points Beaconsfield Waste Water Point
Municipal stores	Landfill site
Traffic Testing Centre	Libraries
Riverton Purification Works	Swimming Pools
Homevale WWTW	Resorts
Pay points	City Hall West End Club Jimmy Summers Hall
Fresh Produce Market	Substations
Waterworks	Cemeteries

- ▶ All municipal assets need protection.
- ▶ In order to provide the security services, there is a need for security staff.
- ▶ Security personnel must be properly registered and trained to comply with PSIRA Regulations with regards to In-house Service Providers.
- ▶ Security services include on-site supervision.
- ▶ Technology is a crucial aspect of security services in that it enhances the level and quality of security services rendered.
- ▶ However, security services are not solely the responsibility of the security staff –Site Managers are responsible too by ensuring that funding is available to address enhancement of security protocols on site.

Failure to protect the assets will result in the following:

- ▶ Theft of assets
- ▶ Increase in crime and vandalism
- ▶ Re-active response, usually after damage is done, whereas a pro-active approach will enhance the protection of assets
- ▶ Insufficient response to real-time incidents of criminal behaviour
- ▶ The absence of an Integrated Facilities Management System makes the protection of the assets a fragmented approach – which is counterproductive to the goal of the security function.

Status Quo

Different Directorates have their own funding and use their own discretion for measures to be put in place.

This leads to fragmented security systems

Different service providers are utilised

A blanket approach is used for all security related issues for all assets despite the unique security need that each asset requires.

Challenges

- ▶ No budget available to service requests from different Directorates w.r.t. risk and threat assessments and procurement/provision of services
- ▶ The proposed organogram is a stepping stone to addressing the insufficient staff challenges the SPM Security Department faces
- ▶ Increased staff will result in the need for more vehicles, equipment, etc.
- ▶ Services must be rendered on a 24/7, 365 basis
- ▶ Visibility: An increased staff complement will also allow the participation of regular enforcement operations in partnership with SAPS
- ▶ Prevention of land invasion : an increased staff complement will enable the immediate response to assist and support housing to prevent and deter would-be land grabbers

Roles and Responsibilities of an In-House Service Provider

- ▶ All security providers are required to be legally registered with PSIRA. This includes in-house security officers
- ▶ SPM is registered with PSIRA as an in-house employer
- ▶ SPM is subject to inspections by inspectors from PSIRA to verify compliance
- ▶ The Responsible Person must ensure compliance with the Act and Regulations, as well as training requirements
- ▶ Any non-compliance constitutes improper conduct and a criminal offence (R1 million fine can be imposed for improper conduct conviction and on conviction of a criminal offence, imprisonment of up to 24 months)

Recommendations

- ▶ The Centralisation of Security Services will enable the SPM Security Department to adequately respond to requests (security services; required training; etc.) from Directorates; which will result in a financial saving to the SPM in the long run
- ▶ Implementation of an Enterprise Facilities Management System with a dedicated Control Room as the heartbeat of the Security Department
- ▶ To increase the staff complement of the SPM Security Department within the ambit of the guidelines as per the recruitment and selection policy of SPM
- ▶ Compliance to the PSIRA Act regarding all Security Service Providers and training requirements
- ▶ Needs of SPM Security Department to be prioritised with the aim of creating a safe and secure working environment for all
- ▶ To follow an integrated security approach to supplement the vision of creating a modern and leading city

3.1.5 GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Status Quo

Accountability is a fundamental requirement of good governance, Municipalities have an obligation to report, explain and be answerable for the consequences of decisions it has made on behalf of the community it represents.

Good governance is also transparent, as it must enable people to follow and understand the decision making process, the information utilised to arrive at the decision, the advice received and consideration of the legal framework. Good governance is also responsive, and this is in line with the motto of the municipality of "We Serve". According to the Back to Basics Programme good governance is at the heart of the effective functioning of municipalities.

SPLM must therefore ensure that good governance is prioritised. This lies within the responsibility sphere of the political component of the Municipality, which will be constantly monitored and evaluated on its ability to carry out the following basics:

- The holding of Council meetings as legislated.
- The functionality of oversight structures, S79 committees, audit committees and District IGR Forums.
- The existence and efficiency of anti-corruption measures.
- The extent to which there is compliance with legislation and the enforcement of by-laws.
- The rate of service delivery protests and approaches to address them.

Public participation is another essential component of good governance namely, putting people first. Measures need to be taken to ensure that the Municipality engages with communities.

The Municipality must develop affordable and efficient communication systems to communicate regularly with communities and disseminate urgent information. The basic measures to be monitored include:

Achievements

In terms of achievement within this KPA, the following should be mentioned:

- The required number of ward committees have been established and are functional.
- Effective public participation programs are conducted by Council.
- Functioning of council and committees is optimal.
- General compliance on decision making processes and technical compliance matters is high in all sectors such as SCM, Financial Management, HRM, Town Planning, contracts management, safety procedures, conditional grants etc
- Reporting requirements strictly adhered to.
- The Budget, IDP, SDBIP, and financial statements are prepared and tabled timeously without exception.

Challenges

According to literature on identification of the developmental state, there are few challenges that every society, especially the developing economies, are faced with in accomplishment of good governance: they are weak institutions, lack of participation and democratization, lack of social etc.

In the developing countries, institutions concerning fined property rights, formal contacts and guarantees and enforcement rules are weak— either too weak or too predatory in their demands. This being so, to achieve good governance becomes difficult. Attributes of goods and services have to be clearly measured for proper exchange to take place and property rights enforced. All these activities have costs, which can be reduced only when these institutions are effective.

In fact, good governance is significantly related to issues of participation and democratization. For the people dependent on local resources, democracy means participation in managing them.

But in the face of the emergence of worldwide markets, the efficacy of local community tends to be destroyed and they seem to be powerless in facing new challenges. These local communities need to be strengthened to at least manage local resources and local affairs.

Other than weak institutions and absence of participation and democratization, lack of social capital poses a major challenge to approaching good governance. Social capital is viewed as emerging from the collection of norms, belief, attitudes and practices that govern relationship between individuals and groups in a society.

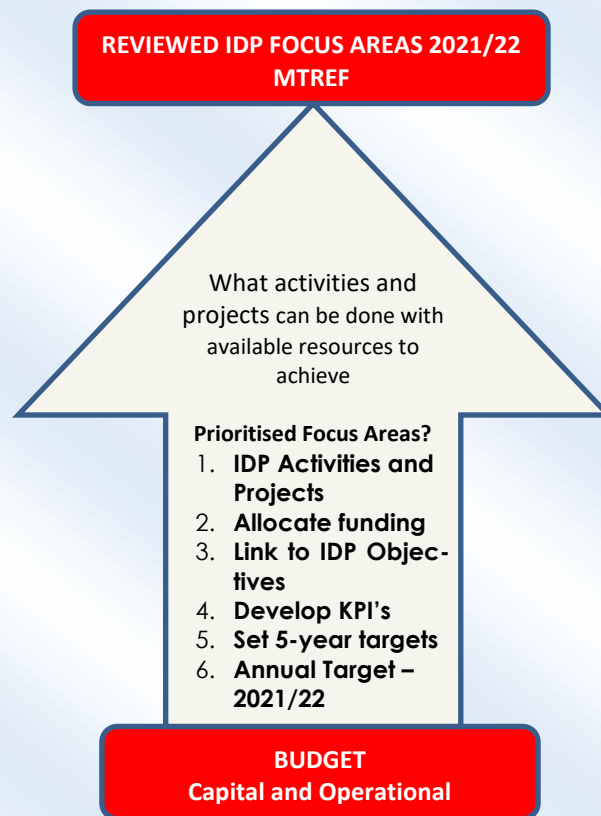
It is the social capital that fosters trust in societies, and the societies that are marked by trust are industrialized and economically developed. The performance in the KPA is largely dependent on all other areas and departments in the municipality, as it is a collective effort to achieve fair and transparent processes and decision-making. Specifically, the KPA "municipal institutional development and transformation" directly impact on the area of good governance and therefore the challenges mentioned there may be replicated in the KPA of Good Governance.

Mitigation Strategies

SPLM needs to operationalize the above Strategic Development Agenda. This is achieved by prioritizing the IDP Objectives and the activities to achieve them as outlined above and to ensure that the resource allocation of the Municipality over the remaining period of this IDP cycle addresses these priorities. It is also important that it must be possible to monitor and measure whether this is in fact happening. This will only be possible if realistic Key Performance Indicators and Targets are developed for each IDP Objective. The operational resources are contained in the Operational Budget of the 2021/22 MTREF. Some of the line items in the Operational Budget need to address the IDP priorities indicated above – especially in light of the B2B program as not all priorities relate to the capital program.

Projects and activities must now be identified to address the key focus areas discussed above and must be resourced with the available financial resources from own confirmed funding and gazetted funding from National and Provincial Government. This process is diagrammatically indicated below:

Figure 4: IDP/Budget/SDBIP Process



3.1.5.1 GOVERNANCE FRAMEWORK

The Sol Plaatje Municipality is an organ of state within the local sphere of government exercising legislative and executive authority within its area of jurisdiction as specified by the Local Government: Municipal Demarcation Act 117 of 1998. It consists of the political segment, an administrative component and the community. Sol Plaatje Municipality is a category C Municipality. It has an Executive Mayoral System combined with a ward participatory system. After local government elections in 2016, a 66 member council was elected. There are 33 ward councilors and 33 proportional representatives nominated to council from the list of respective parties.

Figure 5: Governance Structure



Roles and responsibilities of political structures

The roles and responsibilities of the political structures and political office bearers are stipulated in section 53 of the Municipal Systems Act. The roles of the Council,

Executive Mayoral Committee and the Executive Mayor are summarised in the table below:

Table 15: Roles and responsibilities of political structures

Council	Executive Mayor	Mayoral Committee
<p>Governs by making and administrating laws, raising taxes and taking decisions that affect people's rights.</p> <p>Is a tax authority that may raise property taxes and service levies</p>	<p>Is the executive and political leader of the Municipality and is in this capacity supported by the mayoral committee.</p> <p>Is the social and ceremonial head of the Municipality</p> <p>Must identify the needs of the Municipality and must evaluate progress against key performance indicators.</p>	<p>Its members are appointed by the Executive Mayor from the ranks of councillors, with the exception of the Deputy Executive Mayor who is elected by the council and is an ex officio member of the mayoral committee.</p>
<p>Is the primary decision maker and takes all the decisions of the Municipality except those that are delegated to political structures, political office bearers.</p> <p>Individual councillors or officials; can delegate responsibilities and duties for the purposes of fast and effective decision making.</p> <p>Must strive towards the constitutional objects of local government.</p> <p>Must consult the community with respect to local government matters.</p> <p>Is the only decision maker on non-delegated matters such as the approval of the IDP and budget.</p>	<p>Is the defender of the public's right to be heard</p> <p>Has many responsibilities with respect to the annual budget, the budget process, budget control and various other financial matters.</p> <p>Performs the duties and exercises the responsibilities delegated to her by the council.</p>	<p>Its functional responsibility is linked to that of the Executive Mayor to the extent that she must operate together with the members of the mayoral committee.</p> <p>Its primary task is to assist the Executive Mayor in the execution of her powers – it is in fact an extension of the office of Executive Mayor.</p> <p>The committee has no powers on its own, decision making remains that of the Executive Mayor.</p>

The political structure and composition is based on the Executive Mayoral Committee (MayCo) system. The Mayoral Committee reports to the Municipal Council whose duties are defined so as to ensure proper decision making and appropriate allocation of funds. The Council must adhere to the Protocol of Corporate Governance in the Public Sector (1997) and a host of relevant legislation.

The MAYCO is appointed by the Executive Mayor. It exercises powers, functions and duties designated to it by the Executive Mayor and Council. These powers, functions and duties are performed and exercised by the Executive Mayor, Ald SP Mabilo together with the members of the MAYCO as follows.

Executive Management Structure

The Municipal Manager as head of the administration is responsible and accountable for tasks and functions as provided for in Section 55 of the Systems Act, other functions/tasks as provided for in legislation, as well as functions delegated by the Executive Mayor and Council. He is responsible for the implementation of the IDP under the direction and guidance of the Municipal Council.

The Municipal Manager is supported by executive managers appointed in terms of Section 57 of the MSA. The Development Priorities of the municipality as contained in the IDP cannot be achieved without people (human resources) and therefore the effective management of human resources makes a vital contribution to achieving these goals. The Sol Plaatje Municipality, through its salary budget, human resource management policies, practices, systems, etc. recognizes that its employees are central in realizing the vision and mission of the organization. There is, therefore, close alignment between the way in which the administration is structured and resourced through its operational and salaries budget, the IDP objectives and the performance targets of the municipality.

Figure 6: Executive Management Structure



As such, there has to be a focus on building strong municipal administrative systems and processes. This includes ensuring that administrative positions are filled with competent and committed people whose performance is closely monitored. Targeted and measurable training and capacity building will be provided for councillors and municipal officials so that they are able to deal with the challenges of local governance as well as ensuring that scarce skills are addressed through bursary and training programs. The basic requirements to be monitored include:

- Ensuring that the top six posts (Municipal Manager, Finance, Infrastructure and Services, Corporate Services, Community and Social Development Services and Strategy, Economic Development and Planning) are filled by competent and qualified people.
- That the municipal organograms are realistic, underpinned by a service delivery model and affordable.
- That there are implementable human resources development and management programs.
- There are sustained platforms to engage organised labour to minimise disputes and disruptions.
- Importance of establishing resilient systems such as billing.

The Municipality is attending to most of the above issues – albeit in an ad-hoc manner. These activities and actions should be done in a more integrated manner. It is therefore important that these issues should be incorporated in the IDP Objectives. SPLM is reporting on the B2B program via provincial COGHSTA and therefore these issues should also form part of the SDBIP's KPI's and targets – this will result in attending to these issues continuously and in a more integrated manner – rather than only attending to these issues on a quarterly basis when reports are due.

3.1.5.2 LOCAL GOVERNMENT MANAGEMENT IMPROVEMENT MODEL

Linked to the above is the Local Government Management Improvement Model. The LGMIM assesses compliance and quality of management practices of municipalities. It serves two important purposes, namely, learning or improvement, and accountability. It also provides a holistic or integrated picture of the state of management practices within municipalities. Municipalities can then be benchmarked against each other and best practices can be exchanged in order to enhance local government in general.

The LGMIM does not include an assessment of actual deliverables against planned deliverables and it does not assess the performance of individual officials. It is therefore not a performance management system but measures the Municipality's compliance and management practices within the following key performance areas:

- o Integrated Planning and Implementation
- o Service delivery
- o Human Resource Management
- o Financial Management
- o Community Engagement
- o Governance

The LGMIM also does not duplicate existing legal, regulatory and prescribed best practices. It draws these together into a single coherent framework. The due date for the 2018/19 LGMIM Assessment was December 2019 with a review period in January 2020. The late submission of documentation for uploading on the system by some directorates has resulted that the assessment was only partly completed by the IDP Unit.

3.1.5.3 FRANCES BAARD DISTRICT DEVELOPMENT MODEL

The Ministry of COGTA has developed a District Development Model that seeks to bring about a coherent system in order to achieve integrated service delivery and development in 44 districts and 8 metropolitan municipalities.

The status quo analysis or profile will:

- ✓ Inform the development of a spatially integrated single government plan;
- ✓ Guides and direct all strategic investment spending and project delivery across government;
and
- ✓ Form the basis of accountability.

Since the announcement of the DDM by the President Cyril Ramaphosa in his 2020 State of the Nation Address (SONA).

The technical and political coordination forums have been established and it coordinates and monitor the development and implementation of the plans within the ambit of the district model.

The Frances Baard District Development Model profile and Infrastructure plans has been compiled and submitted to Cogta.

The DDM meeting has sat twice and we are in the process preparation for the launch.

FBDM is developing and consolidation of the DDM one plan.

3.1.5.4 RISK MANAGEMENT

CURRENT STRATEGIC RISKS:

1. DECLINING ECONOMIC CONDITIONS IMPACTING ON CUSTOMER AFFORDABILITY

- 1.1 Increased Debtors Book and increasing Indigent Register.
- 1.2 Declining Financial Sustainability
- 1.3 COVID 19 Pandemic resulting in even lower collection rate.

2. SUSTAINABILITY OF REVENUE GENERATION

- 2.1 Sustainability of revenue due to reducing demand for Electricity and increased Tariffs.
- 2.2 Projected revenue shortfall and further negatively affected by COVID 19 Pandemic.

3. RELIABILITY OF CUSTOMER INFORMATION AND DATA

- 3.1 Incorrect Customer Information.
- 3.2 Inability to collect timeously due to Disputes with Customers.

4. CURRENT ADMINISTRATIVE INSTABILITY. (MANAGEMENT)

- 4.1 Acting Municipal Manager.
- 4.2 Acting CFO.
- 4.3 Acting Senior Managers in Finance and Infrastructure Services.
- 4.4 Acting IDP Manager.
- 4.5 Inconsistency in leadership causes instability towards staff.

5. INADEQUATE (FAILING) WATER AND SANITATION INFRASTRUCTURE

- 5.1 Collapse of service delivery. (Failure to meet current demand of water supply and sewer conveyance).
- 5.2 Halting of economic and social development projects.
- 5.3 Ruined Institutional Reputation (Reputational Risk).

6. CONDITION OF WATER AND SANITATION INFRASTRUCTURE (CONVEYANCE AND RETICULATION)

- 6.1 Compromised sustainable and reliable service delivery.
- 6.2 Social and environmental impact.
- 6.3 Revenue loss to the Municipality.

7. HIGH LEVEL OF NON-REVENUE WATER (WATER LOSSES)

- 7.1 Sustainability/Surety of water supply threatened.
- 7.2 Loss of revenue to support service provision (business continuity).
- 7.3 Delayed service provision to new developments (delaying of new developments).

8. DETERIORATING RAW WATER QUALITY AND RISING TARIFFS

(Sustainability of Vaal River supply & Cost of Vaal Water)

- 8.1 Tariff hikes due to high operational costs.
- 8.2 Decrease in affordability affects revenue collection.

9. INADEQUATE ELECTRICITY INFRASTRUCTURE

- 9.1 Limited capacity of High, Medium and Low Voltage and Distribution Infrastructure in certain areas.
- 9.2 Riverton, Hadison Park, Herlear, Galeshewe and Carters Substation are at serious risk.
- 9.3 Draft Master Plan has been completed but not finalised.
- 9.4 Old and aged 66KV and 11KV switchgear.
- 9.5 Theft of Equipment in substations and networks infrastructure.

10. HUMAN RESOURCE MANAGEMENT

- 10.1 Inadequate and Ineffective Security Measures to protect assets (Currently new Technology is being explored).
- 10.2 Substandard Security of Substations and Plant and Equipment in general.
- 10.3 Low productivity affecting Service delivery due to COVID 19 Pandemic.
- 10.4 Inadequate capacity and lack of skilled operational and maintenance staff in Electrical, Water and Sanitation Sections.

11. INFORMATION TECHNOLOGY RISK

- 11.1 In-efficient delivery on Strategic Objectives due to ineffective IT Management and implementation as a result of non-alignment and no oversight of IT to the IDP Strategic Objectives.

12. AUDIT OUTCOME

- 12.1 Inability to move from Unqualified to Clean Audit.
- 12.2 Ineffective Performance reporting and general non-compliance.

KEY ISSUES:

- The lower collection rate and escalation in O/S debtors, especially debt over 90 days.
- Decline in Cash & Cash Equivalents, resulting in less than 1 month's Cost Coverage.
- Budgetary and Cash Flow constraints.
- Overall expenditure.
- Personnel expenditure.
- Expenditure on Overtime.
- Non-payment of O/S debt by Organs of State.
- Excessive Expenditure on EPWP and the funding of the programme.
- Severe Sewerage reticulation issues.
- Serious issues relating to Water Distribution.
- Water and Electricity losses that remain unacceptably high.
- MM and CFO positions.
- The issue of under and unfunded mandates remain problematic (Libraries, Roads, Housing and Health).
- Vacancies of Senior Officials within Finance and Infrastructure and IDP Manager.
- Contractors failing on contract finalisation due to financial constraints and local content.

Challenges

From the above it is clear that Risk Mitigation due to the current Financial Position of SPM is going to remain a challenge. This is also going to impact on Service Delivery and the sustainability thereof.

The Financial Position also affects directly on the filling of critical and vacant positions in areas such as Electricity, Water and Sanitation Sections, again affecting the capacity and ultimately Services Delivery.

A further challenge is that projects required for Risk Mitigation and those captured for mitigation are unfunded in the current Capital Plan. Seeking alternative Revenue sources to assist with this is a priority.

CHAPTER 4: INTEGRATION OF THE IDP

4.1 LINKAGE OF THE IDP TO OTHER STRATEGIC DOCUMENTS

It should be emphasized that the IDP was not developed in isolation. National plans, goals and frameworks were considered as follows:

4.1.1 Sustainable Development Goals (SDGs)

These goals are aimed at ending poverty, fighting inequality and injustice, and tackling climate change by 2030. Goal eleven of the seventeen SDG's is: "Making cities and human settlements inclusive, safe, resilient and sustainable" which is a specific focus area for SPM during this IDP cycle.

4.1.2 African Union Agenda 2063

This agenda recognises that: "Cities and other settlements are hubs of cultural and economic activities, with modernized infrastructure, and people have access to affordable and decent housing including housing finance together with all the basic necessities of life such as, water, sanitation, energy, public transport and ICT." One of Agenda 2063's key objectives is to: "Provide opportunities for all Africans to have decent and affordable housing in clean, secure and well planned environments."

4.1.3 National Development Plan (NDP)

The NDP challenges all, "to rethink the urban to face the future challenges" and to "grapple with this task and deal intelligently with social exclusion, environmental threats, economic inefficiencies, logistical bottlenecks, urban insecurity, decaying infrastructure and the impacts of new technologies." The National Development Plan envisages a future in which, "we have created a home where everybody feels free yet bounded to others; where everyone embraces their full potential. We are proud to be a community that cares." It also envisages a future in which, "Our homes, neighbourhoods, villages, towns and cities are safe and filled with laughter." Our future is clearly an urban future, an urban future inextricably linked to our rural future.

The NDP recognises that, "while the fundamental reshaping of the colonial and apartheid geography may take decades, by 2030 South Africa should observe meaningful and measurable progress in reviving rural areas and in creating more functionally integrated, balanced and vibrant urban settlements." However, for this to happen, the NDP says the country must do three things:

1. Clarify and relentlessly pursue a national vision for spatial development;
2. Sharpen the instruments for achieving this vision;
3. Build the required capabilities in the state and among citizens.

In the spirit of the National Planning Commission's "National Development Plan - Vision 2030", stronger social partnerships between government, organised labour, organised business and the community constituency are needed to address investment, employment and poverty challenges our country faces.

Government has therefore developed a range of intervention approaches to support and guide action on growth and development. The two most important of these documents, at present, in relation to local government are:

National Development Plan is about both growth and redistribution and there are many aspects to this transformation challenge:

How we utilise land and our mineral resources,
 How we organise transport, energy and communication networks,
How we manage cities and local government,
 How we improve education and health services,
 How we reform our social security and welfare services,
 How we broaden ownership and enterprise development, and
 How we engage with Africa and the rest of the world.

Figure 7: The National Development Plan – Vision 2030

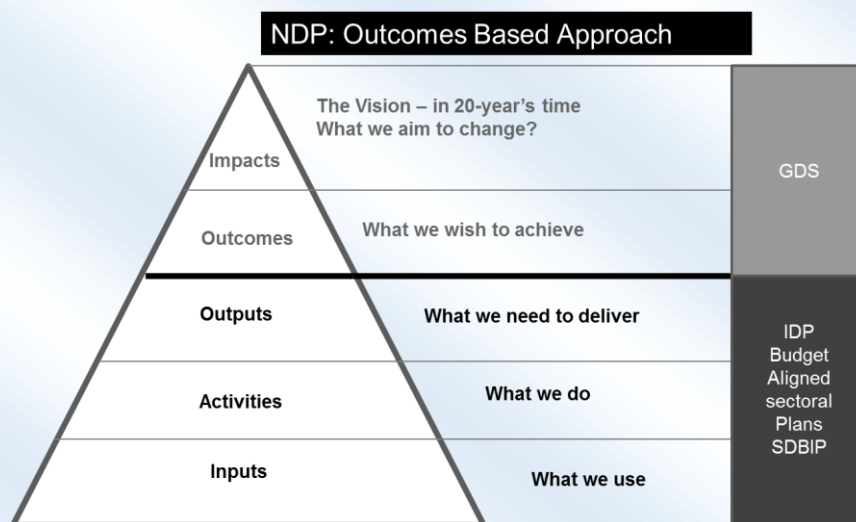


Although municipalities can also contribute to most of the above themes it is in the areas of managing cities and local government where it plays its specific role in contributing towards the NDP.

However, the National Development Plan (NDP) – Vision 2030 has been given greater emphasis as the point of departure for all spheres of Government in terms of planning and budgeting for next 20 to 30 years. The Plan includes integrated strategies for accelerating growth, eliminating poverty and reducing inequality. The NDP further emphasises lowering the cost of living for households and reducing the cost of doing business, especially for small and emerging enterprises.

In light of the above and for SPLM to contribute towards the vision of the NDP it needs to, as a priority, embark on a process to develop a Growth and Development Strategy with a long term (30 year) planning horizon.

Figure 8: NDP Outcomes Based Approach



At present there exist a “gap” in the SPLM's planning hierarchy in the sense that from a long-term planning perspective on national, provincial and district level the SPLM is forced to align its planning with these documents on a “medium-term” perspective instead of a long-term perspective such as the GDS.

Figure 9: The GDS in the Planning (IDP) and Budgeting Context

The illustration above indicates how this process will unfold to ensure:

1. Proper alignment to national provincial and district long-term plans and policies.



2. Alignment and linkage between all sectoral issues such as the space-economy (SDF and LED Strategy), municipal infrastructure investment framework (MIIF), municipal financial management and sustainability (financial plan) and municipal institutional development (institutional plan).
3. Transformation of the current development policy framework into one that is integrated, coherent, strategic and user friendly.
4. In-depth collaboration and consultation with all relevant stakeholders to ensure a common vision and understanding of the future growth and development path of SPLM.
5. An implementation framework with key projects and activities linked to programs and projects and main activities – with funding alternatives - that will be integrated with the municipal 5-year IDP and Budget cycles.

4.1.4 Back to Basics programme

The National Development Plan makes it clear that meeting the development and transformation agenda requires functional municipalities and a capable machinery at a local level that can create safe and healthy and economically sustainable areas where citizens and people can work, live and socialize.

The goal of the B2B Programme is to improve the functioning of municipalities to better serve communities by getting the basics right.

Municipalities must therefore:

- Develop fundable consolidated infrastructure plans.
- Ensure infrastructure maintenance and repairs to reduce losses with respect to
- Water and sanitation.
- Human Settlements.
- Electricity.
- Waste Management.
- Roads.
- Public Transportation.

Ensure the provision of Free Basic Services and the maintenance of Indigent register.

4.1.5 Integrated Urban Development Framework

This framework, adopted by Cabinet in April 2016, marks a New Deal for South African cities and towns, by steering urban growth towards a sustainable growth model of compact, connected and coordinated cities and towns. Its overall outcome is spatial transformation. The IUDF builds on the National Development Perspective conception of spatial transformation and advocates that the elements of urban structure, namely land, jobs, housing and transport should be used to promote urban restructuring. SPLM is a pilot for this framework, and as such, the strategic objectives are directly aligned to the principles set out in the IUDF.

The IUDF is guided by the four principles set out in the NDP: spatial justice, spatial sustainability, spatial quality, spatial efficiency, and spatial resilience. To achieve this transformative vision, the IUDF introduces four overall strategic goals:

- Spatial integration: To forge new spatial forms in settlement, transport, social and economic areas.
- Inclusion and access: To ensure people have access to social and economic services, opportunities and choices.
- Inclusive Growth: To harness urban dynamism for inclusive, sustainable economic growth and development.
- Governance: To enhance the capacity of the state and its citizens to work together to achieve spatial and social integration.

The end goal is to strengthen rural-urban linkages, promote urban resilience, create safe urban spaces and ensure that the needs of the most vulnerable groups are addressed.

To accelerate progress in respect of the spatial transformation of cities more urgently and assertively, and to address the stubborn persistence of spatial patterns enforced in the apartheid years, a key instrument is pursuing coherent and integrated planning supported by strategic investments in infrastructure.

Development for the province is set out in the Northern Cape Provincial Growth Development Strategy (2004-2014), which sets the tone for development planning and outlines the strategic planning direction in the Province. The main objectives set by the NCPGDS for development planning in the Province are:

1. Promoting the growth, diversification and transformation of the provincial economy;
2. Poverty reduction through social development;
3. Developing requisite levels of human and social capital;
4. Improving the efficiency and effectiveness of governance and other development institutions;
5. Enhancing infrastructure for economic growth and social development.

The Province is in the process of developing a Provincial Growth and Development Plan which responds to the NDP and will have the following broad objectives:

- Providing overarching goals for what they want to achieve by 2030.
- Building consensus on the key obstacles to the province achieving these goals and what needs to be done to overcome those obstacles.
- Providing a shared long-term strategic framework within which more detailed planning can take place in order to advance the long-term goals set out in the Northern Cape Growth & Development Plan – Vision 2030 and
- Creating a basis for making choices about how best to use limited resources.

4.1.6 Provincial and District Strategies

Development for the province is set out in the Northern Cape Provincial Growth Development Strategy (2004-2014), which sets the tone for development planning and outlines the strategic planning direction in the Province. The main objectives set by the NCPGDS for development planning in the Province are:

1. Promoting the growth, diversification and transformation of the provincial economy;
2. Poverty reduction through social development;
3. Developing requisite levels of human and social capital;
4. Improving the efficiency and effectiveness of governance and other development institutions;
5. Enhancing infrastructure for economic growth and social development.

CHAPTER 5: SECTORAL PLANS

5.1 EXISTING SECTORAL PLANS AND THE RELEVANCE THEREOF

It is also important to ensure the sectoral alignment as mentioned above. Sector Plans plays an important role in management, planning and decision-making.

Table 16: Existing Sectoral Plans

Sector Plan	Contribution to IDP Objectives	Status
Spatial Development Framework (SDF) and aligned Land Use Management System (LUMS)	<p>The SDF sets out the objectives for the desired spatial form of the municipal area. It also contains strategies relating to the desired pattern of land use. It also addresses spatial reconstruction and provides strategic guidance for the location and nature of future development in the Municipality. It contains a strategic assessment of the environmental impact of the SDF and identifies programs and projects for the development of land within the municipality. The SDF also sets guidelines for a land use management system.</p> <p>While the SDF deals with spatial policy issues the Land Use Management Scheme 2008 (LUMS) gives effect to these policies and can be seen as the implementation tool of the SDF. The LUMS consist of a set of Zoning Plans which indicate the specific use allowed on the land parcel. The LUMS will be reviewed after completion of the reviewed SDF.</p>	<p>The Draft SDF 2018-2022 was approved by council on the 26 February 2020 and it will be out for public participation in due course. This will enable the city to outline its growth strategy spatially and also encourage the investment in the City. The reviewed SDF will be able to guide the orderly and desirable spatial development inter alia developing development strategies.</p> <p>Thus creating integrated, sustainable and habitable city as well as rural areas.</p> <p>Lastly in the financial year 2020/2021 the municipality will review the Land Use Management Scheme 2008 in order to comply with Section 27 (1) of the Spatial Planning and Land Use Management Act 16 of 2013</p>
LED Strategy	<p>The LED Strategy was prepared to investigate the options and opportunities available to broaden the local economic base of Sol Plaatje in order to address the creation of employment opportunities and the resultant positive spin-off effects throughout the local economy. Poverty and lack of economic development are two indicators of the sub-optimal functioning and operation of a development system, creating a poverty trap with a range of developmental and social problems.</p>	<p>Old Mutual Group has collaborated with SPM by funding the review of the LED Strategy to value of R1 million. The Centre for Local Economic Development at University of Johannesburg is the appointed service provider reviewing the LED Strategy. The inception meeting took place in February 2020. The focus group meetings will be on the 18th, 19th and 20th March 2020 first focus group with SPM officials and Councilors including business communities other institutions</p>

Sector Plan	Contribution to IDP Objectives	Status
	<p>The creation of an economic base through the LED Strategy is deemed critical, since the local economy of Sol Plaatje is largely dependent on a select few sectors such as community services, mining and retail for the generation of production and employment opportunities. The local economy is very vulnerable with respect to any shock (contraction or change) within these sectors, which could have a devastating effect on local communities in terms of job losses. This phenomenon is already evident within the Mining Sector as many mineworkers in the study area and the Province as a whole, have over the last few years, experienced retrenchments and job losses.</p> <p>It should be noted that strategy formulation is regarded as a process and this process can be applied to initiate economic development and inform the establishment of economic development partnerships between the local municipality, the community as well as the private sector. The strategy should not be regarded as an end in itself, but rather as a dynamic and pro-active tool to be used by the municipality to promote regeneration and economic development.</p>	<p>such as IDC, NEF, NYDA, SEDA.</p> <p>The review It promotes LED Strategy as a <i>territorial-led approach to development; as an inclusive and innovative process; and as an outcome that results in stronger local economies.</i> Therefore, is designed to entrench LED as primarily a territorial response to local challenges of Frances Baard region. It emphasises the importance of unique characteristics of localities; an innovative approach to development; a Local Government-led process, multi-stakeholder driven process, and an outcome based on progressive partnerships.</p> <p>Thus, Frances Baard District Municipality, Phokwane, Magareng and Dikgatlong are part of the review and on the 19th and 20th March the focus meetings is with these municipalities.</p>
Integrated Transport Plan (ITP)	<p>Roads and Storm Water section provides an effective, competitive and responsive infrastructure by ensuring continuous maintenance, refurbishment, upgrade and replacement of existing roads and storm water infrastructure assets in order to sustain service delivery and infrastructure development in the municipality.</p> <p>By ensuring effective roads and Storm Water systems, this section contributes towards facilitating economic growth and social development, improving traffic flow and traffic safety by alleviating traffic congestion. For this, Integrated Transport Plan becomes crucial, as a strategic sector plan.</p>	<p>The sector still does not have Master Plans. However, Master Plans shall be developed in the 2021/2022 financial year, to inform ITP and provide inputs into IDP review or new IDP process.</p>
Water Services Development Plan (WSDP)	<p>The Water Services Act, 1997 (Act 108 of 1997) requires municipalities which have been authorized to render the water services provision function (Water Services Authorities) to:</p> <ol style="list-style-type: none"> 1. Draft a Water Services Development Plan as part of their IDP process 2. Elicit comments on draft WSDP 3. Consider and report consideration of 	<p>SPLM has completed the process to prepare a WSDP in accordance with the new Guideline framework of DWA. DWA is also in the process to review IDP assessment framework in consultation with CoGTA to align with WSDP Guide Framework. The outstanding process is the approval by the Council</p>

Sector Plan	Contribution to IDP Objectives	Status
	<p>comments</p> <ol style="list-style-type: none"> Finalize and adopt the WSDP Supply copies to DWS, CoGTA & neighboring WSA's Incorporate the WSDP into the IDP Report on the implementation of the WSDP every year 	
Storm water Master Plan		SPLM does not have a Storm water Master Plan in place.
Disaster Management Plan (DMP)	<p>The Disaster Management Act (No 57 of 2002) emphasis four main objectives, to be executed by all municipalities, namely;</p> <ul style="list-style-type: none"> The compilation of a Disaster Management Framework (DMF). The execution of comprehensive disaster hazard, vulnerability and risk assessment. The compilation of disaster management plans. Establishment of a Disaster Management Centre. <p>These four objectives aim to help formulate and implement appropriate disaster risk reduction strategies</p> <p>The Disaster Management Plan guides all role players on how to proactively manage disasters, respond to disasters and recover from disasters.</p>	<p>The Disaster Management Plan was adopted by Council in August 2008. This Plan was updated already in June 2018.</p> <p>The plan and executive summary were submitted to the Safety and Security Committee on several occasions and due to no quorums, it was escalated to the next level. It was later decided to present it to the EMT who supported it and there after it was submitted to the Mayoral Committee with Ald Matika as the then Chairperson where it was noted. Unfortunately, it was during the time with quite a lot of division between ANC Councillors and meetings were postponed indefinitely. The then Municipal Manager made a proposal that the documents be placed on the Intranet for inputs by the general public.</p>
Water and Sanitation Master Plan	<p>The Water Services Act, 1997 (Act 108 of 1997), prescribes the legislative duty of municipalities as water-service authorities to provide water supply and sanitation according to national standards and norms. It also regulates water boards as important water service providers and gives the executive authority and responsibility to the Minister of Water and Sanitation to support and strengthen the capacity of municipalities to manage their own affairs, exercise their powers and perform their functions.</p> <p>In order to meet this requirement, the municipality must develop and update plans that seek to support this requirement.</p>	<p>The water and sanitation master plan is completed and used by the user sub-directorate. The process of getting it approved by the Council is currently underway.</p>
Electricity Master Plan	<p>The master plan details the needs versus the current situation. The master plan is aligned to the IDP where all sector plans were considered. This for both medium-term and long-term. This master plan outlines the impact on consumers/communities and industry, and includes an implementation plan which will be dependant on funding sources.</p>	<p>The Electricity Master Plan was completed.</p>

Sector Plan	Contribution to IDP Objectives	Status
Integrated Waste Management Plan (IWMP)	<p>The overall aim of the IWMP is to set out the direction required for the effective management of waste within SPLM that will result in activities that will not only align those activities with the legislative compliance required but will have a positive effect on the health and wellbeing of communities and the environment.</p> <p>The IWMP addresses the following focus areas:</p> <ul style="list-style-type: none"> ○ Review the current routes of collection and implement a cost effective and sustainable system of collection in all areas within SPLM. ○ Ensuring a positive impact on the health of communities. ○ Limiting the impact on the environment. ○ Compliance with relevant legislation. ○ Encouraging community participation through mobilization, education and awareness programmes. ○ Proper management of the refuse disposal site so as to ensure legislative compliance and limited impact on the health of communities and the environment. ○ Proper and effective monitoring and control of all processes. ○ Facilitation of effective waste minimization projects through recycling, avoidance, reduction and proper disposal with the focus on entrepreneurship development. ○ Implementation of resources required and the effective management thereof. ○ Prevention of air, water and soil pollution. ○ Effective law enforcement. ○ Eradicate illegal dumping and littering on municipal, public and private property. 	<p>An Integrated Waste Management Plan has been adopted by Council in October 2011 and program/projects emanating from this plan have been included in the 5-year Action Plan of this IDP. Kwezi V3 Consultants was appointed to review the Plan, which was finalized in 2018 and only council approval is still outstanding. Upon approval the plan will be submitted to the MEC.</p>
Integrated Environmental Management Plan (IEMP)	<p>The IEMP presents an IDP sector plan, which strives to achieve the following:</p> <ul style="list-style-type: none"> ○ To ensure that municipal development strategies and projects take cognisance of: <ul style="list-style-type: none"> • Existing environmental problems and threats; and • Environmental assets; 	<p>The Environmental Status Quo document (IEMP Volume 1), has been completed in Jan 2012 and takes stock of the environmental profile of SPLM in terms of the current state of the Municipality's environmental features and their associated issues.</p> <p>Volume 2 of the IEMP provides the strategic framework and interventions</p>

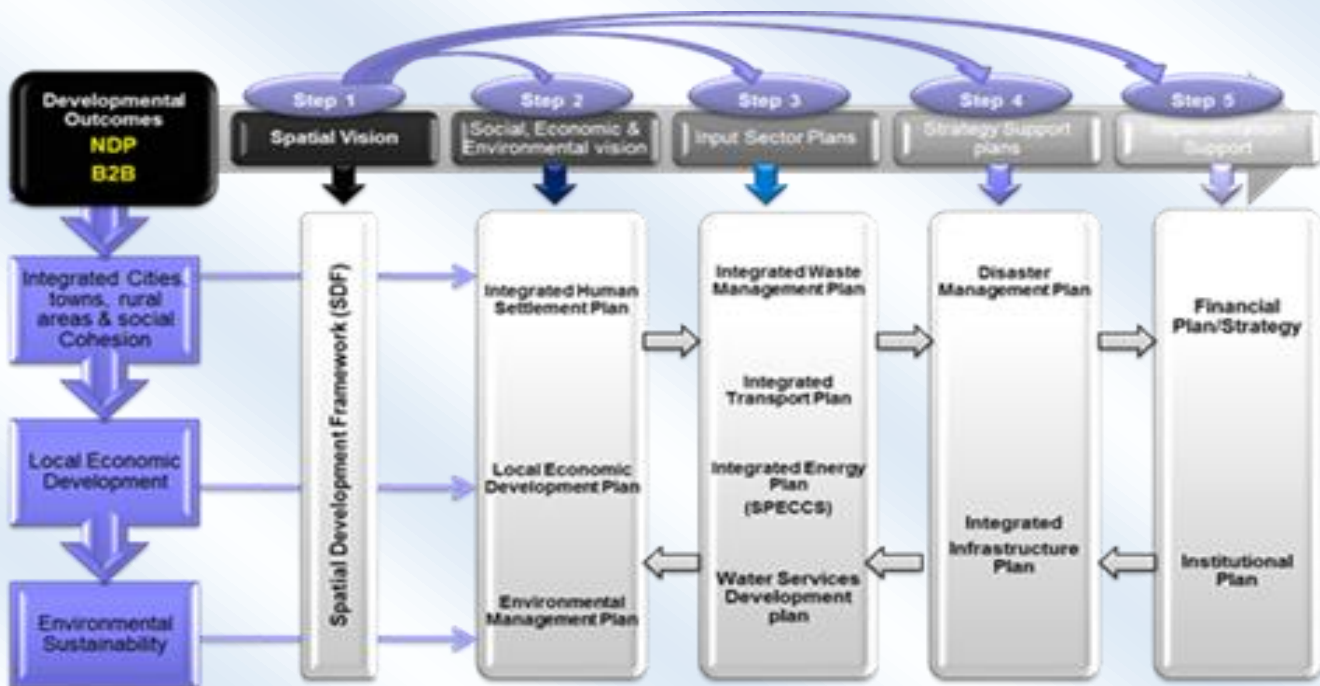
Sector Plan	Contribution to IDP Objectives	Status
	<ul style="list-style-type: none"> ○ To ensure that the Chapter 1 principles of the National Environmental Management Act (Act No. 107 of 1998) are applied when: Strategies are designed; and Projects planned; • To ensure a healthy environment by ensuring that: • Urgent environmental issues are addressed; and • Envisaged projects have no negative impacts on the natural environment. 	<p>for addressing prioritised environmental issues and harnessing the potential of natural assets. Volume 2 has been completed in Mar 2012.</p> <p>The municipality does not have an Environmental Unit at present.</p>
Municipal Infrastructure Investment Framework (MIIF) and Capital Expenditure Framework (CEF)	<p>The Municipal Infrastructure Investment Framework should address the following critical issues:</p> <ul style="list-style-type: none"> ○ Bulk Infrastructure requirements (electricity, water, sanitation, waste disposal and transport network) ○ Infrastructure network (reticulation) requirements (electricity, water, sanitation, roads, waste management – telecom and IT) ○ Replace and refurbish existing and ageing Infrastructure (electricity, water, sanitation, solid waste disposal and the transport network. Upgrade and extent the existing IT and telecom infrastructure network ○ Provide sufficiently for infrastructure operations and maintenance requirements (electricity, water, sanitation, solid waste disposal, roads, storm water and the IT and telecom networks) 	<p>Central government have proposed a new capital funding model, with the intention of consolidating all its funding streams. This is effected through the Capital Expenditure Framework (CEF). Although the intention of CEF is not to replace MIIF, but has similar features. Municipality has approved CEF, which will dovetail with MIIF when it is developed and completed.</p> <p>Due to the seriousness of the bulk infrastructure backlogs the Municipality continues to implement recommendations of the feasibility study that quantified the actual infrastructure backlog and came up with a funding model. The feasibility study focused on critical infrastructure delivery such as water, sanitation and electricity capacity.</p> <p>The already developed master plans for water, sanitation and electricity shall provide crucial stepping stones towards the MIIF</p>
Institutional Plan	<p>The SPLM's Institutional Plan will address:</p> <ul style="list-style-type: none"> ○ A revised HR Policies and Procedures Handbook were prepared. ○ An assessment of changes required to Macro and Micro Organisational Structure was completed and proposals on the "to be" Organisational Structure were drafted ○ An approved Human Resource Strategy Report was prepared. <p>Linked to the above process an assessment was also done on the strengths and weaknesses of the current Sol Plaatje Municipal Political Governance Model and</p>	<p>As part of its Turnaround Strategy and OPCAR the Sol Plaatje Municipality has identified Institutional Building as a key focus area in line with the National Local Government Turnaround Strategy and Outcomes Based. An institutional overview indicated the critical interventions that were required in this area and has been included in a draft plan which is in its approval phase.</p>

Sector Plan	Contribution to IDP Objectives	Status
	it was revised in line with relevant legislation.	
Financial Plan	<p>The Financial Plan should define sound financial management and expenditure control as well as means of increasing revenues and external funding for the Municipality to achieve its development priorities and objectives. It will further address:</p> <ul style="list-style-type: none"> Revenue raising strategies Asset management strategies Financial management strategies Capital financing strategies Strategies that will enhance cost-effectiveness Operational financing strategies 	<p>The Long Term Financial Plan was for the period 2017/18 to 2026/27 and was finalized in December 2018. All strategies for financial plan are available.</p> <p>SPM has developed a Capital Expenditure Framework (CEF) which will assist the municipality in allocating funds to previously disadvantaged areas. The CEF is a comprehensive, high level, long-term spatial infrastructure plan which is underpinned by a 10 year financial plan.</p>
Integrated Human Settlement Plan	<p>The aim of the IHSP is to identify the location and nature of specific housing projects in the greater SPLM area, the combined effect of which is to meet the net housing need in the area, insofar as possible within the strategic framework of the SPLM IDP, taking into account the realities of development on the ground.</p> <p>The IHSP should be read with the IDP which remains the principal strategic planning instrument which guides and informs all planning and development and all decisions with regard to planning, management and development in the municipality.</p>	<p>An IHSP has been adopted by Council in October 2011 and is due for review.</p> <p>The National Upgrading of Informal-Settlements program assist the categorization and the implementation of the upgrading plans viz Relocation, In Situ or Infill upgrading plans. We identified 31 Informal-settlements of 20 are fully upgraded for residential purposes 11 are outstanding due to funding to complete the others with additional 6 recently areas invaded. The IHSP is part of the efforts to deal with the Human-settlements Backlog in terms of the different housing programs, viz Social Housing, BNG, CRU's and FLISP. {Gap Market}</p>
Ward Based Plans	<p>Practical implementation plans should be prepared for each ward to include the following – in order to create sustainable livelihoods:</p> <ul style="list-style-type: none"> One needs to develop a “pro-forma” for these plans – they need to address the same things, follow the same process and look the same. The plan needs to provide some community perspective/back ground, a statement of needs and then a plan. The plan needs to address 1-year, 3-year and 5-year needs. All service and functional areas need to be addressed. A useful planning and monitoring tool to use is a matrix. The matrix effectively links plan, budget, responsibility and performance in one document/page. The plan should also be illustrative. 	<p>A draft ward based planning model is in plan. The practical implementation of this model is still a challenge due to various factors – the most important being that the issue of outdated sector plans in all infrastructure areas should be addressed before effective ward based planning can be done. Ward priorities are however sources from the various ward councilors and these priorities are listed earlier in this document</p>

5.2 THE LOGIC OF SECTOR PLANS

Through the development of a Growth and Development Strategy SPLM will also be in a position to transform the current policy framework (including the sector plans) into one that is integrated, coherent, strategic and user-friendly. A strategic user friendly document can be produced through the GDS process that integrates and references all municipal plans, strategies and programmes related to the SPLM's long term integrated space-economic vision and goals. This will result in the "logic of sector plans". This is illustrated in the diagram below – which follows a logic sequence.

Figure 10: Logic of Sectoral Plans



From the illustration above SPLM should:

- In the first instance look at how it can, on a local level, contribute towards the national development outcomes in creating integrated cities that include social cohesion.
- Secondly, how it can ensure an enabling environment for local economic development, and
- Thirdly, how it can contribute towards environmental sustainability.

The three above mentioned national strategic objectives (which also aligns to the principles of sustainable development) can be achieved by utilising the "logic of sector plans", in the absence of a Growth and Development Strategy, as illustrated above:

Step 1: The Spatial Vision

Everything happens in a space. The above objectives therefore need to be spatially organised. Section 26(e) of the Local Government: Municipal Systems Act, No. 32 of 2000 (the "MSA") requires all municipalities to compile Spatial Development Frameworks (the "SDF") as a core component of Integrated Development Plans (the "IDP").

It is therefore important that the SPLM has a Spatial Development Framework in place that will ensure an integrated and optimal spatial development of the City and its surrounding areas. SDF will give effect to National, Provincial and Municipal Planning and Alignment of the strategic frameworks of other spheres as well as sector plans i.e. Housing Sector Plan.

The NDP, for instance, stresses the importance of a strong and efficient spatial planning system, well integrated across the spheres of government. In this endeavour it promotes the following actions:

- Reforms to the current planning system for improved co-ordination (SPLUMA is one example).
- Develop a strategy for densification of cities and resource allocation to promote better located housing and settlements.
- Substantial investment to ensure safe, reliable and affordable public transport.
- Introduce spatial development framework and norms, including improving the balance between location of jobs and people.
- Conduct a comprehensive review of the grant and subsidy regime for housing with a view to ensure diversity in product and finance options that would allow for more household choice and greater spatial mix and flexibility. This should include a focused strategy on the housing gap market, involving banks, subsidies and employer housing schemes.
- National spatial restricting fund, integrating currently defused funding.
- Establish a national observatory for spatial data and analysis.
- Provide incentives for citizen activity for local planning and development of spatial compacts.
- Introduce mechanisms that would make land markets work more effectively for the poor and support rural and urban livelihoods.

Step 2: Social, Economic and Environmental Vision

This step elaborates on the detail within the Spatial Vision namely to articulate the social -, economic -, and environmental vision through the following strategic plans, namely:

- An Integrated Human Settlement Plan
- A Local Economic Development Plan
- An Environmental Management Plan

These plans need to articulate in detail how SPLM will transform its human settlements as envisaged by both the NDP and B2B in order for it to be socially and economically integrated and environmentally sustainable within the Spatial Vision.

These plans are especially important as it is the strategic priorities that should inform the Municipalities actions and allocation of resources. The B2B especially emphasises the output and impact of these plans.

Step 3: Input Sector Plans

This step refers to the input that is necessary to realise the strategic plans mentioned in Step 2. It is the actual action plans that deal with the infrastructure and services such as:

- Integrated Waste Management Plan
- Integrated Transport Plan
- Integrated Energy Plan

- Integrated Water Services Development Plan

The important aspect of these plans are that they should include specific projects with time frames and budgets (including funding sources).

Step 4: Strategy Support Plans

The strategy support plans is complementary to the input plans and deal specifically with disaster management and a Municipal Infrastructure Investment Framework (MIIF).

Step 5: Financial Strategy/Plan and Institutional Plan

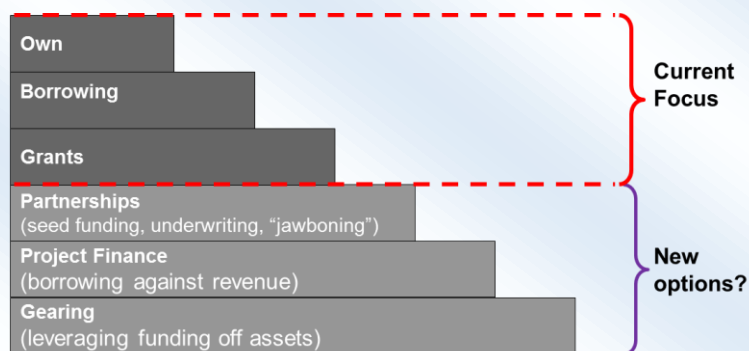
The last step in the sequence of the “logical sector plans” is the resources needed to implement these plans. At this stage the Municipality is aware of what it needs to implement to achieve its goals and objectives and therefore need to allocate the necessary resources, which will include:

- The Financial Strategy/Plan
- The Institutional Plan (Human Resources)

By following the above process SPLM will ensure that it structurally addresses all the issues related to what is envisaged in the NDP and B2B.

As part of the implementation framework of the GDS SPLM also needs to explore new funding alternatives apart from the traditional sources of funding, as illustrated below in order to achieve its development goals.

Figure 11: Alternative Funding Methodologies



Sound financial management is integral to the success of local government. Performance against the following basic indicators will be constantly assessed:

- The audit opinions for the last three to five years.
- Whether the budgets are realistic and based on cash available.
- The percentage revenue collected.
- The extent to which debt is serviced.
- The efficiency and functionality of supply chain management.

CHAPTER 6: MONITORING OF THE IDP AND BUDGET

The IDP's Multi-year Municipal Performance Plan will inform the 2021/22 SDBIP which aligns with both the Capital and Operational Budget. KPI's and targets cannot be set if resources are not available. Resources refer to both institutional capacity as well as financial capacity.

The Capital Budget is attached in the schedules while the Operational Budget is contained in the Budget Statement. The Capital Budget is included in the IDP as it speaks directly to LED, Infrastructure Development and Service Delivery outputs while the Operational Budget mainly addresses the activities which produces the outputs.

SPLM's SDBIP for 2021/22 will be completed after the public consultation process as priorities may be adjusted due to this process. The SDBIP will submitted to the Executive Mayor by Mid-May for approval and submission to Council at the same time as the submission of the IDP and Budget for adoption.

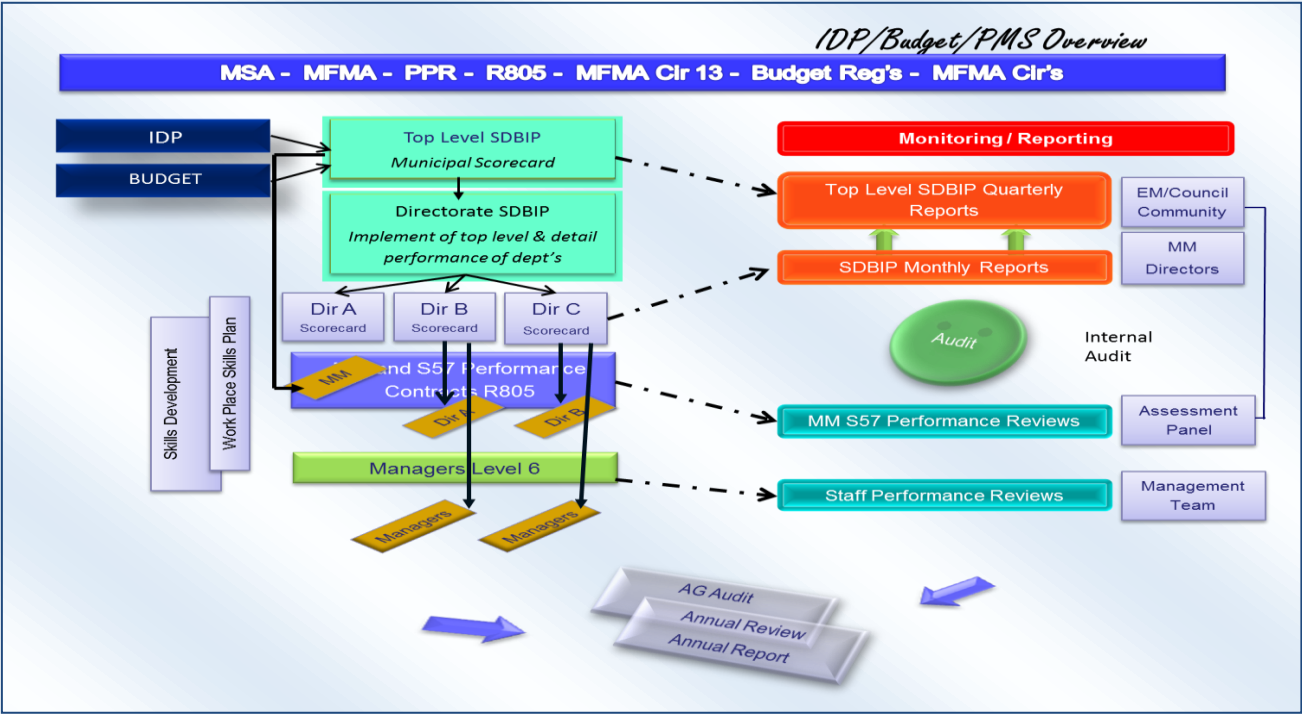
The SDBIP gives effect to the implementation of the IDP and Budget of the Municipality. The IDP Objectives, Key Performance Indicators and Targets aligned to the Budget within each Key Performance Area in the Multi-Year Municipal Performance Plan will then inform the SDBIP for the 2021/22 financial year and breaks it up into quarterly targets.

The "top layer" SDBIP is used as a framework for the Organizational Performance Management System. The implementation of the IDP and Budget is monitored, evaluated, reported and measured through the integrated Performance Management System (PMS) to ensure that the resources available to the Municipality are directed at the delivery of prioritized projects, programs and operations that meet the agreed IDP Objectives. Monitoring, evaluating, measuring and reporting performance will also assist the Municipality:

- To make immediate and appropriate changes in the prioritized delivery process and to adjust resources accordingly;
- Identify and overcome major or systemic blockages in the delivery process and
- Guide future planning on development objectives and resource use.

The PMS process from planning through in-year monitoring and reporting up to the Annual Report is structured as per the figure below:

Figure 12: IDP/Budget/PMS Linkage



ANNEXURE 1 – HIGH LEVEL PROCESS PLAN

IDP AND BUDGET TIME-SCHEDULE FOR PREPARING THE IDP REVIEW 2020/21 AND BUDGET FOR 2021/22 MTREF					
NO	ACTIVITY DESCRIPTION	ORGANISATIONAL RESPONSIBILITY	OUTPUT	LEGISLATIVE REQUIREMENT AND INFORMATION	TIME FRAME
JULY 2020					
1	Briefing sessions with EMT to initiate the Annual Report and Annual Audit processes	MM/CFO	Process Plan to complete the Annual Report and Annual Audit (Audit File process)	Internal process	21 July 2020
2	Constituting the IDP/Budget Steering Committee	MM/CFO	Legally constituted IDP/Budget Steering Committee	MFMA s53(1)	23 July 2020
3	Consideration of the IDP and Budget Process Plan 2021/22 MTREF	MM/CFO/EMT	Process Plan for the 2020/21 IDP Review and Budget for 2021/22 MTREF	MSA 32 of 2000 & MFMA No. 56 of 2003	28 July 2020
4	Approval of the IDP and Budget Process Plan	Executive Mayor	Approval of the IDP and Budget Process Plan for 2021/22 MTREF	MSA 32 of 2000 & MFMA No. 56 of 2003	31 July 2020
5	Conclude MM and s57 Managers Performance Agreements and Plans	MM/Mayco/Corporate Services ED	Signed Performance Agreements and Plans for MM and s 57 Managers	MSA and Reg 805	28 July 2020
6	Submit 4 th Quarter to: 1. EMT 2. NT/PT 3. EM/IDP Budget Com 4. Submission of Section 52 (d) Report to Council	All	4 th Quarter Report 2019/20	MFMA S52(d)	31 July 2020
AUGUST 2020					
7	Tabling of the approved (by the Budget Steering Committee) IDP and Budget Process Plan	IDP, Budget and PM Committee (Sec 80 Committee)	Recommend the approval of the IDP and Budget Process Plan to Council	Terms of Reference of the Committee (Oversight Committee on IDP, Budget and Performance Management and Reporting)	7 Aug 2020
8	Publish MM and 57 Managers Performance Agreements and Plans on Web and submit to CoGHSTA, NT and PT	Corporate Services	Published and submitted performance agreements and plans	MSA and Reg 805	7 August 2020
9	Presentation of Final draft AFS EMT Audit Committee AGSA	MM/CFO	Submission of annual financial statements as per section 126(1) of the MFMA. Draft Annual Performance Report 2019/20 as per section 46 of the MSA.	s126(1) of the MFMA s46 of the MSA.	21 Aug 2020 31 Aug 2020 31 Aug 2020
10	Submit Annual Report including Annual Financial Statements and Annual Performance Report to the Audit Committee	MM/CFO	Submission of annual financial statements as per section 126(1) of the MFMA. Draft Annual Performance Report 2019/20 as per section 46 of the MSA.	MFMA Circular 63, Sep 12	31 Aug 2020
11	Approval of the IDP and Budget Process Plan	Executive Mayor	Council approves the IDP and Budget Process Plan 2021/22 MTREF	MSA 32 of 2000 & MFMA No. 56 of 2003	31 Aug 2020

IDP AND BUDGET TIME-SCHEDULE FOR PREPARING THE IDP REVIEW 2020/21 AND BUDGET FOR 2021/22 MTREF

NO	ACTIVITY DESCRIPTION	ORGANISATIONAL RESPONSIBILITY	OUTPUT	LEGISLATIVE REQUIREMENT AND INFORMATION	TIME FRAME
12	Submission of the Financial Statements, Annual Report and Annual Performance Report to the AGSA	MM/CFO	Submission of signed AFS, Draft Annual Report and Final Annual Performance Report to AGSA		31 Aug 2020
13	Advertisement of time-schedule on website, local newspapers and notice boards	IDP/BTO	Notification to public on how and when the IDP and Budget preparation process 2021/22 will happen	MSA and MFMA	31 Aug 2020
SEPTEMBER 2020					
14	Issue of Budget guidelines (operational budget)	CFO	Issue Circular on operational budget guidelines: <ul style="list-style-type: none"> - Confirm approved organogram - Vacant and funded positions - Maintenance Plans - Review of Long Term Borrowing Contracts and commitments of the next MTREF - Demand for services analysis - Review of Electricity Tariff Structure 	Budget Policy	18 Sept 2020
15	Commencement of IDP analysis of institutional, services and infrastructure provision, backlogs and priorities.	IDP/BTO	Assessment Report: An assessment of existing Priority Issues, present Gaps in the IDP as well as issues identified in various government policy documents, engagements with political structures, provincial CoGHSTA, NT and other stakeholders. Unaudited Annual Report 2019/20 as submitted to Auditor-General to be used as input into the IDP strategic phase process and community verification & input by MPAC on reported performance.	MSA Circular 63, Sep 2012 MSA Ch5 s 26 and IDP Guides	18 Sept 2020
16	Finalise Assessment Report	IDP/BTO	Discuss and agree on Assessment Report to inform planning and budget for the 2021/22 MTREF. 1. EMT / Manco	MFMA/Budget Regulations and Internal process	21 Sep 2020 28 Sep 2020
17	Councillor Induction: IDP Review Process	MM/Executive Mayor	Review terms of reference of IDP Rep Forum Understanding the development agenda of the municipality Presentation of the status quo report 2020-2021 Performance	MSA and MFMA	28 Sept 2020

IDP AND BUDGET TIME-SCHEDULE FOR PREPARING THE IDP REVIEW 2020/21 AND BUDGET FOR 2021/22 MTREF

NO	ACTIVITY DESCRIPTION	ORGANISATIONAL RESPONSIBILITY	OUTPUT	LEGISLATIVE REQUIREMENT AND INFORMATION	TIME FRAME
			Analysis and future projections		
OCTOBER 2020					
18	Finalise Annual Report	EMT	The Annual Report submitted complies with the requirements of Section 121(3) (a-k). Information on pre-determined objectives to be included	MSA Circular 63, Sep 2012	19 Oct 2020
19	Municipality submits Annual Report including final annual financial statements and annual performance report to Auditor-General for auditing councils'	CFO/IDP	Note: that it is unaudited and will not include any of the Auditor-General's reports as the auditing thereof will still be in progress		30 Oct 2020
20	Liaise with National and Provincial Sector Departments re alignment of Strategic Priorities and Budgets	IDP Task Teams	Liaise with sector departments to ensure that SPM priorities form part of their strategic plans and budgets	MSA	Oct 2020 – Dec 2020
21	Prepare and submit 1st Quarter SDBIP Report to EMT, IA, PAC, Executive Mayor (Mayco) and Council	IDP/BTO	1st Quarter Report 2020/21 submitted	MFMA and MFMA Cir 15	<ol style="list-style-type: none"> 19 Oct 2020 (EMT) 23 Oct 2020 (IA&PAC) 26 Oct 2020 (EM) 6 Nov 2020 (SCM)
22	1st Strategic Planning sessions with: <ol style="list-style-type: none"> EMT, Manco Extended IDP/Budget/PMS Committee Informal Council meeting	EMT/Manco/IDP Com/Council	Finalising Key Priority Issues related to Assessment Report. Review Strategic Objectives for service delivery and development including backlogs aligned to district, provincial and national strategic plans and policies. Review financial and non-financial performance, analyse gaps between planned and actual performance. Determine financial position and assess financial/human resource capacity against possible future strategies.	Internal Process	<ol style="list-style-type: none"> 22 Oct 2020 23 Oct 2020
NOVEMBER 2020					
	<ol style="list-style-type: none"> Extended IDP/Budget/PMS Committee Informal Council meeting				06 Nov 2020
23	Detail Budget discussions/motivation with individual Directorates	EMT/Manco	In line with the IDP Key priority issues Directorates need to motivate their different Budgets for the 2020/21 MTREF	Internal process	Week of 04, 11 and 18 Nov 2020 (CFO and BTO done; Operational, Revenue and partly

IDP AND BUDGET TIME-SCHEDULE FOR PREPARING THE IDP REVIEW 2020/21 AND BUDGET FOR 2021/22 MTREF

NO	ACTIVITY DESCRIPTION	ORGANISATIONAL RESPONSIBILITY	OUTPUT	LEGISLATIVE REQUIREMENT AND INFORMATION	TIME FRAME
			Draft Budget completed		Capital)
24	Auditor-General audits the unaudited Annual Report and submit an audit report to the accounting officer for the municipality.	EMT/BTO /Directorates	Draft AR 2019/20 and Management Report Final AR and Management Report	MFMA	13 Nov 2020 27 Nov 2020
25	Annual Report and oversight report process for adoption to be used as input into public participating meetings for the IDP review process.	AC/MPAC/Council		MFMA Section 127, 128, 129 and 159	Nov 2020 to Jan 2021
JANUARY 2021					
26	Mayor tables audited Annual Report and financial statements to Council Audited Annual Report is made public, e.g. posted on municipality's website.	EM Web Master		Section 129, 150 and 151. Tabling the audited Annual Report within 5 or 6 months after the end of the financial year. Section 75 for publication on website.	22 Jan 2021
27	Finalise Mid-year Budget and Performance Assessment Report 2020/21 and submit to: 1. EMT 2. BSC 3. Mayor 4. NT and PT 5. Council	IDP/BTO	Mid-year Report with recommendations informing Adj Budget/SDBIP Targets	MFMA s72	29 Jan 2021 1. 15 Jan 2021 2. 22 Jan 2021 3. 22 Jan 2021 4. 29 Jan 2021 5. 29 Jan 2021
FEBRUARY 2021					
28	MPAC finalises assessment on Annual Report.	MPAC	This must be concluded within 7 days of receipt of AGs report. Council is expected to conclude on this matter before going on recess in December.	MSA Circular 63, Sep 2012	Feb to Mar 2021 (Oversight)
29	Planning sessions with: 1. Extended IDP/Budget/PMS Committee 2. Informal Council meeting	Mayco Councillors EMT Manco	Present first draft IDP 2021/22 priorities linked to Budget allocations	Internal process	1. 03 Feb 2021 2. 05 Feb 2021

IDP AND BUDGET TIME-SCHEDULE FOR PREPARING THE IDP REVIEW 2020/21 AND BUDGET FOR 2021/22 MTREF

NO	ACTIVITY DESCRIPTION	ORGANISATIONAL RESPONSIBILITY	OUTPUT	LEGISLATIVE REQUIREMENT AND INFORMATION	TIME FRAME
30	NT Mid-term visit	EMT	Sec 71 and 72 Reports Qtr 2 Performance Report 2020/21 Audited AFS 2019/20 Audit Report MFMA Sec 32 Report Risk Management Issues	NT Prescribed	Between 11-19 Feb 2021
31	Adjustment Budget 1. EMT 2. BSC 3. Council	MM/CFO	Tabling of Adjustment Budget 2020/21 MTREF	MFMA Sec 28	1. 17 Feb 2021 2. 24 Feb 2021 3. 26 Feb 2021
32	Conduct 2019/20 annual performance assessments for MM and Managers reporting directly to MM as well as lower level managers up to job level 6	EM/MM/IDP/Human Resources	Performance Assessment Reports for MM, senior and other managers	MSA and Regulations	Feb 2021
33	Note National/Provincial Government Budget for incorporation	IDP/BTO	Ensure what is contained in National and provincial Budgets for incorporation in local budget	MFMA	25 Feb – 18 Mar 2021
34	Draft reviewed 5-year Capital Project Schedule aligned with IDP Strategic Objectives and KPA's for prioritisation purposes – including Ward allocations submitted to EMT	IDP/Budget Office	Draft 5-year Capital Programme 2021/22 aligned to IDP Key Priority Issues including Ward priorities	Internal Process	Jan 11 – 12 Mar 2021
MARCH 2021					
35	Draft Operating Budget submitted to EMT	Directorates/BTO/IDP	Draft 3-year Operational Budget aligned to IDP Key Priority Issues	Internal Process	04 Mar 2021
36	Conduct Mid-year 2020/21 performance assessments for MM and Managers reporting directly to MM as well as lower level managers up to job level 6	EM/MM/IDP/Human Resources	Performance Assessment Reports for MM, senior and other managers	MSA and Reg 805	Mar 2021
37	1. Council adopts Oversight report. 2. Oversight report is made public. 3. Oversight report is submitted to Legislators, Treasuries and CoGHSTA	Council CFO	The entire process, including oversight reporting and submission to provincial legislators is completed in December and not in March the following year.	MSA Circular 63, Sep 2012	25 Mar 2021 (SCM)
38	Present and discuss draft IDP and Budget with: 1. Mayco/relevant committees 2. BSC	EMT/Mayco/Budget Steering Committee	Present, discuss and receive input from the different structures	Internal process	1. 08 – 12 Mar 2021 2. MAYCO 18 Mar 2021

IDP AND BUDGET TIME-SCHEDULE FOR PREPARING THE IDP REVIEW 2020/21 AND BUDGET FOR 2021/22 MTREF

NO	ACTIVITY DESCRIPTION	ORGANISATIONAL RESPONSIBILITY	OUTPUT	LEGISLATIVE REQUIREMENT AND INFORMATION	TIME FRAME
	3. Informal Council Meeting 4. Special Council Meeting				3. Informal Council 24 Mar 2021 4. SCM 25 Mar 2021
39	Table draft IDP and Budget 2021/22 to Council for public consultation	IDP/BTO/Council	Council to approve IDP and Budget for public consultation purposes	MSA and MFMA	31 Mar 2021 (Tabling)
40	Make public the draft IDP and Budget and submit (including draft SDBIP) to NT, PT and NC CoGHSTA	IDP/BTO/Council	IDP and Budget made public and submitted to relevant stakeholders for consultation purposes	MFMA	31 Mar 2021
APRIL 2021					
41	Conduct public hearings on draft IDP, Budget and Top Layer SDBIP with constituted public participation structures	IDP/BTO/Speaker's Office/Service Providers	Consult and receive input from community and stakeholder groupings with regard to draft IDP/Budget and SDBIP (Top Layer)	MSA and MFMA	April 2021 (Public Participation)
42	Confirm National and Provincial DoRA allocations and adjust draft budget	BTO	Ensure that DoRA allocations are included in the Budget	MFMA/DoRA	April 2021
43	Submit 3 rd Quarter SDBIP 2020/21 Performance Report to Mayco/Council	IDP/BTO/Mayco/Council	3 rd Quarter report submitted		April 2021
44	Conclude public hearings and adjust IDP, Budget and SDBIP taking cognisance of input received	IDP/BTO	Include input received from public consultation in IDP/Budget/SDBIP 2021/22	MSA and MFMA	April 2021
45	Discuss adjusted IDP, Budget and SDBIP with Mayco	IDP/BTO	Inform Mayco of input received from public consultation in IDP/Budget/SDBIP	Internal process	28 April 2021
46	National Treasury Benchmarking Exercise	EMT/NT	NT's analysis of SPLM's IDP and Budget 2021/22 benchmarked against 21 secondary cities to improve IDP and Budget processes and products	MFMA	April 2021
MAY 2021					
47	Finalise IDP/Budget and SDBIP documentation for final submission to Council	EMT	Finalise IDP, Budget and SDBIP 2021/22 documentation for final submission to Council	MSA and MFMA	05 May 2021
48	Present final IDP and Budget to BSC, Mayco and Council	EM/MM/CFO	Present final IDP/Budget/SDBIP 2021/22 to Mayco and informal Council before submission to Council for adoption	Internal process	BSC 12 May 2021 MAYCO 19 May 2021 Informal Council Meeting 25 May 2021 SCM 26 May 2021
49	Council adopt IDP, Budget	EM/MM/CFO	Council adopted IDP/Budget	MFMA	26 May 2021

IDP AND BUDGET TIME-SCHEDULE FOR PREPARING THE IDP REVIEW 2020/21 AND BUDGET FOR 2021/22 MTREF

NO	ACTIVITY DESCRIPTION	ORGANISATIONAL RESPONSIBILITY	OUTPUT	LEGISLATIVE REQUIREMENT AND INFORMATION	TIME FRAME
	and "Top Layer" SDBIP by resolution, setting taxes and tariffs, approving changes to the IDP and budget related policies, approve measurable performance objectives for revenue by source and expenditure by vote before the start of the financial year		and SDBIP 2021/22		
JUNE 2021					
50	Notification of approved 2020/21 IDP review and Budget 2021/22 MTREF to public	BTO/IDP	Notify public of adopted budget	MFMA	June 2021
51	Submit final 2021/22 SDBIP to Executive Mayor for approval, submit to Council for Notification and Make public	IDP	Executive Mayor approved SDBIP and published SDBIP	MFMA	15 June 2021
52	Final Preparations for the implementation of mSCOA Version 6.5 (locked NT version)	BTO	mSCOA compliance	mSCOA Regulations	25 June 2021



ANNEXURE 2 – PUBLIC PARTICIPATION PROGRAM TO BE INCLUDED IN FINAL IDP

SOL PLAATJE MUNICIPALITY

*"Don't ask what the City can do for me?
Rather ask, "what can I do for my City?"*

*"Let's work together to make
Sol Plaatje Municipality Great Again"*

ANNEXURE 3 : MULTI YEAR CAPITAL PLAN

PROJECT DESCRIPTION	FUNDING SOURCE		2017/18	2018/19	2019/20	2020/21	2021/22
<u>WATER AND SANITATION PROJECTS</u>							
LINKING SERVICES - BULK WATER LERATO PARK	MIG		8,402,274	8,796,308			
LINKING SERVICES - BULK WATER LERATO PARK		CRR		3,584,832			
LINKING SERVICES - BULK SANITATION LERATO PARK	MIG		6,558,321	7,370,383		21,055,000	22,266,000
LINKING SERVICES - BULK SANITATION LERATO PARK		CRR		2,910,472			
GOGGA PUMP SEWER OUTFALL MAIN	WSIG	CRR	28,500,000				
RITCHIE BULK WATER (ABSTRACTION AND DISTRIBUTION)	RBIG/MIG		20,000,000	10,551,000			
RIVERTON PUMP STATION BUILDING		CRR	31,657,205				
RIVERTON HIGH LIFT PUMPS (MECHANICAL AND ELECTRICAL WORKS)		CRR	6,096,300				
CARTERS RIDGE SEWER PUMP STATION	WSIG			3,000,000			
CARTERS RIDGE SEWER PUMP STATION					10,000,000.00	12,972,000	25,000,000
RECONSTRUCTION OF OLD SINK TOILETS IN KHUTLANONG	WSIG			14,000,000		12,000,000	
REFURBISHMENT OF SEWER PUMPS VARIOUS WARDS	MIG				5,000,000.00		
REFURBISHMENT OF SEWER PUMPS VARIOUS WARDS	CRR				1,000,000.00		
PIPE REPLACEMENT (water mains)	MIG			5,000,000	5,000,000		
PIPE REPLACEMENT (water mains)	CRR				1,000,000		
PIPE REPLACEMENT (water mains) UNFUNDED PORTION	MIG	CRR			30,000,000		
PIPE REPLACEMENT (sewer mains)	MIG	CRR		25,000,000	25,000,000		
RIVERTON SUMP RESERVOIR	RBIG/MIG			10,000,000	10,000,000		
COVID 19 PROJECT ELEVATED WATER TANKS	IUDG					3,500,000	
BULK WATER RISING MAIN	RBIG/MIG			30,000,000	30,000,000		
TECHNICAL INVESTIGATION ALTERNATIVE WATER SOURCE PROJECT (DOUGLAS)	DOW			5,000,000			
REPLACEMENT OF WEST END/TAMBO SQUARE SEWER OUTFALL MAIN	RBIG/MIG			1,000,000			
UPGRADING OF SEWER PUMP STATIONS IN AND AROUND GALESHEV	MIG			10,000,000	20,000,000		
UPGRADE RIVERTON WATER TREATMENT PLANT	RBIG				9,000,000		
REVENUE AND BILLING (WATER METERS)		CRR	2,000,000	3,000,000	3,000,000.00	3,000,000	1,000,000
WATER ZONE METERING		CRR	8,500,000				
REPLACEMENT OF PIPES AT NEWTON RESERVOIR		CRR	11,200,000				
NEWTON RESERVOIR EXTENDED PHASE	RBIG			10,000,000	10,000,000		
BEACONSFIELD WWTW	RBIG/MIG				40,000,000		
REFURBISHMENT OF ROODEPAN TOWER		CRR					6,000,000

PROJECT DESCRIPTION	FUNDING SOURCE	2017/18	2018/19	2019/20	2020/21	2021/22
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ELECTRICITY RELATED PROJECTS

CARTERS GLEN SUBSTATION/GALESHEWE BULK ELECTRICITY	INEP		7,000,000	5,336,500		
ELECTRIFICATION OF LERATO PARK BULK NETWORK	INEP				17,206,400	
LERATO PARK LINK SERVICING NETWORK	INEP					12,000,000
UPGRADE OF HADISON PARK SUBSTATION	INEP			20,000,000	15,000,000	1,500,000
UPGRADE OF ROODEPAN SWITCHHOUSE NO. 2 - See Ivory Park electr	INEP		1,200,000.00			
UPGRADE OF GALESHEWE SUBSTATION WITH 2x 30 MVA TRANSFORMERS	INEP			20,000,000	15,000,000	
UPGRADE OF SOUTH RIDGE SUBSTATION WITH 1X 30 MVA AND EXTENSION OF 11KV SWITCHROOM	INEP	CRR		10,000,000	15,000,000	
REDESIGN OF LOOPING NETWORK IN GALESHEWE	INEP				3,000,000	4,000,000
RESTRUCTURE LANDBOU AVENUE 11KV OVERHEAD LINE	INEP				5,000,000	3,000,000
UPGRADE OF SUPPLY IN CARTERS, LONG ,MEMORIAL, DU TOITSPAN, MCDUGAL	INEP	CRR			10,000,000	8,000,000
						7,000,000
REPLACE 66KV OIL CIRCUIT BREAKERS WITH SF6 AT HERLEAR	INEP	CRR		3,000,000	10,000,000	500,000
REPLACE 11KV CIRCUIT BREAKERS AT HERLEAR	INEP	CRR		7,000,000	2,000,000	
REPLACE TWO 11 KV RINGS FROM HERLEAR/CASSANDRA/ERNSTVILLE	INEP	CRR				16,000,000
INSTALLATION OF LIGHTING AND SURGE ARRESTER EQUIPMENT AT OVERHEAD LINES	INEP	CRR			3,500,000	
UPGRADE OF 11KV SUBSTATIONS, MEDIUM AND LOW VOLTAGE CABLES	INEP	CRR	3,000,000	4,000,000	7,000,000	7,000,000
UPGRADE OF MINIATURE SUBSTATIONS AND POLE TRANSFORMERS, KIOSKS AND LOW VOLTAGE CABLES	INEP	CRR	6,000,000	6,000,000	6,000,000	6,000,000
UPGRADE RIVERTON SUBSTATION WITH 2x10 MVA TRANSFORMERS	INEP	CRR	4,000,000	4,000,000		
LED/HIGH MAST LIGHTING	MIG				2,000,000	
LED/HIGH MAST LIGHTING	CRR				280,000	
ELECTRIFICATION OF SG APPROVED ERVEN	INEP			24,660,500	19,200,000	
Eskom Grant	INEP					
Electrification of Snake Park 949				14,709,500		
Electrification of Platfontein 300				4,650,000		
Electrification of Soul City						
Electrification of Romorwa 106				1,643,000		

PROJECT DESCRIPTION	FUNDING SOURCE	2017/18	2018/19	2019/20	2020/21	2021/22
Electrification of Mathibe "Fluffy Park" 49			759,500			
Electrification of Witdam						
Electrification of Santa Centre 139			2,154,500			
Electrification of Golf Course						
Electrification of Kutlwanong 48			744,000			
Electrification of Lethabo Park 1100 (Ph 1)						20,000,000
Electrification of Lerato Park 1500 (Ph 6-7)						33,000,000
FUTURE HOUSING PROJECTS						
Riverton (formalise stands)						
Begonia						
France Farm						
Ritchie Erf 2 & 12						
ELECTRIFICATION OF IVORY PARK (1175)	INEP	19,000,000				
ELECTRICITY METER REPLACEMENT	CRR	2,000,000	3,000,000	3,000,000	1,000,000	1,000,000
UPGRADE POWER MONITORING EQUIPMENT AT STATIONS	CRR			1,000,000		
EEDSM STREETLIGHTING AND OWN BUILDINGS			7,000,000	5,000,000		
<u>ROADS AND STORMWATER PROJECTS</u>						
ROADS RESEALING	MIG		10,748,507	11,203,418	5,000,000	13,000,000
ROADS RESEALING	CRR			8,000,000	2,000,000	
PAVING OF ROADS	MIG		14,868,488	5,233,236		
PAVING OF ROADS	CRR	2,667,472	2,950,713	4,000,000		
GRAVEL ROADS	ES/CRR	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
N12 BYPASS	ITNG		1,000,000	4,000,000	15,000,000	180,000,000
SANRAL INTERSECTIONS UPGRADE	ITNG		8,000,000	72,000,000		
UPGRADING OF STORM WATER CHANNELS GALESHEWE	NDPG	97,537,000	151,699,000	154,447,000	27,912,397	
ROADS AND STORMWATER UPGRADES VARIOUS WARDS	MIG			6,000,000		
ROADS AND STORMWATER UPGRADES VARIOUS WARDS	CRR			840,000		
THLAGENG RETENTION DAM	NDPG		20,000,000			10,000,000
THLAGENG RETENTION DAM	IUDG					10,000,000
ROODEPAN ACCESS ROADS	MIG	4,378,284				
PAVING OF ACCESS ROADS	IUDG	7,005,542			12,000,000	10,000,000
PAVING OF ACCESS ROADS	CRR				2,000,000	

ECONOMIC DEVELOPMENT, COMMUNITY SERVICES AND OTHER PROJECTS

PROJECT DESCRIPTION		FUNDING SOURCE	2017/18	2018/19	2019/20	2020/21	2021/22
INSTALLATION OF SERVICES		CRR	2,000,000	5,000,000	3,000,000		
LED PROJECTS	EU					14,400,000	18,850,000
PLANNING AND SURVEYING OF ERVEN		CRR				3,000,000	3,000,000
PLANNING AND SURVEYING OF ERVEN	IUDG					2,000,000	
ROODEPAN SWIMMING POOL	DSAC	CRR			3,500,000		
UPGRADE OF FLORIANVILLE SWIMMING POOL	DSAC		5,183,506				
UPGRADE OF VARIOUS FACILITIES AT DE BEERS STADIUM	DSAC		2,742,416				
UPGRADE OF GALESHEWE SPORT STADIUM	MIG		1,336,986		10,952,704		
UPGRADE OF GALESHEWE SPORT STADIUM		CRR			1,800,000		
CRAVEN STREET STALLS		CRR	-	1,000,000			
CRAVEN STR INFORMAL TRADE	IUDG					1,000,000	8,000,000
HOMEVALE FIRE STATION	IUDG	CRR	6,762,002	4,764,727		6,400,000	
RC ELLIOT PRECINCT - NMMM	DSAC		200,000,000	200,000,000	200,000,000	200,000,000	
MANDELA MEMORIAL STATUE	DSAC		8,153,649				
REFURBISHMENT OF OTHER MONUMENTS		CRR	-				
TOMMY MOREBUDI PHASE 2	GURP			2,500,000			
GREEN POINT SQUARE	GURP						5,000,000
GREEN POINT INFORMAL TRADING ZONE	ECON	CRR			3,000,000		
FRESH PRODUCE MARKET	NDPG			200,000			
GOVERNMENT/MARKET SQUARE DEVELOPMENT	NDPG			1,000,000	7,000,000		
TAXI LAY BY'S GALESHEWE	NDPG		-				
REFURBISH LANDFILL SITE		CRR	2,617,371				
UPGRADE OF RESORTS		CRR	500,000		2,000,000		
UPGRADE OF COMMUNITY HALLS		MIG			2,000,000		1,200,000
UPGRADE OF COMMUNITY HALLS		CRR			280,000		
RITCHIE MULTI SPORT PARK (NMMM)	DSAC			15,000,000			
RENEWABLE ENERGY INCUBATOR		CRR	250,000	250,000	1,000,000		1,000,000
NEW COURT BUILDING	DoCJ				25,000,000		
DSAC NEW LIBRARY	DSAC			25,000,000			
PLATFONTEIN MULTI SPORT - NMMM	DSAC					15,000,000	
PLATFONTEIN COMMUNITY HALL - NMMM	NDPG						8,000,000
PLATFONTEIN MIFARM	PRIVATE				2,500,000		
ECD CENTRE LERATOPARK	DSD			3,000,000			
UPGRADE OF LANGLEY AND RIVERTON RESORTS		CRR	2,500,000				
LIFTS BUILDING		CRR	2,000,000				
SECURITY		CRR	4,000,000	5,000,000	3,000,000	3,000,000	

PROJECT DESCRIPTION	FUNDING SOURCE	2017/18	2018/19	2019/20	2020/21	2021/22
RENTAL STOCK UPGRADE	CRR			3,000,000		5,000,000
FIRE ENGINES	CRR			2,500,000	2,000,000	
UPGRADE OF EXISTING TEST CENTRE	CRR	750,000				
SMOKE DETECTION BUILDINGS	CRR					1,000,000
FLEET REPLACEMENT/REFUSE COMPACTORS	CRR	6,000,000	4,000,000	4,000,000	2,000,000	4,000,000
COMPUTER EQUIPMENT	CRR	4,592,608	4,000,000	5,000,000	4,500,000	3,500,000
SOFTWARE ACQUISITIONS	CRR	2,300,000				
FURNITURE AND OFFICE EQUIPMENT	CRR	3,000,000	3,000,000	3,000,000	2,000,000	2,000,000
		537,390,936	776,851,930	871,736,358	444,945,797	454,316,000

TOTAL FUNDED					
CAPITAL BUDGET	232,065,602	333,241,430	276,236,358	155,445,797	198,116,000

FUNDING	17/18	18/19	19/20	20/21	21/22
CRR	72,476,255	50,446,017	50,200,000	32,000,000	11,500,000
IUDG	55,289,347	46,548,413	47,389,358	50,955,000	66,266,000
RBIG	20,000,000	10,551,000	-	-	
NDPG	27,500,000	171,699,000	154,447,000	27,912,397	10,000,000
Tech-NDPG	800,000	-	-	-	
INEP	31,000,000	29,997,000	19,200,000	17,206,400	66,500,000
Eur Union		-	-	14,400,000	18,850,000
WSIG	25,000,000	17,000,000		12,972,000	25,000,000
EEDSM	232,065,602	7,000,000	5,000,000		
ACIP					
DSAC		-			
GURP		-	-	-	
FBDM					
Prov					
	232,065,602	333,241,430	276,236,358	155,445,797	198,116,000

ANNEXURE 4 WARD PRIORITIES

Ward	Clr	Roads and Storm water	Housing	Community Services	Parks	Electricity	Water & Sanitation	Urban Planning
1	Petunia Francis	Paving of untarred roads in Old Roodepan	Upgrade municipal flats	Community hall	Upgrade Sida Park	Electrification of Begonia and provision of High mast lights	Upgrade Camelia and Eagle street pump station including rising main and outfall	
2	L Mohamed	Paving of Weaver, Finch, Seeduif, Papegaai, Dikkop, Nightingale, Hoopoe, Parakiet and Pluto Streets		Extension of current clinic or building of another clinic as 4 wards visits clinic on daily basis Upgrading of multi-purpose hall	Upgrading of park with swings, planting of trees) in Albatross Str currently being used as a dumping site	High mast light at Mahala Park	Replacement of water meters. Replacement of sewer mains. Communal water and sanitation services level 1. Installation of water and sanitation services for 55 sites. Replacement of sewer main in Spreeu and Seeduif Street Maintenance of Sewerage system in Eagle Str (RDP houses)	
3	CB Lewis	Resurface all tar roads in ward 3. Paving in Homevale ext., Porpoise, Pilchard, Sardine, Barracuda, Salmon, Anchovy, Sole Close, Bass Close, Hake Close, Gold Fish Close, Mackerel, Haddock, Whiting, Garrick Bream Str in Homelite, Marthenay Paving of Bream, Cyntrex Proman, Pilchard, Porpoise, Sardine, Barracuda, Anchovy, Salmon, Bream Drive, Whiting, Haddock and Mackerel Str in Homelite Upgrade gravel roads in Homevale shacks Upgrade all storm water drains. Clean all canals in Ward Pave all the gravel roads in Homevale Extension (20, 21, 22, 24)	Rectify Homevale Ext houses and Homevalley houses Provision for disable houses Provision for houses in Homevalley shacks Build a paypoint and one stop centre, Buildt houses in all open spaces, build youth centre, build houses in open spaces	Build in door sport facility, multi-purpose recreation ahl, recycle projects in wards, regular removal of dumps, rubble, etc pavements, open areas, parks, build playground and stadium, build car wash	Upgrade of parks and build public swimming pool Recreational park next to Roodepan roads and Homevalley ext. Upgrade soccer field Homevalley, 11th Str, 18th Str, Sandshark Str playgrounds, Baracuda in open space Build park in Homevale and Homevalley Put up hockey fields Volley Ball pitch erect, Gym Park	Provision of high mast lights Electrification of Homevalley shacks, high mass, Sardine 2nd Street. Homevalley shacks, between Homevalley and Roodepan Road, 21st Street Replace all faulty transformers Upgrade house lights and street lights in Homevalley and Homelite	Replacement of water meters. Replacement of sewer mains. Communal water and sanitation services level 1. Installation of water and sanitation services for 55 sites. Replace all water pipes in ward.	Survey of 350 sites for informal housing Rezoning and subdivision empty erven Fully surveyed serviced erven for development and serving for housing formal and high income group due to influx of industrial workers for next year onwards thus boosting the municipality's revenue
4	TH Mpanza	Uplifting of paving in Chris Hani Park (last street facing Waterloo Str Paving of roads in Peme, Botsang and Boikanyo Str and all streets in Santa Zone 2 and Otto Str Upgrading of s/w drainage system between Peme and Botsang Str Rehabilitation of retention dam between Peme and Botsang Str.	Provision of housing in Ramorwa and Witdam	Sickbay at old age home in Seochoareng Str Community Hall open space in Botsang Str	2 Parks Mphela and Tholo Str	Electrification of Ramorwa	Upgrade of Gogga outfall sewer main Communal services for water and sanitation Household water and sanitation connections for informal areas	
5	M Mohapi	Paving of street in Vaalbos 1, Mathibe Old Vergenoeg, Mathibe extension (Madalane shacks) Baba Gopane, Madiba	Provision of housing in Fluffy Park			Electrification of Fluffy Park	Provision of basic water services in Fluffy Park Upgrading of toilets in Thusano Unit	
6	D T Setholo	Ramora & Blikkies dorp sloop, gully to be closed and s/w pipes to be installed Themba Sloop, gully to be closed and s/w pipes to be installed Upgrade s/w next to Solly's store, Maphutha Str opposite Deke Str, Boitsanape, Motlhaba and Masakhane Clinic Roads to be paved: Tshwene, Mathibe, Kgarebe, mmutla, Tlou Singel, Tshwene, Goitseone, Selebogo, Pulane, Moeti, Themba 1 & 2 Mokake, Cwaedi, Mcheta, Basadi, Ngobeni, Msekang, Matsebe, Tshipo, Maiteko, Legaga, Mmoledi, Str no name next to Solly's Store, Tihabanelo, Kgalalelo, Tsholofelo, Mochudi & Lekuku, Tau Streets Speed bumps in Thutlo, Stamper, Deke, Goitseman, Seleki and Moheta Str	Audit to be conducted to establish damage done to slab houses Infil & Old cracked Vergenoeg houses 6116, 6118, 6107, 6112 Maphuta Str, 6002 Seleki Str, 6566, 6573, 6913 Deke Str, 7031, 7032 Mathibe Str, 7033, 7056, 7057 Stamper Str	Need for a community hall for public gatherings site next to boikhutsong community creche	Recreational facility in Mathibe Str, Thutlo Str park to be upgraded	High Mast light Seleki Str in front of Tikke Bar at Erf 4004 to eliminate high crime	Sewerage overflowing in Maphuta Str constantly giving problems	
7	JG Diphahe	Paving of entire Ubuntu, Malebe, Gaborone, Melesi, Kgopisho, Mojanaga, Maputle, Amakhuzane Streets and April Str connecting to Ramatshela Str. Upgrade minor roads connecting April to Ramatshela. Upgrade minor streets connecting Kesiamang to Moraladi. Paving of Solly Legodi. Construct Vehicular bridge connecting Solly Legodi & Dunston (Over the lined canal)	Solly Legodi cracked houses, disaster houses throughout ward. Solly Legodi 1 house without electricity since the day it was built Provision of housing in Riemvasmaak	Cleaning of Ramatshela Cemetery Provision of more bulk refuse bins and no dumping signs	Five April Park (Bambanani Park) no caretaker, park in bad state	Provision of electricity in Riemvasmaak High Mast Lights	No toilets at Riemvasmaak Provision of communal water and sanitation services in Riemvasmaak. Upgrade of Gogga outfall sewer main. 7 houses in Solly Legodi that still needs to be build still uses bucket system Sewer manholes to be lifted in Solly Legodi and Ubuntu/Danston	New Area Riemvasmaak still informal settlement no development only taps
8	Charles Ngoma	Pedestrian walkway from Schmidtsdrift Rd to Freedom Rd Cleaning of s/w canal in Silson, Armstrong and Freedom Rd Resurfacing of Limpopo and Swanson Rd and patching of potholes Paving of Thesele, Thomas Morebudi, Peacock, Gans, Morubisi, Gaka, Kalkoen, Eshley Mothelesi and Nxumalo Extension, John Daka, Donkerhoek and 7de Laan	Provision of housing in Madiba Park and Donkerhoek Ext Maintenance of poorly constructed RDP houses with dangerous building problems in Donkerhoek		Upgrade of parks in Armstron Rd and Donkerhoek Gurp Park	Provision of electricity and High Mast Lights	Provision of basic water and sanitation services	

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9	DM Swazi	Paving of roads, Boitumelo, Mosamo, Chou, Solani, Mokonyama, Hlongwane, Lilian Mantsane, Jenkins Mothibedi, Maokeng Str	Provision of FLISP housing in Retswelele		Fencing and greening (grass) for parks, Real Madrid soccer ground	Provision of electricity in Retswelele	Provision of water services in Retswelele	
10	JT Gomba	Paving/Upgrading of roads Dinokwane, Moagi & Molema Str (Unit 3) Obakeng, Moretele, Phetolo, Tladi Str, Sekate, Thapi, and Bothale Str (Unit 1) Erection of speed bumps : Phajane, Modise, Ditake, Nkgare, Street no name between Phajane shops, Tefanyou Secondary school, Mongale, Moagi, Letlhaku, Molema Unit 3, Gwele, Fish Crescent, Siwisa, Simino, Madibane, Leqwabe and Sontlaba Str Unit 2, Obakeng Str Unit 1 Potholes to be fixed : Unit 2 consist of Sontlaba up until Fish Cres, and Unit 3 consist of Phajane up until Modise and Ditake Str	Provision of housing		Upgrade of Tommy Morebudi Sports facility	Solar Geysers to be installed Installation of high mast light at area of Dinga Str and Pick 'n Pay Centre, substation between Siwisa and Dinga Str to be closed by council Provision of electricity to shack currently at Tshwaragano shacks	Provision of basic services in Tshwaragano shacks, pipe replacement programme Nobengula	
11	IM Mojakwe	(Agisanang) Paving in Molemo, Letsatsi T-junction, Bhokuzulu T-junction next to post office and Thokoza Str. (Vergenoeg) paving at T-junction Magoda and Mondile. Provision of side pavement at T-junction Hagos & Mashakane Str (Arena) Paving of Elizabeth Manko and France Lebona Str. Paving of all streets in the hostels	Agisanang (Katima Molelo) residents extension of 2 rooms and asbestos 15862 Elizaqbeth Manko Str, roof leagae and door broken, 15905 Mojakwe Str, door between kitchen and sitting room is loose, Roof leakage problem; 15860 Elizabeth Manko Str, toilet leakage, and roof leakage; 15837 Elizabeth Manko Str, roof, geyser and door needs replacements Geysers are cracking roofs and all RDP houses must be renovated Removal of asbestos Greater Vergenoeg houses are cracked Arena Residents want houses to be renovated, new toilets. Residents that were removed from Num 2 and relocated to the hostels due to s/w problems are requesting houses Refurbishment of hostels into CRU's	Job for youth Playground at Stranger Nkosi open space Cleaning of graveyard Cleaning of all sections in ward 11 House next to park at hostel to be cleaned as it is used for smoking drugs. Youth in ward 11 need employment/jobs to be taught business skills, learnerships and interships	Cleaning of parks Upgrading of Agisanang Park	Provision of high mast light at hall next to Mondile creche Residents are unhappy with new installation of electricity want the old electricity box	15895 Mojakwe Str, meter box leakage Replacement of water pipes in Agisanang (Arena) Removal of zinc toilets.	Agisanang open space behind bar/Post Office next to Molemo Str for houses to be built. Use of Open space next to Agisanang creche for building of creche. (Vergenoeg) Open space between Stranger and Mondile Str needed for building of community hall and library Open space in middle of hostels, needed for building of RDP houses.
12	LL Mocwagole	Unit 1 - Paving of roads (Mashilo, Magonare, vicinity at Peme Office and car wash), Witdam streets Unit 2 Paving Tyala Drive & Jabula RDP houses, road signs, chromodeck signs (speeds bumps, reflectors paint each street 3) Khotso Str, Naledi Str, Chevron Rod sign between Khotso and Naledi, Tyala Drive, Redinile School speed bump and Bongani Str 4 way James Mandeu Dula Str to Jabula Street = C (Chromodeck Road sign: Jabula Str to Tyala-Phutane Str Unit 3 - Tyala- Kekane Str same Unit 4 - Hulana str all internal streets Phakedi Str Unit 5 - Hulana Str internal streets to Montshiwa Rd, Street name signs for all units in Chromodech Road Unit 4 & 5 S/w slope at Phakedi, Phillip Mphiwa to be cleaned up and restructured with tunnels for flow and safety of families	Unit 4 - Dilapidated house in Phillip Mphiwa next to Faima Church should be renovated for Ward 12 consultation house causes rapes and robberies	Unit 1 - Magonare big tree church side open area for small park for relaxation and gathering purposes Unit 2 - Building of library Next to African Church in Kwnobanthu Unit 4 & 5 Cutting of trees which causes a lot of rapes and robbery at Phillip Mphiwa down Phakedi Str Develop food garden for the (jojo) community and create jobs at open space next to Salvation Creche at Nkoane Str	Unit 4 & 5 Upgrading of park in Phillip Mphiwa down Phakedi Str	Maintenance needed at all units		
13	MK Molatudi	Paving of ext 6, Sesing 2, Maji, Methodist Str (next to St James Church), Methodist Str (in White City next to Methodist Church), Ncakani laan, Masiza, Maleka, Zone 2, China Square, Sesedi Str, Santa Santa, Seochoareng Str (behind Cashbuild), Potholes Zone 2 Upgrade storm water canal at Greater No 2, Zone 2, Chris Hani Park, Palweni, Malunna Mndiaknntla Sni Plaatie Speed bumps in Riet Str, Phakedi Str Infrastructure Mahala Park, Santa Santa	Santa Centre and Zone 2		Social centre park needs to be cleaned and revamped Galeshewe Stadium needs to be paved in the front entrance	Zone 2, electricity boxes needs to be transferred from shacks into the houses Street lights in Long Str Electricity Santa Centre	Provision of basic services to Santa Centre & Zone 2 shacks	

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14	H Pieterse	<p>Squarehill Park (Aster, Malfa, Carnation, Marigold, Cosmos and Verbena Str - maintenance)</p> <p>Florianville (Beechwood and Acacia Rd deteriorated due to overgrown water channel, resurfacing of Maple, Deodar, Cedar, Beech, Ash, Almond, Bloubos and Ganna Rd)</p> <p>Mint Village / Moghul Park (Potholes - Peach, Plum, Pear, Mango, Grape, Mandarin Str)</p> <p>Colville (Potholes - Omega and Margaret Rd)</p> <p>Homestead (Lynch, Harmse, Dawson, Varrie and Rabia Str - resurfacing)</p> <p>Northview (Edith, Riverton, Sussex, Neethling, Homestead, Association and Natasha Str - resurfacing)</p> <p>Access/ connecting roads Church Rd pavement to small for wheelchairs, road breaking up, Community Rd kerbing to be installed and regular cleaning of s/w canals, Karee/Cypress Rd - road breaking up and kerbing to be installed, Recreation Road from 4 way stop past Florianville and Square Hill Park to main road Barkly Rd to be resurfaced. Trees on pavement at William Pescod High school must be trimmed. Community Rd kerbing is breaking up to be replaced and cleaning of s/w drains. Karee/Cypress Rd Road is breaking up due to rainfalls. Homes are 1 m from edge of road, kerbing to be installed.</p> <p>Recreation Rd From 4 way stop where Church Rd ends past Florianville and Squarehill Park main road Barkly Rd needs resurfacing. Road from Almond Rd to Pine Rd needs resurfacing and kerbing. Speed bumpkps (half-shaped roundels) to be placed near c/o NG Church to avoid speeding.</p> <p>All roads that have speed bumpkps must be replaced with half-shaped roundels as existing speed bumps contributes to deterioration of roads as water stands in front and behind speed bumps.</p> <p>Stormwater Florianville, Colville, Ashburnham, Utility and Squarehill Park are surrounded by s/w channels which are poorly maintained. All earth/sand channels to be replaced with concrete lined channels, would save costs in the long term.</p>		<p>Cleaning of suburbs: Squarehill Park (pavement around Lords Park in Aster Rd, around church c/o Marigold and Dahlia Ave, Behind Petunia Rd from Recreation between Apostolic & Baptist churches, Area Opposite Kemo Motel up to 4 way crossing in Church Rd, Area at Civic Centre, Judy Scott Library, Clinic & SPM Utility Payment office, pavement of Davidson Str)</p> <p>Florianville (Area opposite Baptist, Methodist Church up to 4 way stop at Karee Road, Area opposite Dr Wolfsons Creche in Recreation Rd up to Cypress Rd behind Endeavor Primary school, area between Baptist Church c/o Recreation Rd & Apostolic Church c/o Petunia Str, behind Squarehill Park, water furrow sloop in Recreation Rd in front of Hostel, behind Beefwood running through to Mimosa Rd, area next to St Barnabas Church in Community Rd)</p> <p>Ashburnham (area between Resthaven Old Age Home and Moghul Park, side of Bradley Str thorn tree and shrubs, Ripon Str overgrown, trees in Church Rd side of Helen Bishop Home & William Pescod High School to be trimmed)</p> <p>Utility (Donald Str at cul-de-sac with Loop Str, pavements overgrown, Pavement of Loop Str opposite homes overgrown)</p> <p>Moghul Park (Rutherford Str next to train line overgrown, area at Lime Street, Mandarin Str up to power station, cul-de-sac of Fig Str near bridge)</p> <p>Mint Village (Next to Old Transvaal Rd Primary School in Pear Rd, Open veld behind houses of Peach Rd)</p> <p>Colville (No open veld exist as it is occupied by housing)</p> <p>Cyril Crescent (Park in Carl Str & Cyril Crescent and area bordering Progress Primary School)</p>				Formal settlement - area has to subjected to a general engineering survey for an IDP faculty. Land had been pegged and allocated to shack residents with erven numbers for approval of MPAC committees.
Ward 14				<p>Northview (Area from Varrie Rd into Natasha Str by Old Cader Brickworks up to Lutheran Church in Natasha Str, open veld allocated informally as a park regular brush cutting, Baptist Church leading to the sewage treatment facility, opposite side of Rhona Close up to 50 m from corner of last house, open area between Constance Rd and Barkly Rd on either side of Edith Road, pavements of Dpt of Education opposite Northview in Constance Rd and Barkly Rd)</p> <p>New Homestead opposite Shoprite/Santa Centre (Open veld 30 m from boundary of College Road embarked from St Pauls Rd opposite Dept of Education to 50m from last house in road. Area between New Homestead and AR Abass Stadium next to Santa Centre rubbish are dumped by informal settlements. Island between Hugo & Orange Str overgrown.</p> <p>Gemdene (Buffer area Ruby St & Barkly Rd regular maintenance overgrown.</p>				
15	M Keetile	Roads & S/w drainage for Phutanang & Phomolong, (Frank Chikane, M Goniwe, Winnie Jansen, Johannes Lekotla, Mocumi Maropong, Gwagwa Sidewalks and bicycle lanes in John Daka	Phomolong FLISP and low cost			Phomolong electrification	Provision of reticulation	
16	BJ Stout	Paving of Gugulethu, Nelson Moitsi, Mthengi, Paving of streets in Tswelolang	Snakepark & Promise Land. Provision of housing in Tswelolang	New Homestead (opposite Shoprite/Santa Centre (Open veld about 30 m from boundary of College Rd, from St Pauls Rd opposite Education Dpt up to 50 m from last house, area between New Homestead and AR Abass Stadium where inf settlement opposite the road next to Santa Centre, Island between Hugh & Oranoe Str overgrown)		Complete Snake Park electrification	Provision of basic services Snake Park & Promise land	

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17	I Petoro	<p>Unit 1 Club 2000 (Road in Peace/Khutsanong to be fixed, potholes to be patched, no s/w intakes in Tidimalo, Kakaretso, Khutsanong)</p> <p>Unit 2 Paving of Nche, Julia, Chabagae, Gala Motheo, Gloria Mathebula, Tebogo Masen, Rebecca Motlwaeng, Bunny Mamba, Captain Matsi, Molete, Motlhanke, Convention, Vancini, Mac Seao, Patric Mothelesi, Peace, Thutsanong. Paving of Lathi Mabilo, Albert Luthuli, Manne Dipico, Edward Moeng, King Senare, Forest View, Trisano.</p> <p>Extension of Morris Lenyibi Main road too small for 2 cars, Patches to be repaired, no intakes)</p> <p>S/w drain in Patric Mothelesi to be cleaned and closed, no s/w intakes in Molete, Matshidiso, Convention, Vanani, Mac Sebao, Patric Mothelesi, Motlhanke, Nobengula Main road to assist retention dam).</p> <p>Bridge to be built over s/w canal</p> <p>Extension of Morris Lenyibi Main road too small for 2 cars, Patches to be repaired, no intakes)</p> <p>John Mampe II (Patching of Albert Lethuli , short street in John Mampe II, Kagiso, Phakamile Mabija, Manne Dipico , Lathi Mabilo to be paved, no s/w intakes in John Daka 2)</p> <p>Ipeleng (No s/w intakes Chris Marais, Masisi, Man Zana, potholes to be patched)</p>	<p>Unit 1, Club 2000 (cracked houses, roofs)</p> <p>Unit 2 (cracked houses and leaking roofs to be repaired)</p> <p>Unit 3 (cracked and leaking roofs to be repaired)</p> <p>Kagiso (36 cracked houses built by Mulan Construction to be rectified, other cracked houses and leaking roofs to be repaired)</p> <p>Provision of housing in King Sengari</p>	<p>Gemdene (Buffer Area Ruby Str & Barkly Rd)</p> <p>Unit 2 (Close ground facility to be fixed has been vandalised, community hall, cleaning of veld)</p> <p>Kaghisso (School, library, clinic near ground in John Mampe, Kagiso, Tlhageng)</p> <p>Ipeleng (Netball, basket ball fields to be provided)</p>	<p>Unit 1 Club 2000 (Trees to be cutted in Peace Str and cleaning of ground)</p> <p>Unit 2 (Park to be upgraded, security 24 hours, trees to be cutted in Kulla, Chabagae, Convention Str)</p> <p>Kaghisso (Park and fencing to be upgraded, rubbish drums in Gala Motheo, Tlhageng Unit, as well as at park)</p> <p>John Mampe II (John Daka 2 and Kagiso Parks and fencing to be upgraded)</p> <p>Ipeleng (rubbish drum at Ipeleng Park and park and fencing to be upgraded)</p>	<p>Unit 1 - Club 2000</p> <p>Refurbishment of all high mast lights</p> <p>(3 street lights in every str, Khutsanang, Kakaretso/Tidimalo/Peace when high mast is off street lights must serve as back up)</p> <p>Unit 2 - (3 Str lights in every streets, Molete, Motlhanke, Matshidiso, Patric Mothelesi, Convention, Vanani, Mac Sebao)</p> <p>Unit 2 (High mast light in Moleteand at close ground to be fixed)</p> <p>Unit 3 (3 street lights Gabriel, Tirisano, Edward Moeng, King Senare, Tshidisanang)</p> <p>Kaghisso (3 street lights as back up in Rebecca Motlwaeng, Gloria Mathebula, bunny Mamba, Morris Lenyibi, Gala Motheo, Captain Matsie, Tebooo Masena.)</p> <p>John Mampe II (3 street lights in John Daka, Mampe, Manne Dipico, Albert Lethuli, Phakamile Mabija for back up)</p> <p>Ipeleng (High mast light at Ipeleng Park)</p>	<p>Unit 2 (Zink toilets Convention, Julia, Chabagae, Patric Mothelesi, Molete, Motlhanke, Matshidiso, Vanani, Mac Sebao Str)</p> <p>Unit 1, 2, 3 (Zink toilets to be built with bricks, Khutsanong, Tidimalo, Kakaretso, Peace, Convention, Julia, Chabagae, Patric Mothelesi, Molete, Motlhanke, Matshidiso, Vanani, Mac Sebao, Nobengula Rd)</p> <p>Unit 3 (King Senare, Phidisanang, Tirisano, Gabriel, Baremedi, Forest View,</p> <p>Kagiso (Zink toilets to be built with bricks Gala Motheo, Morris Lenyibi, Rebecca Motlwaeng, Bunny Mamba, Captain Matsie, George Molaolwa, Gloria Mathebula, Tebogo Maseng)</p> <p>Pipe replacement on sewer mains with an option of upgrading top structures. Point repairs on sewer mains in Kagiso, basic services for Kinn Sennari.</p>	
18	R van Wyk	<p>S/w system in whole ward (foculs also in Nxumalo as system is in back of yards)</p> <p>More speed bumps to be erected</p> <p>Paving of streets Malat Str, Nxumalo cul-de-sac</p>	<p>Renovation of Heritage Houses (mud houses)</p> <p>Mlimba Str shacks + 7.</p> <p>Block brick houses in Greater No 2 and some houses in Nxumalo cracking because of poor workmanship</p> <p>Registration of Greater No 2 for the title deeds</p> <p>Infill houses</p>	<p>Development of small village - LED (Mayibuye Precinct - Robert Sobukwe office)</p> <p>Unemployment and lack of skills program for young people</p> <p>Lack of library in this cluster ward</p>		<p>Service and upgrade of electricrty transformers</p> <p>Mlimba Str Shacks</p>	<p>Provision of services Mlimba Str shacks</p>	Over population double packing of families
19	IA Lekoma	Klaas Moncho and Moroka Str to be paved. Paving of Sello Phiri, Snyman Rankane Str, Peter Thabile, Thabo Moyo. Resurfacing/paving of outstanding portion of Mampunye Str	Upgrading Kammerkies (72 houses) asbestos roofs incl leaking roofs, fixing of falling mud houses, cracked/sub-standard houses SAKA	Revamp of old age home	Upgrading of parks		Toilets Lathi Mabilo Park (SAKA)	
20	C Pearce	<p>All main roads to be resurfaced and rehabilitated. Upgrade all main earth s/w cables</p> <p>All roads in CBD to be maintained</p> <p>Resealing of roads in West End, Kimberley North and Utility</p> <p>Patching of roads in other units in Ward 20.</p> <p>Visible street names</p> <p>S/w drains in West End, Utility and CBD, especially at Bin Hole</p>	Replace broken windows at 3 flats in New Park (Tiffany, Holland and Newton Courts). Maintenance as required at flats	Regular removal of dumped rubble in public spaces CBD, thorough cleaning in West End, Utility and New Park Making our CBD safe and installing working CCTV cameras	Soccer field and parks in West End	Lighting in CBD and suburbs	Sewer diversion at flats, replacing pipes for water mains. Repairing sanitation probles at Tiffany, Holland and Newton Courts. Major sanitation problem at Tower Villas - Albertynshof	
21	W van Rooyen	<p>Rehabilitation and resealing of Hull Str.</p> <p>Upgrade s/w management system in Hull Str and Diamantveld Primary School.</p> <p>Automize and upgrade s/w management at subways</p>	Upgrading of Flamingo Court				Pipe replacement for water mains	
22	N Maditse	<p>Paving of roads, Woodburn, Idutywa, Soga, Lemonwood, Ironwood, Denomthuli, Liphuku, Mokoalane, Thompsom, Magugu, Bonbani, Mohosh, Sneezewood and Witpad Streets</p> <p>Extension of s/w canal in Greenpoint</p> <p>Maintenance of roads in Southridge and cleaning of s/w drains (Landbou Rd, Britten Close, Smart and Beddome Str - serious need)</p>	Provision of housing in Greenpoint	Elektra Park - no service delivery	<p>Upgrading of sports ground</p> <p>Development of parks in Southridge</p>	Greenpoint, investigation into lighting levels	Provision of basic services in Greenpoint, Point repairs on sewer reticulation	Land for new cemetery

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		Elektra Park (Paving of streets)						

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23	J Vorster	Taxi parking bays, move taxi's to industrial area Linking of s/w pipes Visible street names						
24	Sharon Steyn	All main roads to be resurfaced and rehabilitated. Upgrade all main earth s/w cables All roads in CBD to be maintained Resealing of roads in Carters Glen, Rhodesdene, Lindene and Hadison Park Partching of roads in other units in Ward 24 Visible street names S/w drains in the whole Ward 24 especially in Selous Ave as well as the others in the Ward				Street lights in Ward 24 to be replaced	Upgrading of sewerage pump station - New Hillcrest and Carters Glen Replace missing Sewerage drain covers	
25	O Fourie		Upgrading of flats, Krisant, Hercules, Jonker, and Eureka Courts	Provision of bulk refuse bins at municipal flats Bulk refuse bins at Diamond Park		Highmast ligths Diamond Park	Replace main water line in Dalham Rd, Broadway from Carrington Rd up to Old Cape Town Rd Replace waterline in Central Rd from Carrington Rd up to Old Free State Rd at Phoenix Hotel	
26	BJ Makhamba	Construction of V-drains: Shuping, Mokotoi, Moremi, Ratanang, Zepe Str Paving : Motsweding, Moremi, Shuping, Zepe, Kgabang, Morometssi, Kutlwano, Goolam Akharwaray, Ratanang, Matlhaku Zone, Pakes Dikgetsi Str S/w Management for Ritchie, R Paving sidewalk from Ritchie to Modderiver	Rietvale informal settlement Rebuilding of Old Phelindaba houses in 3 phases Repairing rooftops of Ikageng houses	Revamp community hall, pave and lights outside, 100 chairs, 8 tables. Stone guard doors and replace old door	Stadium and swimming pool	Electrification of informal settlements	Upgrade of bulk water infrastructure, replacement and upgrade of water pipes incl installation of bulk meters, provision of basic water services informal areas	
27	N Hammer	Paving of Fraser Moleketi and other bus & taxi routes, Seeduif, John Humphres, Van Riebeeck and Venus Str. Speed bumps for Opperman, Van Riebeeck, Stokroos, Pelikaan Str. Underground s/w drains to river	Riemvasmaak Moving of app 30 in Suiderkruis & Kleindam Str (fountain flooding), Houses to be developed for Rietvale, Houses for app 1000 houses.	Cleaning of illegal dumping sites. Purchase of refuse removal truck, Upgrading and maintenance of community hall (Paving and parking area)	Soccer and netball pitch develop, 3 Parks for Rietvale, Swimming Pool	Electrification of informal settlements	Upgrade of bulk water infrastructure, replacement and upgrade of water pipes incl installation of bulk meters, provision of basic water services in Riemvasmaak	Surveying 220 informal structures, 750 erven including complimenting facilities such as business, creche, government office, etc
28	H Japhta	Upgrade of s/w in St Luke Rd and s/w sloop c/o Pine and Farm Roads Resurfacing of St Luke, Epsolom and St James Str. Paving of Beta, Gamma, Cecelia, Agatha roads. Repair potholes and cleaning of s/w inlets 10 streets (Maple to Soutbos Str) Paving for pedestrians in Main Rd, St Pauls, Recreation, Pine, Farm and Community Rd Removal of mining dumps in Colville/Floors area to make way for development of houses	Community Road Settlement	Building of community hall (500 people)		Electrification of Colville and bulk upgrade	Provision of basic services in Community Rd	
29	B Springbok	Paving and resurfacing of streets	Transfer of houses from municipality to owners. Provision of houses in Ivory Park			Electrification of Ivory Park	Provision of basic water services. Upgrading of sewer system in Riverton	
30	GP Kock	Completion of main s/w pipeline. Rehabilitation of Lerato Park main road. Paving of streets in Jacksonville with s/w system.	Lerato Park	Lerato Park shacks (sequence and services) Community Hall, Clinic Jacksonville (Indigents, clinic)	Park in Lerato Park and Jacksonville	Electrification of Jacksonville	Upgrade of pump stations. Bulk linking services. Upgrading of sewer outfall main	
31	John Keme	Upgrading of s/w drain system in Soul City. Resurfacing of roads. Paving of street (One street in Soul City, Ngwenyama, Ixcelishe)	Provision of FLISP housing in Nobengula Str. Provision of housing in Kutlwanong			Electrification of Kutlwanong	Upgrading of sewer pump station. Provision of basic water services. Upgrading of toilet top structure.	
32	F Banda	Paving o Frank Chikane and Gerald Sekoto, Zef Motopheng, Ellen Khuzwayo Str. Upgrading and management of s/w discharge point	Provision of housing at Frans Farm			Electrification of Platfontein	Pipe replacement programme (sewer) with an option of upgrading top structures. Investigate alternate waterborne sewer system for Platfontein	
33	K M Sebegu	Paving of Kgatlane, Legodi and George Joseph Str Paving of Chris Hani 2 Streets Street names						

SECTION 5:

SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN



Sol Plaatje Local Municipality: Service Delivery and Budget Implementation Plan (2021/22)

DRAFT SDBIP FY 2021/22





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INTRODUCTION

1.1 Legislative Framework

The Municipal Finance Management Act (MFMA) No. 56 of 2003 requires that municipalities prepare a Service Delivery and Budget Implementation Plan (SDBIP) as an implementation and management tool to ensure that budgetary decisions that are adopted by municipalities for the financial year are aligned with their Integrated Development Plan.

Section 1 of the Municipal Finance Management Act (MFMA) No. 56 of 2003 defines the “service delivery and budget implementation plan” as the detailed plan approved by the mayor of the municipality in terms of Section 53 (1) (c) (ii) for implementing the municipality's delivery of municipal services and its annual budget and which must include the following:-

- a) Projections of each month of-
 - (i) revenue to be collected, by source; and
 - (ii) operational and capital expenditure, by vote;
- b) Service delivery targets and performance indicators for each quarter; and
- c) Any other matters that may be prescribed, and includes any revisions of such plan by the mayor in terms of section 54(1)(c).

In terms of Section 53 (i)(c)(ii) of the MFMA, the SDBIP must be approved by the Mayor of a municipality within 28 days of the approval of the budget.

MFMA Circular 13 further addresses the minimum requirements of the SDBIP in detail.

1.2 Overview

This SDBIP is the fourth to be prepared for the IDP covering the next five years (2017 – 2022). The Sol Plaatje Municipality has prepared its 2021/22 SDBIP in line with the above. The SDBIP will serve as a “contract” between the administration, council and the community to deliver on the services outlined in the SDBIP and to manage the finances of the Municipality in a transparent and accountable manner. Not only will the SDBIP serve as an appropriate monitoring tool in the execution of the Municipality's budget to achieve key strategic priorities as set by the Integrated Development Plan (IDP), but will also serve as an essential part of the annual performance contracts for the Municipal Manager and Managers reporting directly to the Municipal Manager and provide a foundation for the overall annual and quarterly organisational performance for the 2021/22 financial year.



The SDBIP includes the following indicators:

- The revenue and expenditure projections per Vote per month.
- Revenue projections by source.
- Capital projects at a ward level and monthly capital cash flow.
- Consolidated service delivery targets and performance indicators per Municipal KPA and IDP Objective.

The SDBIP will therefore also empower the Executive Mayor, Council and other role-players to undertake their appropriate oversight and monitoring roles. The SDBIP will also afford the Executive Mayor (Mayoral Committee), Council Committees and the Municipal Manager the ability to measure in-year progress on the implementation of the IDP Objectives and the Budget.

1.3 Components of the SDBIP

The SDBIP is a layered plan and starts with a Multi-year Performance Plan as part of the IDP which is directly linked to the IDP Objectives. The 2021/22 SDBIP will be informed by the Multi-year Municipal Performance Plan which serves as the “top layer” of the SDBIP and contains the consolidated service delivery targets and in-year deadlines. This is illustrated by the diagramme below:

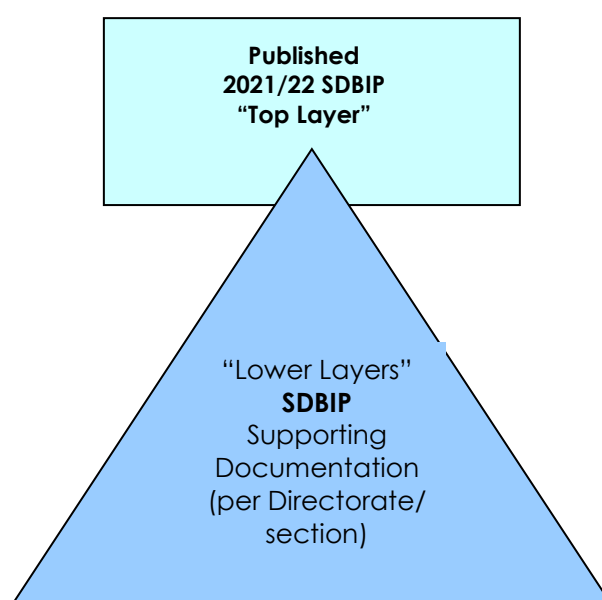


Figure 1: SDBIP Components



Once the “top layer” SDBIP is set, senior management will develop the “lower layers” of detail supporting the SDBIP. These are the actual activities linked to resources (financial, equipment and human) to actually achieve the consolidated service delivery targets within the approved budget amounts on time.

The detail of the departmental SDBIP's will be used by senior managers to hold middle level and lower level managers accountable to contribute to the municipal targets.

The following components forms part of the “top layer” SDBIP:

- o **Monthly Projections of Revenue to be collected by Source**

One of the most important and basic priorities for any municipality is to collect all its revenue as budgeted for – the failure to collect all such revenue will undermine the ability of the municipality to deliver on services.

While these projections would be most useful as cash flow projections, it is also critical to understand the relationship between revenue billed and the amount actually collected in the context of tariff, credit control and indigent policies and any other relevant policies. Comprehensive, coherent revenue policies that take into account appropriate service delivery levels, standards, ability to pay and collection efforts will ensure realistic revenue projections.

Projections for revenue by source should also include performance measures in relation to collection rates (amounts collected/amounts billed) to enable monitoring of the effectiveness of credit control policies and procedures.

- o **Monthly Projections of Expenditure and Revenue for each Vote**

These projections relate to cash paid and should reconcile to the cash flow statement adopted as part of the budget documentation.

The SDBIP show monthly projections of revenue by vote in addition to revenue by source. This is done to review the budget projections against actual revenue and expenditure by vote in order to gain a more complete picture than provided by reviewing expenditure only.



- **Monthly Projections of Consolidated Service Delivery Targets and Performance Indicators for each Vote**

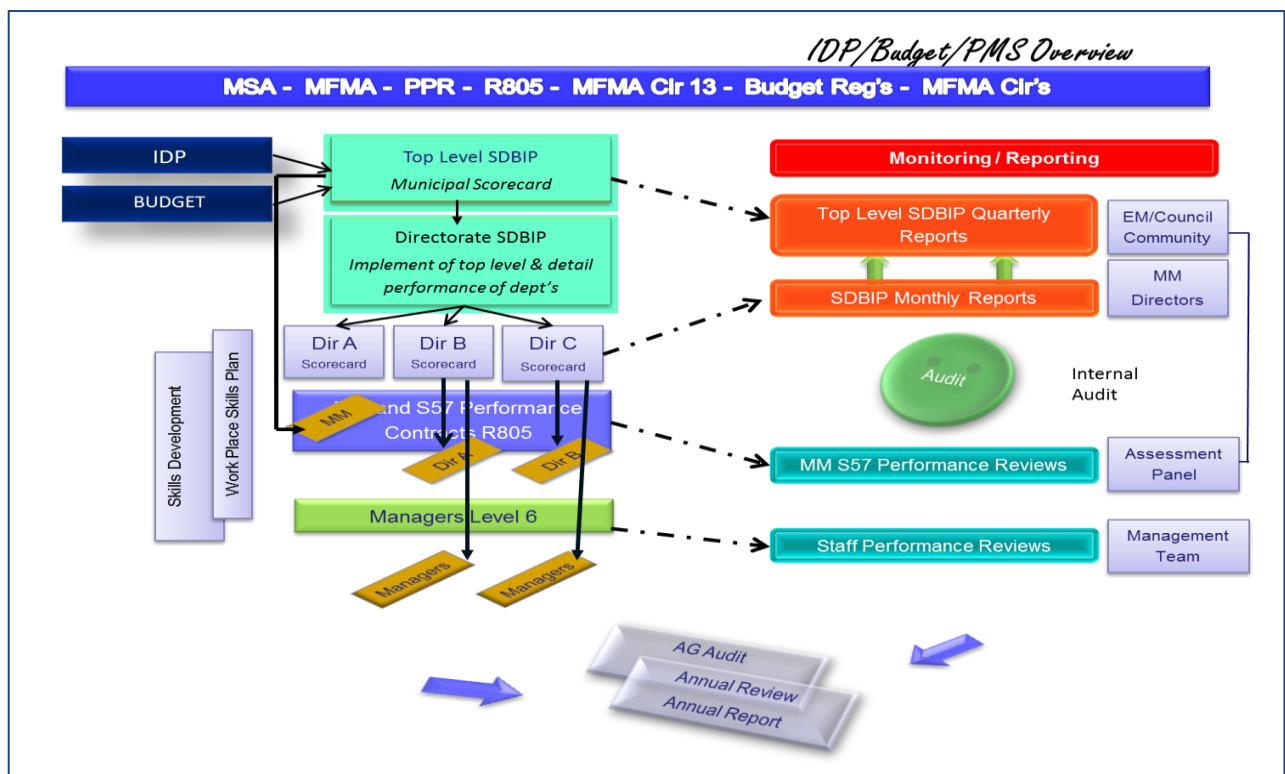
While the first two components indicate projections of budgeted amounts for revenue and expenditure, this component requires non-financial measurable key performance indicators and service delivery targets (including reduction of backlogs). The focus here is on outputs and outcomes, and not so much on inputs or internal management objectives.

- **Detailed Capital Works Plan broken down by Ward over Three years**

Information detailing infrastructure projects per ward containing project description and anticipated capital costs over the three-year period.

1.4 SDBIP Link to Strategic Issues in the IDP

The Municipality endeavours to have a seamless link between IDP, as the strategic plan, the SDBIP, which operationalises the IDP and the Budget and the performance agreements of top and middle management – as well as to all levels of staff. This is illustrated in the diagram below:





In reviewing the strategic objectives of the 5-year IDP in relation to both the present contextual issues relating to development in SPM and the latest national and provincial strategies and plans it was found that the current strategic focus of the IDP remains sound and correct and that focus for this MTREF should be on implementation.

Sol Plaatje Municipality must concentrate on an action-oriented development programme that will see the fruition of the present strategic objectives.

It should also be emphasised that the implementation of this development programme is also dependent on creating the correct preconditions for delivery; including institutional alignment, securing financial resources and creating optimal stakeholder configurations.

During the preparation of the present IDP a process was set in motion to refine the SPM's strategic development strategy with the view to develop its overall strategic objectives in such a way that it provides a better framework for sector-specific and joint work which is integrated and mutually supportive. The process of refining the strategy accepts the validity and urgency of the issues set out in the past, but it argues that Sol Plaatje Municipality should address these issues from a strong base, or common starting point. It also addresses issues around the manner in which the Municipality's strategy is "packaged" and presented – this gave rise to the decision to embark on a long-term Growth and Development Strategy for the Sol Plaatje Municipality.

This strategic agenda should give effect to the vision of the Municipality, namely

SOL PLAATJE – TOWARDS A LEADING AND MODERN CITY

Modern cities are multi nodal, with economic activity and workplaces concentrated in several locations. When cities expand towards the periphery, townships are extremely well-located from an urban access perspective. Galeshewe is strategically located and has the potential to serve as a key nodal point within the municipality.

In order to achieve this vision it will be important for SPM to ensure growth in the local economy in order to be sustainable. The SPM also needs to improve on the efficiency of its services, the sustainability of its finances and the effectiveness of its administration. This translates into two high level strategic objectives that also encompass all national government priorities, namely:



Include all in society – consultations and programmes
Include all in the economy – rich and poor
Develop post apartheid settlements and pride of place
Provide for universal coverage to deliver access to basic services

Sol Plaatje is a pilot for the “new deal” - the Integrated Urban Development Framework, this is a unique opportunity for the municipality and the residents of Sol Plaatje. In the course of making the “Back to Basics” programme of local government a reality, a new vision “Towards a leading and modern city” is presented in this IDP. The Future is a new deal wherein all stakeholders will work towards developing a:

- Clean city
- City that attracts investment, manufacturers and tourists
- City with good infrastructure
- Safe and secure City - A city that cares
- City where there is security- jobs, shelter
- City that facilitates the creation of jobs
- City that houses people
- City with youth involved productively
- City that harnesses integrated development
- City that facilitates skills development
- City that invests in public participation, is connected with the people
- City that works together
- City with good IGR harnessed to build integrated human settlements

The goal is to lead the city towards modernisation. To achieve this, the following strategic objectives will guide the city towards the future:

Spatial Transformation:

To transform the spatial structure of the City towards an equitable, inclusive, efficient and compact form consisting of a series of integrated and well connected economic corridors, nodes and attractive mixed-use/mixed-income sustainable human settlements of varying densities.

Inclusive Growth:

To establish a competitive economic position that attracts diverse investments, increases economic growth and creates targeted number of jobs.

Service Provision:

To plan for, install, maintain and operate infrastructure, and provide services more efficiently and on a sustainable basis that adequately supports:



- o transformed spatial structure
- o economic growth objectives
- o universal access to basic services,
- o differentiated service requirements of households and human settlements and economic activity

Governance:

To enhance the capacity of the state and its citizens to work together to achieve spatial and social integration.

To lead, direct and manage spatial growth of the City robustly, enhance revenue generation and improve operational efficiency.

THE 5 YEAR IDP ACTION PLAN RESOURCED

2.1 Budgeting and IDP Process

The budgeting process is preceded by the preparation of the IDP review.

This is the fourth review of the IDP in place for 2017/18 to 2021/22. As such it should be emphasised that it is not a new IDP, but rather an analysis of the status quo and an assessment of the relevance of the priorities as identified initially, during the compilation of the IDP as a five-year plan. New challenges and demands need to be understood and incorporated into the reviewed document where appropriate. Funding options for the operational and capital budget also need to be reviewed.

The budget, both capital and operational, addresses the strategic development agenda of the Municipality as per the IDP. During the present IDP review and considering the present IDP implementation progress it was found that SPM has achieved both financial and administrative stability and that emphasis should now be placed on accelerating the implementation of programmes and projects to achieve its strategic objectives outlined in the IDP 2017/18 – 2021/22.

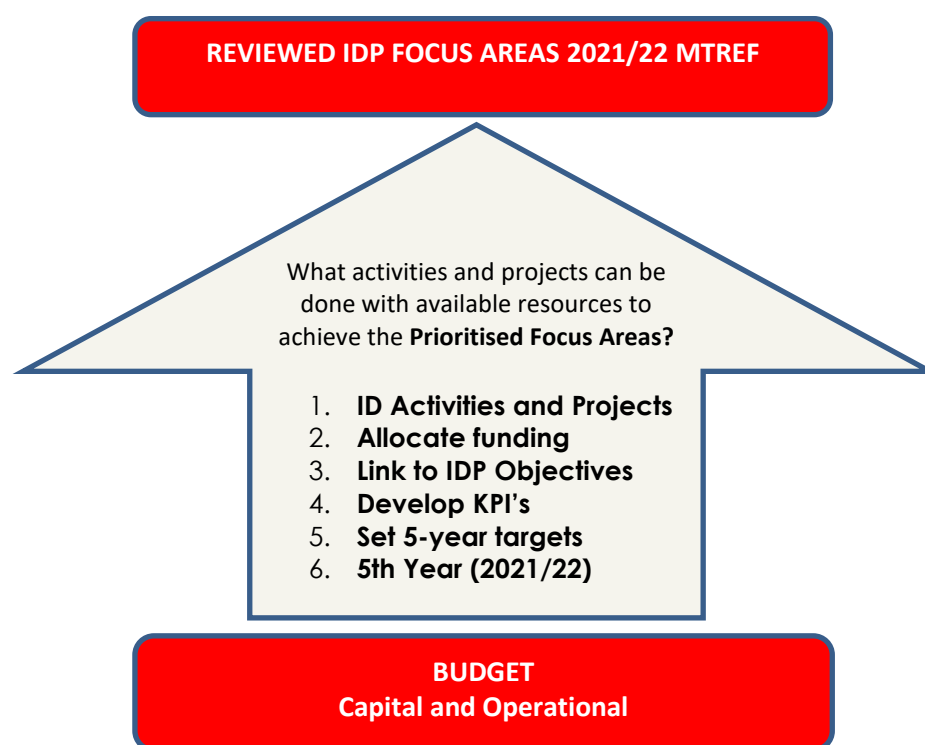
To achieve this goal, priority is given to the following key issues which inform the Municipality's resource allocation and activities for the 2021/22 MTREF – and also aligns to the National Development Plan and Back to Basics Programme:

- **An Infrastructure led growth path in the local economy to ensure sustainable development**



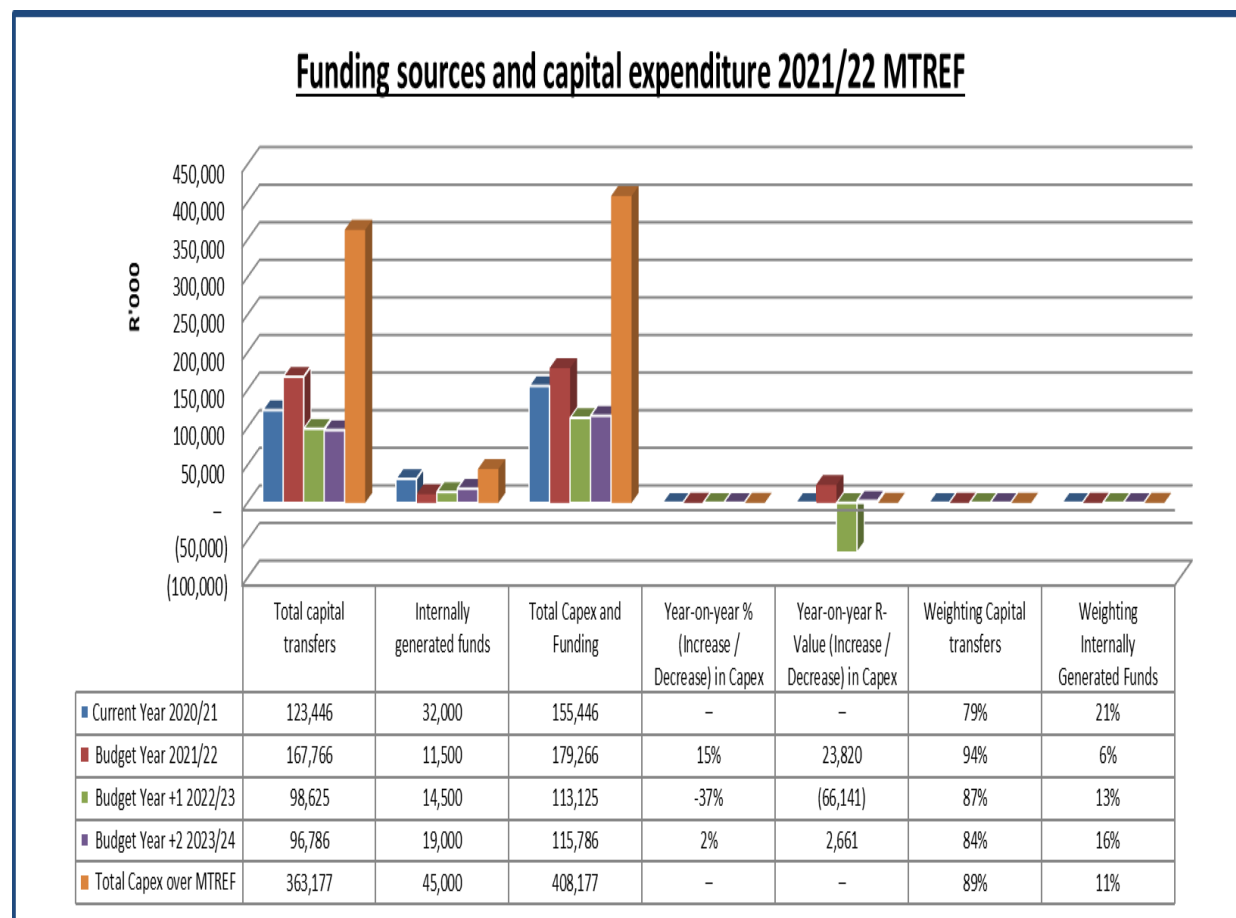
- **Concentrate on the Municipality's core functions, namely to improve the efficiency of its service delivery to households who need it most**
- **Ensure financial sustainability**
- **Improve the effectiveness of the Administration**

Programmes, projects and activities have been identified to address the key focus areas discussed above and have been resourced with the available financial resources from own confirmed funding and gazetted funding from National and Provincial Government. This process is diagrammatically indicated below:



2.2 The 2021/22 MTREF Funding Plan

The chart below indicate the funding plan to fund the IDP Priorities for the 2021/22 MTREF.



2.2.1 Funding the Operational Budget

The municipality raises its revenue mainly through the sale of municipal services being water and electricity, refuse removal and sanitation. The most significant non exchange revenue source is property rates.

The municipal services are billed monthly based on consumption and approved tariffs. A consolidated bill is then sent out to the customer. The municipality levies rates on land and development within its jurisdiction. Rates are payable annually by no later than 30 September each year or monthly as the municipal account falls due. The Table below indicates the revenue by source for the 2021/22 MTREF.

**Table 1: Revenue by Source for the 2021/22 MTREF****NC091 Sol Plaatje - Table A4 Budgeted Financial Performance (revenue and expenditure)**

Description	Ref	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand	1							
Revenue By Source								
Property rates	2	584,108	584,108	584,108	418,884	603,707	647,214	702,111
Service charges - electricity revenue	2	766,232	766,232	766,232	459,343	861,157	952,511	1,038,966
Service charges - water revenue	2	278,626	278,626	278,626	199,519	294,012	314,138	333,503
Service charges - sanitation revenue	2	71,175	71,175	71,175	53,627	76,648	81,626	86,434
Service charges - refuse revenue	2	53,984	53,984	53,984	47,196	59,567	63,433	67,799
Rental of facilities and equipment		12,440	12,440	12,440	8,156	13,145	13,809	14,569
Interest earned - external investments		10,000	4,000	4,000	860	9,000	12,000	15,000
Interest earned - outstanding debtors		154,000	144,000	144,000	4,973	157,200	155,204	151,983
Dividends received		–	–	–	–	–	–	–
Fines, penalties and forfeits		33,345	33,345	33,345	12,937	34,725	36,553	38,563
Licences and permits		6,100	6,100	6,100	6,780	6,500	6,858	7,235
Agency services		–	–	–	–	–	–	–
Transfers and subsidies		224,542	260,137	260,137	232,824	230,640	241,544	243,434
Other revenue	2	18,008	18,008	18,008	14,359	19,411	20,453	21,558
Gains		–	22,000	22,000	4,354	–	–	–
Total Revenue (excluding capital transfers and contributions)		2,212,561	2,254,156	2,254,156	1,463,812	2,365,711	2,545,342	2,721,154

2.2.2 Funding the Capital Budget

The Municipality's Capital Budget can only be funded from the following three sources, namely:

o Own revenue (Capital Replacement Reserve)

In accordance with Sec 18 of the MFMA only revenue surpluses from the previous financial year that are cash backed and not committed for any spending in the following year, can contribute to the capital budget (CRR). After adjustments, it is projected that a total of R11 500 000 is available for the 2021/22 financial year and the total own funds that can be allocated to the CRR over the next 2 years amounts to R33 500 000 based on the table below.

**Table 2: Own revenue utilised for funding of capital expenditure**

Vote Description	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Funded by:							
Internally generated funds	27 000	17 500	17 500	9 495	23 500	15 000	24 000
Total Capital Funding	184 285	189 636	189 636	110 051	154 456	155 489	169 458

o Conditional Grants

Funding is availed from National and Provincial government for service delivery projects with prescribed conditions attached to it, which inter alia means that the funding cannot be used for any other purpose, except for the approved projects as pertained in the business plan submitted.

The following grants as per table below were gazetted:

Table 3: Transfers and Grants receipts



NC091 Sol Plaatje - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand										
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		158,936	182,323	199,286	216,542	246,112	246,112	222,840	233,315	234,752
Local Government Equitable Share										
Equitable Share		150,982	172,437	189,150	205,072	234,642	234,642	212,328	226,115	227,052
Expanded Public Works Programme Integrated Grant		4,762	3,137	3,608	4,170	4,170	4,170	3,362	-	-
Infrastructure Skills Development Grant		1,492	5,049	4,500	5,000	5,000	5,000	5,500	5,500	6,000
Local Government Financial Management Grant		1,700	1,700	1,700	1,700	1,700	1,700	1,650	1,700	1,700
Municipal Disaster Recovery Grant		-	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant		-	-	328	-	-	-	-	-	-
Municipal Human Settlement Capacity Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		-	-	-	-	-	-	-	-	-
Municipal Systems Improvement Grant		-	-	-	600	600	600	-	-	-
Water Services Operating Subsidy Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Provincial Government:		7,599	8,267	15,530	8,000	14,625	14,625	7,800	8,229	8,682
Capacity Building		-	-	-	-	-	-	-	-	-
Expanded Public Works Programme		599	467	-	-	-	-	-	-	-
Library Services		7,000	7,800	-	-	-	-	-	-	-
Primary Health Care		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	15,530	8,000	14,625	14,625	7,800	8,229	8,682
District Municipality:		3,908	1,520	-	-	-	-	-	-	-
14/15: AWARENESS PROGRAMMES		3,908	-	-	-	-	-	-	-	-
Finance and Admin		-	1,520	-	-	-	-	-	-	-
IT Related Projects		-	-	-	-	-	-	-	-	-
Public Safety		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
European Union		-	-	-	-	-	-	-	-	-
Higher Education SA (HESA)		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	170,443	192,110	214,815	224,542	260,737	260,737	230,640	241,544	243,434
Capital Transfers and Grants										
National Government:		200,676	191,170	143,011	116,556	109,046	109,046	167,766	98,625	96,786
Infrastructure Skills Development Grant		32,000	36,997	-	-	-	-	-	-	-
Integrated National Electrification Programme Grant		-	-	11,842	19,658	17,206	17,206	66,500	22,000	20,000
Integrated Urban Development Grant		-	-	-	50,955	50,955	50,955	66,266	56,677	59,018
Municipal Infrastructure Grant		34,663	52,242	53,039	-	-	-	-	-	-
Municipal Water Infrastructure Grant		10,150	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant		97,537	58,000	70,386	20,000	27,912	27,912	10,000	-	-
Regional Bulk Infrastructure Grant		26,326	14,713	-	-	-	-	-	-	-
Water Services Infrastructure Grant		-	29,218	7,743	25,943	12,972	12,972	25,000	19,948	17,768
Provincial Government:		2,357	6,083	-	-	-	-	-	-	-
Capacity Building		2,357	6,083	-	-	-	-	-	-	-
Library Services		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	14,400	14,400	14,400	-	-	-
European Union		-	-	-	14,400	14,400	14,400	-	-	-
Total Capital Transfers and Grants	5	203,033	197,254	143,011	130,956	123,446	123,446	167,766	98,625	96,786
TOTAL RECEIPTS OF TRANSFERS & GRANTS		373,476	389,363	357,826	355,498	384,183	384,183	398,406	340,169	340,220



Indicated in the table below is the grant linked to each project:

Table 4: Projects linked to grants

Grant	Amount Gazetted	Project/s funded by the grant
IUDG	8 000 000	Craven Street Informal Trade
IUDG	3 000 000	Planning and Survey of 1200 erven in Ritchie
IUDG	22 266 000	To complete 100% work for the installation of electrical and mechanical components in Lerato Park Sewer pump Station
IUDG	10 000 000	Rehabilitation of Thlageng attenuation dam in Galeshewe
IUDG	10 000 000	To upgrade 3 km of Galeshewe access roads to a paved surface
IUDG	13 000 000	Patching and Resealing 86 000 square metres of various roads
Sub Total	66 266 000	
NDPG	10 000 000	Rehabilitation of Thlageng attenuation dam in Galeshewe
Sub Total	10 000 000	
WSIG	25 000 000	Complete 75% construction work for the Carters Ridge sewer pump station building with all electrical and mechanical equipment
Sub Total	25 000 000	
INEP	33 000 000	Electrification of 1 500 households, Lerato Park (Ph 6-7)
INEP	20 000 000	Electrification of 1 100 households, Lethabo Park, Ph 1
INEP	12 000 000	Completion of 35% construction work for Lerato Park Link Services
INEP	1 500 000	Pre-engineering and professional consultancy associated work for Hadison Park substation
Sub Total	66 500 000	
CRR	1 000 000	Replacement of 1000 prepaid meters
CRR	1 000 000	Replacement of 1000 water meters
CRR	4 000 000	Fleet Replacement
CRR	3 500 000	Computer equipment replacement
CRR	2 000 000	Furniture and equipment replacement
Sub Total	11 500 000	
NT/European Union (EU)	18 850 000	Enhancing SPM's economic governance & soft infrastructure for Business Expansion, Attraction and Retention (BEAR)
Sub Total	18 850 000	
Total	198 116 000	



As can be seen from the table above, the following flag ship projects currently receive priority at the municipality:

The biggest project on the capital program is for the bulk electrification of Lerato Park in the amount of R53 m which is funded through the Integrated National Electrification Program (INEP).

The second biggest project is the construction of new sewer outfall mains for Carters Ridge new sewer pump station which is funded through Water Services Infrastructure Grant (WSIG) in the amount of R25 m for the 2021/22.

An allocation through the Integrated Urban Development Grant (IUDG) in the amount of R22 266 m for the construction of the bulk sewer infrastructure for Lerato Park.

An amount of R20 m was received which were funded through the IUDG and the Neighbourhood Development Partnership Grant (NDPG) for the rehabilitation of the Thlageng attenuation dam in Galeshewe

o Long term borrowings

It is not anticipated at this stage that the Municipality will take up any new long term loans for this IDP Cycle.

Table 5 below depicts the funding sources for capital for the 2021/22 MTREF

Table 5: Capital Funding Sources for the 2021/22 MTREF

Vote Description R thousand	2021/22 Medium Term Revenue & Expenditure Framework		
	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Funded by:			
National Government	167,766	98,625	96,786
Provincial Government	—	—	—
District Municipality	—	—	—
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	—	—	—
Transfers recognised - capital	167,766	98,625	96,786
Borrowing			
Internally generated funds	11,500	14,500	19,000
Total Capital Funding	179,266	113,125	115,786



2.2.3 The 5 Year Key Performance Indicators and Targets

A Multi-Year Municipal Performance Plan setting the necessary annual KPI's and targets for each IDP Objective aligned to the key focus areas for the 2021/22 MTREF has been prepared considering the available resources and possible financial risks as discussed above (sections 2.1.1 and 2.2.2).

This Multi-year Municipal Performance Plan (attached as Annexure 1) is aligned to the Municipal Development Strategy as well as the other spheres of government's priorities. In this manner Sol Plaatje ensures that when it actually implement projects and complete operational activities that it will contribute to the overall priorities set for the development of South Africa, and not only for its local area.

3. THE 2021/22 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)

3.1 The 2021/22 MTREF Budget

Table below indicates the alignment of the revenue budget with the Strategic Objectives of the IDP for the 2021/22 MTREF period.

Table 6: Revenue Budget aligned to IDP Strategic Objectives)

NC091 Sol Plaatje - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
				Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand									
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Marketing the municipality as premier destination for tourism and investment	A		303,395	345,790	345,790	310,993	318,223	314,808
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT				603,759	603,159	603,159	623,229	667,662	723,570
MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION				6,177	6,177	6,177	6,804	6,881	7,455
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT				1,291,435	1,291,235	1,291,235	1,415,645	1,543,041	1,665,261
LOCAL ECONOMIC DEVELOPMENT				7,796	7,796	7,796	9,041	9,535	10,059
Allocations to other priorities			2						
Total Revenue (excluding capital transfers and contributions)			1	2,212,561	2,254,156	2,254,156	2,365,711	2,545,342	2,721,154



The municipality's expenditure for the 2021/22 budget and MTREF is informed by the following:

Modelling of feasible and sustainable budgets over the medium term,
Cognisance of international, national and local economic- and fiscal conditions,
Expenditure limits set by realistic and realisable revenue levels,
The asset repairs and maintenance goals,
Relevant (budget and other) legislative imperatives, and
Operational gains and efficiencies directed to fund areas of strategic priority and known commitments.

The Tables below indicate the Municipality's monthly financial targets for the 2021/22 financial year.

Table 7: Monthly Revenue and Expenditure Targets per Source for the 2021/22 Financial Year

SPLM Draft Service Delivery and Budget Implementation Plan – 2021/22



NC091 Sol Plaatje - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue By Source																
Property rates		50,309	50,309	50,309	50,309	50,309	50,309	50,309	50,309	50,309	50,309	50,309	50,309	603,707	647,214	702,111
Service charges - electricity revenue		71,763	71,763	71,763	71,763	71,763	71,763	71,763	71,763	71,763	71,763	71,763	71,763	861,157	952,511	1,038,966
Service charges - water revenue		24,501	24,501	24,501	24,501	24,501	24,501	24,501	24,501	24,501	24,501	24,501	24,501	294,012	314,138	333,503
Service charges - sanitation revenue		6,387	6,387	6,387	6,387	6,387	6,387	6,387	6,387	6,387	6,387	6,387	6,387	76,648	81,626	86,434
Service charges - refuse revenue		4,964	4,964	4,964	4,964	4,964	4,964	4,964	4,964	4,964	4,964	4,964	4,964	59,567	63,433	67,799
Rental of facilities and equipment		1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	13,145	13,809	14,569
Interest earned - external investments		750	750	750	750	750	750	750	750	750	750	750	750	9,000	12,000	15,000
Interest earned - outstanding debtors		13,100	13,100	13,100	13,100	13,100	13,100	13,100	13,100	13,100	13,100	13,100	13,100	157,200	155,204	151,983
Dividends received		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	34,725	36,553	38,563
Licences and permits		542	542	542	542	542	542	542	542	542	542	542	542	6,500	6,858	7,235
Agency services		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Transfers and subsidies		19,220	19,220	19,220	19,220	19,220	19,220	19,220	19,220	19,220	19,220	19,220	19,220	230,640	241,544	243,434
Other revenue		1,618	1,618	1,618	1,618	1,618	1,618	1,618	1,618	1,618	1,618	1,618	1,618	19,411	20,453	21,558
Gains		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)		197,143	197,143	197,143	197,143	197,143	197,143	197,143	197,143	197,143	197,143	197,143	197,143	2,365,711	2,545,342	2,721,154
Expenditure By Type																
Employee related costs		69,699	69,699	69,699	69,699	69,699	69,699	69,699	69,699	69,699	69,699	69,699	69,699	836,388	885,627	934,849
Remuneration of councillors		2,879	2,879	2,879	2,879	2,879	2,879	2,879	2,879	2,879	2,879	2,879	2,879	34,547	36,275	38,270
Debt impairment		22,917	22,917	22,917	22,917	22,917	22,917	22,917	22,917	22,917	22,917	22,917	22,917	275,000	293,600	310,648
Depreciation & asset impairment		6,596	6,596	6,596	6,596	6,596	6,596	6,596	6,596	6,596	6,596	6,596	6,596	79,150	84,325	89,218
Finance charges		1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	22,261	20,963	19,501
Bulk purchases - electricity		63,417	63,417	63,417	63,417	63,417	63,417	63,417	63,417	63,417	63,417	63,417	(50,583)	647,000	724,640	797,104
Inventory consumed		13,778	13,778	13,778	13,778	13,778	13,778	13,778	13,778	13,778	13,778	13,778	127,776	279,331	297,748	321,102
Contracted services		3,891	3,891	3,891	3,891	3,891	3,891	3,891	3,891	3,891	3,891	3,891	3,891	46,687	49,173	51,770
Transfers and subsidies		404	404	404	404	404	404	404	404	404	404	404	404	4,850	4,952	5,060
Other expenditure		9,981	9,981	9,981	9,981	9,981	9,981	9,981	9,981	9,981	9,981	9,981	9,977	119,770	126,960	132,287
Losses		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Expenditure		195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,416	195,406	2,344,984	2,524,262	2,699,808
Surplus/(Deficit)		1,726	1,726	1,726	1,726	1,726	1,726	1,726	1,726	1,726	1,726	1,726	1,736	20,727	21,079	21,346
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		13,980	13,980	13,980	13,980	13,980	13,980	13,980	13,980	13,980	13,980	13,980	13,981	167,766	98,625	96,786
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Transfers and subsidies - capital (in-kind - all)		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions		15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,717	188,493	119,704	118,132
Taxation		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Attributable to minorities		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Share of surplus/ (deficit) of associate		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit)	1	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,707	15,717	188,493	119,704	118,132



Table 8 below indicate the capital contribution to the IDP Objectives for the 2021/22 MTREF.

Table 8: Capital Contribution to the IDP Objectives

NC091 Sol Plaatje - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
				Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand									
GOOD GOVERNANCE AND PUBLIC PARTICIPATION				40,500	68,812	68,812	55,500	47,177	55,018
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT				99,556	71,233	71,233	115,766	65,948	60,768
LOCAL ECONOMIC DEVELOPMENT	Marketing the municipality as premier destination for tourism and investment	A		14,400	15,400	15,400	8,000	–	–
Allocations to other priorities			3						
Total Capital Expenditure			1	154,456	155,446	155,446	179,266	113,125	115,786


Table 9: Monthly Capital Expenditure per Municipal Vote: 2021/22

NC091 Sol Plaatje - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Multi-year expenditure to be appropriated	1															
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000	7,000	10,000
Vote 03 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 05 - Community Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 06 - Financial Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 07 - Strategy Econ Development And Planning		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 08 - Infrastructure And Services		6,606	6,606	6,606	6,606	6,606	6,606	6,606	6,606	6,606	6,606	6,606	6,605	79,266	43,948	40,768
Capital multi-year expenditure sub-total	2	8,606	8,606	8,606	8,606	8,606	8,606	8,606	8,606	8,606	8,606	8,606	8,605	103,266	50,948	50,768
Single-year expenditure to be appropriated																
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Municipal And General		2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	31,500	40,177	45,018
Vote 03 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 05 - Community Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 06 - Financial Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 07 - Strategy Econ Development And Planning		667	667	667	667	667	667	667	667	667	667	667	667	8,000	-	-
Vote 08 - Infrastructure And Services		3,042	3,042	3,042	3,042	3,042	3,042	3,042	3,042	3,042	3,042	3,042	3,042	36,500	22,000	20,000
Capital single-year expenditure sub-total	2	6,333	6,333	6,333	6,333	6,333	6,333	6,333	6,333	6,333	6,333	6,333	6,333	76,000	62,177	65,018
Total Capital Expenditure	2	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	14,939	179,266	113,125	115,786

**Table 10 : Capital Project Schedule for 2021/22 per Vote and Ward**

Project Description	2021/22 Medium Term Revenue & Expenditure Framework			Ward Location
	Budget Year 2021/22	Budget Year +1 2022/23 R'000	Budget Year +2 2023/24 R'0	
Replacement of 1000 prepaid meters	1 000	0	0	All
Replacement of 1000 water meters	1 000	3 000	3 000	All
Fleet Replacement	4 000	7 000	10 000	All
Computer equipment replacement	3 500	3 500	4 000	SPM
Furniture and equipment replacement	2 000	2 000	3 000	SPM
Craven Street Informal Trade	8 000	0	0	All
Planning and Survey of 1200 erven in Ritchie	3 000	3 000	3 000	26
European Union - Business Expansion, Attraction and Retention (BEAR)	18 850	11 750	0	All
Electrification of 1 500 households, Lerato Park (Ph 6-7)	33 000	0	0	30
Electrification of 1 100 households, Lethabo Park, Ph 1	20 000	0	0	30
Completion of 35% construction work for Lerato Park Link Services	12 000	0	0	30
Pre-engineering and professional consultancy associated work for Hadison Park substation	1 500	0	0	21
To complete 100% work for the installation of electrical and mechanical components in Lerato Park Sewer pump Station	22 266	0	0	30
Complete 75% construction work for the Carters Ridge sewer pump station building with all electrical and mechanical equipment	25 000	14 948	5 000	24
Rehabilitation of Thlageng attenuation dam in Galeshewe	20 000	0	0	17
To upgrade 3 km of Galeshewe access roads to a paved surface	10 000	15 677	17 018	Various roads
Patching and Resealing 86 000 square metres of various roads	13 000	14 000	16 000	All
Total	198 116	117 016	61 018	

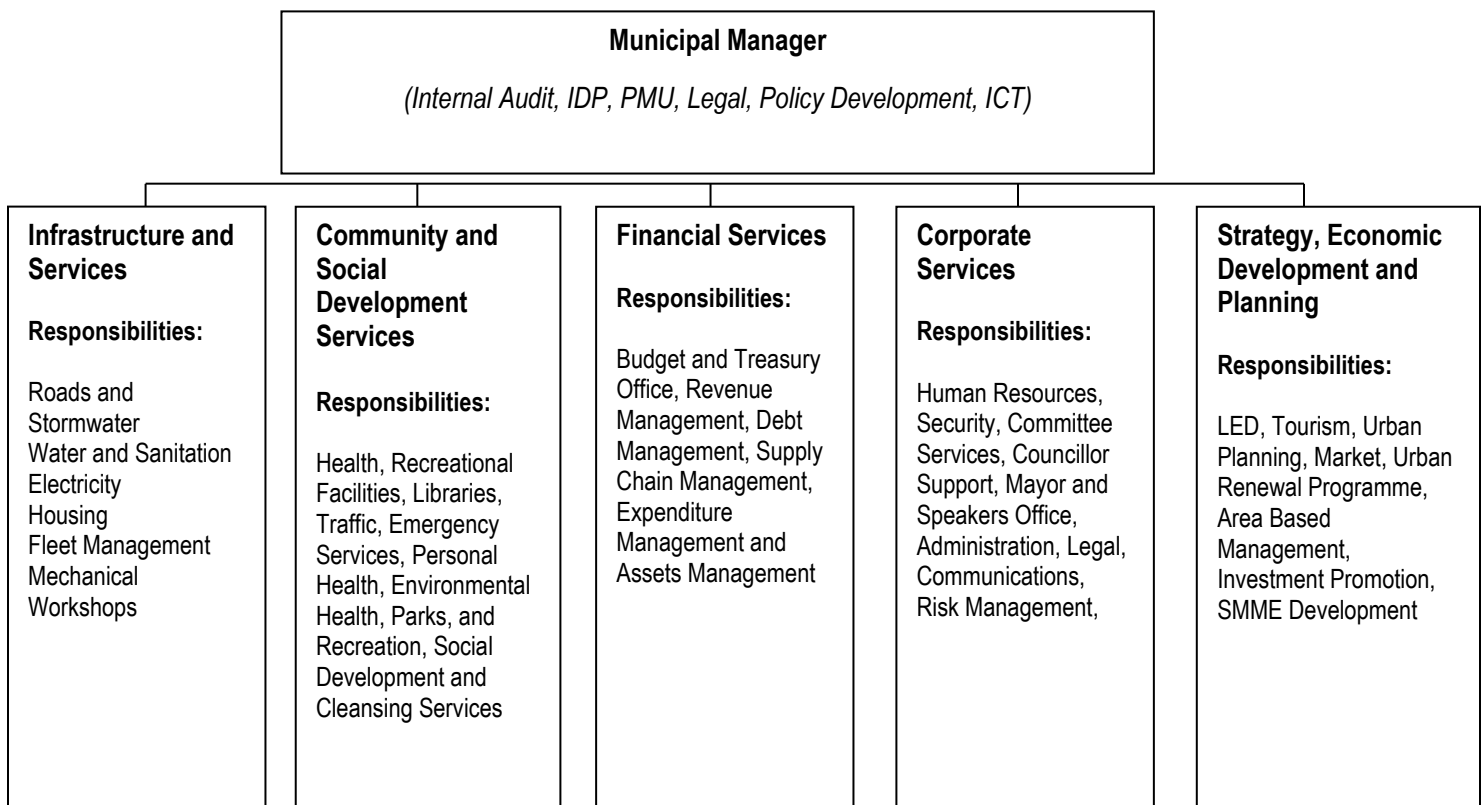


3.2 CONSOLIDATED SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATORS

The Service Delivery Targets and Performance Indicators per National and Municipal Key Performance Areas (KPA's) are discussed below.

3.2.1 Macro Structure

The Key Performance Indicators identified for the 2021/22 Financial Year are per Municipal Vote (Directorate). It assigns the responsibility of each Directorate for its specific KPI and target - see diagramme below and Annexure 1 (Multi-year Targets) and Annexure 2 (Quarterly Targets). These KPI's and Targets again inform the Performance Contract for the Municipal Manager and Managers accountable to the Municipal Manager as well as middle managers up to job level 6 (See Diagramme below).





3.2.2 Multi-year Performance Plan (Annexure 1)

The Multi-year Municipal Performance Plan (Annexure 1) represents the key indicators at an organisational level for the remainder of this IDP Cycle. The indicators are also aligned with the national and provincial performance indicators and the overall strategic agenda of the municipality as well as LGTAS Focus Areas to ensure alignment with the IDP and Budget. It also informs the SDBIP for 2021/22.

3.2.3 Service Delivery Quarterly Targets and Performance Indicators per key performance indicators 2021/22 SDBIP (Annexure 2)

Annexure 2 indicates the KPI's and Quarterly Targets for the 2021/22 financial year – the fifth year of the multi-year performance plan.



Annexure 1: Draft 2021/22 SDBIP Service Delivery Targets per Key Performance Area

Description	Unit of measurement	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
1. Local Economic Development							
IDP Strategic Objective Inclusive Growth: To establish a competitive economic position that attracts diverse investments, increases economic growth and creates targeted number of jobs. IDP Strategic Objective Spatial Transformation: To transform the spatial structure of the City towards an equitable, inclusive, efficient and compact form consisting of a series of integrated and well connected economic corridors, nodes and attractive mixed-use/mixed-income sustainable human settlements of varying densities							
1.1 To ensure effective spatial planning and development in order to establish a competitive economic position							
To improve the SCM turnaround time to 12 weeks for annual contracts from closing date to date of award by June 2022	Average time in weeks to award tender	12	12	12	12	12	12
To improve the SCM turnaround time to 6 weeks for once off contracts from closing date to date of award by June 2022	Average time in weeks to award tender	6	6	6	6	6	6
Ensuring a response time of 11 weeks for building plan submissions received in the current financial year for buildings or architectural buildings greater than 500 m ² annually	Average response time in weeks to process building plans	10	10	10	11	11	11
Ensuring a response time of 11 weeks for building plan submissions received in the current financial year for buildings or architectural buildings less than 500 m ² annually	Average response time in weeks to process building plans	6	10	10	10	10	10
To process all category 1 land use applications received until 30 April of the current financial year through MPT (Municipal Planning Tribunal) by 30 June 2022 in terms of the SPLUMA by-law (2015)	Percentage of land use applications approved	100%	100%	100%	100%	100%	100%
To process at least 200 buildings plans that were received before 1 July 2021 by the end of the current financial year (30 June 2022)	Number of building plans approved	200	200	200	200	200	200

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Description	Unit of measurement	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Review of the Sol Plaatje Land Use Management Scheme by 30 June 2022	Council resolution of approved Draft Land Use Scheme	0	0	0	100%	100%	0
1.4 To capacitate SMME's and local entrepreneurs							
To successfully implement the PPPFA Regulations to achieve BBEE and radical economic transformation through local procurement by ensuring at least 60% of the municipality's tenders are awarded to EME's, OSE's and from the businesses in the rural areas within the municipal jurisdiction by 30 June 2022	Percentage of tenders and value thereof awarded to EME, OSE, local and from business in the rural areas within the municipal jurisdiction	60%	60%	60%	60%	60%	60%
Establishment of an Automotive Hub at Roodepan by 30 June 2022	Percentage use components output deliveries	0	0	0	100%	0	0
Enhancing Sol Plaatje Municipality's economic governance and infrastructure for Business Expansion Attraction and Retention (BEAR) by 30 June 2022	Percentage use components output deliveries	100%	100%	100%	100%	100%	0
Establishment of the Northern Cape Innovation at Sol Plaatje University by 30 June 2022	Percentage use components output deliveries	0	0	0	100%	0	0
Implementation of the Developmental Programme that supports SMME's through business incubation for at least 10 businesses annually	Number of SMME businesses provided with skills	10	10	10	10	10	10
1.5 To develop sustainable living through job creation (EPWP and other initiatives)							
Create 400 FTE jobs through EPWP initiatives of the SPM by 30 June 2022	Number of jobs created	400	400	400	400	450	500
2. Basic And Sustainable Service delivery and Infrastructure Development							
IDP Strategic Objective Service Provision: To plan for, install, maintain and operate infrastructure, and provide services more efficiently and on a sustainable basis that adequately supports: transformed spatial structure, economic growth objectives universal access to basic services, differentiated service requirements of households and human settlements and economic activity							
2.1 To ensure sustainable delivery of community services (personal including environmental health, library, emergency and traffic services) to all residents of SPM.							

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Description	Unit of measurement	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<i>To achieve at least 70% compliance with the National Disaster Management Tool by 30 June 2022</i>	% compliance with the National Disaster management Tool	70%	70%	70%	70%	70%	70%
2.2 To address the poor condition of the roads in the Sol Plaatje area through maintenance and upgrading projects							
To upgrade at least 3 km access roads to a paved surface in Sol Plaatje area by 30 June 2022	Distance of km paved	2.5 km	4.9 km	4.9 km	3 km	3 km	3 km
Patching and resealing of 86 000 square metres of roads in Sol Plaatje area by 30 June 2022	Square metres of roads	0	65 000	65 000	86 000	86 000	95 000
Complete 100% rehabilitation of Thlageng attenuation dam in Galeshewe by 30 June 2022	% progress	0	0	0	100%	0	0
2.3 To ensure the availability of critical service delivery tools at all times (fleet management)							
<i>Ensure that all identified fleet items to be procured for the year, are delivered by 30 June 2022</i>	Percentage of identified fleet items delivered at year end	100%	100%	100%	100%	100%	100%
2.4 To ensure the adequate provision, upgrading and maintenance of electricity services infrastructure							
To appoint a professional service provider for the pre-engineering and professional consultancy associated works for Hadison Park Substation by 30 June 2022	Percentage completion as per project progress report	0	0	0	100%	0	0
Completion of 35% of the construction work for Lerato Park Link Services by 30 June 2022	Percentage completion as per project progress report	0	0	0	35%	100%	0
2.5 To ensure the adequate provision, upgrading and maintenance of water and sanitation services infrastructure							
To complete 100% work for the installation of electrical and mechanical components in Lerato Park Sewer pump Station by 30 June 2022	Percentage completion as per project progress report	50%	25%	25%	100%	0	0
Completion of 75% of the construction work for the Carters Ridge sewer pump station building with all electrical and mechanical equipment by 30 June 2022	Percentage completion as per project progress report	10%	10%	10%	75%	100%	100%
2.6 To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services							

SPLM Draft Service Delivery and Budget Implementation Plan – 2021/22



Description	Unit of measurement	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
To complete the electrification of 1 100 households by 30 June 2022 (Lethabo Park, Phase 1)	Number of houses connected to electricity network	0	0	0	1 100	0	0
To complete the electrification of 1 500 households by 30 June 2022 (Lerato Park, Phase 6-7)	Number of houses connected to electricity network	0	0	0	1 500	0	0
Decrease electricity losses to 16% by 30 June 2022	Percentage electricity loss	16%	16%	16%	16%	16%	16%
Decrease water losses to 50% by 30 June 2022	Percentage water loss	50%	50%	50%	50%	50%	50%
12 000 Indigent households to receive free basic services (water, electricity, sanitation and waste removal according to national guidelines) by 30 June 2022	No of indigents per the Indigent Register	12 000	12 000	12 000	12 000	13 000	15 000
2.7 To ensure management of the quality of the drinking water and waste water through compliance with the applicable legislation							
To ensure through effective monitoring that a 98% Blue Drop Status on quality compliance is achieved by 30 June 2022	% Compliance of Water Quality	98%	98%	98%	98%	98%	98%
To ensure through effective monitoring that a 60% Green Drop Status on effluent quality compliance is achieved by 30 June 2022	% Compliance of Effluent Quality	60%	60%	60%	60%	60%	60%
2.9 Develop suitable located and affordable housing (shelter) and decent human settlements							
Planning and Surveying of 1200 erven in Ritchie by 30 June 2022	Layout Plan and Draft SG Diagram	0	0	0	1200	0	0
3. Municipal Institutional Development and Transformation							
IDP Strategic Objective Governance: To enhance the capacity of the state and its citizens to work together to achieve spatial and social integration. To lead, direct and manage spatial growth of the City robustly, enhance revenue generation and improve operational efficiency.							

SPLM Draft Service Delivery and Budget Implementation Plan – 2021/22



Description	Unit of measurement	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
3.1 To enable effective training and skills development through various initiatives and partnering with the private sector							
<i>Equip staff to Implement efficiency, monitoring and productivity through the following improvement interventions by 30 June 2022 : Leadership and management development training, Learning/competency and development programme</i>	Number of interventions performed	2	2	2	2	2	2
3.2 To improve effective human resource development to staff and Councillors							
<i>Review the organisational structure of the municipality on an annual basis, with the aim of optimising efficiency, and make recommendations by 30 June 2022</i>	Record of review and recommendations made and review performed	100%	100%	100%	100%	100%	100%
<i>Monitor the implementation of the Human Resource Management Plan through conducting at least one review meeting annually</i>	Number of review meetings held	1	1	1	1	1	1
<i>Achieve 72% compliance with the EAP plan of the municipality by ensuring representation of the racial profile of the local authority on municipal level by 30 June 2022</i>	% compliance to the EAP	72%	72%	72%	72%	72%	72%
3.3 To ensure continuous maintenance and replacement of furniture, office and computer equipment and create a secure environment within the municipality							
<i>To ensure that the ICT Strategic Plan aligns to the IDP and as such delivers on the municipality's for a "Leading Modern City" through initiatives that includes the employees and the community of Kimberley by 30 June 2022</i>	Percentage of ICT Projects successfully completed	100%	100%	100%	100%	100%	100%
3.4 To provide a basis for sustainable municipal performance improvement							
<i>Monitor the implementation of the Integrated Performance Management Policy by conducting at least one review meeting annually</i>	Minutes of meeting conducted. Item on policy review tabled to Council	1	1	1	1	1	1
<i>Submit quarterly organisational performance reports to the Executive Mayor by the 20th of the month following the end of each Quarter for 2021/22</i>	No of Reports submitted	4	4	4	4	4	4
<i>On a quarterly basis communicate the funded vacant positions in each directorate to the relevant Executive Director</i>	Number of communications provided	4	0	0	4	4	4
<i>Co-ordinate bi-annual performance assessments of the municipal manager and managers reporting directly to the municipal manager by 30 June 2022</i>	Number of assessments conducted	2	2	2	2	2	2
<i>Submit the final IDP document for adoption to Council by 31 May annually</i>	Tabled IDP for Council adoption	1	1	1	1	1	1



Description	Unit of measurement	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Submit the final SDBIP to the Executive Mayor by 30 June annually	SDBIP approved by Executive Mayor	1	1	1	1	1	1
4. Municipal Financial Viability and Management							
IDP Strategic Objective Governance: To enhance the capacity of the state and its citizens to work together to achieve spatial and social integration. To lead, direct and manage spatial growth of the City robustly, enhance revenue generation and improve operational efficiency.							
4.1 Enhance revenue through leveraging alternate sources of funding and identifying new revenue streams							
Improve revenue enhancement by ensuring a collection rate of 85% after debt write off by 30 June 2022	Percentage of collection rate ensured after debt write off	85%	85%	85%	85%	87%	90%
4.2 Promote sound financial management and financial sustainability of Sol Plaatje Municipality through prudent fiscal management							
To spend at least 85% of the Capital Budget (including VAT) on capital projects identified in the IDP by 30 June 2022	Percentage capital spending	95%	95%	95%	85%	87%	90%
To spend at least 90% of the Operational Budget annually (30 June)	Percentage operational spending	92%	92%	92%	90%	92%	92%
Maintain the debt coverage ratio of at least 2:1 against net assets of the municipality by 30 June 2022	Debt coverage ratio	2.1	2.1	2.1	2.1	2.1	2.1
Reduce net debtor days to 300 days by 30 June 2022	Net debtor days	300	300	300	300	250	200
Maintain the cost coverage ratio of at least 1 month (annually)	Cost coverage ratio	1	1	1	1	2	3
Ensure that the actual spending on employee related costs does not exceed 37% of the total expenditure by 30 June 2022	Employee cost as a percentage of total operating cost	37%	37%	37%	37%	35%	33%
5. Good Governance and Public Participation							
IDP Strategic Objective Governance: To enhance the capacity of the state and its citizens to work together to achieve spatial and social integration. To lead, direct and manage spatial growth of the City robustly, enhance revenue generation and improve operational efficiency.							

SPLM Draft Service Delivery and Budget Implementation Plan – 2021/22



Description	Unit of measurement	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
5.1 To ensure an improved audit opinion through compliance with all relevant regulations, continuous assessment of risk and internal controls							
<i>Internal audit to perform an assessment of the internal control environment and other risk areas within the municipality and issue at least 10 internal audit reports to the audit committee during the financial year</i>	Number of internal audit reports completed	10	10	10	10	10	10
<i>To implement an effective and efficient Supply Chain Management System by ensuring that successful appeals is not more than 5% of tenders awarded by 30 June 2022</i>	Percentage successful appeals	5%	5%	5%	5%	5%	5%
<i>Submit an Audit Action Plan to the Municipal Manager to address issues raised by the Auditor General within thirty (30) days after the end of the audit annually</i>	Audit action plan submitted	1	1	1	1	1	1
<i>To report quarterly on the progress of risk mitigation to the Accounting officer and Executive Management Team (EMT)</i>	Quarterly reports on strategic risk register	4	4	4	4	4	4
<i>Submit an Annual Report on risk management maturity level of SPM to NT by 30 June each year.</i>	Maturity Report submitted	1	1	1	1	1	1
5.3 To promote community participation and communication							
<i>To communicate to the public (established residential areas) by issuing monthly newsletters</i>	Number of newsletters issued.	12	12	12	12	12	12
<i>To respond to all media enquiries and issue media statements within 24 hours after an occurrence</i>	Response times after and event has occurred	24h	24h	24h	24h	24h	24h



Annexure 2: Draft 2021/22 SDBIP Service Delivery Quarterly Targets per Key Performance Area

Description	Unit of measurement	Budget Year 2021/22	Quarterly targets 2021/22			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
1. Local Economic Development						
IDP Strategic Objective Inclusive Growth: To establish a competitive economic position that attracts diverse investments, increases economic growth and creates targeted number of jobs. IDP Strategic Objective Spatial Transformation: To transform the spatial structure of the City towards an equitable, inclusive, efficient and compact form consisting of a series of integrated and well connected economic corridors, nodes and attractive mixed-use/mixed-income sustainable human settlements of varying densities						
1.1 To ensure effective spatial planning and development in order to establish a competitive economic position						
To improve the SCM turnaround time to 12 weeks for annual contracts from closing date to date of award by June 2022	Average time in weeks to award tender	12	12	12	12	12
To improve the SCM turnaround time to 6 weeks for once off contracts from closing date to date of award by June 2022	Average time in weeks to award tender	6	6	6	6	6
Ensuring a response time of 11 weeks for building plan submissions received in the current financial year for buildings or architectural buildings greater than 500 m² annually	Average response time in weeks to process building plans	11	11	11	11	11
Ensuring a response time of 11 weeks for building plan submissions received in the current financial year for buildings or architectural buildings less than 500 m² annually	Average response time in weeks to process building plans	11	11	11	11	11
To process all category 1 land use applications received until 30 April of the current financial year through MPT (Municipal Planning Tribunal) by 30 June 2022 in terms of the SPLUMA by-law (2015)	Percentage of land use applications approved	100%	0	0	0	100%
To process at least 200 buildings plans that were received before 1 July 2021 by the end of the current financial year (30 June 2022)	Number of building plans approved	200	0	0	0	200
Review of the Sol Plaatje Land Use Management Scheme by 30 June 2022	Council resolution of approved Draft Land Use Scheme	100%	0	0	0	100%



Description	Unit of measurement	Budget Year 2021/22	Quarterly targets 2021/22			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
1.4 To capacitate SMME's and local entrepreneurs						
To successfully implement the PPPFA Regulations to achieve BBBEE and radical economic transformation through local procurement by ensuring at least 60% of the municipality's tenders are awarded to EME's, OSE's and from the businesses in the rural areas within the municipal jurisdiction by 30 June 2022	Percentage of tenders and value thereof awarded to EME, OSE, local and from business in the rural areas within the municipal jurisdiction	60%	60%	60%	60%	60%
Establishment of an Automotive Hub at Roodepan by 30 June 2022	Percentage use components output deliveries	100%	25%	50%	75%	100%
Enhancing Sol Plaatje Municipality's economic governance and infrastructure for Business Expansion Attraction and Retention (BEAR) by 30 June 2022	Percentage use components output deliveries	100%	25%	50%	75%	100%
Establishment of the Northern Cape Innovation at Sol Plaatje University by 30 June 2022	Percentage use components output deliveries	100%	25%	50%	75%	100%
Implementation of the Developmental Programme that supports SMME's through business incubation for at least 10 businesses annually	Number of SMME businesses provided with skills	10	3	2	2	3
1.5 To develop sustainable living through job creation (EPWP and other initiatives)						
Create 400 FTE jobs through EPWP initiatives of the SPM by 30 June 2022	Number of jobs created	400	100	100	100	100
2. Basic And Sustainable Service delivery and Infrastructure Development						
IDP Strategic Objective Service Provision: To plan for, install, maintain and operate infrastructure, and provide services more efficiently and on a sustainable basis that adequately supports: transformed spatial structure, economic growth objectives universal access to basic services, differentiated service requirements of households and human settlements and economic activity						
2.1 To ensure sustainable delivery of community services (personal including environmental health, library, emergency and traffic services) to all residents of SPM.						
To achieve at least 70% compliance with the National Disaster Management Tool by 30 June 2022	% compliance with the National Disaster management Tool	70%	0	0	0	70%



Description	Unit of measurement	Budget Year 2021/22	Quarterly targets 2021/22			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
2.2 To address the poor condition of the roads in the Sol Plaatje area through maintenance and upgrading projects						
To upgrade at least 3 km access roads to a paved surface in Sol Plaatje area by 30 June 2022	Distance of km paved	0.75	0.75	0.75	0.75	0.75
Patching and resealing of 86 000 square metres of roads in Sol Plaatje area by 30 June 2022	Square metres of roads	86 000	0	0	86 000	0
Complete 100% rehabilitation of Thlageng attenuation dam in Galeshewe by 30 June 2022	% progress	100%	10%	25%	50%	100%
2.3 To ensure the availability of critical service delivery tools at all times (fleet management)						
<i>Ensure that all identified fleet items to be procured for the year, are delivered by 30 June 2022</i>	Percentage of identified fleet items delivered at year end	100%	0%	0%	0%	100%
2.4 To ensure the adequate provision, upgrading and maintenance of electricity services infrastructure						
To appoint a professional service provider for the pre-engineering and professional consultancy associated works for Hadison Park Substation by 30 June 2022	Percentage completion as per project progress report	100%	25%	50%	75%	100%
Completion of 35% of the construction work for Lerato Park Link Services by 30 June 2022	Percentage completion as per project progress report	35%	0%	10%	20%	35%
2.5 To ensure the adequate provision, upgrading and maintenance of water and sanitation services infrastructure						
To complete 100% work for the installation of electrical and mechanical components in Lerato Park Sewer pump Station by 30 June 2022	Percentage completion as per project progress report	100%	0	50%	0	100%
Completion of 75% of the construction work for the Carters Ridge sewer pump station building with all electrical and mechanical equipment by 30 June 2022	Percentage completion as per project progress report	75%	0	35%	0	75%
2.6 To ensure a basic standard of living for all through the provision of basic sanitation, water, electricity and refuse delivery services						



Description	Unit of measurement	Budget Year 2021/22	Quarterly targets 2021/22			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
To complete the electrification of 1 100 households by 30 June 2022 (Lethabo Park, Phase 1)	Number of houses connected to electricity network	1 100	250	250	250	350
To complete the electrification of 1 500 households by 30 June 2022 (Lerato Park, Phase 6-7)	Number of houses connected to electricity network	1 500	250	250	500	500
Decrease electricity losses to 16% by 30 June 2022	Percentage electricity loss	16%	0	0	0	16%
Decrease water losses to 50% by 30 June 2022	Percentage water loss	50%	0	0	0	50%
12 000 Indigent households to receive free basic services (water, electricity, sanitation and waste removal according to national guidelines) by 30 June 2022	No of indigents per the Indigent Register	12 000	0	0	0	12 000
2.7 To ensure management of the quality of the drinking water and waste water through compliance with the applicable legislation						
To ensure through effective monitoring that a 98% Blue Drop Status on quality compliance is achieved by 30 June 2022	% Compliance of Water Quality	98%	0	0	0	98%
To ensure through effective monitoring that a 60% Green Drop Status on effluent quality compliance is achieved by 30 June 2022	% Compliance of Effluent Quality	60%	0	0	0	60%
3. Municipal Institutional Development and Transformation						
IDP Strategic Objective Governance: To enhance the capacity of the state and its citizens to work together to achieve spatial and social integration. To lead, direct and manage spatial growth of the City robustly, enhance revenue generation and improve operational efficiency.						
3.1 To enable effective training and skills development through various initiatives and partnering with the private sector						
Equip staff to Implement efficiency, monitoring and productivity through the following improvement interventions by 30 June 2022 : Leadership and management development training, Learning/competency and development programme	Number of interventions performed	2	0	1	0	1



Description	Unit of measurement	Budget Year 2021/22	Quarterly targets 2021/22			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
3.2 To improve effective human resource development to staff and Councillors						
<i>Review the organisational structure of the municipality on an annual basis, with the aim of optimising efficiency, and make recommendations by 30 June 2022</i>	Record of review and recommendations made and review performed	100%	0	0	0	100%
<i>Monitor the implementation of the Human Resource Management Plan through conducting at least one review meeting annually</i>	Number of review meetings held	1	0	0	0	1
<i>Achieve 72% compliance with the EAP plan of the municipality by ensuring representation of the racial profile of the local authority on municipal level by 30 June 2022</i>	% compliance to the EAP	72%	0	0	0	72%
3.3 To ensure continuous maintenance and replacement of furniture, office and computer equipment and create a secure environment within the municipality						
<i>To ensure that the ICT Strategic Plan aligns to the IDP and as such delivers on the municipality's for a "Leading Modern City" through initiatives that includes the employees and the community of Kimberley by 30 June 2022</i>	Percentage of ICT Projects successfully completed	100%	25%	50%	75%	100%
3.4 To provide a basis for sustainable municipal performance improvement						
<i>Monitor the implementation of the Integrated Performance Management Policy by conducting at least one review meeting annually</i>	Minutes of meeting conducted. Item on policy review tabled to Council	1	1	1	1	1
<i>Submit quarterly organisational performance reports to the Executive Mayor by the 20th of the month following the end of each Quarter for 2021/22</i>	No of Reports submitted	4	1	1	1	1
<i>On a quarterly basis communicate the funded vacant positions in each directorate to the relevant Executive Director</i>	Number of communications provided	4	1	1	1	1
<i>Co-ordinate bi-annual performance assessments of the municipal manager and managers reporting directly to the municipal manager by 30 June 2022</i>	Number of assessments conducted	2	1	0	1	0
<i>Submit the final IDP document for adoption to Council by 31 May annually</i>	Tabled IDP for Council adoption	1	0	0	0	1
<i>Submit the final SDBIP to the Executive Mayor by 30 June annually</i>	SDBIP approved by Executive Mayor	1	0	0	0	1



Description	Unit of measurement	Budget Year 2021/22	Quarterly targets 2021/22			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
4. Municipal Financial Viability and Management						
IDP Strategic Objective Governance: To enhance the capacity of the state and its citizens to work together to achieve spatial and social integration. To lead, direct and manage spatial growth of the City robustly, enhance revenue generation and improve operational efficiency.						
4.1 Enhance revenue through leveraging alternate sources of funding and identifying new revenue streams						
Improve revenue enhancement by ensuring a collection rate of 85% after debt write off by 30 June 2022	Percentage of collection rate ensured after debt write off	85%	85%	85%	85%	85%
4.2 Promote sound financial management and financial sustainability of Sol Plaatje Municipality through prudent fiscal management						
To spend at least 85% of the Capital Budget (including VAT) on capital projects identified ito the IDP by 30 June 2022	Percentage capital spending	85%	20%	40%	60%	85%
To spend at least 90% of the Operational Budget annually (30 June)	Percentage operational spending	90%				
Maintain the debt coverage ratio of at least 2:1 against net assets of the municipality by 30 June 2022	Debt coverage ratio	2:1	2:1	2:1	2:1	2:1
Reduce net debtor days to 300 days by 30 June 2022	Net debtor days	300	300	300	300	300
Maintain the cost coverage ratio of at least 1 month (annually)	Cost coverage ratio	1	1	1	1	1
Ensure that the actual spending on employee related costs does not exceed 37% of the total expenditure by 30 June 2022	Employee cost as a percentage of total operating cost	37%	0	0	0	37%



Description	Unit of measurement	Budget Year 2021/22	Quarterly targets 2021/22			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
5. Good Governance and Public Participation						
IDP Strategic Objective Governance: To enhance the capacity of the state and its citizens to work together to achieve spatial and social integration. To lead, direct and manage spatial growth of the City robustly, enhance revenue generation and improve operational efficiency.						
5.1 To ensure an improved audit opinion through compliance with all relevant regulations, continuous assessment of risk and internal controls						
Internal audit to perform an assessment of the internal control environment and other risk areas within the municipality and issue at least 10 internal audit reports to the audit committee during the financial year	Number of internal audit reports completed	10	3	2	2	3
To implement an effective and efficient Supply Chain Management System by ensuring that successful appeals is not more than 5% of tenders awarded by 30 June 2022	Percentage successful appeals	5%	5%	5%	5%	5%
Submit an Audit Action Plan to the Municipal Manager to address issues raised by the Auditor General within thirty (30) days after the end of the audit annually	Audit action plan submitted	1	0	0	1	0
To report quarterly on the progress of risk mitigation to the Accounting officer and Executive Management Team (EMT)	Quarterly reports on strategic risk register	4	1	1	1	1
Submit an Annual Report on risk management maturity level of SPM to NT by 30 June each year.	Maturity Report submitted	1	0	0	0	1
5.3 To promote community participation and communication						
To communicate to the public (established residential areas) by issuing monthly newsletters	Number of newsletters issued.	12	12	12	12	12
To respond to all media enquiries and issue media statements within 24 hours after an occurrence	Response times after and event has occurred	24h	24h	24h	24h	24h

SECTION 6:

**BUDGET
RELATED
POLICIES
OVERVIEW
AND
AMENDMENTS**



SOL PLAATJE MUNICIPALITY

ANNEXURE : BUDGET RELATED POLICIES

List of Budget related policies	Explanation numbers	Approved	Resolution Number	Reviewed
Policy Asset Management	1	28-May-14	C125/05/14	March 2021
Policy Cash Management & Investment	1	07-Apr-05	CR22	March 2021
Policy Customer Services Credit Control Debt Collection	1 & 2	31-May-18	C38/05/18	March 2021
Policy Indigent	1 & 2	28-May-14	C121/05/14	March 2021
Policy Internal Audit	1	17-Nov-05		March 2021
Policy Property Rates	1 & 2	27-May-15	C100/05/15	March 2021
Policy Risk Management	1	17-Nov-05	CR500	March 2021
Policy Supply Chain Management	1 & 2	04-Nov-14	C265/11/14	March 2021
Tariff Policy on Property Rates	1	31-May-18	C38/05/18	March 2021
Tariff Policy on Electricity	1	31-May-18	C38/05/18	March 2021
Tariff Policy on Water	1	31-May-18	C38/05/18	March 2021
Tariff Policy on Sanitation	1	31-May-18	C38/05/18	March 2021
Tariff Policy on Refuse Removal/Solid Waste	1	31-May-18	C38/05/18	March 2021
Policy Debt Write-off	1	28-May-14	C125/05/14	March 2021
Policy Regarding Audit Committees	1	17-Nov-05	CR500	March 2021
Disposal of Moveable Assets Policy	1	27-May-15	C100/05/15	March 2021
Policy Borrowing	1	28-May-14	C125/05/14	March 2021
Policy Irregular, fruitless and wasteful expenditure	1	28-May-14	C125/05/14	March 2021
Budget Implementation and Management Policy (Budget policy)	1	27-May-15	C100/05/15	March 2021
Funding and Reserves policy	1	25-May-16	C148/05/16	March 2021
Policy Short and Long term borrowing	1	19-Apr-11	C150/11	March 2021
Financial Management and Revenue Enhancement Strategy policy	1	27-May-15	C100/05/15	March 2021
Policy related to long-term financial planning	1	27-May-15	C100/05/15	March 2021
Consumer Deposit Policy	1	31-May-17	C60/05/17	March 2021
Free Basic Services Policy	1	31-May-17	C60/05/17	March 2021
Sol Plaatje Materiality and Significance Framework	1	31-May-18	C38/05/18	March 2021
Contracts Policy	1	31-May-17	C60/05/17	March 2021
SSEG PV Policy	1	31-May-17	C60/05/17	March 2021
Bulk Infrastructure Contribution Policy	1	31-May-17	C60/05/17	March 2021
Water Restrictions Policy	1	31-May-17	C60/05/17	March 2021
Infrastructure investment and capital projects policy (included in Budget policy)	1	28-May-14	C125/05/14	March 2021

Explanation numbers

1. These policies are accessible on the Sol Plaatje website: www.solplaatje.org.za.
2. Policy to be approved with budget process 2021/22.

SOL PLAATJE LOCAL MUNICIPALITY

Customer Care, Credit Control and Debt Collection Policy



APPROVED ON THE 31ST OF MAY 2017

RESOLUTION NUMBER C60/05/17

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1. Definitions

In this Policy unless the context indicates otherwise:

"account holder" means any person who is due to receive a municipal account, which includes a user of pre-paid electricity or water;

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

"arrangement" means an agreement between Sol Plaatje Municipality and the consumer whereby the consumer signs an acknowledgement of debt and binds him/herself to the payment of equal monthly instalments until the arrear debt is realised.

"applicant" means a person who applies for the supply of municipal services;

"billing" means invoicing on a municipal account to an account holder of an amount or amounts payable for assessment rates, metered services, other municipal charges, levies, fees, fines, taxes, or any other amount or amounts payable arising from any other liability or obligation;

"Executive Director: Infrastructure Services" means the person who holds the position of "Executive Director: Infrastructure Services" either substantively or in an acting capacity within Council, or any other officer authorised by the Executive Director: Infrastructure Services;

"Council" means the Council of the Sol Plaatje Local Municipality;

"credit control" means all the functions relating to the collection of revenue;

"consumer" means the occupier of any premises to which the municipality has agreed to supply or is actually supplying municipal services, or if there is no occupier, then any person who has entered into a service agreement with the municipality for the supply of municipal services to such premises, or, if there be no such person, then the owner of the premises.

"customer management" means to focus on the account holder's needs in a responsive and proactive way to encourage payment and thereby limiting the need for enforcement;

"customer service centre" means -

- (a) an office where an applicant may apply for services and enter into a service agreement with the municipality;
- (b) an office where an account holder may settle an account or may make pre-payment for services;

- (c) a credit screening point where the credit assessment of an applicant can be processed; or
- (d) an office where an account holder may query or verify accounts and metered consumption, and may communicate grievances, inquiries, recommendations and other relevant issues to the municipality and from where the response from the municipality can be conveyed to the account holder;

“debt” means any monies owing to the Municipality in respect of the rendering of municipal services, and includes monies owing in regard to property rates, water, sanitation, refuse removal, housing, sundries and terminated leases, and any other outstanding amounts, inclusive of any interest thereon, owing to the Municipality

"debtor" means any person who owes a debt to the Municipality

"due date" means the date specified as such on a municipal account dispatched by the municipality to an account holder for current charges payable and which is the last day allowed for the payment of such current charges

“indigent debtor” means a debtor who meets certain criteria, as determined by the Municipality from time to time;

"interest" means the rate of interest determined by the Council payable on the amount due in terms of a municipal account which is in arrears;

“municipality” means the Sol Plaatje Local Municipality, a category B municipality, established in terms of section 12, Local Government: Municipal Structures Act, 117/1998 and where the context refers to an act or omission thereof, means the municipality, acting through the Municipal Manager or his delegate;

"municipal account" means an account rendered on which is billed an amount or amounts payable to the municipality for assessment rates, metered services, other municipal charges, levies, fees, fines, interest, taxes or any other amount or amounts payable arising from any other liability or obligation;

"Municipal Manager" means the person appointed in terms of section 54A of the Local Government: Municipal Structures Act;

"municipal service charges" means those assessment rates, metered services, other municipal charges, levies, fees, fines, interest, taxes or any other amount or amounts payable arising from any other liability or obligation reflected on the municipal account for which payment is required by the municipality;

"occupier" means any person who occupies any premises or part thereof notwithstanding the title under which the person occupies, and includes -

- (a) any person in actual occupation of such premises;
- (b) any person legally entitled to occupy such premises;
- (c) in the case of premises which have been subdivided and let to lodgers or various tenants, the person receiving the rent payable by such lodgers or tenants whether on that person's own account or as agent for any person entitled thereto or interested therein;
- (d) any person having the charge 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 or her whereabouts are unknown; and
- (e) the owner of those premises;

"officer" means an employee of the municipality or any other person who is specifically authorised thereto by the municipality to perform any act, function or duty in terms of, or exercise any power under these by-laws;

"owner" means -

- (i) a person in whom the legal title to a premises is vested;
- (ii) in a case where the person in whom the legal title is vested is insolvent or dead, or is under any form of legal disability whatsoever, the person in whom the administration of and control of such premises is vested as curator, trustee, executor, administrator, judicial manager, liquidator or other legal representative;
- (iii) in the event that the municipality is unable to determine the identity of the person in whom the legal title is vested, the person who is entitled to the benefit of such premises or a building thereon;
- (iv) in the case of premises for which a lease of 30 years or more has been entered into, the lessee thereof;

- (v) in relation to -
 - (i) a piece of land delineated on a sectional plan registered in terms of the Sectional Titles Act, 1986 (Act No. 95 of 1986), and without restricting the above, the developer or the body corporate in respect of the common property; or
 - (ii) a section as defined in such Act, the person in whose name such section is registered under a sectional title deed and includes the lawfully appointed agent of such a person;
- (vi) any legal person including, but not limited to -
 - (i) a company registered in terms of the Companies Act, 1973 (Act No. 61 of 1973), the Companies Act, 2008 (Act No. 71 of 2008), Trust inter vivos, Trust mortis causa, a Closed Corporation registered in terms of the Closed Corporation's Act, 1984 (Act No. 69 of 1984), a voluntary association;
 - (ii) any Department of State;
 - (iii) any Council or Board established in terms of any legislation applicable to the Republic of South Africa; and
 - (iv) any Embassy or other foreign entity; and
- (vii) a lessee of municipal property who will be deemed to be the owner for the purposes of rendering a municipal account;

“payment extension” means the extension of the due date already expired for payment in part or whole, where the municipality has agreed to substitute that due date with a payment extension date in applicable cases.

“payment extension date” means the date on which Credit Control has determined that a consumer must pay arrear charges which were not paid by the due date.

"person" includes a legal person;

"preferred customer" means a person who may be granted special concessions by the municipality;

"premises" means any piece of land, the external surface boundaries of which are delineated on -

- (a) a general plan or diagram registered in terms of Land Survey, Act of 1927 (Act No. 9 of 1927), or in terms of the Deeds Registry, Act of 1937 (Act No. 47 of 1937); or

- (b) a sectional plan registered in terms of the Sectional Titles Act, 1986 (Act No. 93 of 1986), which is situated within the area of jurisdiction of Council;
- (c) and includes any other land and any building or structure above or below the surface of any land;

"prescribed charge" means a charge prescribed by the Council or an authorized officer;

"revenue" means all monies due to the municipality and in regard to which it has the right to enforce payment;

"tampering" means any unauthorised interference with the municipality's supply, seals and metering equipment and "tamper" has a corresponding meaning;

"target" means realistic targets which may be set by the Council from time to time; and

"unreliable customer" includes an account holder, who according to his or her payment record has failed to settle his or her municipal account by the due date or who was or is in arrears with payments due to the municipality or who has tampered or interfered with metering equipment, seals, or the supply of municipal services.

"third party debt collector" means any person or persons duly authorised to collect monies or institute legal proceedings against debtors, on behalf of the municipality

"total household income" or **"household income"** means the total formal and informal gross income of all people living permanently or temporarily on the property on which the account is based;

2. Objective and Scope of Policy

The Council, in adopting this policy recognises its constitutional obligation to promote social and economic development in harmony with the environment and to ensure the provision to communities of services which are affordable and of an acceptable standard.

It further recognises that it cannot fulfil its constitutional duties unless it ensures compliance by members of the local community with the provisions of section 5(2)(b) of the Local Government: Municipal Systems Act, No. 32 of 2000 (hereinafter referred to as the "Act") , to pay promptly for service fees, surcharges on fees, rates on property and other taxes, levies and duties which have been legitimately imposed by it (subject to the relief afforded in its Indigent Management Policy).

The Council is further mindful of its obligations in terms of sections 95 and 97 of the Act and accordingly aims:

- (a) through the implementation of this policy, to ensure that the municipality is financially and economically viable;
- (b) to establish and maintain a customer care and management system which aims -
 - (i) to create a positive and reciprocal relationship between the municipality and an account holder;
 - (ii) to establish mechanisms for an account holder to give feedback to the municipality regarding the quality of the services and the performance of the municipality;
 - (iii) to ensure that reasonable steps are taken to inform an account holder of the costs involved in service provision, the reasons for payment of service fees, and the manner in which monies raised from the services provided, are utilised;
 - (iv) to ensure, where the consumption of services has to be measured, that reasonable steps are taken to measure the consumption by individual account holders of services through accurate and verifiable metering systems;
 - (v) to ensure that an account holder receives regular and accurate accounts that indicate the basis for calculating the amounts due;
 - (vi) to provide accessible mechanisms for an account holder to query or verify a municipal account and metered consumption and appeal procedures which allow the account holder to receive prompt redress for inaccurate accounts;
 - (vii) to provide accessible mechanisms for dealing with complaints from an account holder, together with prompt replies and corrective action by the municipality, and to provide mechanisms to monitor the response time and efficiency of the municipal's actions;
 - (viii) to provide for accessible pay points and other mechanisms for settling an account or for making pre-payments for services; and
- (c) to put in place credit control and debt collection mechanisms and procedures which aim to ensure that all money that is due and payable, from whatever cause, to the municipality, subject to the Act and other legislation, is collected.
- (d) to achieve and maintain consistently high levels of payment by its customers in accordance with the best practice achieved in municipalities in the Republic and in

accordance with the standards set each year by the Council in conjunction with its approval of the Budget.

- (e) The Council further recognises that the Constitution entitles everyone to administrative action which is lawful, reasonable and procedurally fair and to be given reasons for any such action which affects them.

The Promotion of Administrative Justice Act 3/2000 is the legislation required by the Constitution to give effect to the right to just administrative action and in order to promote an efficient administration and good governance and to create a culture of accountability, openness and transparency in public administration or in the exercise of a public power or the performance of a public function.

This policy incorporates the above principles by providing parameters and procedures to guide the municipality and its officers in implementing it, and thereby exercising a public power through a series of administrative actions. In so doing, this policy seeks to provide certainty on the part of those affected by it with regard to how the municipality will act in the circumstances covered by the policy and uniformity of action on the part of its officers.

The municipality commits itself and its officers to act fairly and justly in an open and transparent manner in implementing this policy.

3. Principles of the policy

The following principles shall be upheld at all times

- Everyone has the right to dignity and to have their dignity respected and protected;
- The policy must be implemented with equity, fairness and consistency;
- The implementation of this policy is based on sound business practices and applicable legislation;
- Where alternatives are available the Municipality may provide reduced levels of service to manage the debt growth;
- It is not the municipality's intention to place the accountholder in a situation in our pursuit to protect and collect revenue, where the debtor becomes indebted beyond recovery. This policy, inter alia, is to assist to rehabilitate debtors with arrear accounts.

4. Duty to collect debt

All debt owing to the municipality must be collected in accordance with this policy and other municipal policies and by-laws

IMPLEMENTATION AND ENFORCEMENT OF POLICY AND DELEGATIONS

5. Municipal Manager is the responsible and accountable officer

The Municipal Manager -

- (a) is responsible to the Executive Mayor for the implementation and enforcement of the provisions of this policy;
- (b) must, for the purposes of (a) take the necessary steps to implement and enforce the provisions of this policy;
- (c) is accountable to the Executive Mayor for the agreed performance targets as approved by Council and the Executive Mayor, and for these purposes must
 - (i) from time to time, report to the Executive Mayor on matters relating to this policy, including but not limited to -
 - the effectiveness of this policy and the administrative mechanisms, resources, processes and procedures used to collect money that is due and payable to the municipality;
 - billing information, including the number of account holders, accruals, cash flow, and customer management;
 - the satisfaction levels of account holders regarding services rendered; and
 - the effectiveness of the provisions to assist the poor herein and in the Indigent Policy; and
 - (ii) at regular intervals meet with and receive reports from the CFO and other staff members with the aim of submitting recommendations on this policy to the Executive Mayor;
 - (iii) where necessary, propose steps to the Executive Mayor with the aim of improving the efficiency of the credit control and debt collection mechanisms, processes and procedures;
 - (iv) where necessary, propose to the Executive Mayor actions and adjustments to correct deviations;

- (v) establish effective communication channels between the municipality and account holders with the aim of keeping account holders abreast of all decisions by Council that may affect them;
- (vi) establish customer service centres which are located in such communities as determined by Council;
- (vii) identify, appoint, and enter into agreements with suitable business concerns, institutions, organizations, establishments or parastatal institutions to serve as agencies of the municipality in terms of this policy;
- (viii) convey to account holders information relating to the costs involved in service provision, the reasons for payment of service fees, and the manner in which monies raised from the services are utilised, and may where necessary, employ the services of local media to convey such information;
- (ix) expedite the processing of complaints or inquiries received from an account holder and must ensure that an account holder receives a response within a time determined by this policy and must monitor the response time and efficiency in these instances;
- (x) in line with the latest technological and electronic advances, endeavour to make twenty-four hour electronic inquiry and payment facilities available to account holders;
- (xi) encourage account holders and take steps where needed, to ensure settlement of outstanding accounts within the ambit of this policy; and
- (xii) with the consent of an account holder, enter into an agreement with the account holder's employer to deduct from the salary or wages of the account holder -
 - any outstanding amounts as may be agreed; and
 - such regular monthly amounts as may be agreed, and may provide special incentives for employers to enter into such agreements, and employees to consent to such agreements.

6. Delegation

The necessary power and authority is hereby delegated to the Municipal Manager to enable him/her to fulfil his/her responsibilities and obligations in terms hereof, with full authority to further delegate any specific responsibility.

CUSTOMER CARE AND CREDIT CONTROL

7. Application for supply of metered municipal services and service agreements

7.1 Any application for any supply of services to any premises must be made at least four working days prior to the service being required, in the prescribed format, and must comply with the conditions as determined by this Policy and the Municipal Manager or his or her delegate from time to time. Applications must be made on the prescribed forms (annexed hereto) and must be complete and accurate. Incomplete or inaccurate applications will be cancelled if not rectified within a month of the accountholder being asked to do so.

7.2 Subject to the provisions of paragraph 43 (Right of appeal), only the owner of a property, or his duly authorised agent acting on his or her behalf, or in the case of a deceased estate which was:

7.2.1 an indigent household; and

7.2.2 the occupier; and

7.2.3 subject to paragraph 30.1,

may apply for municipal services to be supplied to a property.

7.3 Sol Plaatje Municipality no longer enters into service agreements with tenants of properties except in the following circumstances:

7.3.1 Properties with multiple businesses (e.g. business parks or complexes) and where there is separate metering to the standards set out in the Municipality's by-laws;

7.3.2 Municipal property rental stock;

7.3.3 Properties owned by government and being rented out and where there is separate metering to the standards set out in the Municipality's By-laws .

7.3.4 In any instance where the applicant for services is not the owner of the property, and is permitted in terms of paragraphs 7.3.1 to 7.3.3, permission from such owner must accompany any application along with any other prescribed information.

7.4 Existing tenant accounts will be terminated over the next two financial years. A transitional amnesty will apply in respect of paragraph 7.5(a) and will only apply to circumstances where the tenant has been notified by SPM of the termination of their service agreement and where a suitable arrangement has been made.

7.5 No services shall be supplied unless and until

- (a) the applicant has paid all outstanding amounts owed by them to Sol Plaatje Municipality;
- (b) application has been made by the owner or his or her agent on their behalf, or in the event of a deceased estate which was indigent, the lawful occupier, and a service agreement in the prescribed format has been entered into and the deposit as provided for in paragraph 7 has been paid.

An application for a supply of services for a period of less than one year is regarded as an application for a temporary supply.

8. Supply of unmetered services

- 8.1 Refuse and sanitation charges will be levied against the property for the owner's account.
- 8.2 These charges are against the property and billed to the owner in his capacity as owner of the property.

9. Availability Charges

- 9.1 Where the erf is vacant, or the services aren't being consumed in a particular month to a minimum of 6 kilolitres of water and/or 50 kilowatt-hours of electricity, an availability charge will be levied against the property for refuse, sanitation, electrical and water services where applicable. This provision does not apply to accountholders who are registered as Indigents in terms of the Indigents Management Policy.
- 9.2 Where the property is located in an area where the services cannot be made available due to the absence of infrastructure, and so determined by the relevant Municipal Department, then no availability charges will be levied against the property.
- 9.3 The amount of such availability charge will be determined by Council from time to time as part of its annual budget approval process.

10. Credit screening

- 10.1 The municipality may require of an applicant to submit information and documentary proof so as to enable it to bring its records up to date and to assess the creditworthiness of the applicant and may require such information to be provided on oath.
- 10.2 For the purposes of determining the creditworthiness of an account holder the municipality may make use of the service of a credit bureau, or such any other agency or means as the Municipal Manager or his delegate may determine from time to time.

11. Applications for All other Municipal Services and Approvals

- 11.1 Where an application is made for any other service, for example, rezoning of a property, or the approval of a building plan, all arrears in respect of the subject property must be paid or a suitable arrangement in terms of clause 19 must be made, before such applications will be considered.

12. Deposits

This section must be read with the Sol Plaatje Municipality's Consumer Deposit Policy.

- 12.1 On approval of the application and before the service is made available; the municipality may require the applicant -
- a) to deposit a sum of money with the municipality, to serve as security for the due payment of services and working capital;
 - b) to provide any other form of security e.g. bank guarantee; or
 - c) to agree to special conditions regarding payment of the municipal account.
- 12.2 The Municipal Manager may from time to time review the adequacy of the sum of money deposited and if necessary call for additional security.
- 12.3 The Municipal Manager may, in respect of preferred customers, but only in terms of this policy, consider relaxation of the conditions pertaining to deposits as set out in 7(1) and 7(2) above.
- 12.4 On termination of the supply of services, the amount of such deposit, as determined by Council from time to time, less any payments due to the municipality, must be refunded to the depositor.

13. Billing and payment

- 13.1 The account holder must pay all amounts due to the municipality as reflected in the **monthly** municipal account, and the onus is on the account holder to verify the accuracy of such account, provided however that:
- (a) the Council may from time to time offer a discount on amounts due to the municipality as an incentive for timely payment of current amounts due by the due date therefor;
 - (b) an account holder remains liable to make payment of the full amount due, on due date therefor and any discount becoming due to an account holder in terms of any

such incentive in force from time to time will be reflected as a credit on the current month's account;

- 13.2 An account holder must pay for metered and other service charges, assessment rates, other municipal charges, levies, fees, fines, interest, taxes or any other liability or obligation from the date of origin of such municipal charges until the written termination of the services.
- 13.3 An account holder -
- (a) has one account number and will be rendered one consolidated account for each premises to which services are rendered or for which rates are due, on which the due date for settlement of the total amount owing is reflected; and
 - (b) will be rendered an account monthly in cycles of approximately thirty days;
- 13.4 Payment must be received before close of business on the due date.
- 13.5 Payment made to any of the service providers appointed by the municipality to receive payments on its behalf, should be made at least four working days before the due date to enable the payment to be processed, and interest will accrue and no payment discount will be given should the municipality receive payment from any such service provider after the due date.
- 13.6 The municipality may estimate the quantity of metered services supplied in respect of a period or periods within the interval between actual successive readings of the meters, and may render an account to an account holder for the quantity of metered services so estimated.
- 13.7 It is the accountholder's responsibility to ensure that their respective meters are free and clear of any obstacles which could cause the meter readers not to perform their duties of reading said meters. This includes ensuring that the meter boxes are not filled with sand or covered by debris.
- 13.8 If a meter is unread because it is covered (whether by debris or sand etc.) the municipality has a right to clear the debris or uncover the meter to enable such meter to be read. This will be done at an additional cost to be determined by Council from time to time. Such cost will be billed against the respective meter's account.
- 13.9 If an account holder is dissatisfied with an account rendered for metered services supplied by the municipality, such account holder may, prior to the due date stipulated therein, lodge an objection in writing to the Chief Financial Officer, setting out reasons for such

dissatisfaction. The CFO, duly delegated by the Municipal Manager, or his sub-delegate, shall adjudicate on the objection.

- 13.10 Should an account holder lodge an objection the account holder must notwithstanding such objection, continue to make regular payments by the due date, of an amount equivalent to the average of the account holder's municipal account for the three month period prior to the month in respect of which the dispute is raised, and taking into account interest as well as the annual amendments of tariffs of Council.
- 13.11 An error or omission in any account or failure to render an account shall not relieve the account holder of the obligation to pay by the due date.
- 13.12 If an account holder uses water or electricity for a category of use other than that for which it is supplied by the municipality and is as a consequence not charged for water or electricity so used, or is charged for the water or electricity at a rate lower than that at which the account holder should have been charged, the account holder shall be liable for the amount due to the municipality in accordance with the prescribed charges in respect of-
- (a) the quantity of water or electricity which in the opinion of the Municipal Manager, or his delegate, the account holder has used and for which the account holder has not been charged; or
 - (b) the difference between the cost of the water or electricity used by the account holder at the rate at which the account holder has been charged and the cost of the water or electricity at the rate at which the account holder should have been charged.
- 13.13 An account holder shall not be entitled to a reduction of the amount payable for metered services which are lost due to a default in the meter, save in terms of the provisions of paragraph 27.8(c).
- 13.14 The municipality may-
- (a) consolidate any separate accounts of an account holder liable for payments to the municipality; and
 - (b) credit any payment by an account holder against any debt or account of that account holder;
 - (c) implement any of the provisions of this policy and Chapter 9 of the Act against such account holder in relation to any arrears on any of the accounts of such a person;
 - (d) allocate payments made in order of the current amounts first and then arrears and in order of such arrears in the order below:

- (i) Legal Fees and Penalties
 - (ii) Interest
 - (iii) Sewerage charges
 - (iv) Refuse charges
 - (v) Water charges
 - (vi) Electricity charges
 - (vii) Other
- (e) Where required, the deposit contemplated in paragraph 12 above will be allocated according to the order in (d) above.

14. Water Leakage Journals

14.1.1 The Municipality owns the water meter and the supply from the street to the water meter. Property owner own the pipes from the water meter into the house.

14.1.2 The water leak could be:

- (i) before the meter (in which case it usually won't cause your bill to increase)
- (ii) at the meter (in which case it may or may not cause an increase in your bill)
- (iii) or between the meter and the house (in which case it will most certainly cause your bill to increase).

14.1.3 The Municipality is responsible for the water pipe between the meter and the boundary wall of the consumer's property, as well as the meter. The consumer is responsible for any water pipes located within the boundaries of their property.

14.1.4 It is the Municipality's responsibility to investigate and stop a leak if it occurs at the meter, because the meter is owned by the Municipality and tampering with it is a criminal offense. In addition, the Municipality is responsible for any leak that occurs between the meter and the consumer's boundary of the property (but this will not normally increase your bill)

14.1.5 It is the owner's responsibility to investigate and stop a leak if it occurs within the boundary of his property as soon as possible.

14.2 If the leak is located within the boundaries of the property, then the consumer will be liable for the charges. If the owner suspects that there is a water leak between the meter and his boundary wall, he should immediately contact a plumber or a leak detector to check if there

is a leak at the premises. If a leak is detected at the premises, a plumber needs to fix the leak and must provide the owner with a detailed report regarding the leak with the emphasis on location and confirmation that the leak was repaired. **This together with a dispute letter should be provided to the Municipality** If the leakage was fixed by yourself you need to provide supporting evidence to proof the water leakage **accompanied by your dispute letter**. This can be done by means of photos or receipts of purchases to fix the leakage.

- 14.3 After the dispute letter was received, the Municipality will monitor the water consumption for the next 3 months to determine the new average water consumption after the leak was repaired.
- 14.4 Based on the new average water consumption above (14.4), your account will be credited with a journal of 50% of the leaked water.
- 14.5 If the account holder is unable to settle the full consolidated municipal account, due to this leakage, they need to make the necessary payment arrangements at the Credit/Debt Collection section to avoid penalty fees and disconnection.
- 14.6 When leakage was repaired by the Municipality the account holder needs to obtain a memo from the Waterworks Department indicating that the leakage was the responsibility of the Municipality. The Municipality will then monitor the consumption for the next 3 months and capture a journal for the entire water loss due to leakage.

15. Termination of service agreement

- 15.1 Notice of termination of any service agreement must be in writing to the other party of the intention to do so.
- 15.2 An owner may terminate a service agreement relating to a property sold by him, by giving not less than four working days' notice in writing.
- 15.3 The Municipal Manager may, on not less than fourteen working days' notice in writing, advise an account holder of the termination of the agreement for a supply of municipal services if-
 - (a) The account holder has not consumed any water or electricity during the preceding six months, or has vacated the property and has not made satisfactory arrangements for the continuation of the agreement;
 - (b) The account holder has committed a breach of this policy and has failed to rectify such breach; or

- (c) The municipality is unable to continue to supply the account holder with municipal services as a result of the assumption by another authority of responsibility for the supply of the municipal service in question.

ASSESSMENT RATES

16. Amount due for assessment rates

- 16.1 Joint owners of a property are jointly and severally liable for payment of assessment rates levied thereon.
- 16.2 Assessment rates are levied annually as a single amount and are payable as such, unless an arrangement to make payment thereof has been made.
- 16.3 Payment of assessment rates may not be deferred beyond the due date by reason of an objection to the valuation of the property appearing on the Valuation Roll.

17. Claim on rental for assessment rates in arrears

The municipality may apply to court for the attachment of any rent due in respect of rateable property to cover in part or in full any amount due for assessment rates on said property which has remained unpaid for a period longer than three months after the payment date.

18. Liability of directors and members for assessment rates

Where a company, close corporation, trust or a body corporate in terms of the Sectional Titles Act, 1986 (Act No. 95 of 1986) is responsible for the payment of any amounts for rates, liability therefor shall be extended to the directors, members or trustees thereof jointly as the case may be.

NON-PAYMENT OF MUNICIPAL ACCOUNTS AND DEBT COLLECTION

19. Arrangements for payments

- 19.1 An account holder, who is unable to pay a municipal account in full, may, before any steps are taken in terms of paragraph 22 and 31, approach the municipality in order to make short-term arrangements to settle the account.
- 19.2 Any arrangement concluded with the municipality to pay-off arrear amounts due by an account holder must be recorded in a written agreement with the municipality. Any such arrangements must be in accordance with the framework determined by the Council from time to time and contained in the schedule hereto.
- 19.3 If the conditions of the arrangement are not adhered to by the account holder, the total debt becomes due and payable and no further arrangements will be considered.
- 19.4 Only two arrangements may be made with the account holder in any financial year where after if not adhered to then the full implications of the arrangement conditions will be implemented.
- 19.5 In addition to paragraph 19.4 the Municipality must cause the installation of a prepayment electricity meter at the property in respect of the services where the account holder has defaulted on said arrangements.
- 19.6 The written arrangement which contains an acknowledgement of debt must be signed on behalf of the municipality by the Municipal Manager or his delegate as well as the account holder.
- 19.7 In any instance where an account holder seeks to make arrangements for payment of arrear amounts due, in instalments, the Municipal Manager may as a condition of any agreement -
- (a) review and require an increase in the account holder's deposit;
 - (b) require of an account holder to pay current and/or arrear amounts by means of a stop order or debit order;
 - (c) require of an account holder to convert to a pre-paid metering system; or
 - (d) require any other form of security, including a personal surety from the directors, members or trustees of a company, close corporation, trust or body corporate as the case may be.

The extent of these conditions as well as the amount of the deposit will be determined based on the affordability of the accountholder as assessed by the municipal official. Such increase in the deposit may not exceed the maximum deposits approved by SPM for that financial year.

- 19.8 Interest will be charged on all arrangements at a rate determined by Council from time to time.

20. Payment Extensions

- 20.1 Payment extensions are used as an alternative to an arrangement where it is in the opinion of the Municipal Manager that the accountholder, based on evidence submitted, is unable to commit to fixed monthly payments.
- 20.2 A payment extension may only be made in periods of not more than 30 days whereupon the accountholder must enter into another extension after sufficient payment is made.
- 20.3 All payment extensions must be reviewed monthly and consideration must be had to convert same to a formal arrangement.
- 20.4 No payment extensions for a specific account are permitted for accountholders who have an existing arrangement in respect of such account with SPM.

21. Interest on Overdue Municipal Accounts

- 21.1 The Council must at least annually determine an interest rate to be levied on any arrear amounts due and payable to Council and any arrangements in terms of paragraph 19 or payment extensions in terms of paragraph 20 must provide for recovery of interest at the determine the rate.
- 21.2 Notwithstanding the provisions of paragraphs 19 and 20 above, or the reason for non-payment, interest at the prescribed rate will accrue whilst an account remains unpaid beyond the due date.
- 21.3 Interest must be calculated monthly in advance and a portion of a month shall be regarded as a month.

22. Collection Mechanisms

- 22.1 One or more of the following mechanisms may be implemented by the municipality should an account holder fail to settle a municipal account by the due date.
- (a) delivery or mailing of a written demand for payment setting out the status of the account and the consequences of not paying or concluding an arrangement by a stipulated date;

- (b) informing the account holder telephonically or by any other electronic means of the overdue amount and of the impending disconnection or restriction of services;
- (c) disconnection or restriction of the supply of municipal services to the premises, restriction or termination of the sale of prepaid services to an account holder, disconnection or removal of any pre-paid metering system;
- (d) debiting of the municipal account of the account holder with all applicable costs and charges (including penalties and charges, and legal costs);
- (e) institution of action against the account holder for recovery of all arrear amounts and costs and in the case of rates for an order that the premises is specially executable;
- (f) requiring of the account holder to convert to another metering system;
- (g) allocation of a portion of any pre-paid payment to other debts;
- (h) the release of debtor information to a credit bureau;
- (i) the publishing of a list of account holders who remain in default;
- (j) withholding payment of a grant-in-aid allocated to the account holder and subject to the provisions of paragraph 34, excluding the account holder from the tender process;
- (k) setting-off of any amount due by the municipality to the account holder against amounts due for rates and services or any other outstanding amount owed to the municipality;
- (l) review and alteration of the conditions of the service agreement;
- (m) classification of the account holder as an unreliable customer;
- (n) using the services of external debt collection specialists or agencies;
- (o) employing any other methods which are in the discretion of the Municipal Manager appropriate for the recovery of arrear amounts.

22.2 The municipality's usual practice and procedure in pursuing recovery of debts as determined from time to time by the Municipal Manager in terms of his delegated authority under this policy, is contained in the schedule, numbered 2, hereto. The Municipal Manager shall nevertheless have discretion to implement the procedure in the manner most appropriate for individual circumstances and may accordingly bypass any step.

22.3 The municipality reserves the right to cause a replacement of conventional meter with a prepaid meter for any customer. The cost of the meter may be fully subsidised by the municipality in cases of indigent households, as well as accounts with arrears of more than 60 days and longer as part of revenue protection and revenue enhancement strategies of the municipality.

- 22.4 If a supply has been disconnected or restricted, and the account holder thereafter remains in arrears, the premises must be monitored to ensure that the metered supply remains disconnected or restricted, and if it is found that the supply which had been disconnected or restricted previously has been restored -
- (a) the municipality will have the right to take action as required in terms of paragraph 32 of this policy, and the account holder or the property owner shall be responsible for the applicable fees, charges or damages;
 - (b) the municipality may refuse to supply services for a period determined by Council from time to time; and
 - (c) in the instance of the use of a pre-paid meter, the municipality, may withhold the further supply of pre-paid services.
- 22.5 Where a duly authorised officer of the municipality has visited a premises for the purpose of disconnecting or restricting the supply of a service and was obstructed or prevented from effecting such disconnection or restriction, an amount equal to the prescribed fee for a reconnection shall become payable for each visit necessary for the purpose of such disconnection or restriction, subject to a maximum of two such visits during which disconnection or restriction could not be effected.
- 22.6 The right of the municipality to deny, restrict, disconnect or terminate services due to the non-payment of any assessment rates, metered services, other municipal charges, levies, fees, fines, interest, taxes or any other amount or amounts payable arising from any other liability or obligation prevails notwithstanding the fact that -
- (a) the account holder purported to allocate a payment to the amount due for a particular service;
 - (b) the person who entered into a service agreement for supply of services with Council and the owner are different entities or persons, as the case may be.
- 22.7 The municipality shall implement an incentive for settlement of arrears accounts as illustrated below:

- a) 100 % of all interest charges and penalties not yet paid and still reflecting on the consumer's most recent account may be written off if such account is settled in full prior to the next billing run of such account.
 - b) 85 % of all interest charges and penalties not yet paid and still reflecting on the consumer's most recent account may be written off if such account is settled in full over a period of two consecutive months.
 - c) 50 % of all interest charges and penalties not yet paid and still reflecting on the consumer's most recent account will be written off if such account is settled in full over a period of three consecutive months.
- 22.8 The incentives contemplated above will only be provided (i.e. removed from the account) once all of the due amounts have been paid within the prescribed periods.
- 22.9 Notwithstanding the above, the Accounting Officer or his/ her delegate is authorised within the ambits of this policy and in the interest of the municipality to consider each application or request to settle an account and may offer any other discount as they may see necessary based on the circumstances and merits of the application. To implement the above paragraph, the delegation of powers is as follows;
- a) The CFO may offer a further 20% discount on capital excluding metered services.
 - b) The Accounting Officer may give a further 30% discount on capital excluding metered services.
- 22.10 All amounts removed from accounts in terms of the incentives contemplated above shall be reversed if a clearance certificate is applied for within six months of offer and implementation where the accountholder purports to alienate the subject property in an arm's length transaction.
- 22.11 Such incentives applied will be reported to MAYCO monthly for information.
- Deal with settlements/incentives when clearance figures are applied for as well.
- 22.12 Debt which is classified as irrecoverable will be dealt with in terms of the Municipality's Debt Write-off Policy.

23. Use of Third Party Collection Agencies, Attorneys, Etc.

23.1 Where the municipality exercises its right in terms of clause 22.1 (n), such costs associated with the collection process will be dealt with in the following manner:

23.1.1 The fee payable by the municipality to the service provider will be billed against the debtor's account.

23.1.2 The Municipality may write off this fee against the provision for bad debts

24. Councillor and Municipal Staff Arrears

- a) Staff arrears will be dealt with in accordance with Schedule 2 of the Systems Act, 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.
- b) In accordance with Schedule 1, item 12A of the Systems Act, a Councillor of the Municipality may not be more than 3 (three) months in arrears for municipal service fees, surcharges on fees, property rates or any other municipal taxes, levies and duties levied by the Municipality. 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 Councillor's remuneration after this 3 (three) month.
- c) Upon the event of a staff member no longer being employed by the Municipality, or a Councillor no longer serving as such, the Municipality must deduct all amounts owed to it by such staff member or Councillor from any outstanding amounts the Municipality owes to such staff member or Councillor.
- d) In the event of, and only in such event, this offset not being sufficient to satisfy the debt owed to the Municipality, the Municipality must then lodge a claim against the Pension of such staff member or Councillor unless a suitable arrangement has been made in terms of paragraph 19. This provision (d) only applies to debt in respect of assessment rates, metered services, other municipal charges, levies, fees, fines, interest, and taxes and does not purport to limit or supplant in any way the Municipality's rights in law to recover amounts owed to it.

25. Arrears Owed by Spheres of Government

Any arrears owed by any sphere of government shall be dealt with in terms of this Policy where such action does not conflict with any statutory laws and all requirements in terms of such laws must first be adhered to prior to invoking the prescripts of this Policy for the purpose of recovering outstanding debt. For reference, the Local Government: Municipal Finance Management Act, 56 of 2003; the Intergovernmental Relations Framework Act, 13 of 2005; and the Institution of Legal Proceedings Against Certain Organs of State Act, 40 of 2002; and any other applicable legislation.

26. Housing Rental Schemes: Collection process

Tenants are required to have signed Lease Agreements with the municipality. No sub-letting by the tenant is permitted. Housing officials may from time to time perform inspections at any rented property of the municipality. The municipality adopted a consolidated billing system whereby all services including rental are charged on one bill. The process below refers to collection of rent amounts due/overdue:

- a) Rental is payable in advance by the due date.
- b) If payment is not received, a first contact letter requesting payment and offering the debtor an opportunity to make an arrangement within 30 (thirty) days, from the date of the letter, is sent to the defaulting debtor.
- c) If no response to the first contact letter, a letter of demand is sent, allowing the defaulter 30 (thirty) days, from the date of the letter, a further opportunity to make an arrangement.
- d) If the debtor fails to respond to this letter of demand, within 30 (thirty) days, the debtor will, within the next 30 (thirty) days, receive a house visit.
- e) Failure to respond after the house visit, will result in legal proceedings and ultimately the seeking of relief from the courts of an eviction order.

METERING EQUIPMENT AND METERING OF SERVICES

27. Metering equipment and measuring of consumption

- 27.1 The municipality shall, at the account holder's cost, in the form of a direct charge or prescribed fee, provide, install and maintain appropriately rated metering equipment at the point of metering for measuring metered services.
- 27.2 The municipality reserves the right to meter the supply to a block of shops, flats, tenement-houses and similar buildings for the building as a whole, or for an individual unit, or for a group of units.
- 27.3 Where any building referred to in 27.2 is metered as a whole -
- (a) the owner may, at own cost, provide and install appropriate sub-metering equipment for each shop, flat and tenement to the municipality's technical standards; or
 - (b) the relevant Executive Director, duly delegated by the Municipal Manager, may require the installation, at the account holder's expense, of a meter for each unit of any premises in separate occupation for the purpose of determining the quantity of metered services supplied to each such unit.
- 27.4 Where the electricity used by consumers is charged at different tariff rates, the consumption shall be metered separately for each rate.
- 27.5 Where sub-metering equipment is installed, accommodation separate from the municipality's metering equipment must be provided by the account holder as required by the municipality.
- 27.6 Except in the case of pre-payment meters, the quantity of metered services used by an account holder during any metering period is ascertained by reading the appropriate meter or meters supplied and installed by the municipality at the beginning and end of such metering period, except where the metering equipment is found to be defective.
- 27.7 For the purpose of calculating the amount due and payable for the quantity of metered services consumed, the same amount of metered services shall be deemed to be consumed during every period of 24 hours between readings.
- 27.8 The following shall apply with regard to the accuracy of metering:

- (a) A meter shall be conclusively presumed to be registering accurately if its error, when tested in the manner prescribed in 27.13, is found to be within the limits of error as provided for in the applicable standard specifications;
 - (b) the municipality has the right to test its metering equipment, and if it is established by test or otherwise that such metering equipment is defective, the municipality shall in accordance with the provisions of 27.6;
 - (i) in case of a credit meter, adjust the account rendered; or
 - (ii) in the case of prepayment meters, render an account where the meter has been under-registering; or issue a token where the meter has been over-registering;
 - (c) An account holder is entitled to have metering equipment tested by the municipality on payment of the prescribed fee, and if the metering equipment is found not to comply with the system accuracy requirements as provided for in the applicable standard specifications, an adjustment in accordance with the provisions of paragraphs 27.7 and 27.8(b) shall be made and the aforesaid fee shall be refunded.
- 27.9 No alterations, repairs, additions or connections of any description may be made on the supply side of the point of metering unless specifically approved in writing by the Municipal Manager or his delegate.
- 27.10 Prior to the municipality making any upward adjustment to an account in terms of paragraph 27.8(b), the municipality must -
- (a) notify the consumer in writing of the amount of the adjustment to be made and the reasons therefor;
 - (b) in such notification provide sufficient particulars to enable the account holder to submit representations thereon; and
 - (c) call upon the account holder in such notice to present it with reasons in writing, if any, within 21 days or such longer period as the municipality may in its discretion permit, why the account should not be adjusted as notified;
 - (d) Should the consumer fail to provide any representation during the period referred to in paragraph (c) the municipality shall be entitled to adjust the account as notified in paragraph (a).

- 27.11 The municipality must consider any representation provided by the consumer in terms of subsection 27.10 and must, if satisfied that a case has been made out therefore, adjust the account appropriately.
- 27.12 If the Municipal Manager or his delegate decides, after having considered a representation made by the account holder, that such representation does not establish a case warranting an amendment to the amount established in terms of subsection 27.15, the municipality shall adjust the account as notified in terms of paragraph 27.10(a), and the account holder shall have the rights of appeal provided for in this policy.
- 27.13 Meters are tested in the manner as provided for in the standard specifications applicable thereto.
- 27.14 When an adjustment is made to the consumption registered on a meter in terms of paragraphs 27.8(b) or 27.8(c), such adjustment is based either on the percentage error of the meter as determined by the test referred to in subsection 27.13, or upon a calculation by the municipality from consumption data in its possession and where applicable, due allowance shall be made, where possible, for seasonal or other variations which may affect consumption.
- 27.15 When an adjustment is made as contemplated in subsection 27.14, the adjustment may not be for a period exceeding six months preceding the date on which the metering equipment was found to be inaccurate, and that the provisions of such shall not bar an account holder from claiming recovery of an overpayment for any longer period where the account holder is able to prove the claim in the normal legal process.
- 27.16 The relevant Executive Director, duty delegated by the Municipal Manager, may dispense with the use of a meter in case of:
- (a) an automatic sprinkler fire installation;
 - (b) a fire installation or hydrant; or
 - (c) special circumstances at the Municipal Manager's discretion.
- 27.17 The municipality may by notice -
- (a) prohibit or restrict the consumption of metered services -
 - (i) for specified or non-specified purposes;
 - (ii) during specified hours of the day or on specified days or otherwise than during specified hours of the day or on specified days; and
 - (iii) in a specified or non-specified manner; and

(b) determine and impose -

- (i) limits on the quantity of metered services which may be consumed over a specified period;
- (ii) charges additional to those prescribed in respect of the supply of metered services in excess of a limit contemplated in subparagraph (i); and
- (iii) a general surcharge on the prescribed charges in respect of the supply of metered services; and

(c) impose restrictions or prohibitions on the use or manner of use or disposition of an appliance by means of which metered services are used or consumed, or on the connection of such appliance.

27.18 The Council may limit the application of the provisions of a notice contemplated in 27.17 to specified areas and classes of account holders, premises and activities, and may provide for the Municipal Manager to permit deviations and exemptions from, and the relaxation of any of the provisions on such grounds as he or she may deem fit.

27.19 To ensure compliance with a notice published in terms of subsection 27.17, the Municipal Manager or his delegate may take, or by written notice require an account holder at the account holder's expense to take such measures including the installation of measuring devices and devices for restricting the flow of metered services as may be necessary

27.20 In addition to the person by whose act or omission a contravention of or failure to comply with the terms of a notice published in terms of subsection 27.17 is actually committed, an account holder in respect of the premises to which metered services are supplied is presumed also to have committed the contravention or to have so failed to comply, unless it is proved that the account holder had taken all reasonable steps to prevent such a contravention or failure to comply by any other person, provided however, that the fact that the account holder issued instructions to the other person shall not of itself be accepted as sufficient proof that the account holder took all such reasonable steps.

27.21 The provisions of this paragraph also apply in respect of metered services supplied directly by the municipality to account holders outside its area of jurisdiction, notwithstanding anything to the contrary in the conditions governing such supply, unless otherwise specified in the notice published in terms of subsection 27.17.

- 27.22 If such action is necessary as a matter of urgency to prevent waste of metered services, refuse or sewerage, damage to property, danger to life, or pollution of water, the Municipal Manager, or his delegate, may -
- (a) without prior notice disconnect the supply of metered services to any premises; and
 - (b) enter upon such premises and do such emergency work, at the account holder's expense, as he or she may deem necessary, and in addition by written notice require the account holder to do within a specified period such further work as the relevant Executive Director may deem necessary.
- 27.23 Before any metered or pre-paid metered supplies which have been disconnected or restricted for non-payment are restored, an account holder must have a valid service contract, pay all fees and charges as well as any additional or increased deposits as determined by the municipality, from time to time.
- 27.24 The Municipal Manager may, at the written request of an account holder and on the dates requested by the account holder -
- (a) disconnect the supply of metered services to the account holder's premises; and
 - (b) restore the supply, and the account holder must before the metered services is restored pay the prescribed charge for the disconnection and restoration of his or her supply of metered services.
- 27.25 After disconnection for non-payment of an account or a contravention of any provision of these by-laws, the prescribed charge for such reconnection must be paid before reconnection is affected.
- 27.26 Once all conditions for reconnection are met, the Municipality must cause such reconnection within 48 hours.
- 27.27 The following shall apply to the reading of credit meters:
- (a) Unless otherwise prescribed, credit meters are normally read at intervals of approximately one month and the fixed or minimum charges due in terms of the tariff are assessed accordingly and the municipality is not obliged to effect any adjustments to such charges;

- (b) if for any reason the credit meter cannot be read, the municipality may render an estimated account, and estimated consumption shall be adjusted in a subsequent account in accordance with the consumption actually consumed;
- (c) when an account holder vacates a property and a final reading of the meter is not possible, an estimation of the consumption may be made and the final account rendered accordingly;
- (d) if a special reading of the meter is desired by an account holder, this may be obtained upon payment of the prescribed fee; and
- (e) if any calculation of, reading or metering error is discovered in respect of any account rendered to a consumer -
 - (i) the error shall be corrected in subsequent accounts;
 - (ii) any such correction shall only apply in respect of accounts for a period of six months preceding the date on which the error in the accounts was discovered,
 - (iii) the correction shall be based on the actual tariffs applicable during the period;
 - (iv) the application of this paragraph does not prevent a consumer from reclaiming an overpayment for any longer period where the consumer is able to prove the claim in the normal legal process.

27.28 The following shall apply to pre-payment metering:

- (a) No refund of the amount tendered for the purchase of electricity or water credit shall be given at the point of sale after initiation of the process by which the prepayment meter token is produced;
- (b) copies of previously issued tokens for the transfer of credit to the prepayment meter may be issued at the request of the consumer;
- (c) when an account holder vacates any premises where a prepayment meter is installed, no refund for the credit remaining in the meter shall be made to the owner by the municipality;
- (d) the municipality shall not be liable for the reinstatement of credit in a prepayment meter lost due to tampering with, or the incorrect use or the abuse of, prepayment meters or tokens;

- (e) where an account holder is indebted to the municipality for any assessment rates, metered services, other municipal charges, levies, fees, fines, interest, taxes or any other amount or amounts payable arising from any other liability or obligation, the municipality may allocate a percentage of the amount tendered for the purchase of pre-paid electricity in reduction of the amount owing to the municipality;
- (f) the municipality may appoint vendors for the sale of credit for prepayment meters and does not guarantee the continued operation of any vendor.

28. Right of Access to Premises

The following shall apply with regard to access to meters and premises and should be read with paragraph 35 of this policy:

- (a) The owner and or occupier of property must allow an authorised representative of the municipality access at reasonable hours to the property in order to read, inspect, install, relocate or repair any meter or service connection for reticulation, or to disconnect, stop or restrict, or reconnect, the provision of any service.
- (b) The owner is responsible for the cost of relocating a meter if satisfactory access is not possible. In the case of access for the purpose of reading the meters, such relocation will be done if no access is gained for three consecutive months.
- (c) Building plans will only be approved if placement of the water and electricity meters is located as per plan submitted on the sidewalk where it is accessible to the Municipality. In cases where building plans are submitted for improvements to dwellings where meter(s) are still inside the premises, it will be a requirement for approval that meters be relocated to the sidewalk on account of the owner/applicant.
- (d) If a person fails to comply with paragraph (a), the municipality or its authorised representative may:-
 - (i) by written notice require such person to provide/restore access at his/her own expense within a specified period; and
 - (ii) as a matter of urgency, without prior notice restore access and recover the cost from such person.

29. Resale of Water or Electricity

- 29.1 No account holder who is supplied with metered services in terms of this policy may sell or supply water or electricity, supplied to the account holder's premises under an agreement with the municipality, to any other person or persons for such use upon any premises other than those in respect of which such agreement is made, or permit or suffer such resale or supply to be made, unless provision has been made therefore in a special agreement with the municipality or unless prior authority has otherwise been obtained from the municipality to do so.
- 29.2 If the municipality grants permission as referred to in 29.1, it may stipulate the maximum price at which the water or electricity may be sold and impose such other conditions as it may deem fit.
- 29.3 Permission referred to in subsection 29.1 may be withdrawn at any time.
- 29.4 Where water or electricity is resold for use on the same premises, such resale must be in accordance with the tariff and subject to such conditions as the municipality may decide.

30. Assistance to the poor

- 30.1 Subject always to the provisions of the municipality's Indigent Management Policy, which in the event of a contradiction shall apply, for a user to qualify as a poor household, the following requirements must be met:
- (a) The applicant must be an account holder.
 - (b) The applicant may not be the owner of more than one residential property and he or she must occupy the property.
 - (c) An applicant who is an occupier stemming from a deceased estate where the deceased was registered as an indigent must apply in person and will only qualify for assistance for electricity, water and sewerage charges, i.e. the charges for which he/she receives a municipal account. The owner or executor of the estate will be responsible for rates, sanitation and refuse charges and will not qualify for assistance in respect of such charges.
 - (d) The existing and future accounts of poor households where the account holder is deceased, i.e. an "estate late" account, may be accepted under the assistance scheme, on condition that only the surviving spouse and/or dependent children may apply or benefit.

- (e) Qualification criteria for assistance shall be as determined by Council from time to time in terms of its Indigent Management Policy, which must be read in conjunction with this policy.
- 30.2 An account holder who is in the seat of assistance must immediately notify the municipality in the event of any of the qualifying criteria applicable to the account holder changing, to enable the municipality to review and to reconsider the household's status as a poor household.
- 30.3 Households which qualify as poor households may receive a credit for some or all of the following:
 - (a) A quantity of electricity; and/or
 - (b) a quantity of water; and/or
 - (c) the refuse removal charges; and/or
 - (d) the sewerage charges; and/or
 - (e) assessment rates: and/or
 - (f) any other service fees, taxes or charges over and above the rendered services; as may be determined by the Council from time to time in terms of its Indigent Management Policy.
- 30.4 The municipality and its representatives have the right to visit the property mentioned in paragraph 30.1(b) at any reasonable time for the purposes of auditing an application.
- 30.5 The normal rates, fees and charges and the requirement to pay an account will apply should a household account exceed the credit given.

MISCELLANEOUS PROVISIONS

31. Municipality's Powers to Restrict or Disconnect Supply of Services

31.1 The municipality may, in addition to any other provision in this policy, restrict or disconnect the supply of water and electricity, or discontinue any other service to any premises if-

- (a) an administration order is granted in terms of section 74 of the Magistrates Court Act, 1944 (Act No. 37 of 1944), in respect of an account holder;
- (b) an account holder of any service fails to comply with a condition of supply imposed by the municipality;
- (c) an account holder obstructs the efficient supply of electricity, water or any other municipal services to another account holder;
- (d) an account holder supplies such municipal services to any person who is not entitled thereto or permits such service to continue;
- (e) an account holder causes a situation which in the opinion of the Municipal Manager or his delegate, is dangerous or constitutes a contravention of relevant legislation; or
- (f) is placed under provisional liquidation or judicial management, or commits an act of insolvency in terms of the Insolvency Act, 1936 (Act No. 24 of 1936).

31.2 Where it is possible by the capability of the meter or system, services will be restricted as a first measure of debt collection before suspension or termination.

31.3 If a service has been disconnected and no payment is made or a suitable arrangement entered into in terms of paragraph 19 within 30 days of such disconnection, the Municipality will initiate legal action against the accountholder.

32. Tampering, unauthorised connections and reconnections, and improper use

32.1 The municipality shall be entitled to monitor its service network for signs of tampering or irregularities.

32.2 No person may in any manner or for any reason whatsoever tamper or interfere with any meter or metering equipment or service connection or service protective device or supply

mains or any other equipment of the municipality. This includes reconnecting electricity or water where such has been terminated for reason of non-payment.

- 32.3 Where prima facie evidence exists that a consumer or any person has contravened 32.2, the municipality shall be entitled to disconnect the supply immediately and without prior notice to the account holder, and the account holder is liable for all fees and charges levied by the municipality for such disconnection and the matter shall be reported to the South African Police Service
- 32.4 Where an account holder or any person has contravened 32.2 and such contravention has resulted in the meter recording less than the true consumption, the municipality shall be entitled to recover from the account holder the full cost of the estimated consumption.
- 32.5 There will be no reconnection or reinstatement of services until all outstanding debt, included interest, legal fees, penalties and estimates are paid in full. Arrangements in these instances will not be considered.

33. Clearance Certificates

To affect the transfer of any immovable property from one registered owner to another, the Registrar of Deeds requires a clearance certificate, which certificate is obtainable from the Municipal Manager or his delegate, upon application therefore in the prescribed manner and payment of the prescribed fee and subject to the conditions of Section 118 of the Municipal Systems Act, 2000 (Act No 32 of 2000) being met. Any outstanding debt remaining after the issue of a clearance certificate in terms of section 118 (1)(b) remains a debt against the property and is enforceable against all successors in title. When issuing a clearance certificate in terms of section 118 (1) (b) the municipality must provide a statement of account for the total balance of arrears in respect of the property to the conveyancing attorneys so that their clients may be appropriately informed. However, the Municipality does not take responsibility for a purchaser or seller not being informed of any outstanding debt in respect of a property

34. Tenders and Grants-in-aid

- 34.1 No tender submitted to the municipality for the supply of goods and/or services to the municipality shall be considered, unless it is accompanied by a municipal account not older than three months from the closing date of said tender, stating that the tenderer is not indebted to the municipality for any arrear amount reflected on the municipal account.

- 34.2 Notwithstanding the provisions of 34.1 above, if the tenderer has made satisfactory arrangements to pay the outstanding amount by means of instalments in terms of this policy, or has settled all arrear amounts in full, , the tenderer's tender may be considered.
- 34.3 The Municipal Manager or his delegate shall in the conditions of contract applicable to any tender awarded to the tenderer, provide that the amount owing to the municipality shall be deducted from any payment due to the tenderer.
- 34.4 Payment of any grant-in-aid approved by the Council may be withheld pending payment of any outstanding municipal account, or pending conclusion of an agreement between the municipality and the recipient of a grant-in-aid in which satisfactory arrangements have been made regarding the settlement of the outstanding municipal account.

35. Power of Entry and Inspection

(Read with paragraph 17)

- 35.1 A duly authorised representative of the municipality may for any reason related to the implementation or enforcement of this policy and/or the Council's Credit Control and Debt Collection By-law, at all reasonable times or in emergency at any time, enter premises, request information and carry out such inspection as he deems necessary, and may for purposes of installing or repairing any meter or service connection for reticulation, disconnect, stop or restrict the provision of any service.
- 35.2 If the municipality considers it necessary for any work to be carried out to enable an officer to perform a function referred to in 35.1 above properly and effectively, it may -
- (a) by written notice require an account holder to do, at own expense, specified work within a specified period; or
 - (b) if the situation is a matter of urgency, without prior notice do such work or cause it to be done at the expense of the account holder.
- 35.3 If the work referred to in 35.2 is carried out for the sole purpose of establishing whether a contravention of this policy has been committed and it is found that no such contravention has taken place, the municipality shall bear the expense connected therewith together with that of restoring the premises to its former condition.

36. Relaxation, Waiver and Differentiation of Customers

- 36.1 Pursuant to this policy, the municipality may differentiate between different categories of ratepayers, account holders, customers, debtors, taxes, services, service standards and other matters.
- 36.2 The municipality may, in writing, exempt an account holder, category of account holders, or other persons from complying with a provision of this policy, subject to any conditions it may impose, if the application or operation of that provision would be unreasonable, however the municipality or its authorised agent may not grant exemption from any provision of this policy that may result in -
- (a) the wastage or excessive consumption of water or electricity;
 - (b) the evasion or avoidance of water or electricity restrictions;
 - (c) significant negative effects on public health, safety or the environment;
 - (d) the non-payment for services;
 - (e) the installation of pipes and fittings which are not acceptable in terms of the municipality's prescribed standard; or
 - (f) the contravention of any Act, or any regulation made in terms thereof;
- 36.3 The municipality may at any time upon at least 30 days written notice, withdraw any exemption given in terms of subsection 36.2.

37. Power of Council to Recover Costs

- 37.1 Where a bank dishonours any payment made to the municipality, it may levy and recover all related costs and any administration fees against an account of the defaulting account holder and may disconnect or restrict the supplies to the premises of such account holder.
- 37.2 All legal costs, including attorney-and-own-client costs incurred in the recovery of amounts in arrears and payable shall be levied against the arrears account of the account holder.
- 37.3 For any action taken in demanding payment from an account holder or reminding an account holder by means of telephone, fax, electronic mail, letter or otherwise that payments are due, a fee will be levied against the municipal account of the account holder in terms of the municipality's tariff provisions. Please also see paragraph 23.

38. Prima Facie Evidence

A certificate reflecting that an amount is due and payable by any person to the municipality, under the hand of the Municipal Manager or a duly authorised officer of Council, is upon mere production thereof prima facie evidence of the indebtedness for any purpose and the signatory shall not be obliged to prove his authority.

39. Authentication and Service of Orders, Notices and Other Documents

39.1 An order, notice or other document from the municipality must be signed by the Municipal Manager or his delegate. Such authority and any document purporting to be so signed shall constitute sufficient notice from the municipality.

39.2 Any notice or other document that is served on a person by a duly authorised officer of the municipality in terms of this policy, is regarded as having been served -

- (a) when it has been delivered to that person personally;
- (b) when it has been left at that person's place of residence or business in the Republic or at the premises to which the notice relates, with a person apparently over the age of sixteen years;
- (c) when it has been posted by registered or certified mail to that person's last known residential or business address in the Republic as reflected in the records of the municipality, or to the address of the premises to which the notice relates and an acknowledgement of the posting thereof from the postal service is obtained;
- (d) if that person's address in the Republic is unknown, when it has been served on that person's agent or representative in the Republic in the manner provided by paragraphs 39.2(a), 39.2(b) or 39.2(c);
- (e) if that person's address and agent or representative in the Republic is unknown, when it has been placed in a conspicuous place on the property or premises, if any, to which it relates;

- (f) in the event of a body corporate, when it has been delivered at the registered office of the business premises of such body corporate; or
- (g) when it has been delivered, at the request of a person, to that person's electronic mail address.

- 39.3 When any notice or other document has to be authorised or served on the owner, an account holder or holder of any property or right in any property, it is sufficient if that person is described in the notice or other document as the owner, account holder or holder of the property or right in question, and it is not necessary to name that person.
- 39.4 Service of a copy shall be deemed to be service of the original.
- 39.5 Any legal process is effectively and sufficiently served on the municipality when it is delivered to the Municipal Manager or a person in attendance at the Municipal Manager's office.

40. Disputes

- 40.1 In this policy, dispute refers to the instance when a debtor questions the correctness of any account rendered by the municipality with the Municipal Manager as per the process contained below:
- 40.2 In order for a dispute to be registered with the municipality, the following procedure must be followed:

By the debtor

- (a) The dispute must be submitted in writing or dictated to the official who will record it in writing and have it signed as correct. The document must then immediately be lodged with the relevant authorised official.
- (b) No dispute will be registered verbally whether in person or over the telephone.
- (c) The debtor must furnish full personal particulars including all their account numbers held with the Municipality, direct contact telephone numbers, fax numbers, postal and e-mail addresses and any other relevant particulars required by the Municipality.
- (d) The full nature of the dispute must be described in the correspondence referred to above.
- (e) The onus will be on the debtor to ensure that he/she receives a written acknowledgement of the dispute.

By the Municipality

- (a) Upon receipt of the dispute the following actions are to be taken:

- (b) All disputes received are to be recorded in a register kept for that purpose. The following information should be entered into this register:
 - I. debtors account number;
 - II. debtors name;
 - III. debtors address;
 - IV. full particulars of the dispute;
 - V. name of the official to whom the dispute is given to investigate and resolve in accordance with the provisions contained in this Policy;
 - VI. actions that have, or were, taken to resolve the dispute;
 - VII. signature of the controlling official.
- (c) An authorised controlling official will keep custody of the register and conduct a daily or weekly check or follow-up on all disputes as yet unresolved.
- (d) A written acknowledgement of receipt of the dispute must be provided to the debtor.

40.3 The following provisions apply to the consideration of disputes:

- (a) All disputes must be concluded by the Municipal Manager or his delegate.
- (b) The Municipal Manager's (delegate) decision is final and will result in the immediate implementation of any debt collection and credit control measures provided for in this policy after the debtor is provided with the outcome of the appeal.
- (c) The same debt will not again be defined as a dispute in terms of this paragraph and will not be reconsidered as the subject of a dispute.
- (d) Should a debtor not be satisfied with the outcome of the dispute, a debtor may lodge an appeal in terms of paragraph 43 of this Policy.

41. Abandonment of bad debts, and full and final settlement of an account

41.1 Before terminating the debt collection procedure in any individual instance, and subject to the municipality's Debt Write-off Policy, the Municipal Manager must -

- (a) ensure that all debt collection mechanisms as provided for in this policy have been utilised where reasonable;
- (b) maintain an audit trail; and
- (c) document the reasons for terminating the debt collection procedure, including the cost of enforcement and necessary financial adjustments.

41.2 Further to paragraph 22.8 The Municipal Manager or his delegate may consider an offer for full and final settlement of any amount owing, and must, if in his sole discretion he considers

it in the interests of the municipality to do so, in writing consent to the acceptance of a lesser amount as full and final settlement of the amount due and payable.

- 41.3 Where the exact amount due and payable to Council has not been paid in full, any lesser amount tendered in full settlement to and accepted by any employee, except the Municipal Manager or the Municipal Manager's delegate, shall not be deemed to be in full and final settlement of such an amount.

42. National Credit Act not applicable

The municipality is not a credit provider in terms of the National Credit Act 34/2005, and nor is that Act applicable to the recovery by the municipality of amounts due to it for rates, in terms of tariffs relating to the supply of services including fixed tariffs, fines or any other amount.

43. Right of Appeal

- 43.1 A person whose rights are affected by a decision of a municipal officer may appeal against that decision by giving written notice of the appeal and reasons to the Municipal Manager within 21 days of the date of the notification of the decision.
- 43.2 The Municipal Manager or a structure created for this purpose and delegated by him to act as an appeal authority must consider the appeal and confirm, vary or revoke the decision, but no such variation or revocation of a decision may detract from any rights that may have accrued as a result of the decision.
- 43.3 When the appeal is against a decision taken by -
- (a) a staff member other than the Municipal Manager, the Municipal Manager is the appeal authority, even if such staff member was acting in terms of a delegation from the Municipal Manager;
- 43.4 An appeal authority must commence with consideration of an appeal within six weeks and decide upon the appeal within a period of twelve weeks.

44. Role and Responsibility of Councillors

- 44.1 Section 99 of the Act appoints the Executive Mayor as the supervisory authority to oversee and monitor the implementation and enforcement of this policy, the performance of the Municipal Manager in implementing it and its associated bylaw and as required by the Council, to report to it.

- 44.2 In addition to the monitoring role provided in 44.1 above, all Councillors are responsible for promoting this policy and compliance with it. In order to maintain the credibility of this policy as adopted by the Council, all Councillors must lead by example and ensure that his/her account with the municipality is and remains paid in full. Full details of all accounts of Councillors and employees which are in arrears shall be tabled before the Finance Committee and disclosed in the municipality's financial statements.
- 44.3 Furthermore, where Councillors become aware of any breaches to any Policy or By-law of this Municipality, it is necessary that this be reported to the Municipality for investigation and resolution in terms of the respective Policies.
- 44.4 Ward Committees are tasked with the dissemination of Policies and By-laws to the community and to facilitate the implementation thereof.

45. Responsibilities of Municipal Staff

- 45.1 Where a staff member becomes aware of any breaches to any Policy or By-law of this Municipality, it is necessary that immediate and appropriate action is taken in terms of the respective Policies.
- 45.2 Where a staff member becomes aware of any attempts, successful or not, to interfere with the implementation of a Policy or By-law they are obliged to report such matter to Council through their respective Manager and Executive Director.

46. Implementation Date of Review

This Policy becomes effective and wholly enforceable from the 1st of July 2017.

By-laws must be adopted in order to give effect to this Policy and such By-laws shall be reviewed annually.

SCHEDULE 1

ARRANGEMENTS

1. Arrangements made in respect of residential properties may not exceed 12 months without approval by the Supervisor and on good cause shown.
2. Arrangements made in respect of commercial properties may not exceed 12 months without approval by the Supervisor and on good cause shown.
3. All arrangements made in excess of 12 months must be reviewed annually.
4. Notwithstanding the above, arrangements to repay debt will be treated holistically, and different repayment periods or methods may be determined for different types of service, debtors or areas within the general rule that the repayment period should be in sympathy with the instalments and the affordability of the debtor be proved.

SCHEDULE 2

DEBT COLLECTION PROCEDURES

The procedures below are a synopsis of the process and may be varied where the circumstances require.

Debt Overdue – Due Date to Next Billing Date

1. List is generated and submitted to SPM Call Centre
2. Every debtor on list will be phoned and will:
 - a. Have their personal information updated
 - b. Be reminded of the due date and outstanding debt
 - c. Be required to make a commitment to make payment by a date not later than the next billing date.

Debt Overdue 30-60 Days

3. Residential debtors will be restricted from buying electricity tokens until payment is made or an arrangement is entered into.
4. Commercial debtors will have their electricity and/or water services restricted or suspended until payment is made or an arrangement is entered into.

Debt Overdue 60 days plus

5. Residential debtors will be restricted from buying electricity tokens until payment is made or an arrangement is entered into.
6. These accounts will be handed over for more focused collection strategies.

Staff and Councillor Accounts

7. A notice will be issued to such staff member or Councillor setting out the status of their account and giving 14 days for settlement of the arrears in excess of 90 days.
8. Should the staff member or accountholder not be able to settle such account then they may enter into an arrangement with the Municipality on condition that they sign a stop order for the deduction of amounts owing on their account from their monthly salary.

9. Failure to make any arrangement or settlement within the 14 day period will result in the Municipality implementing section 14 of Schedule 1 of the Local Government: Municipal Systems Act in respect of Councillors and sections 10, 14 and 14A of the same Act in respect of Staff members.

Annexure 1

Application for Municipal Services and Service Agreement – Residential

This form is used where there are already services and meters but the consumer of the services on the property changes.

Annexure 2

Application for Municipal Services and Service Agreement – Commercial and Industrial

This form is used where there are already services and meters but the consumer of the services on the property changes.

SOL PLAATJE LOCAL MUNICIPALITY

INDIGENT MANAGEMENT POLICY



**APPROVED ON THE
RESOLUTION NUMBER**



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1. OBJECTIVE

- 1.1. Sol Plaatje Municipality recognises its Constitutional obligation to give priority to the basic needs of its community, to promote the social and economic development of the community and to ensure that all residents and communities in the municipality have access at least to a basic level of municipal services.
- 1.2. The Constitution entitles the municipality to an equitable share of nationally raised revenue, which will enable it to provide basic levels of essential services to the community and Sol Plaatje Municipality commits its equitable share to the provision of basic services.
- 1.3. Due to the high level of unemployment and consequent poverty in the municipality, there are households which are unable to pay the normal tariffs for municipal services. The municipality accordingly adopts this Indigent Management Policy to ensure that these households have access to at least basic municipal services.

2. SCOPE OF THE POLICY

Sol Plaatje Municipality adopts this policy in order to provide:

- 2.1 A framework for the provision of basic services to the community in a sustainable manner, within the financial and administrative capacity of the municipality;
- 2.2 Procedures and guidelines for the subsidisation of basic services to poor people using the municipality's budgetary allocation, supported by the equitable share;
- 2.3 Fair criteria and a consistent, transparent and reasonable threshold for qualification of indigent households and appropriate subsidies, consistent with the municipality's Tariff Policy.



3. FAIR ADMINISTRATIVE ACTION

- 3.1 The Constitution entitles everyone to administrative action which is lawful, reasonable and procedurally fair and to be given reasons for any such action which affects them.
- 3.2 The Promotion of Administrative Justice Act 3 of 2000 is the legislation required by the Constitution to give effect to the right to just administrative action and in order to promote an efficient administration and good governance and to create a culture of accountability, openness and transparency in public administration or in the exercise of a public power or the performance of a public function.
- 3.3 This policy incorporates the above principles by providing parameters and procedures to guide the municipality and its officers in implementing it, and thereby exercising a public power through a series of administrative actions. In so doing, this policy seeks to provide certainty on the part of those affected by it with regard to how the municipality will act in the circumstances covered by the policy and uniformity of action on the part of its officers.
- 3.4 The municipality commits itself and its officers to act fairly and justly in an open and transparent manner in implementing this policy.

4. SERVICES SUBSIDISED

- 4.1 The municipality will provide free of charge, a basic level of services by subsidising the tariffs applicable thereto in terms of this policy and its Free Basic Services Policy.
- 4.2 The municipality may also subsidise assessment rates on immovable properties of below a determined value as provided for herein, owned by persons qualifying for indigent support.

5. QUALIFICATION CRITERIA FOR INDIGENT SUPPORT

Sol Plaatje Municipality recognises five categories of indigent households and organisations aiding the indigent, namely:

- Income Indigent
- Child headed Households
- Indigent by way of Geographic Area
- Organisation assisting the indigent
- Exceptional Circumstances

The Municipality also recognises the plight of old age homes and in turn offers free basic services as a package in terms of the criteria set out

The requirements for these categories may vary and overlap as prescribed in the policy.

5.1 INCOME INDIGENT

5.1.1 Indigent support is provided to a household upon successful application by an individual applicant who is the holder of a municipal account, supported by valid service agreements for the provision of municipal services to the property in which the household resides.

5.1.2 A household qualifies for indigent support if the verified total gross monthly income of all occupants in the household over 18 years of age, including all rental income derived from any dwelling on the property, does not exceed R4500 per month, or any such other amount as Sol Plaatje Municipality may from time to time set. In the calculation of this household income, all government grants such as pension, child welfare, etc. will be disregarded.



5.2 CHILD HEADED HOUSEHOLD

5.2.1 A child headed household is one where the eldest caretaker of the property and its occupants is younger than 18 years.

5.2.2 Child-headed households shall qualify for subsidisation in line with this policy. A child shall be any person who is 18 years and younger. Such applicants shall be assisted by the ward councillor and all documentary proof shall serve as evidence prior to qualification. Upon reaching the age of majority, their indigent status may be reviewed, also taking into account paragraph 5.2.3 below.

5.2.3 In cases where the person responsible for the family is older than 17 years but less than 21 years, and is unemployed, the beneficiation from indigent subsidisation may be extended further under the criteria as per paragraph 5.2.2 above and 5.6 below.

5.3 GEOGRAPHIC AREA

It is recognised that some areas within Sol Plaatje Municipality have concentrated indigent populations. This is as a result of Low Cost Housing projects or more affordable housing in certain areas for the low end of the market.

These areas are determined by the following criteria:

5.3.1 Availability of services

5.3.2 Approximate / average property valuations

5.3.3 Payment ratios for the area

5.3.4 Whether or not they pay a flat tariff.



5.4 ORGANISATIONS ASSISTING THE INDIGENT

5.4.1 Any organisation incorporated not for gain and reliant on government or other funding, and which may charge the residents a fee which is prescribed by government as a condition of such funding, may qualify for free basic services in terms of this policy and the Free Basic Services Policy.

5.4.2 The value of the free basic services package is calculated by the number of rooms or beds available multiplied by the free basic services package. E.g. an old age home which has 15 beds may qualify, subject to the other criteria listed above, for the free basic services to an amount multiplied by 15.

5.5 EXCEPTIONAL CIRCUMSTANCES

5.5.1 This policy attempts to assist our indigent community in general but it is understood that there are sometimes exceptional circumstances which this policy cannot foresee and which ordinarily would not be provided for in the qualification criteria.

5.5.2 For this reason, the Municipal Manager may consider individual applications made containing exceptional circumstances which would, ordinarily and by the criteria listed in the Policy, overlook such circumstances. For example, pensioners who are members of medical aid schemes, or families looking after disabled children or severely sick persons, may apply for an indigent subsidy. Such applications shall be considered based on these extra-ordinary circumstances and merits.

5.5.3 The Indigent Management Section shall liaise with the Department of Health and the Department of Social Development depending on



the circumstances so presented in the application. The approval of such application shall be recommended by the CFO to the Municipal Manager.

5.5.4 A report of all special cases shall be presented to Council once a quarter.

5.6 GENERAL

5.6.1 For a household to qualify for indigent support in respect of services, the applicant must be a full-time occupant and accountholder of the property concerned and may not be in receipt of support in respect of another household, whether within or outside the municipality.

5.6.2 A household is not disqualified from being registered as indigent by reason alone of such applicant lawfully occupying a municipal owned property. However, should such person pay less than the market rental determined by Council from time to time as a recipient of any concession for any reason on said rental, such applicant will not qualify for indigent registration.

5.6.3 For a household to qualify for a rebate on rates, the applicant must be both the owner and a full-time occupant of the property concerned and may not own any other immovable property whether within or outside the municipality.

5.6.4 For a household to qualify for a rebate on services, or to benefit from any debt write-off in terms of the municipality's Debt Write-off Policy, a pre-paid electricity meter must be installed at the subject property. If the applicant refuses the installation of a prepaid service meter the application will be cancelled.



5.6.5 A household cannot qualify for indigent registration if a business whether formal or informal (e.g. tuck shops, taverns etc.) is being run from the premises in which the household resides.

6. APPLICATION PROCEDURE

An applicant wishing to apply for indigent support under the category "income indigent" for a household must complete an application form attached hereto as annexure "A" which shall be accompanied by at least the following documents:

- 6.1 an affidavit declaring on oath employment status and/or income in respect of all members of the household over 17 years of age and their full names and identity numbers;
- 6.2 documentary proof of income in respect of all such persons (e.g. letter from employer, salary advice, pension slip, affidavit of income if self-employed, letter from SARS);
- 6.3 the most recent municipal account in the name of the applicant in respect of the property in question;
- 6.4 a copy of the applicant's identity document;
- 6.5 where necessary, a copy of the title deed or any other acceptable proof of ownership in the name of the applicant of the property in question (if the applicant is the owner).
- 6.6 Where applicable, verification of the valuation of the applicant's property will be undertaken by the municipality with reference to its current Valuation Roll. Objections to such valuation must be done in terms of the Sol Plaatje Municipality's Property Rates Policy.



- 6.7 An applicant for indigent support, shall in the application form, authorise the municipality to verify the information provided therein through access to the applicant's returns to the South African Revenue Service or through any other agency as the municipality in its sole discretion shall determine.
- 6.8 The Municipal Manager or his/her delegate must explain to each applicant, the content of this policy, the application form and the consequences of submitting an application for indigent support and counter-sign the application form in certification that the applicant confirmed his/her understanding of such explanation.
- 6.9 The Municipal Manager or his/her delegate may send a representative to the property of an applicant for indigent relief to conduct an on-site audit and verification,(investigation) of information provided by the applicant.
- 6.10 An application shall be considered and determined by the Municipal Manager or his/her delegate with due regard to the information contained therein and the report, if any, of an on-site audit and advise the applicant in writing of his/her decision. If an application is not approved, the applicant will be provided with written reasons for the municipality's refusal.
- 6.11 Such verification shall take place within the validity period of the indigent status. As such, the applicant shall be considered to provisionally qualify for subsidisation upon receipt of all documents required at application stage. The verification shall confirm the status as soon as it is done, within 24 months from date of provisional qualification.
- 6.12 Should the verification provide information contrary to the information submitted with the application, the applicant shall be charged with the value or amount of subsidy given, and these shall



be charged against the municipal account of that property and the credit control policy shall apply to recover the loss.

- 6.13 An application shall be approved for a maximum period of 24 months. Thereafter a new application must be made and captured.

7. ALTERNATIVE APPLICATION AND QUALIFICATION PROCEDURES

- 7.1 The municipality, as an appointed agent of Provincial Department of Cooperative Governance, Human Settlements and Traditional Affairs (COGHSTA), in the implementation of Low Cost Housing Development, may utilise the information of all applicants as approved by the Department with regards to housing subsidies.
- 7.2 Due to the qualification criteria for a housing subsidy being in line with the criteria to qualify for indigent households support in the form of free basic services, all housing beneficiaries shall qualify automatically upon completion and handing over of keys. The list of beneficiaries from COGHSTA will be utilised to assist families in opening a municipal account.
- 7.3 In the case of deceased beneficiary/ies before the handing over of keys, the spouse or the children of the beneficiary/ies shall be permitted to open the account provided they meet the criteria as per paragraph 5 above.
- 7.4 Verification of applicants who qualified solely using the list of beneficiaries for Housing subsidies shall take place within two years from date of qualification.

8. BI-ANNUAL RE-APPLICATION

- 8.1 A recipient of indigent support, must re-apply for such support and registration in the municipality's records as an indigent, on or before



the last day of June two years following his/her registration as an indigent, failing which the municipality will automatically terminate his/her indigent support. The municipality does not warrant that any such re-application will be successful.

- 8.2 The Municipal Manager will inform an applicant who has re-applied for indigent status of the outcome of his/her re-application and should it not be approved, will provide reasons for its refusal.

9. BREACH OF OR NON-COMPLIANCE WITH CONDITIONS OF GRANT

- 9.1 If a recipient of indigent support fails to comply with this policy, or breaches or otherwise fails to comply with any condition of the grant of such status, or should his/her circumstances or those of the household in respect of which he/she applied for indigent support change materially, the Municipal Manager or his delegate, shall be entitled to terminate his/her status as an indigent and the provision of indigent support with immediate effect and such person shall revert to the status of ordinary account holder for the financial year in question.
- 9.2 A recipient of indigent relief bears the onus to inform the Municipal Manager of any material change in his/her circumstances or those of his/her household, such as would disqualify him/her from receiving such relief and may request de-registration as an indigent at any time.
- 9.3 Without in any way limiting the grounds upon which the municipality would be entitled to terminate such relief, indigent relief to any recipient will be immediately terminated:
- i. if the recipient fails to comply with this policy or the agreement of grant of such relief;



- ii. if the supply of electricity and/or water including the meter system in the property of a recipient of indigent relief is in any way tampered with;
 - iii. if the household income of a recipient of indigent relief increases beyond the qualifying threshold;
 - iv. if the recipient of indigent relief (i.e. the applicant) dies;
 - v. if the property of the recipient of indigent relief is used for the conduct of any business activities;
 - vi. if the recipient of indigent relief ceases to personally occupy the property in respect of which such relief has been granted, or rents or sells it.
- 9.4 Should it be determined at any time, that a recipient of indigent relief knowingly or fraudulently provided false information to the municipality in any application or re-application, such person shall immediately be removed from the register of indigents and shall become liable to repay to the municipality an amount equivalent to the indigent support received by him/her, from date of grant thereof, as well as all debt written off from said date, and shall not again be considered for indigent relief for a period of 2 years or such other to be determined by Sol Plaatje Municipality from time to time.
- 9.5 If a recipient of indigent relief, whose debt has been written-off consequent upon the grant of indigent relief, sells the property in respect of which such relief was granted, or conducts a business, or allows a business to be conducted from said property, within a period of three years with effect from his/her last registration as an indigent then the following shall occur:
- i. the recipient shall become liable to repay to the municipality the total amount of indigent relief received by him/her during the said three year period;



- ii. the debts written-off shall immediately become due and payable to the municipality;
- iii. the provisions of 8(d)(ii) above shall also be applicable should the municipality approve plans for the building of a house or extension to a house on the property during said three year period;
- iv. the municipality shall be entitled to withhold provision of a certificate in terms of section 118, Local Government: Municipal Systems Act 32/2000, until the amounts in 8(d)(i) and (ii) have been paid in full.

10. PREPARATION AND MAINTENANCE OF AN INDIGENT REGISTER

10.1 The Municipal Manager or his delegate will be responsible for the preparation and maintenance of a data base constituting a register of all recipients of indigent relief.

10.2 The Municipal Manager or his delegate will be entitled to visit and enter any property which is the subject of a grant of indigent relief or to require the recipient of such relief to provide such information as he may request, for the purposes of verification or audit of information supplied by the recipient of indigent relief or the current circumstances of the household in question.

11. SUBSIDIES MAKING UP INDIGENT RELIEF

Indigent relief to qualifying households shall consist of a package of subsidies on the tariffs applicable to the services as per the Free Basic Services Policy.

In addition, property rates may be subsidised as follows:

11.1 The applicable subsidy on rates for a financial year shall be determined by Sol Plaatje Municipality in conjunction with approval



of its budget and shall be contained in the budget resolutions dealing with rates as contemplated in section 14 of the Local Government: Municipal Property Rates Act 6 of 2004.

12. PROPERTY RATES AND TAXES

12.1 Property rates are only chargeable once the property is transferred to the beneficiary in as far as the housing subsidies are concerned. Property rates and taxes shall be levied in accordance with the Rates Policy of the municipality.

12.2 Any rebates or subsidies for indigent households shall be determined in terms of paragraph 4 as well as the Municipality's Property Rates Policy and in conjunction with the approval of its budget and shall be contained in the budget resolutions.

13. ARREAR CHARGES - REGISTRATION AS AN INDIGENT

13.1 Accumulated arrears on the municipal account of an indigent accrued prior to his/her registration as such, shall be suspended and subsequently written off.

13.2 An indigent accountholder may only benefit from a write-off once, irrespective the number of successful subsequent registrations. This provision prevails except where paragraph 14.2 applies.

14. INDIGENT ACCOUNTS MONITORING

14.1 If it is evident that the household is consuming more than the subsidised amount provided for in terms of this policy and such additional amounts are not being paid by the respective due dates, said applicant will be served with a warning notice stating that:



- their use of services are in excess of what is subsidised
- such excess is not being paid by the respective due date
- the account will be monitored for a further period of three months
- if the consumption is not brought to within the subsidised amount and an acceptable arrangement has been made for any arrears, action will be taken in terms of the Credit Control Policy.

14.2 Where the account is deemed excessive by reason of leaks, the supply will be normalized and the excessive consumption billing will be written off.

15. FUNERAL ARRANGEMENTS

15.1 Sol Plaatje Municipality may from time to time determine special arrangements to apply in respect of funerals of recipients of indigent relief.

15.2 The Municipal Manager or his delegate shall implement such arrangements upon receipt of a death certificate, provided however that if such arrangements include the re-connection of an electricity supply, this shall not be implemented until an amount of R150,00 has been paid.

16. IMPLEMENTATION AND REPORTING

16.1 The Municipal Manager is responsible and accountable for the implementation of this policy. Sol Plaatje Municipality delegates to the Municipal Manager all the necessary power and authority to effect such implementation, subject to the provisions of this policy.

16.2 The Municipal Manager shall submit a monthly report to the Executive Mayor on the implementation of this policy, containing at least the following information:



- i. the number of households registered as indigent and a brief explanation of any variation in that number since the prior report;
- ii. the monetary value of subsidies and rebates constituting indigent support for the reporting period and cumulatively for the financial year to date;
- iii. the amount budgeted for the provision of indigent support and the balance available.
- iv. The number of households/accounts and value of arrear amounts written off.

16.3 The Executive Mayor shall in turn report on the above matters to Sol Plaatje Municipality on a quarterly basis.

17. REVIEW OF THIS POLICY

This policy shall be reviewed annually in conjunction with the municipality's budget process.

18. IMPLEMENTATION DATE

The amendments contained herein become effective and wholly enforceable from the 1st of July 2017.



ANNEXURE A – APPLICATION / REGISTRATION FORM

SOL PLAATJE LOCAL MUNICIPALITY

PROPERTY RATES POLICY



POLICY REVIEW APPROVED ON THE

RESOLUTION NUMBER:



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SOL PLAATJE MUNICIPALITY

PROPERTY RATES POLICY

1. DEFINITIONS / INTERPRETATION

“Act”, means the Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004 (abbreviated to “MPRA”;

“Council” means the highest legislative body of the Sol Plaatje Municipality as referred to in section 157 (1) of the Constitution and section 18 (3) of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998);

“date of valuation”, for the purposes of a general valuation, means the date to be determined by the municipality in terms of section 31 (1) of the Act, and the date on which the market conditions applied when determining the valuations in the General Valuation Roll;

“district municipality” means a municipality that has municipal executive and legislative authority in an area that includes more than one municipality, and which is described in section 155(1) of the Constitution as a category C municipality;

“economic services”, means services for which the tariffs are fixed to recover the full costs of the service, like refuse and sewer services;

“market value”, in relation to a property, means the amount a property would have realized if sold on the date of valuation in the open market by a willing seller to a willing buyer;

“municipality”, means the Sol Plaatje Municipality;

“trading services”, means services for which the tariffs are fixed to yield a trading profit, like electricity and water services;

“MPRA” means the Local Government Municipal Property Rates Act (Act No, 6 of 2004)



2. PURPOSE OF POLICY

- 2.1. The purpose of this policy is to allow Council to exercise its power to impose rates within a statutory framework, with the aim to enhance certainty, uniformity and simplicity, taking into account the historical imbalances within communities, as well as the burden of rates on the poor.
- 2.2. As trustees on behalf of the local community, the Municipality shall adhere to its legislative and moral obligation to ensure it implements this policy to safeguard the monetary value and future service provision invested in property.

3. LEGAL FRAMEWORK

- 3.1. This policy has been compiled in accordance with: -
 - 3.1.1 Section 229 of the Constitution of the Republic of South Africa, giving the municipality power to value and rate property in its area of jurisdiction;
 - 3.1.2 The Municipal Property Rates Act, 6 of 2004;
 - 3.1.3 The Local Government: Municipal Finance Management Act 2003, hereinafter referred to as the “MFMA”; and
 - 3.1.4 The Local Government: Municipal Systems Act, 2000, hereinafter referred to as the “Systems Act”.
- 3.2 This policy shall be subject to the applicable legislation.
- 3.3 This policy shall be applied with due observance of the Municipality’s policy with regard to delegated powers. Such delegations refer to delegations between the Municipal Manager and other responsible officials; the Council and the Executive Mayor as well as between Council and the Municipal Manager. All delegations in terms of this policy must be recorded in writing.
- 3.4 The Council shall, as stipulated in Chapter 4 of the Municipal Systems Act and section 22 of the MFMA, provide measures for continuous consultation with the community and other stakeholders in the development and ultimate adoption of this Property Rates Policy.
- 3.5 The Constitution entitles everyone to administrative action which is lawful, reasonable and procedurally fair and to be given reasons for any such action which affects them.

The Promotion of Administrative Justice Act 3/2000 is the legislation required by the Constitution to give effect to the right to just administrative action and in order to promote and efficient administration and good governance and to create a culture of accountability, openness and transparency in public administration or in the exercise of a public power or the performance of a public function.



This policy incorporates the above principles by providing parameters and procedures to guide the municipality and its officers in implementing it, and thereby exercising a public power through a series of administrative actions. In so doing, this policy seeks to provide certainty on the part of those affected by it with regard to how the municipality will act in the circumstances covered by the policy and uniformity of action on the part of its officers.

The municipality commits itself and its officers to act fairly and justly in an open and transparent manner in implementing this policy.

4. IMPOSITION OF PROPERTY RATES

4.1. Obligation:

- 4.1.1. The Council shall as part of each annual operating budget component impose a rate in the rand on the market value of all rateable property recorded in the municipality's valuation roll and supplementary valuation roll.
- 4.1.2. The Council pledges itself, subject to any applicable limitations by law, to limit each annual increase as far as practicable to the increase in the consumer price index over the period preceding the financial year to which the increase relates and to any limitations imposed by National Treasury.
- 4.1.3. The Council shall, in imposing the rate for each financial year, take proper cognizance of the aggregate burden of rates and service charges on representative property owners, in the various categories of property ownership, and of the extent to which this burden is or remains competitive with the comparable burden in other municipalities within the local economic region.

4.2. Policy principles

All ratepayers, in a specific category, as determined by Council from time to time, shall be treated equitably, as required by Section 3 (3) (a) of the Act;

- 4.2.1 Rates shall be raised in proportion to the improved value of the property;
- 4.2.2 The rates tariff shall be based on the value of all rateable properties and the amount required by the municipality to balance the operating budget after taking into account profits generated by trading and economic services and the amounts required to finance exemptions, rebates and reductions of rates as approved by Council from time to time;
- 4.2.3 Property rates shall not be used to subsidize trading services;



4.2.4 Exemptions, reductions and rebates should not unreasonably affect the income base of the municipality.

Therefore, pursuant to section 3 (3) (b) of the Act, it is the policy of the municipality, when –

- * levying different rates for different categories of properties;
- * exempting a specific category of owners of properties, or the owners of a specific category of properties, from payment of a rate on their properties;
- * granting rebates;
- * increasing rates;

to apply the following criteria -

- * poverty alleviation
- * stimulation of industrial growth
- * promotion of tourism
- * creation of jobs
- * maintenance of agricultural activity
- * assist charity and other public benefit organizations
- * the consumer inflation index
- * this municipality's budgetary needs
- * this municipality's integrated development plan
- * amounts contributed by services

4.2.5 **Compliance with section 3 (3) (d) of the Act**

Pursuant to section 3 (3) (d) of the Act, it is the policy of the municipality to exercise its powers in terms of section 9 (1) of the Act in relation to properties used for multiple purposes by assigning a property use for multiple purposes to a category based on the purpose corresponding with the dominant use of the property where such dominant use is either Industrial / Commercial or Mining. Where the dominant use is any other, the property will be valued and rated using the apportionment in terms of section 9 (2) of the Act.

4.2.6 **Compliance with section 3 (3) (f) of the Act.**

Pursuant to section 3 (3) (f) of the Act, it is the policy of the municipality to provide indigent property owners as registered in terms of this municipality's indigents policy a rebate on their rates account.

4.2.7 **Compliance with section 3 (3) (h) of the Act.**

Pursuant to section 3 (3) (h) of the Act, it is the policy of the Municipality to, in addition to the exemption of the first 30% of value and the phasing



in as prescribed in the Act, to consider further rebates on public service infrastructure, taking into account the Integrated Development Plan (IDP) priorities and objectives. The quantification of such rebates is to be determined by the annual budgetary process.

4.2.8 **Compliance with section 3 (3) (i) of the Act.**

Pursuant to section 3 (3) (i) of the Act, it is the policy of the Municipality to promote the interests of social or economic development, or when competing with other municipalities for investment of a specific nature, to consider providing incentive rebates in order to attract such development or investment, provided such development or investment is quantifiably beneficial to the community and should not amount to unfair discrimination as contemplated in Chapter 2, section 9 of the Constitution.

4.2.8.1 The property will be offered an incentive rebate as a percentage against its rateable category. E.g. if a manufacturing plant is established on an industrial property and it is desirable, provides employment and boosts the local economy, a rebate (as a percentage) against the rating tariff for “Industrial Property” will be offered.

4.2.8.2 The extent of the incentive rebate offered by Sol Plaatje Municipality will be determined by the Municipal Manager and the Chief Financial Officer upon application by the interested party. The following criteria, in determining this percentage, will apply:

- Value of investment into the city
- Number of local jobs created
- Desirability of industry/commercial activity
- Location of property
- SPM budget availability

4.2.8.3 The maximum incentive rebate offered is 100 % and applies to property rates only.

4.2.8.4 Incentive rebates offered are only valid from date of completion of the development, and valuation of such development on the Supplementary Valuation Roll.



Such incentive rebate remains valid for the period for which it was offered and for as long as all municipal policies, by-laws, National and Provincial legislation is adhered to and as long as the property owner maintains their municipal account to the Municipality's satisfaction.

5. CATEGORIES OF PROPERTIES

In terms of Section 8 and in pursuant to section 3 (3) (c) of the Act, the municipality may levy different rates for the different categories of rateable properties as set out below.

Pursuant to section 3 (3) (c) of the Act, the Council will, in determining the category of a property, take into consideration the actual use of the property and the property shall be rated on such actual use. Where the property is vacant (undeveloped) then the category will be determined as per its permitted use. The categories include the following:

- 5.1 residential properties;
- 5.2 vacant residential properties;
- 5.3 industrial properties;
- 5.4 vacant industrial properties;
- 5.5 business commercial properties;
- 5.6 vacant business and commercial properties;
- 5.7 agricultural properties;
- 5.8 Mining properties;
- 5.9 properties owned by an organ of state and used for public service purposes;
- 5.10 Public Service Infrastructure properties;
- 5.11 Private Service Infrastructure
- 5.12 Properties owned by public benefit organizations and used for specified public benefit activities.
- 5.13 Place of Public Worship.
- 5.14 Private Open Space;
- 5.15 Property owned by the Municipality and used for municipal purposes in service delivery;
- 5.16 Independent schools registered in terms of the South African Schools Act, 84 of 1996.



5.17 Sports grounds and facilities used and operated for gain.

6. EXEMPTIONS, REBATES AND REDUCTIONS ON RATES

In terms of Section 15(1) of the Act, the Municipality may: -

- i. Exempt a specific category of owners of properties, or the owners of a specific category of properties, from payment of a rate levied on their property; or
- ii. Grant to a specific category of owners of properties, or to the owners of a specific category of properties, a rebate or a reduction in the rates payable in respect of their properties;

Determination of any possible exemptions, rebates or reduction will be considered annually as part of the budget process of the Municipality. As a guide in determining the possible exemptions, rebates or reductions, the following will be considered:

6.1 **Exemptions**

6.1.1 *Property registered in the name of and used primarily as a place of public worship* by a religious community, including an official residence registered in the name of that community which is occupied by an office-bearer of that community who officiates at services at that place of worship.

6.1.2 *Public benefit activities (welfare and humanitarian)*

- (i) Rateable property registered in the name of an institution or organization that performs welfare and humanitarian work as contemplated in the ninth Schedule of the Income Tax Act, 1962 (Act 58 of 1962) which is not operated for gain.
- (ii) Rateable property, registered in the name of a trustee or any organization, which is maintained for the welfare of war veterans which is not operated for gain.

6.1.3 *Public benefit activities (cultural)*

- (i) Rateable property registered in the name of Boy Scouts, Girl Guides, Sea Scouts, Voortrekkers and similar organizations which is not operated for gain.
- (ii) Rateable properties registered in the name of the organizations that are involved in the promotion, establishment, protection,



preservation or maintenance of areas, collections or buildings of historical or cultural interest, national monuments, national heritage sites, museums, including art galleries, archives and libraries which is not operated for gain.

6.1.4 *Public benefit activities (sport)*

- (i) Rateable properties used for the purpose of amateur and social activities, which are connected with such sport which is not operated for gain.

6.1.5 *Rateable properties used for public benefit activities (conservation, environment and animal welfare)*

- (i) Properties that are in the name of an organisation or institution that is engaged in the conservation, rehabilitation or protection of the natural environment, including flora and fauna which is not operated for gain.
- (ii) Rateable property registered in the name of an institution or organisation that has as its exclusive objective the protection of tame or wild animals or birds which is not operated for gain.

Public benefit activities (health care)

- 6.1.6 Rateable property registered in the name of an institution or organisation which has as its exclusive objective health care or counselling for terminally ill persons or persons with a severe physical or mental disability and persons affected by HIV/ AIDS which is not operated for gain.

6.1.7 *Public benefit activity (agricultural)*

- (i) Rateable property, registered in the name of an agricultural society affiliated to or recognized by the South African Agricultural Union, which is used for the purposes of such a society which is not operated for gain.

6.1.8 *Rateable property registered in the name of an institution or organisation, which, in the opinion of the Council, performs charitable work.*

6.1.9 *Road reserves are exempted from payment of rates in accordance with Act No. 7 of 1998 on Road Agencies.*

- 6.1.10 At least the first R15 000 of the market value of residential properties and properties used for multiple purposes of which one or more components is used for residential purposes, where, in the case of residential properties, the properties referred to shall be vacant or improved properties and shall be zoned as residential and where, in the case of



properties used for multiple purpose and of which one or more components is used for residential purposes.

6.1.11 As a caution to the possible infringement of section 16 (1) of the MPRA, as well as in recognition of the regulated tariffs for public service infrastructure affecting the feasibility of charging rates on the sector, it is the policy of this municipality to charge a zero rate to all public service infrastructure, including private service infrastructure.

6.1.12 Land Reform Beneficiaries for ten years from the date the beneficiary's title was registered or upon alienation of the property.

6.2 **Rebates**

Rebates for the following categories of properties and/or owners of properties being utilized for the intended purpose will be considered:

6.2.1 *Rebates in respect of income categories: such as indigents, pensioners, disabled, etc.*

The following owners may be granted a rebate on or a reduction in the rates payable on their property if they meet all the following criteria:

- Registered owner of the property or in the case of Pensioners, must be the owner or must have a registered right of usufructs on the whole property;
- In the case of Pensioners, must be at least 60 years old on the 1st of July in the financial year concerned;
- Must reside on the property;
- May not own more than one property nationally
- Income must not exceed an amount annually set by the Council; and
- Applications for the rebate must be submitted before 30 June (unless as part of an indigent application).
- Late applications may be considered in terms of this policy and granted pro-rata from the date of the successful application.

6.2.2 *Municipal property and usage*

- (i) A pro-rata rebate will be granted where the municipality is engaged in land sales transactions that have taken place after the financial year has started.



- (ii) Where the municipality registers a road reserve or servitude on a privately owned property a pro rata rebate equal to the rates calculated on the value of the reserve or servitude will be given to the owner of the property.

- 6.2.3 Properties in rural areas, excluding all properties falling within the urban edge as determined by the Sol Plaatje Municipal Spatial Development Framework, which are used only for industrial, commercial and/or residential purposes and where no municipal services (water, electricity, sanitation, refuse removal) are available. This excludes properties used as Solar Farms or the portions thereof.
- 6.2.4 Properties that includes crèches and guest houses will qualify for a rebate to enable the promotion of small business enterprises.
- 6.2.5 Where the bulk of the property is located outside the Sol Plaatje Municipal boundary (i.e. 51 % or more), the whole of the property will be deemed to be outside the Sol Plaatje Municipal boundary and will be valued and subjected to a 100% rebate on the relevant tariff.
- 6.2.6 All categories of properties as listed in paragraph 5 may be subject to a rebate. Such rebate shall be considered as part of the budgetary process envisioned in the MFMA and must be determined per any criteria set down in this Policy.
- 6.2.7 Categories of properties or categories of owners of properties who may qualify for a rebate as determined in the Municipality's budget from time to time may apply for such rebate. Any properties or their owners qualifying for such will receive said rebate from the date of approval of application of such. The responsibility of applying for a rebate rests with the property owner or accountholder.

6.3 **Elements to be considered**

In determining any exemptions, rebates or reductions the Council shall consider:

- 6.3.1 The financial sustainability of the municipality and the cost of services to be provided from the assessment of the rates income.
- 6.3.2 The inability of residential property owners to pass on the burden of rates, as opposed to the ability of the owners of business, commercial, industrial and certain other properties to recover such rates as part of the expenses associated with the goods or service which they produce.
- 6.3.3 The need to accommodate indigents, the disabled, and pensioners.



- 6.3.4 The value of agricultural activities to the local economy coupled with the limited municipal services extended to such activities.
- 6.3.5 The need to preserve the cultural heritage of the local community.
- 6.3.6 The need to encourage the expansion of public service infrastructure.
- 6.3.7 The contribution which property developers (especially in regard to commercial and industrial property development) make towards local economic development, and the continuing need to encourage such development.
- 6.3.8 The number of services provided by the Municipality in a particular area.

6.4 **Budget Year:**

All exemptions, rebates and reductions projected in a financial year must be reflected in the municipality's budget for that year.



6.5 Public service infrastructure

Public service infrastructure is to be valued at market value and where there is insufficient data such properties are to be valued using alternative acceptable valuation methods.

6.6 Local, social and economic development

The municipality may grant rebates to organizations that promote local, social and economic development as referred to in paragraphs 4.2.8 and 18 of this policy.

7. SPECIAL RATING AREAS

The municipality may from time to time, as provided for in Section 22 of the Act, and as to be depicted in its annual budget and by resolution of the Council, determine a certain area within the boundaries of the municipality, as a special rating area.

8. NATURAL AND OTHER DISASTERS

Properties affected by a natural disaster, as defined in terms of the Disaster Management Act 16 of 2015, may qualify for relief by way of a temporary rates rebate. Such relief will be determined by Council from time to time according to its tariffs.

9. CROSS BORDER PROPERTIES

In terms of the Constitution, specifically section 229 (3) and further described in the Local Government: Municipal Fiscal Powers and Functions Act, No 12 of 2007, when two municipalities have the same fiscal powers and functions with regard to the same area, an appropriate division of those powers and functions must be made in terms of national legislation. The division may be made only after taking into account at least the following criteria:-

- (a) The need to comply with sound principles of taxation.
- (b) The powers and functions performed by each municipality.
- (c) The fiscal capacity of each municipality.
- (d) The effectiveness and efficiency of raising taxes, levies and duties.
- (e) Equity.

In addition to the above, the following criteria will apply:

- 9.1 Where the bulk of the property is located within the Sol Plaatje Municipal boundary (i.e. 50% or more), the whole of the property will be deemed to be within the Sol



Plaatje Municipal boundary, will be valued accordingly and will be included in the General Valuation Roll.

9.2 Where the bulk of the property is located outside the Sol Plaatje Municipal boundary (i.e. 51 % or more), the whole of the property will be deemed to be outside the Sol Plaatje Municipal boundary and will be valued and subjected to a 100% rebate on the relevant tariff..

9.3 Where properties are so affected, the relevant adjacent Local Authority and the respective owners will be notified in writing of this condition.

10. DECEASED ESTATES

According to the MPRA as well as section 24 of the Act an “Owner”, in relation to a property referred to in paragraph (a) of the definition of “property”, means a person in whose name ownership of the property is registered; provided that a person mentioned below may for the purposes of this Act be regarded by a municipality as the owner of a property in the following cases:

(ii) “an executor or administrator, in the case of a property in a deceased estate”
Section 24: “A rate levied by a municipality on a property must be paid by the owner of the property”. (Authorised person)

Therefore, an executor or administrator is deemed the owner of the property upon receipt of a letter of authority from the Master of the Court authorising such. Upon receiving the letter of Authority, the “owner” has the responsibility to timeously inform Rates and Enquiries section. Property rates will then be billed to this “owner” from the date of the letter of authority from the Master of the High Court. The letter of authority date will deem as the day of rates being levied on the account and all other payments made prior to the deceased account for reconciliation.

11. LIABILITY FOR AND RECOVERY OF RATES

The MPRA and the Municipality’s Credit Control and Debt Collection Policy applies.



12. SECTIONAL TITLES

A rate on property which is subject to a sectional title scheme must be levied on the individual sectional title units in the scheme and not on the property as a whole.

As per SECTIONAL TITLES ACT 95 OF 1986 Section 15B Registration of transfer of ownership and other rights - The registrar shall not register a transfer of a unit or of an undivided share therein, unless there is produced to him a conveyancer's certificate.

The conveyancer's certificate must be submitted to Sol Plaatje Municipality, Rates Department before rates clearance certificates will be issued on sectional title units.

13. OBJECTIONS TO ENTRIES INTO THE VALUATION ROLL AFTER THE EXPIRY OF THE PRESCRIBED PERIOD

13.1 Where an authorised person submits an objection to the valuation of a property in a General or Supplementary Valuation Roll, and such objection does not fall within the allowed for prescribed period, the following is required to accompany such objection:

- 13.1.1 A valuation certificate from a Professional Valuer or a Professional Associate Valuer, registered with the South African Council of Property Valuers Profession.
- 13.1.2 The payment of a prescribed fee as determined by Council from time to time in its budget process.
- 13.1.3 All accompanying documentation as the Municipal Valuer may deem necessary in the resolution of the matter.
- 13.1.4 Depending on the complexity of the objection and the type of property, the Municipal Valuer may insist on the provision of a Valuation Report stemming from the certificate contemplated in paragraph 13.1.1.

13.2 Where the Municipal Valuer accedes to the objection made, the prescribed fee paid in terms of paragraph 13.1.2 will be refunded to the person who paid such fee if such person has no service account with SPM. If such person has an account with SPM such amount will be credited to their consumer account.

13.3 The provisions of section 78 (4) of the MPRA apply strictly in the case of any amendments to the General Valuation Roll.

14. METHOD AND TIME OF PAYMENT

14.1 The rates levied on the properties shall be due and payable:

- 14.1.1 on a monthly basis; or



- 14.1.2 the municipality shall determine the due dates for payments in monthly instalments and the single annual payment and this date shall appear on the accounts forwarded to the owner/ tenant/ occupants/ agent;

15. RECOVERY OF RATES IN ARREARS

15.1 Credit Control and Collection

Where applicable, credit control and debt collection will be applied, in accordance with the approved Customer Services, Credit Control and Debt Collection Policy of the Council, for any outstanding amounts.

15.2 Supplementary Valuation Debits

In the event that a property has been transferred to a new owner and a Supplementary Valuation took place, the immediate predecessor in title, as well as the new owner, will jointly and severally be held responsible for settling the interim account.

15.3 Ownership

Properties, which vest in the Municipality during developments, i.e. open spaces and roads should be transferred at the cost of the developer to the Municipality. Until such time, rates levied will be for the account of the developer.

15.4 Rebate for indigent debtors

The rebate is as determined by the Municipality's policy on indigent debtors.

16. CORRECTION OF ERRORS AND OMISSIONS

- 16.1 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 person 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 deemed back to the date on which rates were first levied in terms of the current valuation roll.
- 16.2 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. DIFFERENTIAL RATES

- 17.1 Differential rates will be applied on categories of properties as contemplated in Section 8 of the Act and as listed in paragraph 4 of this policy.
- 17.2 Different categories of properties may pay different rates in the rand based on the market value of the properties.
- 17.3 In order to account for categories of properties, categories of owners, and exemptions, rebates and reductions, as well as whether these are annual or monthly payers, a list of categories for the purpose of charging correct tariffs on the financial system is annexed hereto and must be reviewed annually along with this Policy.

18. COSTS OF EXEMPTIONS, REBATES, REDUCTIONS AND PHASING IN OF RATES

- 18.1 During the budget process the accounting officer must inform Council of all costs associated with suggested exemptions, rebates, reductions and phasing in of rates and account for these in terms of sections 15 (3) and (4) of the Act

19. LOCAL, SOCIAL AND ECONOMIC DEVELOPMENT

- 19.1 The municipality may grant rebates to organisations that promote local, social and economic development in its area of jurisdiction.
- 19.2 The Municipality's LED Unit must validate the qualification for the continued application of the rebate and the said rebates must be phased- out within 3 years from the date that the rebate was granted for the first time.
- 19.3 Rebates will be restricted to a percentage determined by Council from time to time.

20. REGISTER OF PROPERTIES

- 20.1 The Accounting Officer must ensure that a register of properties is drawn up and maintained as contemplated in section 23 of the Act.

21. NOTIFICATION OF RATES

- 21.1 A notice stating the date on which the new rates shall become operational as resolved by Council must be displayed and publicised by the Municipality.



21.2 This is to be aligned with the annual budgetary process and shall be subject to the same obligations as contemplated in the MFMA.

22. COMMENCEMENT AND PERIOD OF RATES

This policy takes effect on the 1st of July 2021.

Annexure A - CATEGORIES OF PROPERTIES

Categories of Property	Description	Abbreviation	Rebate / Exemption Y/N
Residential	Improved property with the dominant use or zoning for residential purposes	RES	Yes
Vacant Residential	Unimproved property zoned for residential purposes and only if less than 50% of the improvements are completed	RESV	Yes
Industrial	Improved property with the dominant use or zoning for industrial purposes	IND	No
Vacant Industrial	Unimproved property zoned for industrial purposes and only if less than 50% of the improvements are completed	INDV	No
Commercial	Improved property with the dominant use or zoning for commercial or business purposes.	COM	No
Vacant Commercial	Unimproved property zoned for commercial or business purposes and only if less than 50% of the improvements are completed	COMV	No
Agricultural	Property that is used primarily for agricultural purposes but, excludes any portion thereof that is used commercially for the hospitality of guests, and excludes the use of the property for the purposes of eco-tourism or for the trading in or hunting of game.	AGR	Yes
Mining	Properties used for or zoned for mining purposes. Any building, other immovable structure and	MNG	No



	infrastructure above the surface of the mining property required for the purposes of mining will be included (Refer to Section (17)(f) and Section 46(2) and (3) of the act)		
Public Service Properties	Properties owned by an organ of state and used for public service purposes	PSP	No
Public Service Infrastructure	Publicly controlled infrastructure as stated in the definition thereof in the Act	PSI	Yes
Private Service Infrastructure	Privately owned and controlled infrastructure which does not vest in the Council or other public authority.	TSI	Yes
Public Benefit Activities	Properties owned by public benefit organisations and used for specified public benefit activities	PBA	Yes
Private Open Space	Private open space includes recreational, security and or parks/green areas owned by a private entity, to which the general public has no right of access	POS	No
Independent Schools	These are Schools registered as Independent Schools in terms of the South African Schools Act, 84 of 1996	ISC	No
Municipal Owned Property	Property which is owned by the Municipality and not operated for gain	MUN	Full
Sports Fields	Sports grounds and facilities used and operated for gain. This includes offices, shops etc. supporting such purpose	SPRT	Yes

Annexure B – CATEGORIES OF OWNERS

Categories of Owners	Description	Abbreviation	Rebate Yes/No
Pensioners	Per paragraph 6.2.1	RESP	Yes
Indigents	Per paragraph 6.2.1 and the Indigent Management Policy	RESI	Yes
Disabled	Per paragraph 6.2.1	RESD	Yes
Agricultural Organisations	Rateable property, registered in the name of an agricultural society affiliated to or recognized by the South	AGO	Yes



	African Agricultural Union, which is used for the purposes of such a society which is not operated for gain. Per paragraph 6.1.7		
Charities	Rateable property registered in the name of an institution or organisation, which, in the opinion of the Council, performs charitable work. Per paragraph 6.1.8	CPROP	Yes
Land Reform Beneficiary	This is a category of owner who is exempt from paying rates in terms of 17(1)(g) of the Act	LRB	No



Annexure C – REBATE PROPERTIES

REBATE PROPERTIES			
Categories of Properties and Owners	Description	Abbreviation	Rebate
Incentive Schemes	Undeveloped property which is identified as desirable for improvement by the Municipality for a particular use and industry and which will provide economic stimulus and employment.	COMIS INDIS RESIS	Yes
Agricultural	Properties used for bona fide agricultural purposes with the property owner deriving his principle source of income from produce of the land but, excludes any portion thereof that is used commercially for the hospitality of guests, and excludes the use of the property for the purposes of eco-tourism or for the trading in or hunting of game.	AGRBF	Yes
Pensioners	Per paragraph 6.2.1	RESP	Yes
Indigents	Per paragraph 6.2.1 and the Indigent Management Policy	RESI	Yes
Disabled	Per paragraph 6.2.1	RESD	Yes
Rural Residential	Properties located in a rural area, excluding all properties falling within the urban edge as determined by the Sol Plaatje Municipality's Spatial Development Plan and/or subdivided from agricultural property and used for residential purposes (e.g. golf estates, informal villages) and where no municipal services are available. Per paragraph 6.2.3	REST	Yes
Rural Commercial	Properties located in a rural area, excluding all properties falling within the urban edge as determined by the Sol Plaatje Municipality's Spatial Development Plan and/or subdivided from agricultural property and used for business purposes (e.g. Farming Co-ops etc.) and where no municipal services are available. Per paragraph 6.2.3	COMT	Yes
Rural Industrial	Properties located in a rural area, excluding all properties falling within the urban edge as determined by the Sol Plaatje Municipality's Spatial Development Plan and/or subdivided from agricultural property and used for industrial purposes (e.g. Farming Co-ops etc.) and where no municipal	INDT	Yes



	services are available. Per paragraph 6.2.3		
Sports Fields	Sports grounds and facilities used and operated for gain. This includes offices, shops etc. supporting such purpose.	SPRT	Yes
Consent Use – Guest House	Temporary accommodation including the serving of meals to patrons, with a maximum length of stay by the guest of 3 months, and as further defined by the Residential Business, Bed & Breakfast, Crèches, Childcare Centre, Liquor Trading and Car Wash By-laws as promulgated by Government Gazette Notice 126 of 2013.	COMG	Yes
Consent Use – Crèche and Childcare Centre	Premises used to accommodate children, and does not fall under the definition of public benefit activities, and as further defined by the Residential Business, Bed & Breakfast, Crèches, Childcare Centre, Liquor Trading and Car Wash By-laws as promulgated by Government Gazette Notice 126 of 2013.	COMC	Yes
Cross-Border Properties	Where the bulk of the property is located outside the Sol Plaatje Municipal boundary (i.e. 51 % or more), the whole of the property will be deemed to be outside the Sol Plaatje Municipal boundary and will be valued and subjected to a 100% rebate on the relevant tariff.	AGRCB	Yes



Annexure D – EXEMPTIONS

Categories of Properties and Owners	Description	Abbreviation	Partial/ Full
Residential	The first R 15 000 of the market value of a property assigned in the valuation roll or supplementary valuation roll of the category “Residential” or for properties used for multiple purposes, provided one or more components of the property are used for residential purposes	Various	Partial
Place of Worship	Property used primarily for the purposes of congregation, excluding a structure that is primarily used for educational instruction in which secular or religious education is the primary instructive medium provided that the property is registered in the name of the religious community, trust established for the sole benefit of a religious community or subject to a land tenure right	POW	Full
Public Service Infrastructure	The first 30 % of market value and subject to section 17 (a) of the Act	PSI	Partial
Private Service Infrastructure	Privately controlled infrastructure	TSI	Full
Municipal Owned Property	Property which is owned by the Municipality used for the purposes of service delivery	MUN	Full
Agricultural Organisations	Rateable property, registered in the name of an agricultural society affiliated to or recognized by the South African Agricultural Union, which is used for the purposes of such a society which is not operated for gain.	AGO	Full
Charities	Rateable property registered in the name of an institution or organisation, which, in the opinion of the Council, performs charitable work.	CPROP	Full
Public Benefit Activities	Properties owned by public benefit organisations and used for specified public benefit activities	PBA	Full
Land Reform Beneficiary	This is a category of owner who is exempt from paying rates in terms of	LRB	Full



	17(1)(g) of the Act for ten years or if they sell the property		
--	--	--	--

Annexure E – PRESCRIBED AND POLICY RATES RATIOS

PRESCRIBED RATIOS

These ratios may not be exceeded when determining rates tariffs

Category	Ratio in relation to residential property
Residential Property	1 : 1
Agricultural Property	1 : 0.25
Public Service Infrastructure	1 : 0.25
Public Benefit Organisation Property	1 : 0.25

POLICY RATIOS

These ratios are determined by the Municipality in addition to the prescribed ratios and must be reviewed annually taking into account the criteria set for determining rates tariffs.

Category	Proposed Ratio in relation to residential rate
Residential Property	1
Vacant Residential Property	1.5
Industrial Property	3.2
Vacant Industrial	3.5
Business and Commercial Property	3
Vacant Business and Commercial Property	3.5
Agricultural Property	0.25
Mining Property	22
Public Service Property	4.5
Public Service Infrastructure	0
Private Service Infrastructure	0
Public Benefit Activity Property	0
Private Open Space	1
Place of Worship	0
Land Reform Beneficiary	0
Municipal	0
Independent Schools	0.5
Sports Fields	0

Annexure F – PENSIONER REBATE APPLICATION FORM



SOL PLAATJE MUNICIPALITY
DIRECTORATE: FINANCIAL SERVICES

PENSIONERS RATES REBATE APPLICATION FORM

THE APPLICATION MUST PLEASE BE COMPLETED IN BLOCK LETTERS

N.B: THE SHADED BLOCKS ARE FOR OFFICE USE ONLY.

I, the undersigned (Names in full) _____	
(Identity Number) _____	do hereby apply for a rebate in respect
of the rates levied on account number _____	
for erf number _____	(Neighbourhood) _____
situated at (Street address) _____	
In support of my application, I confirm that: -	
1. I am the registered owner of this property. I occupy the dwelling and use it solely for residential purposes.	
OR	
I am the usufructuary of the property, which is owned by _____	
and use the dwelling solely for residential purposes.	
2. I am a Male <input type="checkbox"/> Female <input type="checkbox"/> and was born on _____	
3. My total annual income (including that of my spouse) is _____	
4. There are no additional dwelling units erected on this erf being used for income generation.	<input type="checkbox"/> Yes <input type="checkbox"/> No
I further make oath/affirm and declare the above particulars to be true and correct.	
Date _____	Applicant's Signature _____
Sworn before me at _____ on this _____ day of _____, 20____	
The deponent having declared that he/she knows and understands the contents of this declaration.	
(Date) _____	SIGNATURE _____
	(Commissioner of Oaths)

CHECKED BY: _____ APPROVED BY: _____

SOL PLAATJE MUNICIPALITY



SUPPLY CHAIN MANAGEMENT POLICY

Final Version 1.0 of March 2019

Reviewed by Council in March 2021

MUNICIPAL SUPPLY CHAIN MANAGEMENT POLICY
LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003

SUPPLY CHAIN MANAGEMENT POLICY REVIEW AND ADOPTION PROCESS

Adoption and Review	Council Resolution Date	Council Resolution number
Original adoption	17 November 2005	<i>CR500</i>
Reviewed and amended	8 February 2006	<i>C26</i>
Reviewed and amended	17 February 2010	<i>C75/10</i>
Reviewed and amended	02 March 2011	<i>C85/11</i>
Reviewed and amended	29 August 2012	<i>C214/12</i>
Reviewed and amended	07 August 2013	<i>C175/08/13</i>
Reviewed and amended	04 November 2014	<i>C265/11/14</i>
Reviewed and amended	24 February 2016	<i>C68/2/16</i>
Reviewed and amended	31 May 2018	<i>C38/05/18</i>
Reviewed and amended	12 March 2019	<i>C31/04/19</i>
Reviewed and amended	30 June 2020	<i>C129/06/20</i>
Reviewed and amended	MARCH 2021	

Council resolves in terms of section 111 of the Local Government Municipal Finance Management Act (No. 56 of 2003), to adopt the following proposal as the Supply Chain Management Policy of the **Sol Plaatje Municipality**.

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Definitions

In this Policy, unless the context otherwise indicates, a word or expression to which a meaning has been assigned in the Municipal Finance Management Act and relevant Regulations has the same meaning as in the Act and relevant Regulations, and

“black people” is a generic term which means Africans, Coloureds and Indians as defined in the Broad-Based Black Empowerment Act (No. 53 of 2003);

“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. In the context of this policy it shall therefore mean black people; women; people with disabilities; or small enterprises, as defined in section 1 of the National Small Enterprise Act, 1996 2.11. (Act No. 102 of 1996);

“contract” " means the agreement that results from the acceptance of a bid by an organ of state **“competitive bidding process”** means a competitive bidding process referred to in paragraph 12 (1) (d) of this Policy;

“competitive bid” means a bid in terms of a competitive bidding process;

"designated sector" means a sector, sub-sector or industry or product designated in terms of section 8(1)(a) of Preferential Procurement Regulations of 2017;

"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;

“emergency procurement” emergency cases are cases where immediate action is necessary in order to avoid dangerous or risky situation (life threatening) or misery such as floods or fires. **“exceptional/urgent Cases”** exceptional cases are cases where early delivery is of critical importance and the invitation of competitive bids is either impossible or impractical. However, a lack of proper planning should not be constituted as an urgent case subject to the approval of the Accounting Officer. The nature of the urgency and the details of the justifiable procurement must be recorded.

“final award”, in relation to bids or quotations submitted for a contract, means the final decision on which bid or quote to accept;

“formal written price quotation” means quotations referred to in paragraph 12 (1) (c) of this Policy;

“in the service of the state” means to be –

- (a) a member of –
 - (i) any municipal council;
 - (ii) any provincial legislature; or
 - (iii) the National Assembly or the National Council of Provinces;
- (b) a member of the board of directors of any municipal entity;
- (c) an official of any municipality or municipal entity;

- (d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);
- (e) a member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament or a provincial legislature;

"Irregular expenditure" means expenditure , other than unauthorized expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation

"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 municipality must keep in terms of paragraph 14 of this policy;

"other applicable legislation" means any other legislation applicable to municipal supply chain management, including –

- (a) the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000);
- (b) the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003); and
- (c) the Construction Industry Development Board Act, 2000 (Act No.38 of 2000);

"military veteran" has the meaning assigned to it in section 1 of the Military Veterans Act, 2011 (Act No. 18 of 2011)

"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;

"rural area" means- 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 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; **"Sub-contracting"** means the primary contractor assigning or leasing or making out work to, or employing another person or contractor to support such primary contractor in the execution of part of the project in terms of the contract.

"Treasury guidelines" means any guidelines on supply chain management issued by the Minister in terms of section 168 of the Act;

"the Act" means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

"the Regulations" means the Local Government: Municipal Finance Management Act, 2003, Municipal Supply Chain Management Regulations published by Government Notice 868 of 2005; **"township"** means an urban living area that any time from the late 19th century until 27 April 1994, was reserved for black people, including areas developed for historically disadvantaged individuals post 27 April 1994;

“written or verbal quotations” means quotations referred to in paragraph 12(1)(b) of this Policy.

“municipality” means the Sol Plaatje Local Municipality.

“Accounting Officer” in relation to Sol Plaatje Municipality, means the Accounting Officer referred to in Section 60 of the Municipal Finance Management Act, No. 56 of 2003, in relation to a municipal entity, means the official referred to in section 93, and includes a person acting as the Accounting Officer.

“municipal entity” has the meaning assigned to it by section 1 of the Municipal Systems Act, 2000.

“SPLM” means the Sol Plaatje Local Municipality

“sole provider” means a provider of specialized or exclusive goods/services who has a sole distribution/patent/manufacturing rights and copyrights.

“accredited agent” means a provider who is authorized to deliver certain goods/services and can be trading in a specific area, however an accredited agent is not a sole provider.

“accredited” means goods/services that are officially recognized, are generally accepted or having a guaranteed quality.

“youth” has the meaning assigned to it in section 1 of the National Youth Development Agency Act, 2008 (Act No. 54 of 2008).

CHAPTER 1

IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY

2. Supply chain management policy

- (1) All relevant role players in the supply chain management system of the Sol Plaatje Municipality must implement this Policy in a way that –
 - (a) gives effect to –
 - (i) section 217 of the Constitution; and
 - (ii) Part 1 of Chapter 11 and other applicable provisions of the Act;
 - (b) is fair, equitable, transparent, competitive and cost effective;
 - (c) complies with –
 - (i) Chapter 2 of the Regulations Framework; and
 - (ii) any minimum norms and standards that may be prescribed in terms of section 168 of the Act;
 - (d) is consistent with other applicable legislation;
 - (e) does not undermine the objective for uniformity in supply chain management systems between organs of state in all spheres; and
 - (f) is consistent with national economic policy concerning the promotion of investments and doing business with the public sector.
- (2) This Policy applies when the municipality:
 - (a) procures goods, services or infrastructure deliveries;
 - (b) disposes goods no longer needed;
 - (c) selects contractors to provide assistance in the provision of municipal services otherwise than in circumstances where Chapter 8 of the Municipal Systems Act applies; or
 - (d) selects external mechanisms referred to in section 80 (1) (b) of the Municipal Systems Act for the provision of municipal services in circumstances contemplated in section 83 of that Act.
- (3) This Policy, except where provided otherwise, does not apply in respect of the procurement of goods and services contemplated in section 110(2) of the Act, including –
 - (a) water from the Department of Water Affairs or a public entity, another municipality or a municipal entity; and
 - (b) electricity from Eskom or another public entity, another municipality or a municipal entity.

3. Amendment of the supply chain management policy

- (1) The Accounting Officer must –
 - (a) at least annually review the implementation of this Policy; and
 - (b) when the Accounting Officer considers it necessary, submit proposals for the amendment of this Policy to 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, chapter 2; and
 - (b) report any deviation from the model policy to the National Treasury and the relevant provincial treasury.
- (3) When amending this supply chain management policy, the municipality must take account of the needs 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. Delegation of supply chain management powers and duties

- (1) The council hereby delegates all powers and duties to the Accounting Officer which are necessary to enable the Accounting Officer –
 - (a) to discharge the supply chain management responsibilities conferred on Accounting Officers in terms of –
 - (i) Chapter 8 or 10 of the Act; and
 - (ii) this Policy;
 - (b) to maximize administrative and operational efficiency in the implementation of this Policy;
 - (c) to enforce reasonable cost-effective measures for the prevention of fraud, corruption, favoritism and unfair and irregular practices in the implementation of this Policy; and
 - (d) to comply with his or her responsibilities in terms of section 115 and other applicable provisions of the Act.
- (2) Sections 79 and 106 of the Act apply to the sub-delegation of powers and duties delegated to an Accounting Officer in terms of subparagraph (1).
- (3) The Accounting Officer may not sub-delegate any supply chain management powers or duties to a person who is not an official of the municipality or to a committee which is not exclusively composed of officials of the municipality;

- (4) This paragraph may not be read as permitting an official to whom the power to make final awards has been delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 26 of this Policy.

5. Sub-delegations

- (1) The Accounting Officer may in terms of section 79 or 106 of the Municipal Finance Management Act and sections 4 and 5 of the Supply Chain Management Regulations as well as the Delegation Register of the municipality 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 000 000 (VAT included) may not be sub-delegated by the Accounting Officer.
 - (b) above R200 000 (VAT included) but not exceeding R10 000 000 (VAT included) must be sub-delegated to the bid adjudication committee.
 - (c) above R30 000 (VAT included) but not exceeding R200 000 (VAT included) may be procured by inviting formal written quotations from as many possible service providers on the list of accredited prospective service providers by the supply chain unit, must be done in accordance with Preferential Procurement Regulations of 2011 and final evaluations and must be approved by head of supply chain management, or his/her delegate. The chief financial officer must be provided monthly with a list of all procurements.
 - (d) above R10,000 (VAT included) but not exceeding R30,000 (VAT included) may be procured by inviting formal written quotations from at least 3 (three) prospective service providers. All quotations invited must be recorded and approved by the head of supply chain management, or his/her delegate.
 - (e) above R2,000 (VAT included) but not exceeding R10,000 (VAT included) may be procured by inviting verbal or written quotations from at least 3 (three) prospective service providers.
- (3) The bid adjudication committee to which the power to make final awards has been sub-delegated in accordance with subparagraph (2) must within **five days** after each award submit to the Accounting Officer, a written report containing particulars of each final award made by such official or committee during that month, including–
- (a) the amount of the award;
 - (b) the name of the person to whom the award was made; and
 - (c) the reason why the award was made to that person.
- (4) A written report referred to in subparagraph 3 must be submitted –
- (a) to the Accounting Officer, in the case of an award by –
-

- (i) the chief financial officer; or a senior manager or delegate.
 - (ii) a bid adjudication committee of which the chief financial officer or a senior manager is a member; or
- (5) Subparagraphs (3) and (4) of this policy do not apply to procurements out of petty cash. 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.
- (6) No supply chain management decision-making powers may be delegated to an advisor or consultant.

6. Oversight role of council

- (1) The council reserves its right to maintain oversight over the implementation of this Policy.
- (2) For the purposes of such oversight the Accounting Officer must –
 - (a) (i) 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
 - (ii) 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 Executive Mayor.
- (4) The reports must be made public in accordance with section 21A of the Municipal Systems Act.
- (5) For the purposes of oversight in accordance with MFMA Circular 77 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 equivalent policy to the council;
 - (b) whenever there are serious and material problems in the implementation of this Policy, immediately submit a report to the council;
 - (c) within **10 days of the end of each quarter**, submit a report on the implementation of the Policy to the Executive Mayor; and
 - (d) make the reports public in accordance with section 21A of the Municipal Systems Act Of 2000.

7. Supply chain management unit

- (1) A supply chain management unit is hereby established to implement this Policy.
- (2) The supply chain management unit operates under the direct supervision of the Chief Financial Officer or an official to whom this duty has been delegated in terms of section 82 of the Act.

8. Training of supply chain management officials

The Accounting Officer and all other officials of the municipality involved in the implementation of the SCM Policy must meet the prescribed competency levels in terms of the National Treasury Competency Regulations-

- (i) The municipality must provide opportunities and resources for training of officials preferred to meet the relevant prescribed supply chain management competency levels.
- (ii) That National and Provincial Treasury or any other accredited body may assist the municipality in the training of officials in meeting the relevant prescribed supply chain management competency levels.

CHAPTER 2 SUPPLY CHAIN MANAGEMENT SYSTEM

9. **Format of supply chain management System**

This Policy provides systems for –

- (i) demand management;
- (ii) acquisition management;
- (iii) logistics management;
- (iv) asset/disposal management;
- (v) risk management; and
- (vi) performance management.

Part 1: Demand management

10. **System of demand management**

- (1) The Accounting Officer must establish and implement an effective system of demand management in order to ensure that the resources required by **the municipality** support its operational commitments and its strategic goals outlined in the Integrated Development Plan.
- (2) The demand management system must –
 - (a) include timely planning and management processes through the proper implementation of the consolidated procurement plan **as well as the Quotation Procurement Request Plan** to ensure that all goods and services required by the municipality are quantified, budgeted for and timely and effectively delivered at the right locations and at the critical delivery dates, and are of the appropriate quality and quantity at a fair cost;
 - (b) take into account any benefits of economies of scale that may be derived in the case of acquisitions of a repetitive nature; and
 - (c) provide for the compilation of the required specifications to ensure that its needs are met.
 - (d) Must undertake appropriate industry analysis and research to ensure that innovations and technological benefits are maximized.

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 authorized 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 inform council and must be made public that such goods or services are procured otherwise than through the municipality 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 as determined by Section 12(1)(a) of the Regulations, up to a transaction value of R2 000 (VAT included) per case but physical cash expenditure limited to R200 (VAT inclusive) per case as determined by the Accounting Officer in terms of Section 12(2)(a) of the Regulation and Section 12(2)(i) of the Policy.
 - (b) written or verbal quotations for procurements of a transaction value over R2 000 up to R10 000 (VAT included);
 - (c) formal written price quotations for procurements of a transaction value over R10 000 up to R200 000 (VAT included); and
 - (d) a competitive bidding process for–
 - (i) procurements above a transaction value of R200 000 (VAT included); and
 - (ii) the procurement of long term contracts (Referred to in section 5) .
- (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 the municipality with that provider's –
 - (i) full name;
 - (ii) identification number or company or other registration number;
 - (iii) tax reference number and VAT registration number, if any; and
 - (iv) **Original valid Tax Compliance Status (TCS) pin certificate from the South African Revenue Services.**
 - (v) check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears;
 - (vi) Current compliant CSD registration certificate; and
 - (vii) Original BBBEE certificate accredited by SANAS or an original certified Sworn Affidavit for EME'S
 - (b) Requirements for construction and engineering related bids should be awarded according to CIDB Regulations;
 - (c) And 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 shareholders or stakeholder is in the service of the state, or has been in the service of the state in the previous twelve months; a spouse, child or parent of the provider or of a director, manager, shareholder or stakeholder referred to in subparagraph (ii) is in the service of the state, or has been in the service of the state in the previous twelve months.
- (iii) Any person or service provider who fails to disclose his or her employment status with organs of state, his or her contract will be terminated immediately, the service provider shall be deregistered and shall not be allowed to bid for a period not less than three years and shall be reported to National Treasury for blacklisting.

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 written or verbal quotations and 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 bidders.
 - (c) specify the minimum listing criteria for accredited prospective providers:
 - (i) physical trading address,
 - (ii) ownership and HDI status,
 - (iii) goods/ services provide a valid updated tax certificate from SARS, or any other means as may be guided or regulated by National Treasury and SARS in this regard.
 - (iv) The municipality shall accept the SARS Tax Compliance Status (TCS) pin-code for tax status validation and for bidders to qualify, a green tax status is acceptable to confirm this information.
 - (v) references of services provided,
 - (vi) municipal accounts up to date.
 - (vii) Any other criteria that may be added.
 - (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, in accordance with the MFMA Circular 46 (as amended from time to time).
- (2) The list must be updated at least quarterly to include any additional prospective providers and any new commodities or types of services. Prospective providers must be allowed to submit applications for listing at any time.
- (3) The list must be compiled per commodity and per type of service.
- (4) In the case where the supplier database is maintained by a government department, in this case, National Treasury, through the Central Supplier Database, the municipality shall keep records of service providers at the level of detail that will ensure minimum compliance requirements in as far as status of the municipal account, declaration of interest, relatedness to people in service of state.

15. Petty cash purchases

- (1) The conditions for the procurement of goods by means of petty cash purchases referred to in paragraph 12 (1) (a) of this Policy, are as follows –
- (a) Council determines the terms on which a manager may delegate responsibility for petty cash to an official reporting to the manager; petty cash threshold to be delegated per month is R2000 per case;
 - (b) Council determines the maximum number of petty cash purchases or the maximum amounts per month for each manager; threshold per month is R2000 in total per case;
 - (c) a monthly reconciliation report from the acquisition manager must be provided to the chief financial officer, including –
 - (i) the total amount of petty cash purchases for that month; and
 - (ii) receipts and appropriate documents for each purchase.
 - (d) insert any other conditions determined by the council.

16. Written or verbal quotations

- (1) The conditions for the procurement of goods or services through written or verbal quotations, are as follows:
- (a) that quotations must be obtained from at least three different service providers preferably from, but not limited to, service providers whose names appear on the list of accredited prospective service providers of the municipality, provided that if quotations are obtained from service providers who are not listed, such service providers must meet the listing criteria set out in paragraph 14(1)(b) and (c) of this Policy and be registered on the CSD;
 - (b) where no suitable accredited service providers are available from the list, quotations may be obtained from other possible service providers not on the list, provided that such service providers meet the listing criteria set out in paragraph 14(1)(b) and (c) of this Policy and be registered on the CSD;
 - (c) quotations must be invited on a rotation basis;
 - (d) to the extent feasible, providers must be requested to submit such quotations in writing;
 - (e) if it is not possible to obtain at least three quotations, the reasons must be recorded and reported quarterly to the Accounting Officer or another official designated by the Accounting Officer;
 - (f) the Accounting Officer must record the names of the potential providers requested to provide such quotations with their quoted prices; and
 - (f) if a quotation was submitted verbally, the order may be placed only against written confirmation by the selected provider.

17. Formal written price quotations

- (1) The conditions for the procurement of goods or services through formal written price quotations are as follows:
 - (a) A central supply chain management unit will obtain in writing quotations from at least three different service providers whose names appear on the list of accredited prospective providers of the municipality;
 - (b) that quotations must be obtained from at least three different providers preferably from, but not limited to, 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) and (c) of this Policy, be registered on CSD and SPM financial system as an approved service provider;
 - (c) if it is not possible to obtain at least three quotations, the reasons must be recorded and approved by the relevant senior manager, in the absence of whom must be a senior official or an official designated by the Municipal Manager
 - (d) the head of Supply Chain Management must record the names of the potential providers and their written quotations.
- (2) A designated official referred to in subparagraph (1) (c) must within three days of the end of each month report to the chief financial officer on any approvals given during that month by that official in terms of that subparagraph.

18. The procedure for the procurement of goods or services through written or verbal quotations or formal written price quotations, is as follows:

- (a) When using the list of accredited prospective service providers the Accounting Officer must promote ongoing competition amongst providers by inviting providers to submit quotations on a rotation basis;
- (b) All requirements in excess of R30 000 (VAT included) that are to be procured by means of formal written price quotations must, in addition to the requirements of paragraph 17, be advertised for at least seven (7) calendar days on the website and an official notice board of the municipality; evaluation will be on 80:20 point system where 80 points is for price and 20 points for BBBEE status level as per the Preferential Procurement Regulations of 2017.
- (c) Offers received must be evaluated on a comparative basis taking into account only unconditional discounts;
- (d) the Accounting Officer or chief financial officer must on a monthly basis be notified in writing of all written or verbal quotations and formal written price quotations accepted by an official acting in terms of a sub-delegation;
- (e) A cooling off period of 30 calendar days be applied on all re-advertised procurement through formal written quotations

- ## 19. Competitive bids

- ## 20. Process for competitive bidding

- 2021 review 15.02.2020 – J. Samuels / N. Songqishe

- (h) After approval of a bid, the Accounting Officer or an official delegated by the Accounting Officer must enter into a written agreement prior to the implementation thereof.
- (i) Proper record keeping;
 - (i) Original / legal copies of written contracts agreements should be kept in a secure place for reference purposes.

21. Bid documentation for competitive bids

- (1) In addition to regulation 13 the criteria to which bid documentation for a competitive bidding process must –
 - (a) take into account –
 - (i) the general conditions of contract and any special conditions of contract, if specified;
 - (ii) any Treasury guidelines on bid documentation; and
 - (iii) the requirements of the Construction Industry Development Board, in the case of a bid relating to construction, upgrading or refurbishment of buildings or infrastructure;
 - (b) include the preference points system to be used, as contemplated in the Preferential Procurement Regulations of 2017 and 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 (VAT included), require bidders to furnish–
 - (i) if the bidder is required by law to prepare annual financial statements for auditing, their audited annual financial statements –
 - (aa) for the past three years; or
 - (bb) since their establishment if established during the past three years;
 - (ii) a certificate signed by the bidder certifying that the bidder has no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payment is overdue for more than 30 days;
 - (iii) particulars of any contracts awarded to the bidder by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract;
 - (iv) a statement indicating whether any portion of the goods or services are expected to be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality or municipal entity is expected to be transferred out of the Republic; and

- (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. The Accounting Officer reserves the right to stipulate that such a dispute to be settled utilizing a court of law within the Sol Plaatje municipal district.

22. **Public invitation for competitive bids**

- (1) Timely notification of bidding opportunities is essential in competitive bidding. Bids should be advertised for a minimum period of **thirty (30) calendar days (above R10 million or longer than twelve (12) months)** before closure in at least the Government Tender Bulletin, e-Tender Publication, CIDB i-Tender system for construction-related tenders, and in any other appropriate media that the *Accounting Officer shall* deem it necessary to ensure greater exposure to potential bidders except in urgent cases when bids may be advertised for such shorter periods as the *Accounting Officer* may determine.
- (2) The shortened tender period cannot be less than **fourteen (14) calendar days (less than R10 million and a maximum of 12 months)**. The *relevant section* will bear the responsibility for advertising costs. The *department* will maintain a list of responses to the advertisement. The related pre-qualification or bidding document should be available on the publication date of the advertisement.
- (3) 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 in newspapers commonly circulating locally, the website of the municipality **or** any other appropriate ways which may include 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 **thirty (30) calendar days** in the case of transactions over R10 million (VAT included), or which are of a long-term nature, or **fourteen (14) calendar days** in any other case, from the date on which the advertisement is placed in a newspaper, subject to subparagraph 2.;
 - (ii) a statement that bids may only be submitted on the bid documentation provided by the municipality; and
 - (iii) date, time and venue of any proposed site meetings or briefing sessions.;

- (4) The Accounting Officer may determine a closure date for the submission of bids which is less than the **thirty (30) or fourteen (14) calendar days** requirement, but only if such shorter period can be justified on the grounds of urgency or emergency or any exceptional case where it is impractical or impossible to follow the official procurement process, **not less than seven (7) calendar days**.
- (5) Bids submitted must be sealed; the envelope must contain the bid number and closing date.
- (6) Where bids are requested in electronic format, such bids must be supplemented by sealed hard copies.

23. Procedure for Handling, opening and recording of bids

The time for the bid opening should be the same as the deadline for receipt of bids, or promptly thereafter and should be announced, together with the place for bid opening, in the invitation to bid. To standardize the closing of bids, bids should close at 11:00.

All bids must be opened in public at the stipulated time and place, if practical. Notwithstanding the number and volume of the bids received, bidders or their representatives should be allowed to be present at the bid opening meeting at 12:00.

The names of the bidders and if practical, the total price of each bid and of any alternative bids, should be read aloud.

Immediate after opening a current CSD report for proof of compliancy to SARS be printed by SCM officials

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 at the same time and as soon as possible after the period for the submission of bids has expired; and
 - (iii) received after the closing time should be recorded and but not be considered and returned unopened immediately.
- (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, only for construction bids each bidder's total bidding price will be read out as well;
- (c) No information, except the provisions in subparagraph (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
 - (iv) publish the entries in the register and the bid results on the website of the municipality.

24. Two-stage bidding process

- (1) A two-stage bidding process is allowed for –
 - (a) large complex projects;
 - (b) projects where it may be undesirable to prepare complete detailed technical specifications; or
 - (c) long term projects with a duration period exceeding three years.
- (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.

25. Negotiations with preferred bidders

- (1) The Accounting Officer may, in terms of this Supply Chain Management Policy negotiate the final terms of a contract with bidders identified through a competitive bidding process as preferred bidders, provide that such negotiation –
 - (a) does not allow any preferred bidder a second or unfair opportunity
 - (b) is not to the detriment of any other bidder; and
 - (c) does not lead to a higher price than the bid as submitted.
- (2) Minutes of such negotiations must be kept for record purposes.

26. Committee system for competitive bids

- (1) A committee system for competitive bids shall consist of the following committees:
 - (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 cannot be sub-delegated except for the CFO in the adjudication committee who can appoint a sub-delegate
 - (a) All members of the three committees are appointed for 2 years and may be re-appointed for another 2 years and must declare their financial interest, sign the SCM code of conduct, and also declare business interest(s). Technical experts must, if the Municipality has such an expert, form part of the bidding process.
- (2) Members of all the bid committees are jointly responsible for the decisions made by the committees in which they serve.
- (3) A neutral or independent observer, appointed by the Accounting Officer, must attend or oversee a committee when this is appropriate for ensuring fairness and promoting transparency. Such an observer must ensure there is no conflict of interest and should not participate in any government procurement processes.

- (4) The committee system must be consistent with –
 - (a) paragraph 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.
- (6) Quorum: The Bid Committees cannot undertake business without a quorum present, consisting of half plus one of its total members with voting powers (rounded to the nearest whole number).

27. Bid specification and Procurement documentation committees

- (1) A bid specification committee must compile the specifications for the procurement of goods or services and a procurement documentation committee for infrastructure delivery in accordance with MFMA Circular 77 by the municipality.
- (2) Specifications –
 - (a) must be drafted in an unbiased manner to allow all potential suppliers to offer their goods, services and infrastructure;
 - (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 recognized by the South African National Accreditation System with which the equipment or material or workmanship should comply;
 - (c) must, where possible, be described in terms of performance required rather than in terms of descriptive characteristics for design;
 - (d) may not create trade barriers in contract requirements in the forms of specifications, plans, drawings, designs, testing and test methods, packaging, marking or labelling of conformity certification;
 - (e) may not make reference to any particular trade mark, name, patent, design, type, specific origin or producer unless there is no other sufficiently precise or intelligible way of describing the characteristics of the work, in which case such reference must be accompanied by the word “equivalent”;
 - (f) must indicate the pre-qualification criteria for preferential procurement as set out in the Preferential Procurement Regulations 2017; and
 - (g) must be approved by the Accounting Officer or may be delegated to the specification committee prior to publication of the invitation for bids in terms of paragraph 22 of this Policy.
- (7) A bid specification committee must be composed of 50% + one of the appointed members, but not less than Four (4) members for a period as determined by the Accounting Officer; one of which is the Chairperson; one official from the Financial Services Directorate; one of which is a SCM practitioner; one is a co-opted procurement official (Line Manager / delegated official) responsible for the function which requested the goods or services and an internal or external advisor with no voting rights. The number of co-opted officials or specialists is not restricted.

- (8) A procurement documentation committee must be composed of 50% + one of the appointed members, but not less than Four (4) members for a period as determined by the Accounting Officer; one of which is the Chairperson; one of which is from the Infrastructure and Services Directorate or Strategy, Economic Development Directorate, a co-opted procurement official (Line Manager / delegated official) responsible for the Infrastructure and a SCM practitioner;
- (9) The specification and procurement documentation committee will approve the functionality points that must be used and the applicable ratios.
- (10) No person, advisor or corporate entity involved with the bid specification and procurement documentation committee, or director of such a corporate entity, may bid for any resulting contracts.
- (11) Minutes of the specifications and procurement documentation committee meetings must be kept.
- (12) For general goods and services that are frequently procured, a specifications library may be compiled, and such specifications revised annually

28. Prequalification criteria for preferential procurement

If the Bid Specification or any other Committee as appointed by the Accounting Officer decides to apply pre-qualifying criteria to advance certain designated groups, the bid shall therefore be advertised with a specific tendering condition that only to one or more of the following tenderers may respond-

- (1) a tenderer having a stipulated minimum B-BBEE status level of contributor;
 - (2) an EME or a QSE
 - (3) a tenderer subcontracting a minimum of 30% to-
 - a. an EME or QSE which is at least 51% owned by black people;
 - b. an EME or QSE which is at least 51% owned by black people who are youth; (or an EME or QSE which is at least 51% owned by black people who are women;
 - c. an EME or QSE which is at least 51% owned by black people with disabilities;
 - d. an EME or QSE which is 51% owned by black people living in rural or underdeveloped areas or townships;
 - e. a cooperative which is at least 51% owned by black people;
 - f. an EME or QSE which is at least 51% owned by black people who are military veterans; an EME or QSE.
 - (4) A tender that fails to meet any pre-qualifying criteria stipulated in the tender documents is an unacceptable tender.
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29. Bid evaluation and Evaluation committees

- (1) A bid evaluation committee for goods and services must –
- (a) evaluate bids in accordance with –
 - (i) the specifications for a specific procurement; and
 - (ii) the point system must be set out in the supply chain management policy of municipality in terms of regulation 27(2) (f) and as prescribed in terms of the Preferential Procurement Policy Framework Act.
 - (b) evaluate each bidder's ability to execute the contract;
 - (c) check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears, and;
 - (d) submit to the adjudication committee a report and recommendations regarding the award of the bid or any other related matter.
- (2) An evaluation committee for infrastructure must review and compile the evaluation reports by verifying the following: -
- (a) the capability and capacity of the bidders;
 - (b) tax and municipal rates compliance status;
 - (c) the compulsory declaration has been completed;
 - (d) the tenderer is not listed in the National Treasury's Register for tender Defaulters or list of restricted suppliers.
 - (e) An original B-BBEE certificates credited by SANAS, or certified copy thereof OR
 - (f) An original certified B-BBEE sworn affidavit for EME's
- (3) A bid evaluation committee for goods and services must as far as possible be composed of-
- a) 50% + one of the appointed members, but not less than Five (5) members for a period as determined by the Accounting Officer; of which one should be the Chairperson; of which one should be a SCM practitioner, an official from the Financial Services Directorate and three (3) other officials from any cross functional section.
 - (b) Officials including an internal specialist from the department who require the goods and/or services.
 - (c) The Accounting Officer in consultation with the Senior Managers will appoint the members to the bid evaluation committee and its chairperson; in the absence of the appointed chairperson, members of the committee will elect one of their members to preside as the chairperson
 - (d) Members of the committee will be appointed for a period determined by the Accounting Officer.
- (4) An evaluation committee for infrastructure shall comprise of 50% + one of the appointed members, but not less than five (5) members period as determined by the Accounting Officer. The chairperson shall be an employee of the municipality with required skills. Other members shall include a SCM practitioner and three (3) officials from the department requiring Infrastructure delivery.

30. Validity period

- (1)(a) Bidders should be required to submit bids valid for a period not exceeding **ninety (90) days**. This period should be sufficient to enable the bid committees to complete the comparison and evaluation of bids, review the recommendation and - ward the contract. For construction related tenders, the validity period shall generally not exceed ninety (90) days and in exceptional circumstances, it may be extended beyond the ninety days to hundred and **twenty (120) days** due to the verification of supporting documents and complexity of the tender document.
- (b) An extension of bid validity, if justified in exceptional circumstances, should be requested in writing from all bidders before the expiration date. The extension should not exceed thirty (30) days to complete the evaluation, obtain the necessary approvals and award the contract.
- (c) In the case of fixed price contracts, requests for second and subsequent extensions should be permissible only if the request for extension provides for an appropriate adjustment mechanism of the quoted price to reflect changes of inputs for the contract over the period of extension. Bidders should have the right to refuse such an extension without forfeiting their bid security, but those who are willing to extend the validity of their bids should be required to provide a suitable extension of bid security, if applicable.

REVIEW OF CONTRACTS

- (2) (a) 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.
- (b) Extension period of a contract could only be extended **once by 3 months**
- (c) The Contract Owner (Municipal Manager/Executive Directors) or Contract Champion (Line Managers) must conduct, as appropriate, within 3 months after the expiry of contracts, post contract reviews.

31. Evaluation of bids based on functionality as a criterion

In general, the need to invite bids based on functionality as a criterion depends on the nature of the required commodity or service considering quality, reliability, viability and durability of a service and the bidder's technical capacity and ability to execute a contract.

When the municipality invites a bid that will also be evaluated based on functionality as a criterion, the *Accounting Officer or the Bid Specifications Committee* must clearly specify the following aspects in the bid documents:

a) Evaluation criteria for measuring functionality

The evaluation criterion may include criteria such as the consultant's relevant experience for the assignment, the quality of the methodology; the qualifications of key personnel; transfer of knowledge, etc.

b) Weight of each criterion

The weight allocated to each criterion should not be generic but should be determined separately for each bid on a case by case basis.

c) Applicable value

The applicable values that will be utilized when scoring each criterion should be objective. As a guide, values ranging from 1 being poor, 2 being average, 3 being good, 4 being very good and 5 being excellent, may be utilized.

d) Minimum qualifying score for functionality

The minimum qualifying score that must be obtained for functionality in order for a bid to be considered should not be generic. It should be determined separately for each bid or on a case by case basis. The minimum qualifying score must not be prescribed so low that it may jeopardize the quality of the service required nor so high that it may be restrictive to the extent that it jeopardizes the fairness of the SCM system.

The evaluation criteria for measuring functionality must be objective. The tender documents must specify-

- The evaluation criteria for measuring functionality;
- The points for each criteria and, if any, each sub-criterion; and
- The minimum qualifying score for functionality.
- The minimum qualifying score for functionality for a tender to be considered further-

Points scored for functionality must be rounded off to the nearest two decimal places. A tender that fails to obtain the minimum qualifying score for functionality as indicated in the tender documents is not an acceptable tender.

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 in section 11 of Preferential Procurement Regulation of 2017.

32. Unsolicited proposals

An unsolicited proposal or concept means any proposal or concept received by an institution

Outside its normal procurement process. An unsolicited bid is mainly or is expected to be submission that must be innovative, unique and provided by a sole supplier.

The municipality is not obliged to consider an unsolicited proposal but may consider such a proposal only if it meets the following requirements:

- a. A comprehensive and relevant project feasibility study has established a clear business case; and
- b. The product or service involves an innovative design; or
- c. The product or service involves an innovative approach to project development and management; or
- d. The product or service presents a new and cost-effective method of service delivery.

The *Accounting Officer must* reject the unsolicited proposal if the proposal relates to known institutional requirements that can, within reasonable and practicable limits, be acquired by conventional competitive bidding methods. The following are example of unsolicited bids that may be rejected by the Accounting Officer or Delegate;

- a. Relates to products or services which are generally available;
- b. Does not fall within the institution's powers and functions;
- c. Has not been submitted by a duly authorized representative of the proponent; or
- d. Contravenes the provisions of any law.

If the *Accounting Officer or Delegate* decides to reject the unsolicited proposal, he or she must:

- a. Notify the authorized representative of the proponent by registered post that the municipality has rejected the unsolicited proposal;
- b. Ensure that the *municipality or user department* does not make use of any of the intellectual property or proprietary data in the unsolicited proposal; and
- c. Return to the proponent by registered mail all documents received in the unsolicited proposal including any copies of these documents.

If the *Accounting Officer* decides to consider the unsolicited proposal, he or she must send a registered letter to the proponent confirming the decision to consider the unsolicited proposal. If the unsolicited proposal agreement is concluded, the user department must prepare, and issue bid documents.

33. Bid adjudication and tender committees

- (1) A bid adjudication committee for goods and services 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 on how to proceed with the relevant procurement.
- (2) A bid adjudication committee for goods and services is appointed for period determined by the Accounting Officer and must consist of **at least four senior managers** of the municipality which must include –
 - (a) the chief financial officer or, if the chief financial officer is not available, another manager in the budget and treasury office reporting directly to the chief financial officer and designated by the chief financial officer; and
 - (b) at least one senior supply chain management practitioner who is an official of the municipality; and any other 3 senior managers.
 - (c) a technical expert in the relevant field who is an official of the Municipality if such a person is available;
- (3) Outside technical experts must form part of the adjudication process; they must leave the meeting after advice has been given. Only the standing committee members can be involved in final deliberations and recommendations for final approval.
- (4) The Accounting Officer must appoint the chairperson of the committee. If the chairperson is absent from a meeting, the members of the committee who are present must elect one of them to preside at the meeting.
- (5) Neither a member of a bid evaluation committee, nor an advisor or person assisting the evaluation committee, may be a member of a bid adjudication committee.

- (6) (a) If the bid adjudication committee decides to award a bid other than the one recommended by the bid evaluation committee, the bid adjudication committee must prior to awarding the bid –
 - (i) check in respect of the preferred bidder whether that bidder's municipal rates and taxes and municipal service charges are not in arrears, 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.
- (7) The Accounting Officer may at any stage of a bidding process, refer any recommendation made by the evaluation committee or the adjudication committee back to that committee for reconsideration of the recommendation.
- (8) The Accounting Officer must comply with section 114 of the Act within 10 working days.
- (9) For the purposes of continuity and not to delay meetings the Accounting Officer may also appoint any official to temporarily replace members that are absent from meetings due to illness, leave, etc. The Accounting Officer may also decide whether or not such an official will have the same powers as committee members.
- (10) A tender committee for Infrastructure delivery must: -
 - (a) consider the report and recommendations of the evaluation committee and:
 - (i) verify that the procurement process which was followed complies with the provisions of this document;
 - (ii) confirm that the report is complete and addresses all considerations necessary to make a recommendation;
 - (iii) confirm the validity and reasonableness of reasons provided for the elimination of tenderers;
 - (iv) consider commercial risks and identify any risks that have been overlooked or fall outside of the scope of the report which warrant investigation prior to taking a final decision; and
 - (b) refer the report back to the evaluation committee for their reconsideration or make an award of a tender with or without conditions. If the value is under R10 000 000. If above R10 000 000, make recommendation to the Accounting Officer.
- (11) The tender committee shall consider proposals regarding the cancellation, amendment, extension or transfer of contracts that have been awarded.
- (12) The tender committee shall consider the merits of an unsolicited offer and make a recommendation Accounting Officer.

- (13) The tender committee shall report to the Accounting Officer any recommendation made to award a contract to a tenderer other than the tenderer recommended by the evaluation committee giving reasons for making such a recommendation.
- (14) The tender committee shall not make a recommendation for an award of a contract or order if the recommended tenderer or framework contractor has :
 - (i) made a misrepresentation or submitted false documents in competing for the contract or order; or
 - (ii) been convicted of a corrupt or fraudulent act in competing for any contract during the past five years
- (15) The Tender committee may on justifiable grounds and after following due process, disregard the submission of any tenderer if that tenderer or any of its directors, members or trustees or partners has abused the delivery management system or has committed fraud, corruption or any other improper conduct in relation to such system. The National Treasury and the provincial treasury shall be informed where such tenderers are disregarded.
- (16) The Tender committee shall comprise of the same persons as for the bid adjudication committee and will deal with tenders both for general goods and services and for infrastructure.

34. Procurement of banking services

- (1) A contract for the provision of banking services –
 - (a) must be procured through competitive bids;
 - (b) must be consistent with section 7 or 85 of the Act; and
 - (c) may not be for a period of more than five years at a time.
- (2) The process for procuring a contract for banking services must commence at least nine months before the end of an existing contract.
- (3) The closure date for the submission of bids may not be less than **sixty (60) calendar days** from the date on which the advertisement is placed in a newspaper in terms of paragraph 22(1). Bids must be restricted to banks registered in terms of the Banks Act, 1990 (Act No. 94 of 1990).

35. Procurement of IT related goods or services

- (1) The Accounting Officer may request the State Information Technology Agency (SITA) to assist with the acquisition of IT related goods or services through a competitive bidding process.
- (2) The parties must enter into a written agreement to regulate the services rendered by, and the payments to be made to, SITA.
- (3) The Accounting Officer must notify SITA together with a motivation of the IT needs of the municipality if –
 - (a) the transaction value of IT related goods or services required by the municipality in any financial year will exceed R50 million (VAT included); or

- (b) the transaction value of a contract to be procured by the municipality whether for one or more years exceeds R50 million (VAT included).
- (4) If SITA comments on the submission and the municipality disagree with such comments, the comments and the reasons for rejecting or not following such comments must be submitted to the council, the National Treasury, the relevant provincial treasury and the Auditor General.

36. Procurement of goods and services under contracts secured by other organs of state

- (1) The Accounting Officer may procure goods or services for the municipality 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) the municipality has no reason to believe that such contract was not validly procured;
 - (c) there are demonstrable discounts or benefits for the municipality to do so; and
 - (d) that other organ of state and the provider have consented to such procurement in writing.
- (2) Subparagraphs (1)(c) and (d) do not apply if –
 - (a) a municipal entity procures goods or services through a contract secured by its parent municipality; or
 - (b) a municipality procures goods or services through a contract secured by a municipal entity of which it is the parent municipality.

37. 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, must be restricted where ever possible.
- (2) Where the storage of goods in bulk is justified, such justification must be based on sound reasons, including the total cost of ownership and cost advantages for the municipality.

38. Local Production and Content

- (1) The municipality must where the Department of Trade and Industry in consultation with National Treasury assigned designated sectors, sub-sectors or industries or products for local production and content advertise the invitation to tender with a specific condition that only locally produced goods or locally manufactured goods with a stipulated minimum threshold for local production and content will be considered.
- (2) The threshold referred to in paragraph (1) must be in accordance with the standards determined by the Department of Trade and Industry in consultation with National Treasury.
- (3) A tender that fails to meet the minimum stipulated threshold for local content and production is an unacceptable tender.

39. Compulsory subcontracting

1) For bids above R30 million, the municipality will apply a compulsory subcontracting to advance designated groups, unless it is impractical to do so. The Bid Specification Committee will report any deviation from this requirement to the Accounting Officer or his designate, being the Chief Financial Officer.

2) If the municipality applies the subcontracting as contemplated in subsection (30.1), the municipality must advertise the tender with a specific tendering condition that the successful tenderer must subcontract a minimum of 30% of the value of the contract to-

- i. an EME or QSE;
- ii. an EME or QSE which is at least 51% owned by black people;
- iii. an EME or QSE which is at least 51% owned by black people who are youth;
- iv. an EME or QSE which is at least 51% owned by black people who are women;
- v. an EME or QSE which is at least 51% owned by black people with disabilities;
- vi. an EME or QSE which is 51% owned by black people living in rural or underdeveloped areas or townships ;
- vii. a cooperative which is at least 51% owned by black people;
- viii. an EME or QSE which is at least 51% owned by black people who are military veterans; or
- ix. more than one of the categories referred to in paragraphs (a) to (h).

3) The *municipality* will make available the list of all suppliers registered on a database approved by the National Treasury to provide the required goods or services in respect of the applicable designated groups from which the tenderer must select a supplier sub-contracting after award of tender.

4) A person awarded a contract may only enter into a subcontracting arrangement with the approval of the municipality.

5) A person awarded a contract in relation to a designated sector, may not subcontract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold:

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6) A person awarded a contract may not subcontract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level of Contributor than the person concerned unless the contract is subcontracted to an EME that has the capability and ability to execute the subcontract

40. Appointment of consultants

Clarification of specific provisions within the MCCR (MFMA Circular 97 – Cost Containment Policy)

Use of Consultants

Regulation 5 provides for municipalities and municipal entities' use of consultants. It should be made clear that the MCCR do not prohibit the use of consultants, but require municipalities and municipal entities, before procuring the services of a consultant, to assess the need thereof against the available internal capacity for the specific services required. Failure to undertake the latter assessment will result in the expenditure incurred being classified as irregular expenditure.

- (1) The Accounting Officer may procure consulting services provided that National Treasury guidelines in respect of consulting services are taken into account when such procurements are made.
- (2). Consultancy services must be procured through competitive bidding or by deviating by using a roster system in accordance with the Supply Chain Management Regulations, section 36 which provides that if is impractical to invite competitive bids, the Municipality will procure the required goods or services by other means using a roster system, provided that the reasons for deviating from inviting competitive bids must be recorded and approved by the Accounting Officer and must be reported to Council. Such a roster system provides that where services are required on a recurring basis, a panel of consultants/list of approved service providers for the rendering of these services may be established.
- (3) The Municipality may utilize a roster system to procure consultancy services with a value up to five (R5) million for projects inclusive of professional fees. For all consultancy services not listed, competitive bidding procedures will prevail subject to the following provisions:
 - (a) the value of the contract exceeds R200 000 (VAT included); or
 - (b) the duration period of the contract exceeds one year.

(3.1) Category's for registration will be as follows:

- (i) For projects up to R1 000 000 (incl)
- (ii) For projects from R1 000 000 – R2 000 000 (incl)
- (iii) For projects from R2 000 000 – R3 000 000 (incl)
- (iv) For projects from R3 000 000 – R5 000 000 (incl)

(3.2) An annual roster will be compiled of consultants within various professional categories and three quotations will be obtained per project on a rotational basis.

- (a) To compile a roster, advertisements will be placed annually in the local newspapers, Government Tender Bulletin and the website inviting enterprises to register.

- (b) Potential service providers must provide the following details to register,
 - (i) Composition of firm in terms of shareholding,
 - (ii) Staff complement,
 - (iii) Representation of expertise in respect of disciplines required and Curriculum Vitae's (CV),
 - (iv) National/ international acceptability of expertise in the various professions,
 - (v) Experience as reflected in the projects already dealt with and financial value,
 - (vi) Proof of financial viability of the firm
 - (vii) **Original valid Tax Compliance Status (TCS) pin certificate**
 - (viii) A fee structure, as regulated by a professional body.

(3.3) Types of consultancy services that will be procured on a roster system:

(a) Construction related projects:

- (i) Town Planners
- (ii) Land Surveyors
- (iii) Environmental Consultants
- (iv) Civil Engineers
- (v) Architects
- (vi) Quantity Surveyors
- (vii) Electrical Engineers
- (viii) Mechanical Engineers
- (ix) Project Management Specialists
- Fee structure charged as approved by professional bodies.

(b) Audit and Financial services

- (i) Auditors and Internal Auditors
- (ii) Accountants and Accounting Services.
- Fee structure charged as approved by the Auditor-General.

(c) Other professional services

- (i) Specialist in Economic Development and Planning
- (ii) Skills Development
- (iii) Strategist
- (iv) Research Consultants
- (v) Policy Development Specialists.
- Fee structure charged as approved by DPSA Guide on hourly fee rates for consultants, annually published January and July.

Website: <http://www.dpsa.gov.za/>

https://www.saica.co.za/portals/0/documents/Circular_01_2018_Guideline_on_AGSA_Fees.pdf

www.dpsa.gov.za/dpsa2g/consultant_fees.asp

Projects/sdi/consultants.htm

(4) For projects exceeding five million (VAT incl) consultancy services must be procured through competitive bids.

- (5) In addition to any requirements prescribed by this policy for competitive bids or roster listing bidders must furnish the municipality with 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
- (6) 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.
- (7) In categories where there is limited service providers registered and services offered are not satisfactory, normal supply chain management acquisitioning procedures will be followed.
- (8) 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.

41. Conflict of interest

- 1) Consultants are required to provide professional, objective and impartial advice and at all times hold the client's interest's paramount, without any consideration for future work and strictly avoid conflicts with other assignments or their own corporate interests. Consultants should not be hired for any assignment that would conflict with their prior obligations to other clients, or that may place them in a position of not being able to carry out the assignment in the best interest of the State. Without limitation on the generality of this rule, consultants will not be hired under the following circumstances:

2) A firm, which has been engaged by the *Accounting Officer* to provide goods or works for a project and any of its affiliates, should be disqualified from providing consulting services for the same project. Similarly, a firm hired to provide consulting services for the preparation or implementation of a project and any of its affiliates, should be disqualified from subsequently providing goods or works or services related to the initial assignment (other than a continuation of the firm's earlier consulting services) for the same project, unless the various firms (consultants, contractors, or suppliers) are performing the contractor's obligations under a turnkey or design-and-build contract;

3) Consultants or any of their affiliates should not be hired for any assignment which, by its nature, may conflict with another assignment of the consultants. As an example, consultants hired to prepare an engineering design for an infrastructure project should not be engaged to prepare an independent environmental assessment for the same project, and consultants assisting a client in the privatization of public assets should not purchase, nor advise purchasers of such assets.

4) If the assignment includes an important component for training or transfer of skills, the Terms of Reference (TOR) should indicate the objectives, nature, scope and goals of the training programme, including details of trainers and trainees, skills to be transferred, time-frames and monitoring and evaluation arrangements. The cost for the training should be included in the consultant's contract and in the budget for the assignment

42. 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;
 - (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;
 - (v) acquisition of animals for zoos; or
 - (v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes; and
 - (b) ratify any minor breaches of the procurement processes by official or committee acting in terms of delegated powers or duties which are purely of a technical nature.
- (2) The Accounting Officer must record the reasons for any deviations in terms of subparagraphs (1)(a) and (b) of this policy and report them to the next meeting of the council and include as a note to the annual financial statements.
- (3) Subparagraph (2) does not apply to the procurement of goods and services contemplated in paragraph 11(2) of this policy.
- (4) If an accredited agent must be used to perform maintenance services for equipment or vehicles as part of its guarantee or warranty or to obtain genuine parts, a list of such procurements for amounts above R2000.00 must be supplied monthly to the Accounting Officer for information purposes. The type of service, cost, and reason for using one supplier only must be stated.

43. Unsolicited bids

- (1) In accordance with section 113 of the Act the municipality is not obliged to consider unsolicited bids received outside a normal bidding process.
- (2) If an Accounting Officer decides 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 for the municipality;
 - (c) the person who made the bid is the sole provider of the product or services for the municipality; and
 - (d) the reasons for not going through the normal bidding processes are found to be sound by the Accounting Officer.
- (3) Where the Accounting Officer decides to consider an unsolicited bid that complies with subparagraph (2) of this policy, the decision must be made public in accordance with section 21A of the Municipal Systems Act, together with –
 - (a) its reasons as to why the bid should not be open to other competitors;
 - (b) an explanation of the potential benefits if the unsolicited bid were accepted; and
 - (c) an invitation to the public or other potential suppliers to submit their comments within 30 days of the notice.
- (4) Once the Accounting Officer has received written comments, it must submit such comments to the National Treasury and the relevant provincial treasury.
- (5) The adjudication committee must consider the unsolicited bid and may award the bid or make a recommendation to the Accounting Officer, depending on its delegations.
- (6) A meeting of the adjudication committee to consider an unsolicited bid must be open to the public.
- (7) When considering the matter, the adjudication committee must take into account –
 - (a) any comments submitted by the public; and
 - (b) any written comments and recommendations of the National Treasury or the relevant provincial treasury.
- (8) If any recommendations of the National Treasury or provincial treasury are rejected or not followed, the Accounting Officer must submit to the Auditor General, the relevant provincial treasury and the National Treasury the reasons for rejecting or not following those recommendations.
- (9) Such submission must be made within seven days (7) 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.

44. Combating of abuse of supply chain management system

- (1) The Accounting Officer must–
- (a) take all reasonable steps to prevent abuse of the supply chain management system;
 - (b) investigate any allegations against an official or other role player of fraud, corruption, favouritism, unfair or irregular practices or failure to comply with this Policy, and when justified –
 - (i) take appropriate steps against such official or other role player; or
 - (ii) report any alleged criminal conduct to the South African Police Service;
 - (c) check the National Treasury’s database prior to awarding any contract to ensure that no recommended bidder, or any of its directors, is listed as a person prohibited from doing business with the public sector;
 - (d) reject any bid from a bidder–
 - (i) if any municipal rates and taxes or municipal service charges owed by that bidder or any of its directors to the municipality, or to any other municipality or municipal entity, are in arrears for more than three months; or
 - (ii) who during the last five years has failed to perform satisfactorily on a previous contract with the municipality or any other organ of state after written notice was given to that bidder that performance was unsatisfactory;
 - (e) reject a recommendation for the award of a contract if the recommended bidder, or any of its directors, has committed a corrupt or fraudulent act in competing for the particular contract;
 - (f) cancel a contract awarded to a person if –
 - (i) the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract; or
 - (ii) an official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person; and
 - (g) reject the bid of any bidder if that bidder or any of its directors –
 - (i) has abused the supply chain management system of the municipality or has committed any improper conduct in relation to such system;
 - (ii) has been convicted for fraud or corruption during the past five years;
 - (v) has wilfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or 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)

The Accounting Officer must inform the National Treasury and relevant provincial treasury in writing of any actions taken in terms of subparagraphs (1)(b)(ii), (e) or (f) of this policy

Part 3: Logistics, Disposal, Risk and Performance Management

45. 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 including those from petty cash;
 - (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;
 - (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 including official vehicles are properly managed, appropriately maintained and only used for official purposes; and
 - (g) monitoring and review of the supply vendor performance to ensure compliance with specifications and contract conditions for particular goods or services.
 - (h) the maintenance and administration of term contracts is co-managed with acquisition management for general goods/ services.

46. Disposal management

- (1) The criteria for the disposal or letting of assets, including unserviceable, redundant or obsolete assets are subject to sections 14 and 90 of the Act.
 - (a) Two separate disposal committees may be appointed by the Accounting Officer for the disposal of movable and immovable capital assets for a period so determined by the Accounting Officer.
 - (b) For movable capital assets, the composition would be consistent with the Asset Management Policy;
 - (c) Before disposal of immovable assets refer to section 14 of the MFMA and the Municipal Asset Transfer Regulations (no. R.878);

- (d) Such a disposal committee are advisory committees to the Municipal Manager on the disposal of capital assets and do not replace any of the bidding committees.

(2) (a) Assets may be disposed of by –

- (i) transferring the asset to another organ of state in terms of a provision of the Act enabling the transfer of assets;
- (ii) transferring the asset to another organ of state at market related value or, when appropriate, free of charge;
- (iii) selling the asset; or
- (iv) destroying the asset.

(b) The Accounting Officer must ensure that –

- (i) immovable property may be sold only at market related prices except when the public interest or the plight of the poor demands otherwise in accordance with section 14 of the MFMA;
- (ii) movable assets may be sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous to the municipality;
- (vi) in the case of disposable computer equipment, the provincial department of education must first be approached to indicate within 30 calendar days whether any local schools are interested in the equipment; and
- (iv) in the case of disposable firearms, National Conventional Arms Control Committee has approved any sale or donation of fire arms to any person or institution within or outside the Republic; provided that

(c) (i) immovable property is let at market related rates except when the public interest or the plight of the poor demands otherwise; and

- (ii) all fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed; and

(d) (i) ensure that where assets are traded in for other assets, the highest possible trade-in price is negotiated.

(3) **Competitive bids: The sale and letting of assets**

- (a) The sale and letting of assets above a transaction value of R200 000 (VAT included) and long-term contracts may only be procured through a competitive bidding process, subject to paragraph 11(2) of this Policy.

- (b) The sale and letting of assets above an estimated transaction value of R200 000 (VAT included), may not be deliberately split into parts or items of lesser value

merely for the sake of selling or letting such assets otherwise than through a competitive bidding process.

- (c) The preference point systems prescribed in the PPPFA and the Preferential Procurement Regulations, 2011 are not applicable to the sale and letting of assets.
- (d) In instances where assets are sold or leased by means of advertised complete bids or written price quotations or by auctions the award must be made to the highest bidder.

47 Risk management

- (1) SCM will develop its own risk management strategy that will be aligned with the organizational wide policy and updated annually.
- (2) Risk management must include –
 - (a) the identification of risks on a case-by-case basis;
 - (b) the allocation of risks to the party best suited to manage such risks;
 - (c) acceptance of the cost of the risk where the cost of transferring the risk is greater than that of retaining it;
 - (d) the management of risks in a pro-active manner and the provision of adequate cover for residual risks; and
 - (e) the assignment of relative risks to the contracting parties through clear and unambiguous contract documentation.

48. Performance management

- (1) The Accounting Officer must establish and implement an internal monitoring system in order to determine, on the basis of a retrospective analysis, whether the authorised supply chain management processes were followed and whether the objectives of this Policy were achieved. It will be aligned with the organizational wide policy.

Part 4: Other matters

49. Prohibition on awards to persons whose tax matters are not in order

- (1) No award above R15 000 may be made in terms of this Policy 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 to a person the Accounting Officer must first check with SARS whether that person's tax matters are in order.
- (3) If SARS does not respond within 7 calendar days such person's tax matters may for purposes of subparagraph (1) be presumed to be in order.
- (4) No award will be made in terms of this policy to a person who's municipal rates, taxes and service fees are not paid-up or arrangements have been made with the relevant Municipality to paid-up arrears.

50. Prohibition on awards to persons in the service of the state

- (1) Irrespective of the procurement process followed, no award may be made to a person in terms of this Policy –
 - (a) who is in the service of the state;
 - (b) if that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state; or
 - (c) a person who is an advisor or consultant contracted with the municipality.
- (2) Any person or service provider who fails to disclose his or her employment status with organs of state, his or her contract will be terminated immediately, the service provider shall be deregistered and shall not be allowed to bid for a period not less than three years and shall be reported to National Treasury for blacklisting.

51. 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 R2000 (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.

52. Ethical standards

- (1) A code of ethical standards as set out in the “*SPLM’s code of conduct for supply chain management practitioners and other role players involved in supply chain management*” is attached as annexure c in order to promote –
 - (a) mutual trust and respect; and
 - (b) an environment where business can be conducted with integrity and in a fair and reasonable manner.
- (2) A breach of the code of ethics must be dealt with as follows -
 - (a) in the case of an employee, in terms of the disciplinary procedures of the municipality envisaged in section 67(1)(h) of the Municipal Systems Act;
 - (b) in the case a role player who is not an employee, through other appropriate means in recognition of the severity of the breach.
 - (c) In all cases, financial misconduct must be dealt with in terms of chapter 15 of the Act.
- (3) All committee members and SCM practitioners may be vetted by the National Intelligence Agency (N.I.A).
- (4) A “**Confidential**” financial declaration of interest form may be completed by **all Bid Adjudication members** and submitted to the Accounting Officer annually.
- (5) A cooling off period for former employees and councillors will apply: they will be prohibited for a period of 12 months after leaving the municipal services to participate in any SCM activities e.g. rendering goods /services or consulting services to the Municipality or its entity if established.

53. Inducements, rewards, gifts and favours to municipalities and other role players

- (1) No person who is a provider or prospective provider of goods or services, or a recipient or prospective recipient of goods disposed or to be disposed of may either directly or through a representative or intermediary promise, offer or grant –
 - (a) any inducement or reward to the municipality for or in connection with the award of a contract; or
 - (b) any reward, gift, favour or hospitality to –
 - (i) any official; or
 - (ii) any other role player involved in the implementation of this Policy.
- (2) The Accounting Officer must promptly report any alleged contravention of subparagraph (1) to the National Treasury for considering whether the offending person, and any representative or intermediary through which such person is alleged to have acted, should be listed in the National Treasury’s database of persons prohibited from doing business with the public sector.
- (3) Subparagraph (1) does not apply to gifts less than R350 in value.

- (4) All supply chain practitioners and bid committee members must disclose annually rewards, gifts and favours to the Accounting Officer or his delegate who will maintain a Gift Register.
- (5) The Accounting Officer will disclose any such gifts and or favours annually to the Executive Mayor.

54. 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.

55. Objections and complaints

- (1) Persons aggrieved by decisions or actions taken in the implementation of this supply chain management system, may lodge within **fourteen (14) calendar days** of the decision or action, a written objection or complaint against the decision or action to the Accounting Officer, on the prescribed grievance forms. **Unsuccessful notices be published on the website**

56. Resolution of disputes, objections, complaints and queries

- (1) The Accounting Officer must appoint an independent and impartial person, not directly involved in the supply chain management processes –
 - (a) to assist in the resolution of disputes between the municipality and other persons regarding –
 - (i) any decisions or actions taken in the implementation of the supply chain management system; or
 - (ii) any matter arising from a contract awarded in the course of the supply chain management system; or
 - (c) 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. A complaints register must be implemented and maintained per annum.
- (3) The person appointed must –
 - (a) strive to resolve promptly all disputes, objections, complaints or queries received; and
 - (b) submit monthly reports to the Accounting Officer on all disputes, objections, complaints or queries received, attended to or resolved.

- (4) A dispute, objection, complaint or query may be referred to the relevant provincial treasury if –
 - (a) the dispute, objection, complaint or query is not resolved within 60 days; or
 - (b) no response is forthcoming within 60 days.
- (5) If the provincial treasury does not or cannot resolve the matter, the dispute, objection, complaint or query may be referred to the National Treasury for resolution.
- (6) This paragraph must not be read as affecting a person's rights to approach a court at any time.
- (7) Publish bid results on Municipal website e.g. company name, price, brand name.

57. Contracts Providing for compensation based on turnover

- (1) If a service provider acts on behalf of a municipality to provide any service or act as a collector of fees, service charges or taxes and the compensation payable to the service provider is fixed as an agreed percentage of turnover for the service or the amount collected, the contract between the service provider and the municipality must stipulate –
 - (a) a cap on the compensation payable to the service provider; and
 - (b) that such compensation must be performance based.

58. Promotion of Environmentally Friendly Procurement

- (1) The Municipality commits itself to environmentally friendly procurement when procuring goods and services, including, but not limited to:
 - (a) the incorporation of energy efficiency measures when procuring electrical supplies such as bulbs, globes etc.
 - (b) the adoption of an integrated waste management strategy such as investigating recycling options and the handling of hazardous substances.
 - (c) compliance with green building guidelines and standards (SANS).
 - (d) sourcing and using resources that are renewable as far as possible.
 - (e) consider the extent of pollution of using the type, quantity and energy of materials procured.
 - (f) source vehicles and equipment that are more energy efficient and produce less pollution.

59. Cost containment measures (MFMA Circular no 97)

The *Accounting Officer* must, as a minimum, institute cost containment measures to minimize operational expenditure of the municipality. As such, the Accounting Officer must implement cost containment measures issued by National Treasury to:

- a) Minimize the use of consultants in the municipality and the expenditure thereof;
- b) Reduce travel and subsistence expenditure;
- c) Reduce expenditure related to advertising, newspaper and other publication;
- d) Reduce expenditure related to telephones, cellular phones and data facilities;
- e) Reduce expenditure related to catering, events and venue hiring; and
- f) Reduce other non-core operational expenditure.

60. Breach of Policy

- (1) Any person in the employ of the Municipality who breaches this Supply Chain Management Policy shall be liable for disciplinary charges and/or being subject to criminal or civil charges.

SECTION 7:

BY - LAWS

SOL PLAATJE MUNICIPALITY

ANNEXURE : BUDGET RELATED BYLAWS

<u>List of Budget related Bylaws</u>	<u>Explanation numbers</u>
Advertising Signs	1
Aerial Systems	1
Animals, Poultry & Bees Control	1
Building Control	1
Caravan Park	1
Cemeteries	1
Debt Collection	1
Electricity	1
Fire Brigade	1
Fireworks	1
Keeping of Dog Control	1
Law Enforcement	1
Property Rates	1
Residential business, Bed & Breakfast and guesthouse establishment, Creches, childcare centres, Liquor trading and Car Wash enterprises	1
Standing Orders	1
Street Trading Control	1
Swimming Pools	1
Taxi Ranks	1
Water Supply	1

Explanation numbers

1. These bylaws are accessible on the Sol Plaatje website: www.solplaatje.org.za
2. Bylaws to be approved with draft budget process 2017/18

SECTION 8:

M F M A CIRCULARS

ANNEXURE : MFMA CIRCULARS

1. All MFMA circulars are accessible on the NT website:

www.treasury.gov.za or

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

2. The following MFMA circulars are included in the budget book:

MFMA Circular 103

MFMA Circular 104

MFMA Circular 105

MFMA Circular 106

MFMA Circular 107

Addendum 2 to MFMA Circular No. 88

MFMA Circular 108



PREVENTATIVE MEASURES IN RESPONSE TO THE COVID-19 PANDEMIC THAT RESULTED IN THE NATIONAL STATE OF DISASTER

1. PURPOSE

- 1.1 The purpose of this Circular when dealing with the COVID-19 pandemic is to:
- (a) provide for preventative measures as a result of COVID 19 emergencies and the need to be responsive and flexible, whilst ensuring value for money and minimising the risk of fraud, corruption, negligence, error, incapacity; and
 - (b) ensure that internal control systems of a municipality and municipal entity consider, amongst others—
 - (aa) the change in operating activities of the existing control environment;
 - (bb) revisiting risk assessment processes;
 - (cc) designing and/or amending control activities to address new or elevated risks;
 - (dd) identifying information required to support the effectiveness and efficiency of new or existing controls;
 - (ee) reassessing internal and external communication; and
 - (ff) identifying any additional internal control monitoring activities.

2. BACKGROUND

- 2.1 On 15 March 2020 the President announced the declaration of a national state of disaster following the World Health Organisation declaring the COVID-19 outbreak as a pandemic as well as measures that must be implemented in South Africa.
- 2.2 Since the declaration of the national state of disaster Regulations under the Disaster Management Act, 2002, regarding steps to prevent an escalation of the disaster or to alleviate, contain and minimise the effects of the Disaster have been issued from time to time.
- 2.3 Accounting officers are urged to revisit their control environment in a response to COVID-19 to avoid any disruptions this may have on financial management operations in municipalities and municipal entities.

3. CONTROL ENVIRONMENT DURING THE NATIONAL STATE OF DISASTER

- 3.1 Accounting officers of municipalities and municipal entities are required by sections 62(1)(c) and 95(c) of the Municipal Finance Management Act, 2003 ("the MFMA") to establish a system of financial management, internal control, risk management and internal audit under the direction of the audit committee and ensure that such systems are transparent, effective and efficient.
- 3.2 Accounting officers must consider new risks due to the national state of disaster on their control environment such as-
- (a) remote working arrangements that may result in significant changes to the manner in which internal controls are designed and executed (i.e. a need to rely on electronic submissions rather than manual submissions of information);
 - (b) remote working arrangements may result in changes to the delegations and/or levels of authority or the establishment of new reporting lines;
 - (c) lack of or limited education, training sessions or supervision may lead to the risk of incorrectly executing new and/or existing internal controls or applying internal policies;
 - (d) contingency plans may not be in place for key personnel who execute internal controls;
 - (e) failure to timely assess and subsequently address the impact of changes caused by external environment factors;
 - (f) failure to involve appropriate levels of leadership and stakeholders in the decision-making process could lead to inappropriate or rushed changes in processes and controls;
 - (g) increase in possible risk of error due to remote working arrangements;
 - (h) financial hardships of officials may result in an increase in risk of fraud; and
 - (i) non-compliance with internal policies and legislation.
- 3.3 Accounting officers must consider the measures below to assist in addressing possible emerging risks that may prompt for a change in their current control environment including information technology risks. These measures include, but are not limited to:
- (a) establishment of team of officials tasked and empowered to manage operational risks during the national state of disaster;
 - (b) identification of operational-critical processes (i.e. disbursements, financial transaction processing system, etc.) to ensure that processes continue to operate unimpeded;
 - (c) development of responsibilities for the established back-up officials for critical processes including software applications to ensure that access rights are provided to the back-up officials;
 - (d) consideration of new or enhanced general information technology (IT) controls to be implemented or existing general IT controls to support the new automated control activities (if such automated controls are developed and implemented);
 - (e) consideration of additional IT controls on confidential data transmitted to or from remote locations (e.g. residences of officials) to ensure protection of such data;

- (f) use of personal or public unsecured Wi-Fi networks and possible increase on the dependency of cyber security controls including access security, system change control, and data centre and/or network operations;
 - (g) regular testing of software and communications systems for remote operations;
 - (h) protection of systematically important documents and information on a shared drive to ensure its availability to authorised officials;
 - (i) consideration of developing and implementing step-by-step guideline for business-critical operations; and
 - (j) increase monitoring and enhancement of network security, backups and power supplies on remote access.
- 3.4 Accounting officers are to ensure that risk assessment is conducted regularly to identify emerging risks. The revised risk profile must be used to direct internal audit effort and priorities.
- 3.5 The risk management strategy referred to in paragraph 3.4 must be clearly communicated to all officials to ensure that the strategy is institutionalised.
- 3.6 Accounting officers must consider the effects of national state of disaster on fraud risk and whether new or augmented controls should be designed and implemented to address such fraud risks.
- 3.7 Accounting officers must consider reviewing previous risk assessments (e.g. enterprise risk assessments, fraud risk assessments, information technology risk assessments, etc.), re-assess risk rankings and modify mitigation plans. Any information resulting from this process should also be recorded in related risk registers.
- 3.8 Mitigation plans referred to in paragraph 3.7 must be assessed for its effectiveness against the business continuity plan and record any remedial action, where necessary.
- 3.9 Identification of governance documentation to be amended and prioritise such changes to best address operational needs, such as introducing the use of electronic/digital signatures.
- 3.10 Amendments of delegations of authority and segregation of duties in response to the national state of disaster.

4. DELEGATIONS OF AUTHORITY

- 4.1 To accord with paragraph 3.10, delegations of authority and the responsibility of expenditure management control must ensure that internal controls are in place to ascertain that expenditure is authorised, valid, complete, accurate and correctly classified.

- 4.2 Accounting officers are also reminded of the key principles in MFMA Circular 73 on Systems of Delegations and must also now consider developing delegations of authority during the COVID-19 pandemic taking into account the qualitative and quantitative materiality, risk profile to ensure that authority is delegated to the right official within set limitations and conditions as set out in sections 79, 82 and 106 of the MFMA.
- 4.3 Accounting officers may issue delegations of authority that are specific in addressing the processes to be followed during the national state of disaster as it relates to funding, procurement and expenditure control management and other governance processes.
- 4.4 The MFMA require every official to ensure that the system of financial management and internal controls established for the municipality and municipal entity are carried out within their area of responsibility.

5. FINANCIAL MANAGEMENT

Expenditure Control Measures

- 5.1 If delegations of authority have been amended to address the national state of disaster, it must be ensured that the commitment of funds and expenditure spending is approved by a properly delegated/authorised official.
- 5.2 Accounting officers must ensure that strict control on handling of invoices is maintained and where necessary improved to guard against the risk of duplicate payment of invoices that may arise specially where manual checks and submission of supporting documentation for payment is not possible.
- 5.3 Due to the national state of disaster, emergency response expenditure is permissible under applicable procurement prescripts. However accounting officers must intensify checks and balances in this area and ensure monitoring thereof as this may increase the risk of unauthorised, irregular or fruitless and wasteful expenditure, as the case may be.

6. BUDGET, REVENUE AND CASHFLOW MANAGEMENT

- 6.1 Accounting officers must consider streamlining the finance management processes and controls temporarily to register all budget stages, commitments, payments and accounting of emergency response expenditure.
- 6.2 Accounting officers must ensure that cash flow is accurately forecasted during the national state of disaster to optimise central cash management responsibilities.
- 6.3 Prepayments for goods and services (i.e. payment in advance of the receipt of goods and/or services) must be avoided, unless required by the contractual arrangement with the supplier. The risk of requests made by suppliers to institutions to effect advance

payments prior to the delivery of goods and/or services and acceding to such requests, may increase and such must be addressed on a case by case through legal advice.

- 6.4 Municipalities and Municipal Entities must—
- (a) regularly review the pace of expenditure in relation to forecasts and operational plans to identify any opportunities to slow down spending;
 - (b) re-prioritise the allocation of resources to unaffected programmes, projects to identify measures of cost savings measures;
 - (c) ensure proper cash flows management; and
 - (d) review existing insurance policies and contracts (where appropriate) to identify any losses or damage incurred as a result of the national state of disaster and recovery through existing terms or whether an adjustment of cover may be required to maximise protection.
- 6.5 The review referred to in paragraph 6.4(d) must be risk based and accord with section 50 of the MFMA that deals with indemnity or security and future financial commitment as it relates to insurance.

7. PROCUREMENT CONTROL MEASURES

- 7.1 During the national state of disaster accounting officers must consider the impact any supply chain disruptions may have on finance management operations and develop control measures to address such.
- 7.2 When accounting officers consider invoking provisions in contracts related to “force majeure” for suppliers, legal advice must be sought on a case-by-case basis and accounting officers must guard against the risk of possible fruitless and wasteful expenditure due to payments made for services not rendered or goods not supplied.
- 7.3 Internal controls within the supply chain management (SCM) environment must be reviewed in terms of administrative controls and delegations to ensure required authorisations are done by relevant officials.
- 7.4 Internal control measures must be established to consider and approve any COVID-19 related procurement in the municipality or municipal entity. Prior to generating an order in relation to COVID-19 related procurement, the document must be referred to any other relevant function within the municipality or municipal entity to conduct checks to prevent any possible irregular expenditure.
- 7.5 Emergency requirements may be addressed through the emergency procurement provisions as stipulated in SCM Regulations and MFMA Circulars – Preventing and Combatting Abuse in the SCM System and reiterated further in the National Treasury Circulars.
- 7.6 MFMA Circulars on Preventing and Combating Abuse in the Supply Chain Management System states that accounting officers must only deviate from inviting competitive bids in cases of emergency and sole supplier status. These deviations do not require the approval of the relevant treasuries. It is understood that emergency procurement may occur when there is a serious and unexpected situation that poses

an immediate risk to health, life, property or environment which calls on a municipality or municipal entity to action and there is insufficient time to invite competitive bids.

- 7.7 The emergency procurement provisions provide for accounting officers to procure the required goods or services by other means, such as price quotations or negotiations, in terms of SCM Regulations. The reasons must be recorded and approved by the accounting officer or his/her delegate.
- 7.8 Section 114 of the MFMA and council policies require accounting officers to report within 10 working days to the relevant treasury and the Auditor-General all cases where goods and services were procured from bidders other than the one recommended. The report must include the description of the goods or services, the name/s of the supplier/s, the amount/s involved and the reasons for dispensing with the prescribed competitive bidding process.
- 7.9 The principles of fairness, equity, transparency, competitiveness and cost-effectiveness must be maintained. Emergency procurement must be limited to goods, services and works that addresses the programme of preventing the spread of the COVID-19 virus.

8. INSTITUTIONAL OVERSIGHT

- 8.1 Accounting officers must monitor existing control activities to assess the need to modify and intensify IT general controls to accommodate for remote working environment (i.e. increased use of institutional mobile devices and laptops outside of the office).
- 8.2 Accounting officers may implement specific monitoring activities over newly designed or implemented controls to ensure that such controls achieve the desired outcomes. The nature and extent of these specific monitoring activities must correspond with the risk associated with the new controls.
- 8.3 Sections 62(1)(c)(ii), 95(c)(ii) and 165 of the MFMA require accounting officers, to establish a system of internal audit under the direction of the audit committee.
- 8.4 Governance structures established in municipalities and municipal entities must independently decide on the nature, scope and approach to COVID-19 and keep abreast of any potential risk areas and any modification to the finance management processes.
- 8.5 Accounting officers must ensure that audit of emergency transactions is made a priority to provide assurance on the value for money spent during emergency operations and to identify actions to strengthen controls in emergency transactions.
- 8.6 Accounting officers must identify the extent of operational disruption and whether additional oversight procedures need to be established during this period of disruption.
- 8.7 To maintain oversight, accounting officers must commit to integrity and ethical values along with existing consequence management policies and/or frameworks.

9. INFORMATION AND COMMUNICATION

- 9.1 The national state of emergency has resulted in additional information requirements to operate controls intended to address new or elevated risks. There may be a possible reduction in oversight and communication by municipalities and municipal entities due to remote working arrangements.
- 9.2 Accounting officer must maintain clear and regular communication with officials on matters related to any changes in the financial management system during the national state of disaster.

10. REPORTING REQUIREMENT

- 10.1 Due consideration must be given to changes in the timing and required disclosure of financial information in monthly, quarterly, interim and annual financial statements.
- 10.2 Accounting officers may introduce additional controls activities to be established or enhanced to ensure that financial information is made available and not delayed.

11. APPLICABILITY

- 11.1 This Circular applies to all municipalities and municipal entities.

12. EFFECTIVE DATE

- 12.1 This Circular takes effect from 1 June 2020 and remains in effect until the national state of disaster declared on 15 March 2020 lapses or is terminated or until this Circular is withdrawn.

13. AUTHORITY FOR THIS INSTRUCTION AND EFFECTIVE DATE

- 13.1 This Circular is issued in terms of section 168 of the Municipal Finance Management Act, 2003.

14. DISSEMINATION OF INFORMATION CONTAINED IN INSTRUCTION

- 14.1 Accounting officers of municipalities and municipal entities are requested to bring the contents of this Circular to the attention of chief financial officers, supply chain management officials, Internal Auditors and Audit Committees.

15. CONTACT INFORMATION

Any queries on the Preventative measures should be directed to the respective National or Provincial Treasury official or MFMA helpdesk, email mfma@treasury.gov.za

Contact



Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Post	Private Bag X115, Pretoria 0001
Phone	012 315 5850
Fax	012 315 5230
Email – General	mfma@treasury.gov.za
Website	www.treasury.gov.za/mfma

TV PILLAY
CHIEF DIRECTOR: MFMA IMPLEMENTATION
Date: 27 May 2020

DONDO MOGAJANE
DIRECTOR-GENERAL: NATIONAL TREASURY
Date:



EXTENSION TO TIMELINES FOR SUBMISSION OF ANNUAL FINANCIAL STATEMENTS, ANNUAL REPORTS, AUDITS AND RELATED MATTERS IN TERMS OF THE MFMA

1. PURPOSE

- 1.1 The purpose of this Circular is to provide information to municipalities, municipal entities, auditors and other stakeholders, on the Ministerial Exemption issued in terms of section 171(1)(b) of the MFMA, “*Gazette*” published on 05 August 2020. This Circular and the Exemption Notice are available and can be accessed on the MFMA webpage, using the following link <http://mfma.treasury.gov.za/Pages/Default.aspx>.

2. BACKGROUND

- 2.1 The Minister of Finance exempted municipalities and municipal entities from submitting key reports. The notice allows for a two-months delay in the submission of Annual Financial Statements, Annual Reports, Audit Opinions, Oversight reports and associated processes.
- 2.2 The context of this exemption flows from the Minister of Cooperative Governance and Traditional Affairs’ announcement of the national state of disaster in terms of the Disaster Management Act to enable government and the country at large to manage the spread of the Covid-19 virus. Following the initial announcements of the national state of disaster, subsequent extensions and different levels were communicated.
- 2.3 Whilst the lockdown and restrictions have been eased over time, they are still in force and in effect with direct implications for municipalities, municipal entities, audit processes, amongst others. The lockdown impacts on the ability by municipalities and municipal entities to prepare and submit quality annual financial statements that meet the uniform norms and standards, related reports and processes to discharge their accountability towards the public and report on the utilisation of public funds.

- 2.4 The timing of the phased lockdown also had a knock-on effect on availability of municipal staff, which impacted on operations and added to the delays in ability to prepare AFS, undertake procedures such as the physical verification of assets, meter reading, revenue management, valuations, finalising supporting documentation and concluding reconciliations. There are similar impacts on the quality assurance processes, annual report, performance report and oversight report procedures and processes. The audit process and timelines by the Office of the Auditor-General to perform its audits, is also extended accordingly.

3. LEGISLATIVE REQUIREMENTS

- 3.1 The specific sections in the MFMA In terms of the MFMA, the accounting officer of a municipality must prepare the annual financial statements of the municipality or municipal entity and, within two months after the end of the financial year to which those statements relate, submit the statements to the Auditor-General for auditing. Similarly, the accounting officer of a municipal entity must prepare the annual financial statements of the entity and within two months after the end of the financial year to which those statements relate, submit the statements to the parent municipality and the Auditor-General. This means that the 2019/20 annual financial statements must be submitted by 31 August 2020 to the Auditor-General for auditing.
- 3.2 In terms of section 126(1)(b) of the MFMA, all municipalities with sole or effective control of a municipal entity, must prepare consolidated annual financial statements and submit the statements to the Auditor-General for auditing, within three months after the end of the financial year to which those statements relate. This means the 2019/20 consolidated annual financial statements must be prepared and submitted by 30 September 2020.
- 3.3 Other provisions effected by the Ministerial Exemption include sections 127, 129 and 133 of the MFMA.

4. MINISTERIAL EXEMPTION

- 4.1 The effects of this Ministerial exemption are to mitigate anticipated widespread non-compliance with sections 126, 127, 129 and 133 of the MFMA due to the national state of disaster and lockdown restrictions. This provides a further two-month period to municipalities and municipal entities to comply with the MFMA to submit the AFS, annual reports, performance report and its oversight report. It also extends the period for the Office of the Auditor-General to conduct their audits and submission of the audit opinion to auditees, thereafter. This will be

followed by Council Committees engagements and concluding their oversight processes.

- 4.2 The extension will therefore enable municipalities and municipal entities to undertake all the necessary actions, checks and reviews, to ensure that the annual financial statements fairly presents the state of affairs of the municipality or entity, its performance against its budget, its management of revenue, expenditure, assets and liabilities, its business activities, its financial results, and its financial position as at the end of the financial year.
- 4.3 In terms of the Ministerial Exemption, municipalities and municipal entities are exempted from complying with the deadlines provided in sections 126(1) and (2), 127(1) and (2) and 129(1) and 133(2) of the MFMA for a period of 2 months, as reflected in the table below. It is advised that all performance reports, required as per Section 46 of the Municipal Systems Act, be equally aligned.

No.	Action	Section	New Outer Deadline
1	The accounting officer of a municipality must prepare the annual financial statements of the municipality and, within two months after the end of the financial year to which those statements relate, submit the statements to the Auditor-General for auditing.	Section 126(1)(a) of the MFMA	31 October 2020
2	The accounting officer of a municipality must in the case of a municipality referred to in section 122(2), prepare consolidated annual financial statements in terms of that section and, within three months after the end of the financial year to which those statements relate, submit the statements to the Auditor-General for auditing.	Section 126(1)(b) of the MFMA	30 November 2020
3	The accounting officer of a municipal entity must prepare the annual financial statements of the entity and, within two months after the end of the financial year to which those	Section 126(2) of the MFMA	31 October 2020

	statements relate, submit the statements to— a) the parent municipality of the entity; and b) the Auditor-General, for auditing.		
4	The accounting officer of a municipal entity must, within six months after the end of a financial year, or on such earlier date as may be agreed between the entity and its parent municipality, submit the entity's annual report for that financial year to the municipal manager of the entity's parent municipality.	Section 127(1) of the MFMA	28 February 2021
5	The mayor of a municipality must, within seven months after the end of a financial year, table in the municipal council the annual report of the municipality and of any municipal entity under the municipality's sole or shared control.	Section 127(2) of the MFMA	31 March 2021
6	The council of a municipality must consider the annual report of the municipality and of any municipal entity under the municipality's sole or shared control, and by no later than two months from the date on which the annual report was tabled in the council in terms of section 127, adopt an oversight report containing the council's comments on the annual report, which must include a statement whether the council - a) has approved the annual report with or without reservations; b) has rejected the annual report; or c) has referred the annual report back for revision of those components that can be revised.	Section 129(1) of the MFMA	31 May 2021
7	The Auditor-General must submit to Parliament and the provincial legislatures—	Section 133(2) of the MFMA	31 December 2020

	<p>a) by no later than 31 October of each year, the names of any municipalities or municipal entities which have failed to submit their financial statements to the Auditor-General in terms of section 126; and</p> <p>b) at quarterly intervals thereafter, the names of any municipalities or municipal entities whose financial statements are still outstanding at the end of each interval.</p>		
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5. CONCLUSION

5.1 Municipalities and municipal entities must ensure that processes and procedures are aligned to the extended deadlines as outlined in the above table. All the necessary actions must be undertaken to ensure that quality annual financial statements and performance reports are submitted for audits by the outer due dates provided above. All municipalities and municipal entities are encouraged to submit these reports before the due dates, where possible.

6. CONTACT

National Treasury

Phone

Fax

Email – General

Website

Private Bag X115, Pretoria 0001

012 315 5850

012 315 5230

mfma@treasury.gov.za

www.treasury.gov.za/mfma

TV PILLAY

CHIEF DIRECTOR: MFMA IMPLEMENTATION

Date: 07 August 2020



WITHDRAWAL OF MFMA CIRCULAR 102 : PROCUREMENT IN RESPONSE TO NATIONAL STATE OF DISASTER REGARDING COVID-19 PANDEMIC

1. PURPOSE

The purpose of the circular is to-

- (a) inform institutions of the withdrawal of MFMA Circular 102 and that they must comply with existing procurement procedures;
- (b) communicate the maximum prices for the identified PPE items, including fabric masks to reflect realistic current market prices; and
- (c) communicate the conditions with which service providers must comply in order to provide PPE items and fabric masks to institutions.

2. BACKGROUND

- 2.1 MFMA Circular 102 was issued to provide general and specific requirements on the emergency procurement for COVID-19 PPE items, cloth masks as well as goods, works or services to prevent an escalation of the national state of disaster, declared on 15 March 2020 (the Disaster) or to alleviate, contain or minimise the effects of the Disaster.
- 2.2 Paragraph 12.2 of the Circular indicated that its content will be in effect until the Disaster lapses or terminates or until the Circular is withdrawn.
- 2.3 On 5 August 2020, at the meeting of the Standing and Select Committees on Finance, National Treasury briefed the Committee on the procurement of PPE during the COVID-19 pandemic and highlighting some shortcomings in the transparency of PPE procurement information. A similar briefing was done for MECs of Finance on 6 August 2020.

- 2.4 Consensus was reached that municipalities and municipal entities must revert to normal procurement procedures for all goods, services and works (including the procurement of PPE items and fabric masks). A further call was made for National Treasury to issue reporting guidelines to institutions to improve the monitoring and transparency of COVID-19 related procurement data and publish such information on their relevant websites and the National Treasury website.

3 PROCUREMENT PROCESS

- 3.1 From the effective date of this Circular, procurement of all goods, services and works, must be conducted in accordance with existing procurement procedures in terms of the Municipal Finance Management Act, 2003, its regulations and circulars made thereunder, the Preferential Procurement Policy Framework Act, 2000 and regulations made thereunder as well as institutional supply chain management policies.
- 3.2 The procurement of PPE items, fabric masks, goods, works or services to prevent an escalation of the Disaster or to alleviate, contain or minimise the effects of the Disaster is no longer ***automatically regarded as emergency procurement*** as provided for in Circular 102. Refer to paragraph 8 of this Circular that withdraws Circular 102.
- 3.3 Notwithstanding paragraph 3.2, cognizance must be taken that MFMA Regulations must be applied.
- 3.4 The procurement referred to in paragraph 3.1 must as far as it relates to PPE items and fabric masks, must comply with the following conditions in RFQs and RFBs —
- (a) The items must comply with the item specifications of National Department of Health, World Health Organisation and the Department of Trade, Industry and Competition (dtic) (**Annexure B** – for Fabric Masks);
 - (b) the **prices** must be equal or lower than the prices in **Annexure A**;
 - (c) the service providers must be registered on the Central Supplier Database;
 - (d) the items must meet the stipulated minimum threshold for designated local content and production as required by the Preferential Procurement Regulations, 2017 (PPR 2017) (Refer to **Annexure C1** for PPE Commodities requiring adherence to the Local Content & Production Thresholds); the designated local content requirements must be adhered to – deviation will only be allowed when and if the request for exemption is approved by the dtic;
 - (e) for products that are not yet designated, provisions of regulation 8.4 of the PPR 2017 must be utilised and the items must meet the recommended minimum threshold for content and production as per **Annexure C2**; and
 - (f) evaluation of RFQs/Bids, as far as it relates to paragraphs 3.4(d) and (e) above, to comply with—

- (i) the Designated Sector Instruction issued on 16 July 2012; or
- (ii) Circular 11 of 2019/2020 (Standard for Implementation of Regulation 8.4 of PPR 2017) issued on 19 December 2019.

- 3.5 Municipalities and municipal entities are encouraged to use prequalification criteria for preferential procurement to advance service providers in terms of the Preferential Procurement Regulations, 2017.
- 3.6 RFQs and RFBs may be issued to service providers listed in **Annexures D1 to D3** for supplies on condition that these service providers comply with paragraph 3.4.
- 3.7 Prices listed in **Annexure A** may be updated from time to time. The accounting officer/ authority must ensure that the price annexure applicable at the time of evaluation is used for reference purposes when evaluating price quotations and bids.
- 3.8 **Annexures D1 to D3** may be updated from time to time.
- 3.9 Municipalities and Municipal entities must as far as possible negotiate prices with bidders and where prices still exceed the prices provided in **Annexure A** the necessary approvals must be obtained from the accounting officer or delegated person with justifiable reasons and confirmation that the prices are market related.

4 Existing contracts and orders

- 4.1 Contracts and orders concluded under the provisions of Circular 102 must be honoured until the expiry and conclusion thereof. These contracts and orders must not be extended or varied in any way.

5. USE OF TRANSVERSAL CONTRACTS

- 5.1 The municipalities and municipal entities that participate in transversal contracts may continue placing orders with the contracted service providers under the transversal contracts for all PPE items listed under **Annexure A**.
- 5.2 Where municipalities and municipal entities opt not to procure in accordance with paragraph 4.1 above, the conditions of paragraph 3 must be followed.
- 5.3 The municipalities and municipal entities that are not participating in transversal contracts may opt to use transversal contracts suppliers for PPE items listed under **Annexure A** without obtaining approval for participation.

- 5.4 The transversal contract suppliers' prices will default to **Annexure A** prices.

6. REPORTING REQUIREMENT

- 6.1 All municipalities and municipal entities are required to report procurement transactions for the periods indicated in **Table 1** by the deadlines provided. All procurement transactions related to the emergency procurement for COVID-19 PPE items, fabric masks as well as other goods, works or services that were procured to prevent an escalation of the national state of disaster, declared on 15 March 2020 (the Disaster) or to alleviate, contain or minimise the effects of the Disaster, **must** be reported. This includes, inter alia, expenditure for quarantine and isolation services, humanitarian relief, etc.

TABLE 1:

Reporting Period:	Deadline of submission:	Report to be published by NT in public domain
April 2020 - August 2020	21 September 2020	30 September 2020
September 2020	21 October 2020	31 October 2020
October 2020	21 November 2020	30 November 2020
November 2020	21 December 2020	10 January 2021
December 2020	21 January 2021	31 January 2021
January 2021	21 February 2021	28 February 2021
February 2021	21 March 2021	31 March 2021
March 2021	21 April 2021	30 April 2021

- 6.2 Municipalities and municipal entities must use the Excel Template (**Annexure E**) provided and either manually capture the information on the spreadsheet or extract the relevant information from the institution's order and payment systems into the format of the template. **No changes to the template will be accepted.**
- 6.3 National Treasury will automate the process of reading the data from the submitted spreadsheets and consolidate these into one database to enable analysis and reporting. The submitted data will be linked to the CSD and compared against other records, where applicable. The reports will be published monthly in the public domain. It is therefore important that accounting officers ensure that the information provided to the National Treasury is credible and auditable.

- 6.4 Municipalities and municipal entities must ensure that its entities established in terms of the Municipal Finance Management Act, 2003 report on the expenditure. The municipal entities must report independently as they have their own accounting records.
- 6.5 **Provincial Treasuries** must ensure that all municipalities and municipal entities reports are provided or render assistance, where needed, with ensuring that all reports are collected and emailed to the National Treasury.
- 6.6 The reports to be submitted to the National Treasury by email to ocpocovid-19reporting@treasury.gov.za by the submission deadlines provided in Table 1.
- 6.7 With reference to paragraph 3.4 (the local content declaration documents, SBD 6.2 together with associated annexures (Annex C, D and E) must be forwarded to the dtic (CMatidza@thedti.gov.za).

7. APPLICABILITY

This Circular applies to all Municipalities and Municipal entities.

8. EFFECTIVE DATE

This Circular takes effect on 1 September 2020.

9. WITHDRAWAL OF MFMA CIRCULAR 102

MFMA Circular 102 on **Emergency procurement in response to National State of Disaster**, and all amendments, are hereby withdrawn.

10. DISSEMINATION OF INFORMATION CONTAINED IN THIS CIRCULAR

Accounting officers are requested to bring the contents of this circular to the attention of municipal officials and municipal entities, supply chain management officials and any other official who may be responsible or are assigned duties in the procurement of items listed in this circular and its Annexures.

11. NOTIFICATION TO THE AUDITOR-GENERAL

A copy of this circular will be submitted to the Auditor-General for notification.

12. AUTHORITY FOR THIS CIRCULAR AND EFFECTIVE DATE

12.1 This circular is issued in terms of section 168 of the Municipal Finance Management Act, 2003.

13. CONTACT INFORMATION

Any enquiries in respect of this circular must be submitted to:

Estelle Setan

Acting Chief Procurement Officer

Email: cpo@treasury.gov.za

Any enquiries in respect of the reporting template and data extraction advice must be submitted to:

Tumelo Ntlaba

Acting Chief Director: SCM ICT

Email: tumelo.ntlaba@treasury.gov.za



DONDO MOGAJANE
DIRECTOR-GENERAL

DATE: 25 August 2020

- Annexure A:** Prices as from 1 September 2020 (unchanged)
- Annexure B:** Recommended Guidelines – updated. Fabric Face Masks Manufactured by South Africa's Clothing and Textile Manufacturing Industry for General Public use.
- Annexure C1:** PPE Commodities Requiring adherence to the Local Content & Production Thresholds.
- Annexure C2:** Non-designated products - minimum threshold for content and production
- Annexure D1:** RT64 Transversal Contract List
- Annexure D2:** Department of Small Business Development Supplier's List
- Annexure D3:** National Bargaining Council for the Clothing Industry Supplier's List
- Annexure E:** Reporting Template



LOCAL GOVERNMENT FRAMEWORK FOR INFRASTRUCTURE DELIVERY AND PROCUREMENT MANAGEMENT

PURPOSE

In order to establish a common approach to infrastructure delivery across all organs of state, the Standard for Infrastructure Procurement and Delivery Management (SIPDM) was issued for municipalities and communicated in MFMA Circular 77.

In the process of institutionalising the SIPDM municipalities experienced challenges with some aspects thereof. The reforms to the Preferential Procurement Regulations, 2017 which was promulgated and effected also had an impact on the earlier reform.

The National Treasury, in consultation with relevant stakeholders, initiated the SIPDM review process which resulted in the development of the Local Government Framework for Infrastructure Delivery and Procurement Management (LGFIDPM). The LGFIDPM introduces minimum requirements for effective governance of infrastructure delivery and procurement management.

BACKGROUND AND DISCUSSION

In 2012, the Infrastructure Delivery Management System (IDMS) was adopted as the chosen government wide system for infrastructure delivery in South Africa. In the same year (2012), the National Treasury, together with the eight metropolitan municipalities, initiated the customisation of the IDMS for implementation by municipalities. The product of that engagement became the Cities Infrastructure Delivery Management Toolkit (CIDMT), focusing mainly on metropolitan municipalities.

The Planning Commission's National Development Plan 2030: *Our future-make it work* proposes that the following five areas be focused on in designing a procurement system that is better able to deliver value for money, while minimising the scope for corruption:

- a) differentiate between the different types of procurement which pose different challenges and require different skills sets;
- b) adopt a strategic approach to procurement above the project level to balance competing objectives and priorities rather than viewing each project in isolation;
- c) build relationships of trust and understanding with the private sector;

- d) develop professional supply chain management capacity through training and accreditation; and
- e) incorporate oversight functions to assess value for money.

National Treasury's 2015 Public Sector Supply Chain Management Review expressed the view that supply chain management (SCM) is one of the key mechanisms enabling government to implement policy which traditionally has been misunderstood and undervalued. This Review, which identified the need for SCM reform, suggests that if such reforms are implemented as envisaged in terms of section 217 of the Constitution, the benefits will be enormous and include, amongst others:

- a) good quality service delivery will be increasingly possible, with significant improvements in the welfare of citizens, especially the poor who rely heavily on government for support;
- b) the economy will grow as economic infrastructure is expanded and efficiently maintained;
- c) goods, services and infrastructure will be bought at lower costs;
- d) innovation will result in different approaches to the commodities used in some sectors; and
- e) for suppliers, the cost of doing business with the state should decrease substantially.

There is a need to develop an infrastructure delivery management system tailor-made for municipalities and municipal entities which integrate asset management strategy, policy to guide infrastructure planning, delivery management and decision-making. The LGFIDPM introduces this and focuses on the implementation of project processes and infrastructure procurement that forms part of the infrastructure delivery management.

Due care and focus must be given to addressing institutional arrangements, internal controls, and gaps to ensure value is extracted from this reform.

CONCLUSION

This MFMA Circular provides the basis for municipalities and municipal entities to establish an appropriate system for implementation of the project process and infrastructure procurement in the infrastructure delivery management value chain.

Accounting officers of municipalities and municipal entities are therefore advised to bring the contents of this Circular and the LGFIDPM annexure to the attention of their respective municipal councils, board of directors of municipal entities, and to expedite the process to amend and align their SCM policies accordingly. This will require undertaking a proper assessment of its ability to implement the content of the Framework and to only insert those parts that is practically implementable into the SCM Policy, to be approved by the municipal council.

Therefore, municipalities and municipal entities are advised to customise the model policy to suit the specific needs of its environment before tabling it in the municipal council and municipal entity board for adoption.

It is envisaged that a phase-in process will be considered by municipalities and municipal entities, however, it is expected that this be implemented as soon as possible.

This Circular replaces MFMA Circular 77.

CONTACT



National Treasury

Private Bag X115, Pretoria 0001

Email – General mfma@treasury.gov.za

Website www.treasury.gov.za/mfma

TV PILLAY

Chief Director: MFMA Implementation

Date: 15 September 2020

Annexure A: *Local Government Framework for Infrastructure Delivery and Procurement Management*

Local Government Framework for Infrastructure Delivery and Procurement Management

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Foreword

In 2012, the Infrastructure Delivery Management System (IDMS) was adopted as the chosen government wide system for infrastructure delivery in South Africa. In the same year (2012), the National Treasury, together with the eight metropolitan municipalities, initiated the customisations of the IDMS for implementation by municipalities. The product of that engagement became the Cities Infrastructure Delivery Management Toolkit (CIDMT), focusing mainly on cities or metros.

In order to establish a common approach to infrastructure delivery across all organs of state, the Standard for Infrastructure Procurement and Delivery Management (SIPDM) was issued for adaptation and adoption by municipalities in terms of Circular 77.

In the process of implementing and institutionalising the SIPDM, institutions expressed concerns regarding the operational challenges imposed by aspects of the SIPDM. This constraint was further compounded when the Preferential Procurement Regulations, 2017 were promulgated and effected, resulting in conflict between the SIPDM and the Regulations.

The National Treasury, in consultation with relevant stakeholders, initiated the SIPDM review process, which resulted in the development of the Local Government Framework for Infrastructure Delivery and Procurement Management (LGFIDPM). The LGFIDPM provides for minimum requirements for effective governance of infrastructure delivery and procurement management. It also recognises the different capacities in the various categories of municipalities and therefore requests municipalities to review their institutional and capacities before adapting and adopting this model.

Introduction

- a) The Integrated Development Plan (IDP) is the principal strategic planning instrument for municipalities. The IDP process requires a robust process of gathering and synthesising information related to the medium to long-term management of the municipality's infrastructure needs.
- b) The preparation of Roads and Storm Water Services, Water and Sanitation Services, Waste Disposal Services, Electricity Services and Community Facilities and Municipal Buildings, Infrastructure Asset Management Plans (IAMPs) enables municipalities to rank projects and determine budgets, based on a holistic view of local needs and priorities; and serves as a source of valuable information in preparing the IDP.
- c) Through the Infrastructure Delivery Management System, Cities Infrastructure Delivery Management System was developed to provide a holistic system for the management of infrastructure based on the requirements of SANS 55001: Asset management tailored for application in South African metropolitan spaces and specifically in support of the country's spatial transformation agenda.
- d) There is need to develop an infrastructure delivery management system tailor-made for all municipalities (excluding cities) which should integrate asset management strategy, policy to guide infrastructure planning, delivery management and decision making. The LGFIDPM introduces the initial process focusing on the project processes of the infrastructure delivery management and infrastructure procurement.
- e) The Framework for Infrastructure Procurement Management should be implemented together with the project management processes, to ensure alignment, integration and efficient and effective service delivery.

1. Scope

- 1.1. The Local Government FIDPM applies to organs of state which are subject to the Municipal Finance Management Act (MFMA).
- 1.2. The Framework provides minimum requirements for the implementation of Infrastructure Delivery and Procurement Management through the:
 - a) Project processes for infrastructure delivery management, and
 - b) Infrastructure procurement gates.
- 1.3. The Framework specifies the allocation of responsibilities for performing activities and making decisions at project stages and procurement gates.

2. Terms and Definitions

Approved: Officially agreed and signed-off by an Accounting Officer or a delegated person / body.

Construction: Everything constructed or resulting from construction operations.

Employer: Organ of state intending to, or entering into, a contract with a contractor.

Gate: A control point at the end of a process where a decision is required before proceeding to the next process or activity.

Gateway review: An independent review of the available information at a gate upon which a decision is made whether to proceed to the next process, or not.

Infrastructure:

- a) Immovable asset, which is acquired, constructed or results from construction operations; or
- b) Movable asset, which cannot function independently from purpose-built immovable asset(s).

Infrastructure delivery: The combination of all planning, technical, administrative and managerial actions associated with the construction, supply, refurbishment, rehabilitation, alteration, maintenance, operation or disposal of infrastructure.

Infrastructure procurement: The procurement of goods or services, including any combination thereof, associated with the acquisition, refurbishment, rehabilitation, alteration, maintenance, operation or disposal of infrastructure.

Organ of State: Any department of state or administration in the national, provincial and local sphere of government.

Procurement strategy: The selected packaging, contracting, pricing and targeting strategy and procurement procedure for a particular procurement.

Project: A unique set of processes consisting of coordinated and controlled activities with start and end dates, performed to achieve the project objective.

Stage: A collection of periodical and logically related activities in the Project Management Control Stages, that culminates in the completion of an end of stage deliverable.

3. ABBREVIATIONS

CIDB	Construction Industry Development Board
IDP	Integrated Development Plan
FIDPM	Framework for Infrastructure Delivery and Procurement Management
MFMA	Municipal Finance Management Act
PSP	Professional Service Provider
PPPFA	Preferential Procurement Policy Framework Act
SCM	Supply Chain Management
SDBIP	Service Delivery Budget Implementation Plan

4. NORMATIVE REFERENCES

4.1 Acts of Parliament

The following referenced Acts of Parliament are indispensable in the application of this document:

- Architectural Profession Act, 2000 (Act No. 44 of 2000)
- Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003)
- Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996)
- Construction Industry Development Board Act, 2000 (Act No. 38 of 2000)
- Division of Revenue Act (Annual)
- Engineering Profession Act, 2000 (Act No. 46 of 2000)
- Landscape Architectural Profession Act, 2000 (Act No. 45 of 2000)
- Municipal Finance Management Act, (No. 56 of 2003)
- Local Government: Municipal Systems Act, 2000 (Act No. 32 Of 2000)
- National Archives and Record Services of South Africa Act, 1996 (Act No. 43 of 1996)
- Occupational Health and Safety Act, 1993 (Act No. 85 of 1993)
- Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000)
- Project and Construction Management Professions Act, 2000 (Act No. 48 of 2000)
- Public Finance Management Act, 1999 (Act No. 1 of 1999)
- Quantity Surveying Profession Act of 2000 (Act No. 49 of 2000)
- Other Sector Specific Acts of Parliament.

4.2 Regulations issued in terms of the MFMA and MFMA Circulars

- Regulations issued in terms of the MFMA
- Preferential Procurement Policy Framework Act Regulations (PPPFA of 2017 or as amended from time to time) and circulars.

4.3 Standards

- Applicable Construction Industry Development Board Standard for Uniformity
- Construction Sector Code.

4.4 Management System

- Infrastructure Delivery Management System (IDMS)
- Cities Infrastructure Delivery Management Toolkit (CIDMT).

4.5 National Treasury Guidelines

- Local Government Capital Asset Management Guideline and Planning Guidelines
- Budget Facility for Infrastructure (BFI).

4.6 Department of Cooperative Governance and Traditional Affairs Guidelines

- Guidelines for Infrastructure Asset Management in Local Government.

5. FRAMEWORK FOR INFRASTRUCTURE DELIVERY

5.1 The Infrastructure Delivery Management Project Processes

- a) The project process of infrastructure delivery management contains control stage deliverables at the end of each stage. Table 1 outlines the stage deliverables that must be approved. The control stages are specific to project management processes; and outline and describe the stages in the life of a project from start to end. The specific stages are determined by the specific project's governance and control needs. The stages follow a logical sequence with a specified start and end. The deliverable is considered to have passed through the relevant stage when it is approved and signed off. The project then moves on to the next sequential stage. It is expected that the municipality's organisation reflects an engagement between the Budget Treasury Office, Engineers and Planners when developing and approving projects. It is also expected that there should be engagements with the National and Provincial Treasury where appropriate or where projects dictate so.

Table 1: Project stage deliverables

Stage		Project Stage Deliverables
No	Name	End of Stage Deliverables
1	Initiation	<p>Initiation Report or Pre-feasibility Report</p> <p>(i) The Initiation Report defines project objectives, needs, acceptance criteria, organisation's priorities and aspirations, and procurement strategies, which set out the basis for the development of the Concept Report.</p> <p>Or</p> <p>(ii) A Pre-feasibility Report is required on Mega Capital Projects, to determine whether to proceed to the Feasibility Stage; where sufficient information is presented to enable a final project implementation decision to be made. Mega capital projects should be determined in the municipality's policy approved by the Municipal Council.</p> <p>Stage 1 is complete when the Initiation Report or Pre-feasibility Report is approved.</p>
2	Concept	<p>Concept Report or Feasibility Report</p> <p>(i) The Concept Stage presents an opportunity for the development of different design concepts to satisfy the project requirements developed in Stage 1. This stage presents alternative approaches and an opportunity to select a particular conceptual approach. The objective of this stage is to determine whether it is viable to proceed with the project, premised on available budget, technical solutions, time frame and other information that may be required.</p> <p>(ii) The Concept Report should provide the following minimum information:</p>

Stage		Project Stage Deliverables
No	Name	End of Stage Deliverables
		<p>a) Document the initial design criteria, cost plan, design options and the selection of the preferred design option; or the methods and procedures required to maintain the condition of infrastructure, or the project.</p> <p>b) Establish the detailed brief, scope, scale, form and cost plan for the project, including, where necessary, the obtaining of site studies and construction and specialist advice.</p> <p>c) Provide an indicative schedule for documentation and construction, or maintenance services, associated with the project.</p> <p>d) Include a site development plan, or other suitable schematic layouts, of the works.</p> <p>e) Describe the statutory permissions, funding approvals and utility approvals required to proceed with the works associated with the project.</p> <p>f) Include a baseline risk assessment for the project and a health and safety plan, which is a requirement of the Construction Regulations issued in terms of the Occupational Health and Safety Act.</p> <p>g) Contain a risk report, need for further surveys, tests, investigations, consents and approvals, if any, during subsequent stages.</p> <p>(iii) A Feasibility Report must provide the following minimum information:</p> <p>a) Details regarding the preparatory work covering:</p> <ul style="list-style-type: none"> • A needs and demand analysis with output specifications. • An options analysis. <p>b) A viability evaluation covering:</p> <ul style="list-style-type: none"> • A financial analysis. • An economic analysis, if necessary. <p>c) A risk assessment and sensitivity analysis;</p> <p>d) A professional analysis covering:</p> <ul style="list-style-type: none"> • A technology options assessment. • An environmental impact assessment. • A regulatory due diligence. <p>e) An implementation readiness assessment covering:</p> <ul style="list-style-type: none"> • Institutional capacity. • A procurement plan. <p>Stage 2 is complete when the Concept Report or the Feasibility Report is approved.</p>
3	Design Development	<p>Design Development Report</p> <p>(i) The Design Development Report must, as necessary:</p> <p>a) Develop, in detail, the approved concept to finalise the design and definition criteria.</p>

Stage		Project Stage Deliverables
No	Name	End of Stage Deliverables
		<ul style="list-style-type: none"> b) Establish the detailed form, character, function and costings. c) Define the overall size, typical detail, performance and outline specification for all components. d) Describe how infrastructure, or elements or components thereof, are to function; and how they are to be safely constructed, be commissioned and be maintained. e) Confirm that the project scope can be completed within the budget, or propose a revision to the budget. <p>Stage 3 is complete when the Design Development Report is approved.</p>
4	Design Documentation	<p>Design Documentation</p> <ul style="list-style-type: none"> (i) Design documentation provides: <ul style="list-style-type: none"> a) the production information that details performance definition, specification, sizing and positioning of all systems and components that will enable construction; b) the manufacture, fabrication and construction information for specific components of the work, informed by the production information. <p>Stage 4 is complete when the Design Documentation Report is approved.</p>
5	Works	<p>Completed Works capable of being used or occupied</p> <ul style="list-style-type: none"> (i) Completion of the Works Stage requires: <ul style="list-style-type: none"> a) Certification of the completion of the works in accordance with the provisions of the contract; or b) Certification of the delivery of the goods and associated services in accordance with the provisions of the contract. <p>Stage 5 is complete when the Works Completion Report is approved.</p>
6	Handover	<p>Works which have been taken over by the user or owner; Completed Training; Record Information</p> <ul style="list-style-type: none"> (i) The handover stage requires the following activities to be undertaken: <ul style="list-style-type: none"> a) Finalise and assemble record information which accurately reflects the infrastructure that is acquired, rehabilitated, refurbished or maintained; b) Hand over the works and record information to the user organisation and, if necessary, train end user staff in the operation of the works. <p>Stage 6 is complete when the Handover/Record Information Report is approved.</p>
7	Close-Out	<p>Defects Certificate or Certificate of Final Completion; Final Account; Close-Out Report</p>

Stage		Project Stage Deliverables
No	Name	End of Stage Deliverables
		<p>(i) The Close-Out Stage commences when the end user accepts liability for the works. It is complete when:</p> <ul style="list-style-type: none"> a) Record information is archived; b) Defects certificates and certificates of final completion are issued in terms of the contract; c) Final amount due to the contractor is certified in terms of the contract; d) Close-Out Report is prepared by the Implementer and approved by the Municipality. <p>Stage 7 is complete when the Close-out Report is approved.</p>

- b) Procurement of PSPs and Contractors can occur at different points in the project stages.
- c) Additional stages may be added to the described stages above, if deemed necessary. For example, additional stages could include those necessary to ensure that project activities are appropriately carried out and stages linked. Contract activities would, in many instances, be contingent upon the requirements of the specific contract being used.
- d) For project progress using the project stages, reporting must be for the deliverable achieved in the stage immediately prior to the 'in progress' stage. For example, if a project is shown as being at Stage No. 3 (Design Development), it implies that the deliverable for Stage No. 2 (i.e. the Concept Report) has been achieved; and that the deliverable for Stage 3 (i.e. the Design Development Report) is in the process of being prepared.
- e) Where an organ of state engages another organ of state to provide agency services, a service delivery agreement must be developed that outlines the roles and responsibilities for each organ of state; and establishes a relationship between the client and the implementer. The development of all deliverables should be carried out in a cooperative and consultative manner between the Client and Implementer parties. All deliverables must be developed and signed off in compliance with the specific service delivery agreement.

5.2 Gateway Reviews

5.2.1 Gateway reviews for mega capital projects

- (i) The MFMA (Act 56 of 2003), section 19 (2) states: "Before approving a capital project in terms of subsection (1)(b), the council of a municipality must consider the projected cost covering all financial years from the start until the project is operational; and the future operational costs and revenue on the project, including municipal tax and tariff implications."
- (ii) The LGFIDPM prescribes the Gateway Review at the end of stage 2, as the minimum requirement to comply with section (i) above.
- (iii) The focus of such a review must be on the quality of the documentation in the first instance, and thereafter on:
 - a) Deliverability: the extent to which a project is deemed likely to deliver;
 - b) Expected benefits: within the declared cost, time and performance area;
 - c) Affordability: the extent to which the project's level of expenditure and financial risk can be accepted, given the organisation's overall financial position, both singly, and when considering its other current and projected commitments; and

- d) Value for money: The optimum combination of whole life costs and quality (or fitness of purpose), to meet the user's requirements.
- (iv) A gateway review team must comprise of not less than three persons who are neither involved, nor associated with the project, but have a broad understanding of the subject matter.
- (v) A gateway review must be led by a person who has experience in the planning of infrastructure projects and is registered as a professional with a statutory council under the built environment professions. The members of the team must, as relevant, have expertise in the key technical areas, cost estimating, scheduling and implementation of similar projects.
- (vi) It is the duty of the institution's Accounting Officer or Authority to appoint a team responsible for the gateway review of his or her institution.
- (vii) The gateway review team must base its findings primarily on:
 - a) The information contained in the end-of-stage deliverable;
 - b) Supplementary documentation, if any, provided by key staff and obtained during an interview process; and
 - c) Interviews with key staff members and stakeholders.
- (viii) The gateway review team must issue a report at the conclusion of a gateway review, which reflects the team's assessment of the information at the end of a stage; and provides findings or recommendations on areas where further work should be undertaken to improve such information.
- (ix) The gateway review findings must be classified by the gateway review team as:
 - a) Critical: Findings that pose adverse effect to the project or package. Critical findings are findings related to the stage deliverable that are wholly unacceptable.
 - b) Major: Findings that pose a potentially adverse effect to the project or package. Major findings are serious findings and are in direct violation of key legislation, e.g. The Constitution of the Republic of South Africa, the MFMA or the PPPFA.
 - c) Minor: Findings that do not pose any adverse effect to the project or package. Minor findings indicate the need for improvement of practices and processes.
- (x) A Stage 2 deliverable must not be approved until such time that all findings have been resolved.

6. FRAMEWORK FOR INFRASTRUCTURE PROCUREMENT

6.1 INTRODUCTION

The framework for infrastructure procurement outlines the minimum infrastructure procurement policy requirements for municipal planning and implementation.

The strategic direction set in the Integrated Development Plan (IDP) informs the framework for infrastructure procurement. For example, procurement strategies must be aligned to the municipality's developmental and internal transformation needs, as specified in the IDP.

6.2 MINIMUM REQUIREMENT FOR INFRASTRUCTURE PROCUREMENT

- 6.2.1 Infrastructure procurement must be undertaken in accordance with all applicable Infrastructure Procurement related legislation and this Framework.
- 6.2.2 Infrastructure procurement must be implemented in accordance with the institutional Supply Chain Management System, which promotes differentiated procurement for infrastructure.
- 6.2.3 Infrastructure procurement must be implemented in accordance with the procurement gates prescribed in clause 6.3 below.
- 6.2.4 The Accounting Officer must ensure that a budget is available for the duration of the project, in line with MFMA provisions for capital and operating budgets.
- 6.2.5 The Accounting Officer must ensure that cash flow management processes are in place to meet payment obligations within the time periods specified in the contract.
- 6.2.6 Procurement gates provided in 6.3 below must be used, as appropriate, to:
 - a) Authorise commencement of activities that lead to the next control gate;
 - b) Confirm conformity with requirements; and/or
 - c) Provide information to eliminate any cause of non-conformity and to prevent reoccurrence.
- 6.2.7 The authorisation to proceed to the next procurement gate must be given by a delegated person or body. The delegated person or body must be able to apply relevant built environment knowledge and skill to achieve the intended results required at the relevant procurement gate. The level of detail contained in the documentation on which a decision to proceed to the next procurement gate is made, must be sufficient to enable an informed decision.
- 6.2.8 The Accounting Officer must develop and implement effective and efficient emergency procurement procedures, including relevant approval delegation, in compliance with relevant legislation.
- 6.2.9 The Accounting Officer must develop and implement an effective and efficient infrastructure disposal policy in line with the Municipal Asset Transfer Regulations. The institution may consider disposal strategies aligned to their internal disposal policy, prior to proceeding with the procurement strategy.
- 6.2.10 The Accounting Officer must keep records of Procurement Gate Approvals, in a manual or electronic format, with the following minimum requirements:
 - a) Procurement gate;
 - b) Delegated person/s or body;
 - c) Date on which the approval request was received;
 - d) Date on which the approval was actioned; and
 - e) Signature of the delegated person or body.
- 6.2.11 All assets must be recorded in the municipal asset register as required by the GRAP standards.

6.3 Infrastructure Procurement Gates

6.3.1 Procurement Gate 1 (PG 1)

- a) Initiate a procurement process;
- b) **Minimum Requirement for PG 1:**
 - 1) Establish and clarify the procurement need, aligned to the municipality's development and transformation priorities specified in the IDP.
 - 2) Determine a suitable title for the procurement, to be applied as the project description.
 - 3) Prepare the broad scope of work for the procurement.
 - 4) Perform market analysis.
 - 5) Estimate the financial value of proposed procurement and contract for budgetary purposes, based on the broad scope of work.
 - 6) Confirm the budget.
 - 7) Compliance with section 33 of the MFMA with respect to community and stakeholder consultation.
- c) **PG 1 is complete when a designated person or body makes the decision to proceed/not to proceed, with the procurement of the infrastructure.**

6.3.2 Procurement Gate 2 (PG 2)

- a) Approve procurement strategy to be adopted.
- b) **Minimum Requirement for PG 2:**
 - 1) Develop a procurement strategy aligned to the institutional procurement strategy:
 - a. Establish contracting and pricing strategy comprising of an appropriate allocation of responsibilities and risks; and the methodology for contractor payments.
 - b. Identify service required for works.
 - c. Decide on contracting strategy.
 - d. Decide on pricing strategy.
 - e. Decide on form of contract.
 - f. Establish opportunities for promoting preferential procurement in compliance with legislative provisions and the Construction Sector Code.
- c) **PG 2 is complete when a delegated person or body approves the procurement strategy that is to be adopted.**

6.3.3 Procurement Gate 3 (PG 3)

- a) Approve procurement documents.
- b) **Minimum requirements for PG 3:**
 - 1) Prepare procurement documents that are compatible with:
 - (i) approved procurement strategies.
 - (ii) project management design documentation.
- c) **PG 3 is complete when the Bid Specification Committee approves the procurement document. .**

6.3.4 Procurement **Gate 4 (PG 4)**

- a) Confirm that cash flow processes are in place to meet projected contractual obligations.
- b) **Minimum requirement for PG 4**
 - 1) Confirm that cash flow processes are in place to meet contractual obligations.
 - 2) Establish control measures for settlement of payments within the time period specified in the contract.
- c) **PG 4 is complete when a delegated person or body confirms in writing that cash flow processes are in place; and control measures are established for the procurement to take place.**

6.3.5 Procurement **Gate 5 (PG 5)**

- a) Solicit tender offers.
- b) **Minimum requirements for PG 5**
 - 1) Invite contractors to submit tender offers.
 - 2) Receive tender offers.
 - 3) Record tender offers.
 - 4) Safeguard tender offers.
- c) **PG 5 is complete when tender offers received are recorded and safeguarded by a delegated person from the SCM unit.**

6.3.6 Procurement **Gate 6 (PG 6)**

- a) Evaluate tender offers premised on undertakings and parameters established in procurement documents.
- b) **Minimum Requirement for PG 6:**
 - 1) Determine whether tender offers are complete.
 - 2) Determine whether tender offers are responsive.
 - 3) Evaluate tender submissions.
 - 4) Review minimum compliance requirements for each tender.
 - 5) Perform a risk analysis.
 - 6) Prepare a report on tender offers received, and on their achievement of minimum compliance.
- c) **PG 6 is complete when the chairperson of the Bid Evaluation Committee approves the BEC report.**

6.3.7 Procurement **Gate 7 (PG 7)**

- a) Award the contract.
- b) **Minimum Requirement for PG 7:**
 - 1) Bid adjudication committee review of the BEC evaluation report.
 - 2) Bid Adjudication Committee makes an award.
 - 3) Accounting Officer approval of the tender process.
 - 4) Notify successful tenderer and unsuccessful tenderers of the outcome.
 - 5) Sign contract document.
 - 6) Formally accept tender offer.
- c) **PG 7 is complete when the Accounting Officer, or the Bid Adjudication Committee where delegated, confirms that the tenderer has provided evidence of complying with all requirements stated in the tender data and formally accepts the tender offer in writing, and issues the contractor with a signed copy of the contract.**

6.3.8 Procurement **Gate 8 (PG 8)**

- a) Administer and monitor the contract.
- b) **Minimum Requirements for PG 8:**
 - 1) Finance department to:
 - (i) Capture contract award data.
 - (ii) Manage cash flow projection.
 - (ii) Administer contract in accordance with the terms and provisions of the contract.
 - 2) Delivery department to:
 - (i) Ensure compliance with contractual requirements.
- c) **PG 8 is complete when a delegated person captures the contract completion/termination data (close out reports and relevant documents), including payment certificates due.**

7. Conclusion

It is advised that municipalities and municipal entities review this document from a practical implementation perspective and amend its SCM policies accordingly by inserting those parts that is practically implementable into the SCM Policy to be approved by the municipal council. You are also encouraged to share this with the relevant officials within the institution to ensure organisational awareness of this reform.

Enquiries pertaining to the content of this framework may be directed to:

Email: InfrastructureProcurement@treasury.gov.za



Municipal Budget Circular for the 2021/22 MTREF

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Introduction

The purpose of the annual budget circular is to guide municipalities with their compilation of the 2021/22 Medium Term Revenue and Expenditure Framework (MTREF). This circular is linked to the Municipal Budget and Reporting Regulations (MBRR) and the municipal Standard Chart of Accounts (*mSCOA*); and strives to support municipalities' budget preparation processes so that the minimum requirements are achieved.

Among the objectives of this budget circular is to demonstrate how municipalities should undertake annual budget preparation in accordance with the budget and financial reform agenda by focussing on key "game changers". These game-changers include ensuring that municipal budgets are funded, revenue management is optimised, assets are managed efficiently, supply chain management processes are adhered to, *mSCOA* is implemented correctly and that audit findings are addressed.

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

1. The South African economy and inflation targets

The National Treasury projects real economic growth of 3.3 per cent in 2021, following an expected contraction of 7.8 per cent in 2020. Real GDP growth is expected to moderate to 1.7 per cent in 2022 and 1.5 per cent in 2023, averaging 2.1 per cent over the medium term.

South Africa experienced its largest recorded decline in economic output in the second quarter of 2020 due to the strict COVID-19 lockdown. Real GDP fell by 17.1 per cent relative to the previous quarter (or 51 per cent on a seasonally adjusted and annualised basis), with all major sectors except agriculture declining. The second-quarter results were weaker than expected in the June 2020 special adjustments budget, which projected a contraction of 7.2 per cent in 2020.

High-frequency data for the third quarter – such as the volume of electricity distributed, mining and manufacturing output, business confidence and the Absa Purchasing Managers' Index (PMI) – shows evidence of a limited economic rebound. Although growth rates are likely to improve quickly as restrictions are removed, based on current projections, output is only expected to return to pre-pandemic levels in 2024.

The main risks to the economic outlook are weaker-than-expected growth, continued deterioration in the public finances and a failure to implement structural reforms. A second wave of COVID-19 infections, accompanied by new restrictions on economic activity, would have significant implications for the outlook. Government's fiscal position is a risk to growth: higher long-term borrowing costs and risk premiums have started to affect the broader economy.

In addition, recovery efforts will fail unless structural constraints (including in energy, infrastructure and competitiveness) are urgently addressed. While the reforms required in these areas do not immediately affect growth, they are critical for market confidence and investment.

Electricity remains a binding constraint on economic recovery, with power interruptions expected to continue into 2021. Private generation will only be able to plug the electricity gap to a limited extent over the next year.

Job creation is a top priority of the economic recovery plan that will guide policy actions over the medium term, supported by new infrastructure investment and large-scale public

employment programmes. In addition, targeted skills development will improve productivity and employment prospects.

Headline inflation is at the lower end of the 3 to 6 per cent target range. Goods and services inflation has broadly declined due to weak demand and falling oil prices. Inflation is forecast to fluctuate around the 4.5 per cent midpoint over the medium term in line with moderating inflation expectations.

In summary, the country's tax collection targets have not been met and this means that the fiscus has less funds available to allocate across the various spheres of government. There are measures in place to reduce expenditure to narrow the deficits.

The following macro-economic forecasts must be considered when preparing the 2021/22 MTREF municipal budgets.

Table 1: Macroeconomic performance and projections, 2016 - 2020

Fiscal year	2019/20	2020/21	2021/22	2022/23	2023/24
	Actual	Estimate	Forecast		
CPI Inflation	4.1%	3.2%	4.1%	4.4%	4.5%

Source: Medium Term Budget Policy Statement 2020.

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

2. Key focus areas for the 2021/22 budget process

2.1 Local government conditional grants allocations

Transfers to local government will be reduced by R17.7 billion, including R14.5 billion from the local government equitable share, R2.7 billion from the general fuel levy and R569 million in direct conditional grants over the 2021 MTEF period. The local government equitable share formula has been updated to account for projected household growth, inflation and estimated increases in bulk water and electricity costs over the MTEF period.

Government will revisit underperforming programmes. For example, some cities receiving the Public Transport Network Grant (PTNG) have not launched their integrated public transport networks. Over the MTEF period, government will suspend at least two more poorly performing cities from this grant and the remaining cities will be required to reduce costs and demonstrate their effectiveness to remain funded.

The annual Division of Revenue Bill will be published in February 2021 after the Minister of Finance's budget speech. The Bill will specify grant allocations and municipalities must reconcile their budgets to the numbers published herein.

Municipalities are advised to use the indicative numbers presented in the 2020 Division of Revenue Act to compile their 2021/22 MTREF. In terms of the outer year allocations (2023/24 financial year), it is proposed that municipalities conservatively limit funding allocations to the indicative numbers as presented in the 2020 Division of Revenue Act for 2020/21. The DoRA is available at

<http://www.treasury.gov.za/documents/national%20budget/2020/default.aspx>

Division of Revenue Second Amendment Bill, 2020: changes to local government allocations

Roll-over of funds - R390 million is rolled over in the Urban Settlement Development Grant (USDG) to fund commitments for bulk infrastructure related projects in Nelson Mandela Bay Metropolitan Municipality. R98 million is rolled over in the PTNG to continue with the rollout of the integrated public transport network (IPTN) for public and non-motorised infrastructure in Nelson Mandela Bay Metropolitan Municipality.

R307 million is rolled over in the Regional Bulk Infrastructure Grant (RBIG) for drought and COVID-19 water and sanitation interventions nation-wide.

Water Services Infrastructure Grant (WSIG) - R12 million has been reprioritised from the Department of Water Affairs' budget into the indirect component of WSIG for the implementation of various water services interventions.

Reductions to municipal conditional grants

In the Medium-Term Policy Budget Statement, the Minister of Finance indicated that R10.5 billion is required for the rescue plan for the South African Airways. Therefore, R613 million has been proportionately reduced across municipalities in respect of conditional grants while no reductions were made to the local government equitable share for the 2020/21 financial year.

These changes are shown in Schedule 4, Part B; Schedule 5, Part B and Schedule 6, Part B of the Bill.

Additional instruments to finance infrastructure in municipalities

Municipalities can access other instruments to finance the development of infrastructure that boosts economic growth beyond infrastructure grants. Reforms over the medium term will enhance the ability of municipalities to raise revenue to invest in their own development. An update on development charges and borrowing reforms is summarised below:

- **Development charges** - Municipalities earn revenue from charging developers to connect new developments to municipal services. The draft Municipal Fiscal Powers and Functions Amendment Bill proposes new, uniform regulations in respect of these development charges, thereby strengthening the revenue-raising framework of municipalities. After processing comments, the National Treasury will submit the Bill to Cabinet and Parliament for consideration in 2021; and
- **Borrowing** - Creditworthy municipalities can also borrow in capital markets. The National Treasury has updated the original municipal borrowing policy framework, which guides this borrowing, and will shortly submit it to Cabinet for approval. The proposed changes aim to increase the term maturity of borrowing improve the secondary market for the trade of municipal debt instruments and define the role of development finance institutions to avoid crowding out the private sector.

3. 2021 Local Government Elections and the budget process

Local government elections are scheduled to take place in 2021, and the proposed date is yet to be determined. Elections are important events as we reaffirm our commitment to democratic and accountable government by choosing representatives of the people who will guide the work of local government for the next five years.

The following four risks need to be explicitly managed:

1. In terms of section 13 of the Municipal Property Rates Act, 2004 (Act No 6 of 2004)(MPRA) and sections 24 and 42 of the Municipal Finance Management Act, 2003 (Act No 56 of 2003)(MFMA), new tariffs for property rates, electricity, water and any other taxes and similar tariffs may only be implemented from the start of the municipal financial year (1 July). This means that the municipal council must approve the relevant tariffs as part of the MTREF budget before the commencement of the financial year on 1 July. Failure to obtain council approval for the annual tariff increases would most likely cause an immediate financial crisis that may lead to the provincial executive intervening in the municipality in terms of section 139 of the Constitution. Therefore, if the elections take place after the start of the financial year, the outgoing council will be responsible for approving tariffs for the 2021/22 MTREF and the newly elected council for the implementation thereof as section 28(6) of the MFMA does not allow the increase of tariffs in-year;
2. In terms of section 16 of the MFMA, a municipal council must approve the annual budget for the municipality before the start of the financial year, and should a municipal council fail to do so, section 26 of the MFMA prescribes that the provincial executive **must** intervene. This provincial intervention may include dissolving the municipal council and appointing an administrator to run the municipality. Therefore, the outgoing council must ensure that they comply with the timeframes for approval of the budget;
3. The outgoing council may be tempted to prepare an 'election friendly budget' with unrealistically low tariff increases and an over-ambitious capital expenditure programme. The outcome of this approach will undoubtedly be an unfunded municipal budget that threatens their respective municipality's financial sustainability and service delivery; and
4. Given that the timing of election campaigning may coincide with the municipal public budget consultations, there is a risk that these consultations may be neglected or used to serve the narrow interests of political parties. It is reiterated that transparency and public participation is an integral part of our constitutional democracy, hence municipalities must ensure that public and stakeholder consultation processes are adhered to as required by the legislative framework.

In the build-up to the 2021 local government elections, the financial sustainability of the municipality should be protected. Now, more than ever before, it is paramount for sound municipal decision-making so that the long-term sustainability of municipal finances and service delivery is achieved beyond the election period.

Finances of some municipalities have been unstable for many years, and this was exacerbated by the financial impact of the COVID-19 pandemic. Therefore, there is severe pressure to maintain healthy cash flows and increase cost containment measures while sustaining efficient service delivery levels. It is therefore imperative that municipalities refrain from suspending credit control and debt collection efforts. Municipalities are also reminded of the regulatory framework set out in the Municipal Cost Containment Regulations insofar as it relates to the use of municipal funds to fund election campaigns and other non-priority issues as this might further impact the financial sustainability of municipalities.

Furthermore, as the current municipal leadership will be responsible for the compilation of the 2022/23 MTREF budgets, councils are advised to prioritise expenditure appropriations aligned to the policy intent as described in the integrated development plans (IDPs). Infrastructure provisioning for water, sanitation, roads and electricity remain key priorities.

In addition, the outgoing council is advised to critically consider the financial implications before entering into new long-term contracts that are not of priority to the municipality and avoid if possible, committing the incoming council. Municipalities should refrain from filling non-critical positions, purchasing cars, procuring new financial systems and from incurring any other expenditure at this stage that will financially burden the incoming council.

During this time of transition, all stakeholders should work together to ensure that municipalities continue to perform their functions efficiently and effectively. The Mayor and municipal manager should now be engaging in the process of the annual review of the fifth and last year of the IDP in terms of section 34 of the Municipal Systems Act (MSA) and the 2022/23 budget preparation process in terms of section 21 of the MFMA. It is particularly important to ensure that arrangements for the review of IDPs and preparation of budgets continue seamlessly as these processes cannot be delayed in anticipation of the announcement of an election date.

In deciding on the schedule for the 2022/23 budget process, the Mayor and municipal manager must also note that the MFMA, read together with the Municipal Budget and Reporting Regulations, only allows for a 'main adjustments budget' to be tabled after the mid-year budget and performance assessment has been tabled in council, i.e. after 25 January 2022. In addition, the permitted scope of an adjustments budget is quite limited in that taxes and tariffs may not be increased (refer to section 28(6) of the MFMA) and any additional revenues may only be appropriated to programmes and projects already budgeted for (refer to section 28 of the MFMA). Therefore, the idea of the current council passing a 'holding budget' which the new council will change substantially through an adjustments budget soon after the start of the municipal financial year is not legally permitted.

Though an IDP is a five-year strategic document of council, municipalities should note that when a new council takes office after a local government election, the norm has been that the new council implements the last adopted IDP during the first year of office. It is normally only in the second year of office that the newly elected council adopts a new IDP after thorough interrogation, extensive consultation and finalisation of a new five-year strategy.

In the absence of detailed information on the 2021 Local Government Elections, National Treasury will provide further guidance in the follow-up MFMA Budget Circular to be issued in March 2021.

4. Municipal Standard Chart of Accounts (*m*SCOA)

4.1 Release of Version 6.5 of the Chart

On an annual basis, the *m*SCOA chart is reviewed to address implementation challenges and correct chart related errors. Towards this end, Version 6.5 is released with this circular.

Version 6.5 of the chart will be effective from 2021/22 and must be used to compile the 2021/22 MTREF and is available on the link below:

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

4.2 Budgeting and Reporting for the COVID-19 pandemic and water inventory

In terms of the Annexure to MFMA Circular No. 99, *m*SCOA Circular No. 9, and GRAP 12, municipalities were advised to:

1. Record and ringfence all funding and expenditure pertaining to the COVID-19 pandemic for the 2020/21 MTREF when budgeting and transacting; and

2. Budget and account for bulk water purchases as inventory as per GRAP 12 (paragraph 07).

It is evident from the snapshots that were drawn from the Local Government Database based on the *mSCOA* data strings that were submitted by municipalities in terms of the monthly Section 71 reporting, that most municipalities have not budgeted or reported on COVID-19 related allocations and expenditure, nor bulk water inventory as per the guidance provided.

Although the regulated A1 Schedule will only be amended from the 2021/22 MTREF to align to GRAP 12 (as per MFMA Circular No. 98), municipalities should already record water inventory in the *mSCOA* chart. ***Municipalities must budget for water as inventory in the 2021/22 MTREF.*** This means that municipalities will no longer be able to budget for water bulk purchases as an expense on table A4. Municipalities must use bulk water purchases i.e. system input volume on table A6: inventory. This provides for three different water sources i.e. water treatment works, bulk purchases and natural sources. When water is issued through the billing/ distribution, the cost should be expensed through table A4: inventory consumed with the corresponding accounting transaction in the inventory account on table A6: current assets: water: authorised consumption.

Municipalities that did not adjust their 2020/21 MTREF budgets by 30 September 2020 to respond to the COVID-19 pandemic or budget for bulk water inventory are reminded to do so in the main adjustments budget process in February 2021.

It should also be noted that the National Treasury's reporting on COVID-19 will be drawn as per *mSCOA* Circular No. 9 and we will not be able to identify COVID-19 allocations and expenditure that have been ringfenced in another manner.

Municipalities must submit the adjustments budget and revised project list for 2020/21 in the format of a *mSCOA* data strings (ADJB and PRAR) uploaded to the Local Government (LG) Upload Portal within 10 working days after Council has adopted the adjustments.

4.3 Revised Municipal Property Rates Act Categories

By now all municipalities should be aware that section 8 of the Municipal Property Rates Act on the determination of categories of **rateable** properties has been revised through the Local Government Municipal Property Rates Amendment Act, 2014 ("the Amendment Act"). The new rateable property categorisation framework based on use (provided these property categories exist within the municipality) and consequently, all property categories that are based on ownership, geographic location or any other basis fall away.

Municipalities must implement the new property categorisation framework by not later than 1 July 2021. The *mSCOA* chart Version 6.5 makes provision for the new and the old framework. However, the old framework will be retired in the next version of the chart and municipalities are advised to implement the new property categorisation framework as legislated. Therefore, municipalities cannot use both frameworks to avoid duplication and overstatement of revenue from property rates.

4.4 Forbidden activities

The Item Assets segment of the *mSCOA* chart currently includes items such as staff loans as non-current receivables from non-exchange transactions. This is in contravention with Section 164(1)(c) of the MFMA that stipulates that a municipality may not make loans to councillors or officials of the municipality; directors or officials of the entity; or members of the public. Therefore, municipalities are advised not to use these items when budgeting as National Treasury may retire these items in the next version of the chart.

4.5 Independent Audits on Municipal Financial Systems

All municipalities and municipal entities had to comply with the *mSCOA* Regulations by 1 July 2017. MFMA Circular No. 80 provided guidance on the minimum business processes and system specifications for all categories of municipality (A, B and C). The Request for Proposal (RFP) issued on 4 March 2016 for the appointment of service providers for an integrated financial management and internal control system for local government (RT25-2016 published in Tender Bulletin No. 2906), provided further guidance on the requirements applicable to a specific category of municipality.

The National Treasury will conduct independent audits on all municipal financial systems in 2021 to determine to what extent the financial systems that are currently being used by municipalities comply with the minimum business processes and system specifications required in terms of *mSCOA*. These audits were initially planned for 2020, but due to restrictions on procurement processes and travel in terms of the COVID-19 pandemic it was postponed to 2021. The results of the audits will also inform the new transversal tender for the procurement of municipal financial and internal control systems in 2022. **Until these audits have been concluded, and the results have been released, municipalities should exercise caution when changing their financial system to avoid purchasing a system that does not comply with the necessary *mSCOA* functionality requirements.** However, should a municipality need to procure a new financial system, they must follow the processes set out in the MFMA read together with the Municipal Supply Chain Management Regulations and MFMA Budget Circulars No. 93, 98 and *mSCOA* Circulars No 5 and 6. In addition, National Treasury has not accredited any of the municipal financial systems available in the market and this should therefore not be advertised as a requirement in municipal tender documents.

It should be emphasised that the onus to ensure compliance with the *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 must properly manage Service level agreements (SLA) with system vendors. Penalties, including the termination of the SLA in cases of persistent non-compliance, should be imposed if the system vendor does not meet the agreed upon milestones. Likewise, if a system vendor has delivered on the services agreed upon in the SLA, then the municipality should pay all money owing to the system vendor within 30 days of receiving the relevant invoice or statement, as per the requirements of Section 65(2)(e) of the MFMA. Lastly, municipalities must agree on the services that are to be provided by the system vendors and costs thereof in the SLA that is signed by the municipality and system vendor. Municipalities should consider the financial implications thereof and negotiate more favourable terms with the system vendor if necessary before signing the SLA. Once signed, the SLA is legally binding.

4.6 Regulation of Minimum Business Processes and *mSCOA* System Specifications

National and Provincial Treasuries held extensive engagements with key system providers during which the system functionality on the following were demonstrated: IDP and budget, supply chain management (SCM), asset management, annual financial statements, revenue management, cash flow and period control. These engagements provided National and Provincial Treasuries with an understanding of what functionality is available on each system and what the key system related challenges are.

It was evident from the engagements that municipalities are not using their financial systems optimally. Some of the challenges that were identified in this regard include the following:

- Some municipalities have not purchased all the modules of the core financial system or have not upgraded to the Enterprise Resource Planning (ERP) (*mSCOA* enabling) version of their financial systems;

- A few municipalities are not paying for the required licences to use system solutions and they are not upgrading and maintaining their servers, hardware and software to become and remain *mSCOA* compliant and to protect their data;
- Several municipalities are still transacting on their legacy systems that are not *mSCOA* enabling or they are using excel spreadsheets that are not incorporated in the functionality of their financial systems, while they are paying for maintenance and support for the *mSCOA* enabling system that was procured. This constitutes fruitless and wasteful expenditure; and
- Other municipalities are not using all the modules of the core financial system (using 3rd party systems) while they have procured these modules. This is once again fruitless and wasteful expenditure.

Municipalities should include the cost of the above in their 2021/22 MTREF budgets.

One of the key objectives of the *mSCOA* reform is to ensure that municipalities are budgeting, transacting and reporting directly on and from integrated ERP systems to have one version of the truth in terms of the reported financial performance. The manual correction of data strings by municipal officials or system vendors are not allowed in terms of the *mSCOA* Regulations.

National Treasury will expand and regulate the business processes and system specifications communicated in MFMA Circular No. 80 and its Annexure B in the 2021/22 MTREF to ensure that municipalities are using the functionality available on their financial systems. MFMA Circular No. 80 was issued in 2016, and several Regulations and best practises as per the MFMA Circulars have been introduced since then. The expansion of the requirements will accommodate these new developments.

4.7 Non-compliance with *mSCOA* requirements

If your municipality has not yet achieved the required level of *mSCOA* implementation, then it must provide a detailed action plan (road map) to the National and the respective provincial treasury to indicate how the municipality will fast track the implementation of *mSCOA*. The action plan should include the following priority areas, as applicable to the municipality:

- The functionality of the financial system, including the minimum system functionality and business process as per MFMA Circular No. 80 and Annexure B and functionality required in terms of Regulations and MFMA Circulars that was issued after 08 March 2016 (the date on which MFMA Circular No. 80 was issued);
- Integration of 3rd party sub-systems with the *mSCOA* enabling financial system as required in terms of MFMA Circular No. 80 and Annexure B;
- Change management initiatives to ensure that *mSCOA* is institutionalised as an organisational reform and not only a financial reform; and
- Training initiatives to ensure that all officials in the organisation are familiar with the *mSCOA* chart, basic accounting, balance sheet budgeting and movement accounting and the use of the *mSCOA* enabling financial system.

Importantly, the action plan must be drafted by the municipality and not the system vendor and the progress against it should be carefully monitored by the municipality's *mSCOA* Project Steering Committee (chaired by the Accounting Officer). Municipalities must present progress against the action plan at the 2020/21 Mid-Year Budget and Performance visits and Budget and Benchmark engagements with the National and the respective provincial treasury.

4.8 Extension and Procuring of Service Level Agreements (SLA) for Financial Systems

At least six (6) months prior to the expiry of the SLA for the support and maintenance of the financial system, the municipality should either:

- Extend the existing SLA with the same system vendor subject to the provisions of Section 33 and 116(3) of the MFMA (read in conjunction with MFMA Circular No. 62); or
- Approach the market to procure services for the support and maintenance of the financial system consistent with the Municipal Supply Chain Management Regulations and municipality's Supply Chain Management Policy.

Importantly, once the SLA has expired, it cannot be extended, and the municipality will have to embark on a new procurement process. In addition, when the contract for the support and maintenance of the financial system comes to an end, it does not mean that the municipality must procure a new financial system. It is only support and maintenance services pertaining to the financial system that needs to be procured. Municipalities need to properly document their systems and the system language used to ensure that system support can be procured in the local market when required.

4.9 Cash flow reconciliation

The population of the cash flow reconciliation in tables A7, B7 and C7 of the MBRR formats using *mSCOA* data strings has been a challenge in previous financial years. The main contributing factors to this were that:

- Municipalities were not using the *mSCOA* segments correctly to populate their cash flow information;
- A number of municipalities did not use the movement accounts correctly in the *mSCOA* chart which distorts the figures reported in the cash flow tables;
- Some municipalities did not budget, transact or report directly in or from their financial systems; and
- There were errors in the linkages of the MBRR cash flow tables to the *mSCOA* data strings in the segment item: asset and liabilities on the Local Government Database.

It is critical that municipalities undertake balance sheet and cash flow budgeting to provide accurate cash flow information. National Treasury has provided guidance in this regard in MFMA Circular No. 98 and *mSCOA* Circular No. 10 and have also corrected the errors in the linkages of the MBRR cash flow tables to the *mSCOA* data strings. This has resulted in improvements in the section 71 cash flow data that were published at the end of quarter 1 of the 2020/21 MTREF. Further guidance on the application of the funding segment has also been issued in *mSCOA* Circular No. 11 on 4 December 2020.

4.10 *mSCOA* Calendar for 2021/22

Important dates pertaining to *mSCOA* related activities for the 2020/21 financial year is summarised below for planning purposes:

Activity		Time Frames
1.	Independent System Audits	February to December 2021
2.	Regulation of Minimum Business Processes and System Specifications	For comments and testing: October 2021
3.	<i>mSCOA</i> Virtual Training Sessions (various topics)	Monthly
4.	Roll out of eLearning <i>mSCOA</i> course through	July 2020

	National School of Governance	
5.	Issue proposed <i>m</i> SCOA chart changes for version 6.6	October 2021
6.	Annual <i>m</i> SCOA CIGFARO Budgeting Workshop	November 2021
7.	Issuing of transversal contract for provision of financial systems	March 2022

5. The revenue budget

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

Municipalities are reminded that the local government equitable share allocation is mainly to fund the costs of free basic services and to subsidise the administrative costs of the smaller and more rural municipalities. The increasing unemployment and growth in the number of persons per household means that the revenue foregone in respect of free basic services will likely increase, and it will become even more difficult to collect revenue. Household budgets are becoming increasingly under more pressure, and trade-offs might be applied when it becomes unaffordable to pay all household expenses on a monthly basis.

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the financial sustainability of the municipality. The Consumer Price Index (CPI) inflation is forecasted to be within the lower limit of the 3 to 6 per cent target band; therefore, municipalities are required to ***justify all increases in excess of the projected inflation target for 2021/22*** in their budget narratives and pay careful attention to tariff increases across all consumer groups. In addition, municipalities should include a detail of their revenue growth assumptions for the different service charges in the budget narrative.

5.1 Maximising the revenue generation of the municipal revenue base

Reference is made to MFMA Circular No. 93, paragraph 3.1 and No. 98, paragraph 4.1. The emphasis is on municipalities to comply with Section 18 of the MFMA and ensure that they fund their 2021/22 MTREF budgets from realistically anticipated revenues to be collected. Municipalities are cautioned against assuming collection rates that are unrealistic and unattainable as this has been identified as a fundamental reason for municipalities not attaining their desired collection rates.

It is therefore essential that municipalities pay attention to reconciling the valuation roll data to that of the billing system to ensure that revenue anticipated from property rates are accurate. Municipalities are encouraged to undertake this exercise as a routine practice. The list of exceptions derived from this reconciliation will indicate where the municipality may be compromising its revenue generation in respect of property rates. A further test would be to reconcile this with the Deeds Office registry. In accordance with the MFMA Circular No. 93,

municipalities are once more requested to submit the reconciliation of the valuation roll to the financial system to the National Treasury by no later than **05 February 2021**.

The above information must be emailed to linda.kruger@treasury.gov.za or must be uploaded by approved registered users using the LG Upload Portal at: <https://lguploadportal.treasury.gov.za/>.

5.2 Setting cost-reflective tariffs

Reference is made to MFMA Circular No. 98, paragraph 4.2. The setting of cost-reflective tariffs is a requirement of Section 74(2) of the Municipal Systems Act which is meant to ensure that municipalities set tariffs that enable them to recover the full cost of rendering the service. This forms the basis of compiling a credible budget. A credible budget is one that ensures the funding of all approved items and is anchored in sound, timely and reliable information on expenditure and service delivery (FFC, 2011). Credible budgets are critical for local government to fulfil its mandate and to ensure its financial sustainability.

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

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

Municipalities are encouraged to utilise the tariff setting tool referenced in MFMA Circular 98, item 4.2. This tool will assist in setting tariffs that are cost-reflective and would enable municipalities to recover costs to fulfil its mandate. The National Treasury Municipal Costing Guide is also available on the link below on the National Treasury website.

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

5.3 Bulk Account Payments - Eskom Concessions

During 2018/19, intense work had been undertaken to resolve systemic and structural issues pertaining to the electricity function in municipalities. Core to this work was addressing the escalating Eskom debt that threatened the sustainability of Eskom as well as that of municipalities.

During the process, Eskom was engaged on providing relieve in certain areas. Municipalities must be made aware that the following concessions were agreed upon:

- Reducing the interest rate charged on overdue municipal bulk accounts from prime plus 5 per cent to prime plus 2.5 per cent;
- Payment terms being extended from 15 days to 30 days for municipal bulk accounts; and
- Payments received from municipalities will be allocated to capital first and then the interest.

These concessions are aligned to the MFMA and are meant to curb the growing debt levels by allowing municipalities a more conducive payment regime than what was previously employed. In addition, municipalities are encouraged to budget for bulk services and honour their current account payments religiously to avoid stringent application of the bulk suppliers' credit control policy.

5.4 Timeous allocations and clearing of the control accounts

Municipalities are encouraged to clear the control accounts on a monthly basis and to allocate trade and other receivable payments in these suspense accounts to the relevant debtor accounts regularly before the monthly submissions as required by the MFMA. Implementing and enforcing the credit control policy of the municipality whilst payments are not cleared in the control account is negligent and irresponsible. Municipalities are warned against this bad practice, and this must be avoided at all costs.

5.5 Eskom Bulk Tariff increases

The National Energy Regulator of South Africa (NERSA) is responsible for price determination of the bulk costs for electricity. In March NERSA approved a municipal tariff increase of 6.9 per cent effective 1 July 2020 (1.2 per cent lower than the tariff increase in Multi-Year Price Determination (MYPD) 4 period due to differences in municipal and national financial years).

Municipalities are advised to use the tariff increases previously (March 2019) approved by the Regulator of 5.2 per cent 2021/22, 8.9 per cent for 2022/23 and 8.9 per cent in 2023/24 (*for 2023/24, an average annual tariff increase is used for the National Energy Regulator of South Africa's multi-year price determination period of 1 April 2019 to 31 March 2022*). The outer year is anticipated to be the first year of the MYPD 5 period, which is yet to be published.

6. Funding choices and management issues

Municipalities are under pressure to generate revenue as a result of the economic landscape, the COVID-19 pandemic, weak tariff setting and increases in key cost drivers to provide basic municipal services. The ability of customers to pay for services is declining and this means that less revenue will be collected. Therefore, municipalities must consider the following when compiling their 2021/22 MTREF budgets:

- Improving the effectiveness of revenue management processes and procedures;
- Cost containment measures to, amongst other things, control unnecessary spending on nice-to-have items and non-essential activities as highlighted in the Municipal Cost Containment Regulations read with MFMA Circular No. 82;
- Ensuring value for money through the procurement process;
- The affordability of providing free basic services to all households;
- Not taking on unfunded mandates; and
- Curbing the consumption of water and electricity by the indigents to ensure that they do not exceed their allocation.

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

6.1 Employee related costs

The *Salary and Wage Collective Agreement* for the period 01 July 2018 to 31 June 2020 has come to an end and a new agreement is under consultation, which we hope will take into account the current fiscal constraints faced by government. Therefore, in the absence of any information in this regard from the South African Local Government Bargaining Council (SALGBC), municipalities are advised to take into account their financial sustainability when considering salary increases. It has been observed over the previous years that salary

increases were above inflation. In addition, municipalities that could not afford such increases did not apply for exemption as provided by SALGBC. Given the current economic condition exacerbated by the COVID-19 pandemic, municipalities are urged to consider projecting increases to wage that would reflect their affordability as many municipalities that are already not in a position to afford the current wage cost would indeed have to apply no more than zero per cent increase in the 2021/22 MTREF and to exercise the option for exemption for any negotiated increase above the level of their affordability.

6.2 Remuneration of councillors

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published annually between December and January by the Department of Cooperative Governance. It is anticipated that this salary determination will also take into account the fiscal constraints. Municipalities should also consider guidance provided above on salary increases for municipal officials during this process.

7. Conditional Grant Transfers to Municipalities

7.1 Non-compliance of in-year monitoring

In terms of Section 74(1) of the MFMA, municipalities must submit to the transferring officers, National and Provincial treasuries documents and monthly grant reports as may be prescribed or required. The *mSCOA* Regulations requires the uniform recording and classification of municipal budget and financial information at a transaction level in the form of a *mSCOA* data string that must be submitted to the LG Upload portal. Most municipalities are still not reporting on conditional grants as per the *mSCOA* requirements. As per MFMA Circular No 93, the National Treasury has only used *mSCOA* data strings as the source of data for publications on municipal financial performance from 1 July 2019. The *mSCOA* data strings will also be the main source of data that will be used to monitor the performance against grants and to inform decisions on the stopping and reallocation of conditional grants funding in the 2021/22 MTREF. The credibility of the *mSCOA* data strings reporting on grants will be closely monitored going forward.

Furthermore, section 12(2) of the Division of Revenue Act, 2020 (Act No. 4 of 2020) (DoRA) states that the municipality, as part of the report required in terms of section 71 of the MFMA, report on the matters referred to in subsection (4) and submit a copy of that report to the relevant provincial treasury, the National Treasury and the relevant Transferring Officer.

Some municipalities have not been complying with the reporting requirements as stipulated above. Municipalities are reminded that the non-submission of monthly reports translates to non-compliance with the MFMA and DoRA. The National Treasury and Transferring Officer will be implementing stringent measures to municipalities that do not comply with the prescripts. This includes, but is not limited to, the stopping and reallocation of conditional grants funding of non-compliant municipalities. Municipalities are encouraged to comply with the reporting requirements to avoid withholding or stopping of an allocation.

In terms of performance reporting on conditional grants, municipalities and Transferring Officers are urged to pay particular attention to the contents of money spent against conditional grants. Government is not realising full value for money against the substantial investments it makes through grants.

8. The Municipal Budget and Reporting Regulations

8.1 Ensuring municipal sustainability through a funded budget

A budget is funded from realistically anticipated revenues to be collected, cash backed accumulated funds from the previous year as well as borrowed funds to be utilised for capital projects. A budget is realistic if it takes into account projected revenue for the current year based on the collection levels to date and actual revenue collected in the previous financial year. Municipal budgets must be prepared on this basis. The economic climate and the impact of COVID-19 pandemic had an effect on the ability of municipalities to collect arrear debt during levels 5, 4 and 3 of the national lockdown. This inability to exercise credit control measures during this period had decreased the collection rate in many municipalities.

Municipalities need to be proactive in exercising credit control measures to ensure that arrear debt is collected. Whilst collection rates decreased during the period mentioned above, municipalities must implement efforts to collect arrear debt and return collection rates to pre-COVID-19 levels. Whilst this unprecedented COVID-19 period is the exception, collection rates need to be maintained at 95 per cent in order to ensure the financial sustainability of municipalities. If collection rates have decreased, prudent financial management requires expenditure to be adjusted downward accordingly. This is to ensure that deficits are not realised and that realistically anticipated revenue based on projected collection rates funds expenditure. This will also ensure financial sustainability and avoid situations of financial distress in municipalities.

The Municipal Systems Act states that a municipal council must adopt, maintain and implement a credit control and debt collection policy that would be utilised for the collection of money that is due and payable to it. The municipal Councillors therefore are the custodians of the policy and responsible for its implementation. As a result, Councillors are required to encourage consumers in their municipal jurisdiction to pay for municipal services and to ensure that such debt that is due and payable to the municipality is collected. This would ensure compliance with the Act and ensure that a culture of payment is implemented in the municipal area. Council needs to play an active role in implementing their adopted policies to increase collection rates and ensure that funds are received to render services to the people.

Municipalities are reminded to develop a credible funding plan where the budget is unfunded. This plan must be tabled in and adopted by Council with the 2021/22 MTREF budget and submitted to the National and provincial treasuries when they submit their tabled and adopted budget in terms of Section 22(b)(i) and 24 (3) of the MFMA. Failure to approve a credible plan will result in the invoking of Section 216(2) of the Constitution.

8.2 Budgeting for indirect grant allocations

Some municipalities continue to budget for allocations not directly allocated to them as revenue in the Statement of Financial Performance. This results in revenue being overstated. Therefore, municipalities must refrain from budgeting for indirect grant allocations. A municipality must only budget for the allocations that are directly allocated and transferred to them.

8.3 Monthly reporting of debtors

National Treasury has observed through in-year monitoring that most municipalities are overstating debtors as they report on gross debtors instead of net. The format of the monthly debtors' data strings provides for a column to disclose provision for impairment as per council policy. Therefore, municipalities are urged to always reflect the provision for impairment in the column as indicated above for National Treasury to be able to reconcile the net debtors.

8.4 Schedule A - version to be used for the 2021/22 MTREF

National Treasury has released Version 6.5 of the Schedule A1 (the Excel Formats) which is aligned to Version 6.5 of the *mSCOA* classification framework and must be used when compiling the 2021/22 MTREF budget.

It is imperative that all municipalities prepare their 2021/22 MTREF budgets in their financial systems and that the Schedule A1 be produced directly from their financial system. Vendors have demonstrated their budget modules to the National Treasury and provincial treasuries. All financial systems have this functionality to assist and prepare budgets and to generate the prescribed Schedule A1 directly from the financial system. Therefore, there is no reason why the 2021/22 MTREF budget must be done manually. National Treasury has protected the A1 schedule version 6.5, therefore manual population will not be allowed as the schedule must be extracted from the financial system.

ALL municipalities **MUST** prepare their 2021/22 MTREF tabled and adopted budgets using the A1 schedule version 6.5.

Municipalities must start early enough to capture their tabled budget (and later the adopted budget) in the budget module provided and must ensure that they produce their Schedule A1 directly out of the budget module. **Manual capturing on A1 schedule version 6.5 is not allowed** in terms of the *mSCOA* Regulations.

The National Treasury has indicated in MFMA Circular No. 93 that municipalities must submit all A1 Schedules in PDF format only from the 2019/20 MTREF. Given the fact that the *mSCOA* classification framework makes it possible to generate the financial data required in the A1 schedule directly from the data strings and that additional data needed must be obtained from sub-systems that integrate with the financial system, the National Treasury will only accept the prescribed data string containing the supporting data, populated and uploaded by each municipality. National Treasury published the layout for the data string on the website in MFMA Budget Circular No. 98 and an amended version to be used for the 2021/22 MTREF forms part of this circular. The publication in the 2020/21 MTREF of non-financial data will be done using the supporting data uploaded from these data strings.

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

The budget, adjustments budget and Section 71 monthly reporting Schedules that have been regulated in terms of the MBRR have also been aligned to the *mSCOA* chart version 6.5 changes. The revised MBRR Schedules for the 2021/22 MTREF and its linkages to the data string are available on the link below:

<http://cenvappsp10:31200/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Documents/Forms/AllItems.aspx?RootFolder=%2fRegulationsandGazettes%2fMunicipal%20Budget%20and%20Reporting%20Regulations%2fDocuments%2f2020%2d21&FolderCTID=0x0120001860D4A2BD7AD042BF8427FC3BB59F67>

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

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

8.5 Assistance with the compilation of budgets

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

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

National and provincial treasuries will analyse the credibility of the data string submissions.

8.6 Assessing the 2021/22 MTREF budget

National and provincial treasuries will assess the 2021/22 MTREF budgets to determine if it is complete, funded and complies with the *m*SCOA requirements. The *m*SCOA data strings for the tabled (TABB) and adopted (ORGB) budgets will be used for this assessment.

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

Importantly, in order to generate an adopted budget (ORGB) data string, the budget must be locked on the financial system by the 10th working day of July each year. Therefore, once the ORGB data string has been generated, errors in the ORGB can only be corrected via an adjustments budget in February of each year. In terms of the design principles of *m*SCOA, municipalities are not allowed to open the budget on the system for corrections after it has been locked. This means that the tabled budget data string (TABB) should in fact be verified and errors in the TABB should be corrected in the ORGB **before the adopted budget is locked on the financial system and the ORGB data string is generated**.

The previous verification process and timeframes (i.e. July to September) can no longer be applied as municipalities are already transacting against the adopted and locked budget from 01 July 2020.

Amending an unfunded, incomplete and erroneous budget through an adjusted budget is also not encouraged as the National Treasury only considers an adjusted budget in the third and fourth quarter of the financial year for analysis and publication purposes. This will result in overspending and unauthorised expenditure not been monitored in the first six months of the financial year.

Municipal managers are reminded that the annual budget must be accompanied by a quality certificate and council resolution, as well as a budget locking certificate (in the case of the adopted budgets) in accordance with the format specified in Regulation 31 of Schedule A of the MBRR. The A1 schedule must be included as part of the budget documentation in pdf format.

The National Treasury would like to emphasise that ***where municipalities have adopted an unfunded budget without a credible funding plan, they will be required to correct the budget and go back to the Municipal Council to ensure they adopt and implement a funded budget as required in terms of Section 18 of the MFMA.***

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

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

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

In the past it was noted that municipalities have challenges to align the audited outcomes on the financial system to A1 Schedule. Municipalities must ensure that the audited figures and adjusted budget figures captured on the A1 Schedule aligns to the annual financial statements and Schedule B respectively.

9. Budget process and submissions for the 2021/22 MTREF

9.1 Submitting budget documentation and A1 schedules for 2021/22 MTREF

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

- Section 22(b)(i) of the MFMA requires that, ***immediately*** after an annual budget is tabled in a municipal council, it must be submitted to the National Treasury and the relevant provincial treasury in electronic formats. If the annual budget is tabled to council on **31 March 2021**, the final date of submission of the electronic budget documents and corresponding mSCOA data strings is **Thursday, 01 April 2021**.

Section 24(3) of the MFMA, read together with regulation 20(1) of the MBRR, requires that municipalities must submit the approved annual budget to both National Treasury and the relevant provincial treasury **within ten working days** after the council has approved the annual budget. E.g. if the council approves the annual budget on **31 May 2021**, given the new timeframe for the evaluation of the municipal budgets, the adopted budget data strings and documentation must be submitted by the latest **Monday, 14 June 2020**.

Municipalities are no longer expected to submit hard copies of all required documents including budget-related, Annual Financial Statements and Annual Reports to National Treasury via post or courier services. Hard copies must be submitted in pdf format to the LG Upload portal.

9.2 Expected submissions for 2021/22 MTREF

- The budget documentation as set out in the MBRR. The budget document must include the main A1 Schedule Tables (A1 - A10);
- The non-financial supporting tables (A10, SA9, SA11, SA12, SA13, SA24 and any other information not contained in the financial data string) in the A1 in the prescribed mSCOA data string in the format published with Version 6.5 of the A1 schedule;
- The draft and final service delivery and budget implementation plan (SDBIP) in electronic PDF format;
- The draft and final IDP;
- The council resolution for the tabled and adopted budgets;
- Signed Quality Certificate as prescribed in the MBRR for the tabled and adopted budgets;
- D Schedules specific for the entities; and
- A budget locking certificate immediately at the start of the new municipal financial year on 1 July.

Budget-related documents and schedules must be uploaded by approved registered users using the LG Upload Portal at: <https://lguploadportal.treasury.gov.za/>. It should be emphasised that municipalities should submit all required documents to the LG Upload portal and not to lgdocuments@treasury.gov.za. National Treasury will retire lgdocuments@treasury.gov.za on 1 July 2021 to ensure that there is a single collection point of municipal financial data.

Also note that the LG Upload Portal does not have the same size restrictions encountered with lgdocuments@treasury.gov.za but requires all documents to:

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

Any problems experienced with the submission of documents can be addressed with Elsabe Rossouw at Elsabe.Rossouw@treasury.gov.za.

The 2020/21 MTREF and the preliminary Quarter 1 Section 71 results for the 2020/21 financial year that has recently been published, have indicated that the credibility of the mSCOA data strings is still a concern although we have observed a marked improvement in some areas. At the core of the problem is:

- The incorrect use of the *m*SCOA chart and segments, balance sheet budgeting, movement accounting and basic municipal accounting practices by municipalities;
- Some municipalities are not budgeting, transacting and reporting directly in/from their core financial systems; and
- Municipalities are not locking their adopted budgets and their financial systems at month-end to ensure prudent financial management. To enforce municipalities to lock their budgets and close their financial system at month-end in 2020/21, the Local Government Database and Reporting System will lock all submission periods within the reporting period at the end of each quarter. The published period will NOT be opened again to ensure consistency between publications. System vendors were also requested to build this functionality into their municipal financial systems.

To improve the credibility of these data string, National and provincial treasuries are analysing the accuracy of the data strings and the use of the six regulated segments. The National Treasury has developed tools to analyse the segment/chart use and trained budget analysts from both National and provincial treasuries on the use thereof. To date, the analysis has highlighted that municipalities are not using the FUND, REGION and COSTING segments correctly. In many instances, these segments are simply defaulted which impedes the multi-dimensional reporting power of the *m*SCOA classification framework. Another common area of concern is that total capital expenditure do not balance to total funding. Currently, the expenditure is much higher than the available funding reported.

It needs to be noted that the single source for all analysis and publications will be the data strings submitted by the municipalities for the 2020/21 municipal financial year. It is therefore imperative that municipalities ensure the credibility and accuracy of the data strings before submission.

9.3 Publication of budgets on municipal websites

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

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

9.4 Communication by municipal entities to National Treasury

Municipal entities should not request meetings directly from National Treasury. National Treasury will only engage the entities through the parent municipalities. This includes all communications apart from the legislative reporting requirements.

Contact



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Post Private Bag X115, Pretoria 0001

Phone 012 315 5009

Fax 012 395 6553

Website <http://www.treasury.gov.za/default.aspx>

JH Hattingh

Chief Director: Local Government Budget Analysis

04 December 2020



Rationalisation of Planning, Budgeting and Reporting Requirements for the 2021/22 MTREF: Addendum 2

This circular provides an update to all municipalities on the preparation of statutory planning and reporting documents required for the 2021/22 Medium Term Revenue and Expenditure Framework (MTREF). It is for the attention of all municipalities and **for the first time applies to all categories of municipalities.**

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1 Introduction

The Municipal Finance Management Act (MFMA) Circular No. 88 of November 2017 provided guidance to metropolitan municipalities on a common set of performance indicators applied from the 2018/19 planning and reporting cycle onwards. The 1st addendum to Circular No. 88 of 4 December 2019 provided further guidance and clarity to metropolitan municipalities on the preparation of statutory planning and reporting documents required for the 2020/21 Medium Term Revenue and Expenditure Framework (MTREF). Both were for the attention of all municipalities, while the indicators only applied to metropolitan municipalities.

Experience since the 2018/19 implementation of the original circular has shown that the on-going planning, budgeting and reporting reforms process is complex and requires sufficient time and change management for incremental roll-out, growth and institutionalisation. Addendum 2 introduces a significant shift in the reforms in four respects: 1) it more closely integrates and guides planning, budgeting and reporting reforms; 2) it significantly expands and revises the set of MFMA Circular No. 88 indicators applicable to metropolitan municipalities; 3) it expands the application of the reforms and the indicators to differential

categories of municipalities and levels of readiness, for application in 2021/22 MTREF cycle going forward; and 4) it introduces evaluations in the context of these reforms.

Improved planning by itself will not result in the intended spatial, economic and social transformation. Strengthening the linkages across a holistic cycle of planning, budgeting, reporting and evaluation is much more likely to. Intergovernmental spatial planning and intergovernmental budgeting via an intergovernmental programme and project pipeline is a good starting point in this regard, as the interdependencies bring with them complexity, but also a mutual reinforcement that strengthens with the endurance of commitments over time and space. Therefore, as the urban spatial perspective in the budgeting process moves from introduction to refinement and establishment/institutionalization; as budget information is requested, collated and analysed in a way that promotes the allocation of funding against plans that contributes directly to the spatial transformation of our cities, the increase in the planning and budgeting horizons from 3 to 5, 10, 15 and 20 years carries with them greater promise and certainty of progress. But in order to do this, it will require the simultaneous improvement of the longer-term municipal planning frameworks such as Municipal Spatial Development Frameworks (MSDFs), City Development Strategies (CDSs) and longer-term sector strategies; any legislative, policy or regulatory changes; and the development of a spatial budgeting mix linked to infrastructure asset management and spatial plans of the cities.

Improved budgeting/fiscal/financial reforms such as the introduction of the Municipal Standard Chart of Accounts (*mSCOA*), the policy framework for development charges, the municipal borrowing framework and long-term financial models and strategies will not by themselves result in spatial, economic and social transformation in cities. Neither would reporting reforms by itself result in spatial, economic and social transformation, or evaluations for that matter. If all reforms, and particularly planning, budgeting/fiscal/financial and reporting reforms are strategically aligned, then the likelihood of achieving spatial, economic and social transformation in cities will be greatly increased.

MFMA Circular 88 on Rationalising Planning and Reporting Requirement, first issued on 30 November 2017 and the subsequent update Addenda in 2019, generally focused on the implementation of reporting reforms. This Addendum update issued on 17 December 2020 includes the work to date on planning and budgeting reforms to be factored into municipal planning, budgeting and reporting for the 2021/22 MTREF. The reforms will continue being incrementally implemented in the 2022/23 - 2025-26 MTREF, and apply on a differentiated basis per municipal category, first in metropolitan municipalities, and then to intermediate city municipalities, districts and all remaining municipalities.

2 Planning and budgeting reforms and guidance

Planning reforms were started in the 2014/15 MTREF through the introduction of Built Environment Performance Plans (BEPPs) as a requirement of the annual Division of Revenue Act (DORA). The planning reform programme is a collaborative initiative between the Departments of Cooperative Governance (DCoG); Agriculture, Land Reform and Rural Development (DALRRD then Rural Development and Land Reform); Department of Planning, Monitoring and Evaluation (DPME); and National Treasury (NT) Cities Support Programme (CSP) that focuses on the eight metropolitan municipalities. Once reforms are tried and tested, they are then differentially applicable to the next category of municipalities, that is intermediate city municipalities and the remaining local municipalities.

A tool for reforming planning, budgeting and reporting

For the time of its existence the Built Environment Performance Plans (BEPPs) were an additional planning instrument in the municipal planning system that spanned budgeting and reporting. It was an instrument of change for a limited time period, not a permanent addition to

the range of municipal planning instruments, and it thus ceases to exist in the 2021/22 MTREF and further. However, the lessons learnt from the BEPPs and other planning reforms will continue by being introduced into the existing municipal planning, budgeting and reporting instruments, processes, content and practice. In summary, the lessons learnt are: -

1. Outcomes-Led Planning (OLP) and spatial targeting should be the key approach for all relevant metropolitan plans such as the Growth and Development Strategy/City Development Strategy (GDS/CDS); MSDF; longer term sector strategies; City Infrastructure Delivery Management System (CIDMS); Long Term Financial Model and Strategy (LTF Model and Strategy), and last but not least the IDP. There is a need to move away from compliance-driven planning to integrated, results-based planning;
2. Strategy-Led Budgeting (SLB) ensures that scarce financial resources are aligned to the key priority outcomes in the municipality; and
3. Using spatial targeting to Influence and incorporate the relevant provincial, national and state-owned enterprise plans and budgets into municipal spatially targeted areas enables all of government to focus on contributing to outcomes and impact.

Institutionalisation of planning, budgeting and reporting reforms

All metros made commitments to institutionalising their BEPPs and planning, budgeting and reporting reforms during the Annual Assessment of BEPPs and City Plans in 2020. These commitments will be monitored in the 2021/22 MTREF plans and budgets – key content and process from the planning reforms that should be in the 2021/22 IDP are the Intergovernmental Programme Pipeline and Catalytic Land Development Programmes (previously Annexure 2 and 1 of the BEPPs respectively) that should be brought into the IDP.

Translating the lessons learnt into practical activities and outputs requires that we focus on the following going forward until it is successfully institutionalised: -

- a) Planning Approach: The planning approach is outcomes-led, using predetermined outcomes that can be measure the performance of the built environment, to inform the planning process. Transit-oriented development and spatial targeting are key planning concepts that drive the outcomes-led approach and inform the budgeting process;
- b) Planning Content: The planning content is the substance of the plan and the related key outputs of the plan e.g. Catalytic Land Development Programmes; the Intergovernmental Programme Pipeline; budgeting that is led by the planning strategy and outcomes; and results on the performance of the built environment;
- c) Planning Practice: Planning practice is about the professional agency of planners and related built environment practitioners, municipal financial practitioners including monitoring and reporting practitioners; and
- d) Planning Process: The planning process is the collective activities that constitute the Built Environment Value Chain (BEVC), a standardised, logical set of interactive and iterative activities that should result in a well performing built environment that produces the outcome of a compact city that is more inclusive, productive, resilient and sustainable and thus better governed. The process includes intergovernmental planning and budgeting, that is across the spheres of government and including the communities/households and the private sector investment in the built environment.

The planning reforms are being worked into oversight, monitoring and evaluation processes by setting out the criteria in Table 1 to assess the extent to which longer-term frameworks and strategies as well as the IDP incorporates planning reforms. Note that this criteria is an addition to criteria set by the relevant sector departments to assess the plans, and has been tested during 2020 in the process of the independent assessment of city plans.

Support will be provided to all stakeholders in order that the planning reforms outlined above are successfully implemented and institutionalised. The BEPPs Guidelines will be turned into a toolkit for outcomes-led planning and spatial targeting to provide technical guidance for both

longer-term and term-of-office planning. Existing and new knowledge products provide another form of support, as does technical support from the Cities Support Programme. Work has started on bringing professional institutes on board to promote continuing professional development for municipal finance, planning and engineering officials. Specialist capacity building and training institutions such as Municipal Institute of Learning (MILE) and the Tshwane Leadership and Management Academy are being engaged to do training and capacity building. Tertiary education institutions are being approached to factor in the planning reforms into curriculum development.

Table 1: Criteria to assess incorporation of planning, budgeting and reporting reforms in city plans

Criteria	Focus of assessment
1. Theory of Change for City Transformation ¹	<ul style="list-style-type: none"> Evidence of a clear TOC to address city transformation in line with national policy directives – SPLUMA & IUDF Evidence of alignment with TOC in all plans and budget
2. Outcomes-Led Planning and Spatial Targeting ²	<ul style="list-style-type: none"> Have outcome statements been used to directly influence planning? Has the circle been closed by adopting the Circular 88 indicators? Are the spatially targeted areas clearly evident from frameworks through to strategies and implementation plans?
3. Strategy-Led Budgeting ³	<ul style="list-style-type: none"> Is there a longer-term financing strategy to resource the CIDMS? Is the budget spatialized? Has <i>mSCOA</i> been implemented?
4. Alignment of Public Infrastructure Investment in spatially targeted areas in metros (Annexure 2 and Part C of BEPPs) – process and outputs ⁴	<ul style="list-style-type: none"> Has the city managed to get intergovernmental stakeholders to disclose their Programmes and related Budgets? Is the evidence that here is a move from disclosure to joint planning? What is the extent of alignment of intergovernmental planning and budgeting?
5. Adoption of spatial planning, prioritisation and budgeting tools ⁵	<ul style="list-style-type: none"> Does the city have a process or system/tool in place to filter programmes and projects submitted for approval? What criteria does the city use to approve projects for funding and Implementation? Does the city distinguish between priority programmes and projects? Do priority programmes and projects have a greater weighting than others?
6. Does the city have longer term frameworks and strategies in comparison to the term-of-Office plan (IDP) or 5-year plans?	<ul style="list-style-type: none"> Does the city have a SDF and/or CDS/GDS? Are there longer-term sector strategies for Human Settlements, Public Transport, Economic Development, Climate Resilience, Financial Sustainability, Infrastructure Asset Management

New metropolitan specific IDP Guideline and Assessment Framework

The new metropolitan specific IDP Guideline and complementary metropolitan specific IDP Assessment Framework incorporate the lessons learnt from the BEPPs and planning, budgeting and reporting reforms. These will come into effect for the 2022/23 MTREF once signed by the Minister of Cooperative Governance. The IDP has been confirmed as the term-of-office plan by DCoG.

Longer-Term Intergovernmental Planning and Budgeting

Having institutionalised many of the planning, budgeting and reporting reforms in the IDP for the term-of-office planning, attention is now focused on reforming longer-term planning - while this work is ongoing into 2021 there are clear indications already as outlined below. It is noted that besides the National Development Plan (NDP), longer term planning is not common

practice in government - national sector departments are required to produce 5 year Strategic and Performance Plans aligned to the Medium Term Strategic Framework (MTSF) with the process for the Annual Performance Plan (APP) being focused on annual plans in the context of 3 year rolling plans and budgets and M&E focused on annual performance. While the annual local government planning and budgeting process includes “all of government stakeholders” (provincial, national and SOE), very few of the provincial, national and SOE processes includes municipalities. This situation makes joint planning a very challenging activity unless reforms for national, provincial and SOE planning are implemented as soon as possible. Some strides have been made with particular departments or functions over the last few years as evidenced in Annexure 2 of the BEPPs on the Intergovernmental Programme and Project Pipeline.

Municipal Spatial Development Frameworks and City Development Strategies/Growth and Development Strategies

Metropolitan municipalities on the other hand have a tradition of planning for the longer term with metropolitan spatial development frameworks (MSDFs) always based on at least a 10-year time horizon. Furthermore, metropolitan municipalities worked together with the SACN many years ago to develop their GDS/CDS e.g. Joburg 2040 and Tshwane 2055. While the GDS/CDS is not a legislative requirement, it has been established as good practice and critical to informing the term-of-office planning.

City Infrastructure Delivery Management System and Longer-Term Financial Model and Strategy

All metropolitan municipalities have started implementing the CIDMS and related Framework for Infrastructure Delivery and Procurement Management (FIDPM) and the complementary LTF Model and Strategy, which if correctly implemented should span a 40-year time horizon. DCoG has agreed that the CIDMS replaces any guidelines that it has issued on infrastructure asset management since the CIDMS is based on the full life-cycle management of infrastructure assets and makes the important and direct link of the MSDF informing the spatial location of infrastructure development. There is a customised, less complicated Local Government IDMS to be used by intermediate city municipalities and other local municipalities together with the LTF Model and Strategy.

National Treasury Infrastructure Guidelines

National Treasury has clarified that the various infrastructure guidelines it has issued serves the functions as set out in Table 2.

Longer-Term Sector Strategies

In addition to MSDFs, CDS/GDS CIDMS and LTF Model and Strategy another trend in some metropolitan municipalities is the development of longer-term sector strategies such as Human Settlement/Housing Strategy, Economic Development Strategy, etc. The MSDF Guideline (2017) requires all sector strategies to be integrated and informed by the spatial strategy [SPLUMA s21 (m)].

Table 2: National Treasury Infrastructure Guidelines

Guideline	Purpose
Annual guideline on Budget Facility for Infrastructure	Criteria for accessing the Budget Facility for Infrastructure for very high value infrastructure projects
Annual Guideline for Capital Planning	Guidance to national sector departments on large infrastructure projects
PPP Framework	Guidance on how to design a PPP
Local Government Capital Asset Management Guide (2008)	Accounting treatment of infrastructure assets

Spatial Targeting and City Transformation Indicators (Integrated Outcome Indicators)

The city of Johannesburg has clearly adopted spatial targeting into their MSDF since 2014/15 with the Corridors of Freedom, deprived areas, etc. In 2016 the City of Cape Town incorporated their spatial targeting from the BEPPs into their MSDF. Other metropolitan municipalities can now follow the example of the cities of Cape Town and Johannesburg and work their spatially targeted areas into their MSDFs and/or other longer-term plans/frameworks/strategies. After two years of grappling with reporting on the integrated outcome indicators via the BEPPs, the challenges with reporting on these indicators annually are now well-established. The discontinuation of the BEPPs necessitates finding the relevant longer-term plan in which the integrated outcome indicators would best be placed. This issue will be resolved after further consultation with DALRRD and cities during 2021, but it is clear that the integrated outcome indicators are not well suited to the IDP and annual performance reporting.

Capital Expenditure Framework (CEF) and Capital Investment Framework (CIF)

Many metropolitan municipalities have used their BEPPs as the MSDF requirement for a Capital Expenditure/Investment Framework (CEF/CIF) since there has been no specification from the DALRRD – the good practice established by some metropolitan municipalities can be adopted by other metropolitan municipalities until such time as DALRRD provides clarity. Section 4(e) of the MSA Municipal Planning and Performance Management Regulations (2001) requires that the SDF must set out a capital investment framework. At the same time SPLUMA section 21 (n) requires that a MSDF must determine a capital expenditure framework for the municipality's development programmes depicted spatially. And the MSDF Guideline 2017 requires the municipality to develop a capital investment framework that articulates how the spatial proposals are to be achieved sequentially with attention to what key interventions need to take place, where they need to occur and by whom. This difference between the requirements of the MSA Regulations, the MSDF Guideline and the SPLUMA requires urgent clarification from DCoG and DALRRD.

Note that some intermediate city municipalities have adopted the Guide to Preparing a Capital Expenditure Framework issued by DCoG – this guide was designed specifically for intermediate city municipalities and does not apply to metropolitan municipalities.

District Development Model (DDM) One Plan

DCoG has agreed that the following metropolitan longer-term plans/frameworks/strategies will be used to contribute to the District Development Model (DDM) One Plan (which itself is a longer-term plan): -

- Economic Recovery Plan;
- CDS/GDS;
- MSDF;
- CIDMS and LTF Model and Strategy; and
- longer-term sector strategies.

The One Plan and other longer-term plans mentioned above will be used to inform the term-of-office IDP.

All the above planning provisions are indicative of greater coherence and integration across the different planning and budgeting instruments and their respective horizons. These planning developments take on more significance in relation to developments in the reporting reforms.

3 Expanding and revising the indicator set

The sector and municipal consultations informing this update to MFMA Circular No. 88 have prompted significant expansions and revisions to the indicator set. These expansions and revisions distinguish between: - 1) Further conceptual clarification and increase in the 'compliance' indicators; 2) addition of 'new' sectors to the indicators set; and 3) Further expansion and revision of the existing indicators.

3.1 Clarifying and expanding 'compliance' indicators

The original circular introduced 17 compliance indicators and 4 questions for metropolitan municipalities to report on quarterly. As these indicators were deemed to be for 'compliance' purposes, they were formulated as a singular data elements set without Technical Indicator Descriptions (TIDs). Municipalities were not expected to set targets for these indicators, only to monitor and report on them quarterly in relation to basic legislative compliance and for capacity consideration.

With the benefit of implementation, stakeholders identified the need and value of TIDs for these types of indicators to include a rationale, definition and conceptual clarity. Furthermore, it became apparent that otherwise useful monitoring data and information generated by municipalities did not always fit well within the Output and Outcome results level distinctions, with their attendant short and medium-term accountability requirements in relation to performance targets. Examples of such indicators include the 'Number of protests reported' and the 'Number of registered engineers employed in approved posts' which are very useful indicators, but not necessarily appropriate for performance monitoring and reporting.

Compliance indicators, or lower order results indicators, are therefore considered to be indicators that convey important information about the municipality's legislative and administrative compliance, capacity and staffing, and/or context. They are indicators made up of a single data element for reporting and exist only for monitoring purposes, as opposed to performance monitoring and reporting. Compliance indicators do not have performance targets and their TIDs are shorter and simpler, conveying only the rationale, definition, calculation, frequency of reporting and notes on accumulation.

Across all sectors there has been merit in the introduction of compliance indicators. This has led to the introduction of 74 additional compliance indicators. An additional set of 21 open-ended questions have also been added to allow for open-text submissions, although these do not constitute indicators. Please refer to the update of Appendix A for more information.

3.2 Introducing new sector indicators

MFMA Circular No. 88 introduced indicators informed by metropolitan municipality powers and functions for each of the following sectors: Energy and Electricity; Environment and Waste; Fire and Emergency Services; Good Governance; Housing and Community Facilities; Transport and Roads; Water and Sanitation; and what was called City Transformation (Integrated outcome indicators). As part of this update, the additional sectors of Financial Management and Economic Development were identified and consultations with sector

partners and departments were undertaken. Climate Change indicators were also proposed as a sector focus at the integrated outcome level.

Only the Economic Development indicator consultations were concluded and a complete set of indicators finalised. For the Financial Management sector, the consultations to rationalise and revise existing reporting remain on-going and will only be finalised in the 2021/22 financial year. As a result, this update reinforces existing financial indicator reporting in relation to MFMA Circular No. 71. This includes the 32 indicators suitable for municipalities and municipal entities issued in terms of Section 216(1)(c) of the Constitution and Section 2 of the MFMA. All existing reporting arrangements remain in place currently and there are no separate or additional MFMA Circular No. 88 financial management indicator reporting requirements at this time.

Although the Climate Change indicator consultations were undertaken with the intention to introduce them at the integrated outcome level along with updated City Transformation indicators, consultation on the appropriate planning and reporting mechanisms for integrated outcome indicators remains ongoing. As a result, there are not any integrated outcome indicators included within this update, as these indicators will be linked to a metropolitan longer-term plan/strategy/framework in the future, possibly the MSDF and/or the CDS/GDS.

3.3 Expansion and revision of indicators

Two years of experience of metropolitan municipality reporting of MFMA Circular No. 88 has informed the consultations with sector departments and municipalities. Concurrent consultations undertaken by the Department of Cooperative Governance (DCoG) have further informed revisions and an update to the MFMA Circular No. 88 indicators. This has led to significant expansion, revision and replacement of the existing indicator set.

With the addition of the Economic Development sector and additional Compliance indicators, as well as the removal of indicators for City Transformation at the Integrated Outcome level, there has been a net increase of over 65 per cent in terms of the total indicator set. Please refer to the overview in Table 3 below as well as the details in Appendix E.

Among the existing indicators, nearly ¼ were altered or revised for further definitional clarity and refinement on the back of metro reporting experience. The alterations to these indicators are captured in detail in Appendix E.

Table 3: Changes in MFMA Circular No. 88 indicators from 2019 to 2020 updates

	2019	2020	NET
City Trans./ Int. Outcome	16	--	-16
Economic Development	--	25	+25
Electricity and Energy	18	21	+3
Environment and Waste	19	24	+5
Fire and Disaster	5	3	-2
Governance	22	22	--
Housing and Co. Fac.	19	22	+3
Transport and Roads	21	20	-1
Water and Sanitation	18	25	+7
Lower ord./Compliance	17	91	+74
	155	253	+98

Table 1 illustrates the maximum number of indicators per category, inclusive of all levels of readiness, based on the updated indicator set. Because these indicators apply on a differentiated basis per municipal category, with the full indicator set originally designed for

metropolitan municipalities, the expanded set of compliance indicators does not apply to metros in their entirety. These were expanded with a view to integrating the Back-2-Basics (B2B) reporting and as a result only 73 of the 91 compliance indicators apply in the case of metropolitan municipalities,¹ meaning that metropolitan municipalities have a total of 235 indicators that apply in practice.

It is important to emphasise that with the application of the reform across other categories of municipalities as a singular, differentially applied set of indicators for all of local government that the maximum number of indicators (253) does not apply in any one case. Among the differentially applied indicators are those that require 'National' or 'Shared' reporting outside the exclusive responsibilities of municipalities, as well as indicators at Tier 3 or 4 levels of readiness, which do not yet apply. As a result, in most cases municipalities are not responsible for reporting on more than half of the proposed indicators in practice at this time.²

3.4 Rationalisation of reporting in practice

With this update to MFMA Circular No. 88 a number of existing reporting requirements are expected to be integrated into the reporting process and practices, and thereby fall away as parallel reports. This includes the following reporting which is now considered integrated within the MFMA Circular No. 88 quarterly and annual reporting provisions:

- Back-2-Basics (B2B) monthly reporting to DCoG;
- Urban Settlements Development Grant (USDG) Performance Matrix reporting;
- BEPPs reporting of the City Transformation indicators; and
- Additional Service Delivery Information reporting to National Treasury.

4 Rolling out the reform to other categories of municipalities

The Department of Cooperative Governance (DCoG) has further advanced the development and application of the MFMA Circular No. 88 indicator set to intermediate cities, districts and local municipalities. With a view to eventually regulating the reform, a broader set of municipal and sector consultations were undertaken in terms of the provisions of Section 43 of the Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA) which provides for the Minister of Cooperative Governance and Traditional Affairs, after consultation with MECs for local government and organised local government representing local government nationally, to prescribe and regulate key performance indicators to local government.

It is therefore the intention of the Department of Cooperative Governance (DCoG) that the introduction of the MFMA Circular No. 88 indicators across local government serves as a pilot process towards eventual issuing a Regulation. The pilot of the MFMA Circular No. 88 indicators is intended to replace the Local Government: Planning and Performance Management Regulations of 2001, potentially targeted for November 2022.

Unlike the original circular (2017), this Addendum update applies **to all categories of municipalities**. It expands the scope of indicators applicable to the other categories of municipalities beyond metros (8)³ including:

- Intermediate (or secondary) Cities (39);
- District Municipalities (44); and
- Local Municipalities (166).

¹ For instance, 82 compliance indicators apply for intermediate cities; 75 for district municipalities and 74 for local municipalities.

² Metropolitan municipalities have the maximum reporting load with 105 Tier 1 and 2 indicators, 73 applicable compliance indicators and 14 applicable compliance questions per annual reporting cycle, inclusive of National and Shared indicators.

³ References the number of municipalities that are considered within each category.

Each MFMA Circular No. 88 indicator will be differentially applied per category of municipality and in terms of the four-tier readiness system. Only Tier 1 and Tier 2 indicators will apply to all municipalities from 2021/22 financial year onwards for the purposes of piloting.

Table 4: Extract from a TID specifying the categories of municipality an indicator applies and its level of readiness

Reporting responsibility	Applies to Municipal Category		Readiness
Municipality	Metro	Yes	Tier 2
	Intermediate City	Yes	Tier 3
	District	No	N/A
	Local	Yes	Tier 3

In Table 4 above, the indicator would apply to metropolitan municipalities, intermediate cities and local municipalities, but not districts. However, it would only be ready for planning and reporting in metropolitan municipalities for the 2021/22 financial year and would not yet be prescribed to intermediate cities and local municipalities.

4.1 Special pilot provisions for rollout across local government

In order to get the process of planning and reporting on the indicators going, to test the indicators and for municipalities to get the related planning and reporting processes and systems in place, a staggered pilot process will follow for the rest of local government. This is informed by audit considerations and in consultation with the Auditor-General of South Africa (AGSA) to support municipalities to adopt the reform without the risk of receiving audit findings as part of the pilot process.

The existing MFMA Circular No. 88 guidance to give expression to outcome indicators in the IDP (and annual IDP update) and output indicators in the SDBIPs will continue to apply to metropolitan municipalities only.

Due to the pilot process in the 2021/22 financial year, intermediate cities, district and local municipalities will not be required to incorporate the indicators in their existing performance indicator tables in the IDP and SDBIP. Instead, these indicators should find expression in a dedicated Annexure to the IDP and SDBIP which clearly indicates the MFMA Circular No. 88 indicators applicable to the municipality at Tier 1 and 2 levels of readiness.

For this pilot process, the applicable indicators as included in the Annexures will be monitored and reported on, on a quarterly and annual basis, to the DCoG and the provincial departments of Cooperative Governance and Traditional Affairs (COGTAs). No reporting in the MSA section 46 statutory annual performance report (APR) will be required.

Municipalities will continue to plan and report on the KPIs adopted in the indicators tables of the IDP and SDBIP in the section 46 APR as required for 2021/22.

This “parallel” pilot process will allow and encourage municipalities to plan, implement and report on the MFMA Circular No. 88 indicators, without limiting their statutory performance planning and reporting in fear of audit findings before they have not adequately institutionalized the process. e.g. It will further avoid the situation where municipalities replace or remove existing indicators on a function (e.g. with regard to water) in the official IDP and SDBIP, and only include the related MFMA Circular No. 88 indicators with no performance

reporting on the function in the statutory section 46 Annual Performance Report due to the pilot process.

Practically, piloting for all categories of municipality (except metros) means the following as it relates to municipal planning:

- Tier 1 and Tier 2 outcome, output and compliance indicators applicable to the municipality to be included in a dedicated Annexure to the IDP and SDBIP which clearly indicates the indicator;
- Baselines should be established for Tier 1 and Tier 2 outcome, output and compliance indicators and reflected in the IDP reviews/updates from 2021/22 onwards;
- Targets for outcome indicators should be set with a five-year horizon for local government (2025/26);
- Targets for output indicators should be set on an annual basis (2021/22, with potential quarterly targets depending on the frequency of the indicator); and
- NO targets should be set for compliance indicators as these are tracked for monitoring purposes only.

Practically, piloting for all categories of municipality (except metros) means the following as it relates to municipal reporting:

- Quarterly and annual reports will be submitted to Provincial COGTAs and DCoG for all Tier 1 and Tier 2 output and compliance indicators (quarterly and/or annual) and outcome indicators (annual only); and
- During pilot, NO reporting through the Section 46 Annual Performance Report (APR) will be required.

Municipalities can expect the Department of Cooperative Governance (DCoG) to fulfill the following roles and responsibilities as it relates to the introduction of these indicators:

- Coordinate the planning and reporting reform with the other centre of government departments and provide policy direction across municipal categories;
- Develop and issue the relevant planning and reporting templates, guidance notes and updates;
- Receive data from municipalities, and consolidated provincial reports from provincial CoGTA departments analyse and compare data from across municipal contexts and provide feedback;
- Facilitate the development of an ICT system for centralised transmission of data in line with plans for the District Development Model; and
- Issue extracts of the applicable Tier 1 and Tier 2 indicators and their summary definitions for all categories of municipality for ease of reference.

Municipalities can expect Provincial CoGTA departments to fulfil the following roles and responsibilities:

- Provide technical support for piloting and reporting by municipalities to provincial COGTA's and national DCoG;
- Utilise the DCoG guidance documentation and reporting templates;
- Host forums, briefings and platforms to support the uptake and rollout of the indicators;
- Establish a reporting process, follow-up with municipalities, analyse and develop a consolidated provincial report to the DCoG, and provide feedback to municipalities;
- Escalate Frequently Asked Questions to the DCoG and distribute/share/communicate FAQ's by DCoG in the provinces; and
- Provide feedback and suggestions to strengthen the reform rollout.

It is anticipated that the pilot rollout outside of established statutory planning and reporting requirements will provide valuable experience and insight to inform further updates ahead of eventual regulatory reform.

5 Evaluations

MFMA Circular No. 88 drew on the conceptual framing of a suite of policies set out in terms of the *Policy Framework for Government-wide Monitoring and Evaluation* (GWMES) (Presidency, 2007) to advance planning and reporting reforms. In particular, it built on the policy foundations of the *Framework for Managing Programme Performance Information* (FMPPI) (National Treasury, 2007) as well as the *South African Statistics Quality Assessment Framework* (StatsSA, 2010) (SASQAF) to specify results areas for municipal performance indicators and to distinguish between the different data terrains available to state actors for planning, monitoring and reporting purposes.

Figure 1: Three data terrains of the Government-Wide Monitoring and Evaluation System and their policy frameworks

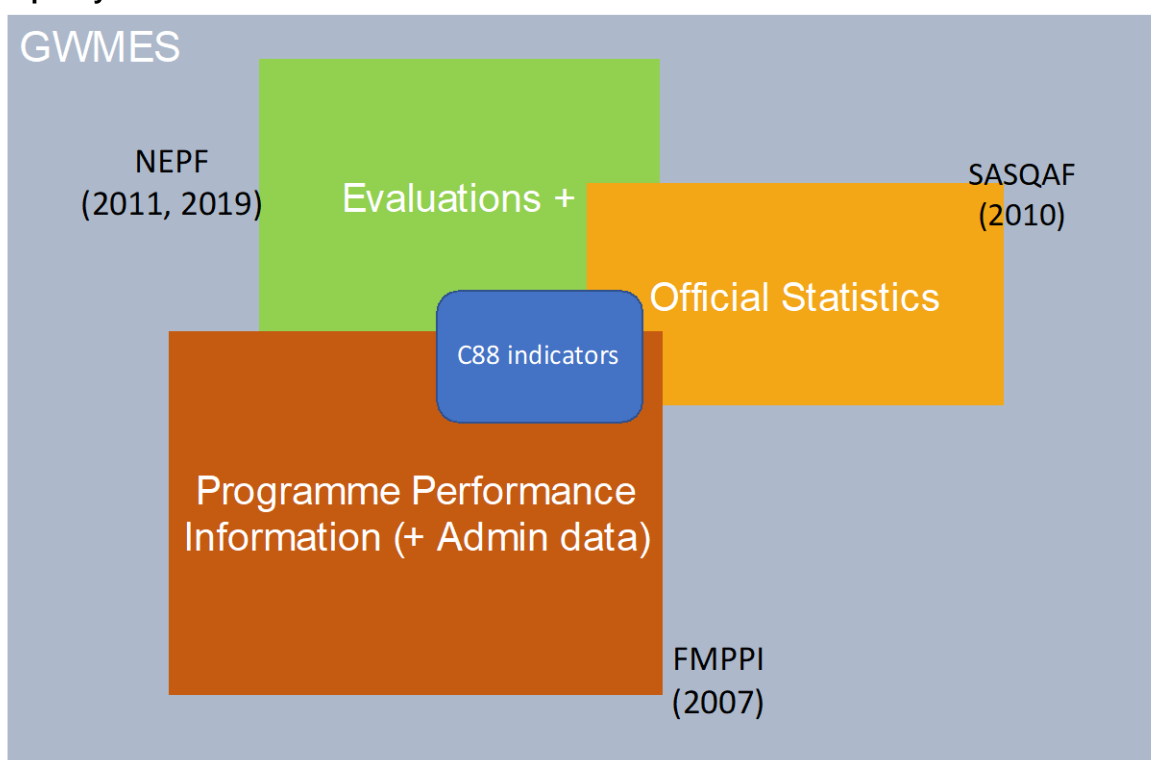


Figure 1 illustrates the three respective data terrains with their accompanying policy frameworks and situates the MFMA Circular No. 88 outcome, output and compliance indicators in relation to the data terrains they draw on. To date, all of the MFMA Circular No. 88 indicators have been developed and formulated with a view to locating them within either one of two data terrains set out in the *GWMES*: Programme Performance Information; or Official Statistics. However, the *Policy Framework for Government-Wide Monitoring and Evaluation* (GWME) provides for a third data terrain better suited to systematically and comprehensively answering ‘How’ and ‘Why?’ questions raised in relation to the achievement of outcomes: Evaluations. This update to MFMA Circular No. 88 reinforces the complementary function of evaluations in relation to planning, budgeting and reporting. It emphasizes that evaluations are the correct means of determining the achievement of outcomes, and that MFMA Circular No. 88 should not be misunderstood to suggest reporting on a set of performance indicators is sufficient to claim achievement of an outcome. Ultimately, municipalities that are able to coordinate and integrate their planning, budgeting, and reporting with periodic evaluation exercises will be in a much better position to advance evidence-based decision-making for improved developmental outcomes.

5.1 Institutionalising evaluation in the local government sphere

The 2019 National Evaluation Policy Framework (NEPF) has clarified the objective of ensuring local government successfully institutionalizes the practice of evaluation, as it is critical to the realization of the outcomes, of the National Development Plan (NDP). Further, the District Development Model provides an opportunity to advance this vital strategic function through better coordinated intergovernmental planning and budgeting. This occurs at a time when the MFMA Circular No. 88 reforms are advancing a differentiated, standardized and comparable set of indicators for all of local government. There are apparent synergies and common reform objectives related to evidence-based decision-making and cost-effectiveness of public sector strategies in this regard.

The NEPF sets out clearly the roles for the Department of Planning, Monitoring and Evaluation (DPME) along with DCoG and Provincial CoGTAs as it relates to evaluation. DPME has developed a three-phase approach to evaluation rollout and there is merit in recognizing how the outcomes areas and indicators that are monitored in relation to them provide ripe opportunities for the identification of objects of evaluation and to better understand what outcomes and impacts municipalities are directly contributing to in practice. This is all the more important when it comes to the realization of spatial transformation and associated integrated outcomes.

The MFMA Circular No. 88 addendum consultations have reinforced the potential value and timing of evaluations as an available data terrain and in relation to the overarching reforms. This addendum update seeks to confirm that planning, budgeting and reporting reforms should be seen within a broader cycle intended to make use of evidence to inform policy for better performance, accountability, knowledge generation and decision-making.

6 Conclusion

This Addendum and its appendices are an update to the MFMA Circular No. 88 dated 30 November 2017, the original circular, as well as the Addendum dated 4 December 2019 – this Addendum must be read together the original circular and the 2019 update and the relevant appendices. This Addendum provides guidance to all categories of municipalities.

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>

Hassen Mohamed Head: Local government Performance Assessment Department of Planning, Monitoring and Evaluation	Mohanuoa Mabidilala Chief Director: Performance Monitoring and Evaluation Department of Cooperative Governance	Jan Hattingh Chief Director: Local Government Budget Analysis National Treasury
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17 December 2020



Municipal Budget Circular for the 2021/22 MTREF

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Introduction

This budget circular is a follow-up to the one issued in December 2020. It guides municipalities with their preparation of the 2021/22 Medium Term Revenue and Expenditure Framework (MTREF) and, as with previous annual budget circulars, it should be read within this context. This Circular is linked to the Municipal Budget and Reporting Regulations (MBRR) and the municipal Standard Chart of Accounts (mSCOA); and strives to support municipalities' budget preparation processes so that the minimum requirements are achieved. The key focus of this Circular is the grant allocations per the 2021 Budget Review and the 2021 Division of Revenue Bill.

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

1. The South African economy and inflation targets

The South African economy contracted by an estimated 7.2 per cent in 2020 compared with the 7.8 per cent contraction projected in the 2020 Medium Term Budget Policy Statement (MTBPS). The revised estimate results from easing lockdown restrictions in the third quarter and a faster-than-expected resumption of global growth, especially in China. The National Treasury projects real economic growth of 3.3 per cent in 2021, following an estimated contraction of 7.2 per cent in 2020. Real GDP growth is expected to moderate to 1.9 per cent in 2022 and 2023.

The outlook remains highly uncertain, and the economic effects of the pandemic are far-reaching. There were 1.7 million fewer jobs by the third quarter of 2020 compared to the same period in 2019. Rising unemployment and income losses have entrenched existing inequalities. GDP is only expected to recover to pre-pandemic levels in late 2023. High-frequency data for the third quarter, such as the volume of electricity distributed, mining and manufacturing output, business confidence and the ABSA Purchasing Managers' Index (PMI) shows evidence of a limited economic rebound.

Although growth rates are likely to improve quickly as restrictions are removed, based on current projections, the output is only expected to return to pre-pandemic levels in 2024. Given South Africa's structural constraints, its recovery will be slower than many of its developing-country peers. Industrial sectors (which include mining, manufacturing, construction and utilities) lagged substantially, undermined by structural constraints including unreliable electricity supply and weak public investment that preceded the pandemic. Over the next several years, the country requires the implementation of long-standing structural reforms to sustainably move to a higher growth path.

These economic challenges will continue to exert pressure on municipal revenue generation and collection levels; hence a conservative approach is advised for revenue projections.

The following macro-economic forecasts must be considered when preparing the 2021/22 MTREF municipal budgets.

Table 1: Macroeconomic performance and projections, 2019 - 2023

Fiscal year	2019/20	2020/21	2021/22	2022/23	2023/24
	Actual	Estimate	Forecast		
CPI Inflation	4.1%	3.3%	3.9%	4.2%	4.4%

Source: 2021 Budget Review.

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

2. Key focus areas for the 2021/22 budget process

2.1 Changes to local government allocations

Over the next three years, municipalities will have to adjust to significant changes in expenditure plans while improving accountability. The 2021 Budget protects transfers that focus on infrastructure, service delivery and COVID-19 spending while reducing those spent less effectively. The 2021 Budget includes funding for initiatives to improve municipal revenue collection and support financially distressed municipalities.

Transfers to local government over the medium-term account for **9.4 per cent** of nationally raised funds after providing for debt-service costs, the contingency reserve and provisional allocations. Local government's share of revenue has risen in relative terms because reductions to the public-service wage bill affect only national and provincial government. Local government transfers grow by an annual average of 5.2 per cent over the MTEF; the equitable share declines by 4.4 per cent and conditional grants grow by 7.3 per cent. As part of government's fiscal consolidation policies over the medium term, transfers to local government are reduced by R19.4 billion, including R14.7 billion from the local government equitable share, R2.7 billion from the general fuel levy and R2 billion in direct conditional grants.

Conditional grants

The reduction to direct conditional grants includes R329 million from the *municipal infrastructure grant* and R21 million from the *integrated urban development grant*. These amounts have been reprioritised from underspending grants to fund a once-off councillor gratuity for non-returning councillors. The largest proportional reduction of R1.3 billion to local government grants has been made in the *public transport network grant*, because only six of the 13 cities receiving the grant have successfully launched public transport systems. Indirect conditional grants are reduced by R286 million over the period.

Government continues to reform the system of conditional grant transfers to local government based on the principles set out in the 2019 Budget Review. In 2021, government will expand the scope of the *municipal infrastructure grant* to allow municipalities to use up to 5 per cent of their allocation to develop infrastructure asset management plans. This change addresses poor asset management in municipalities.

In 2020, the *integrated city development grant* was repurposed to assist cities to build internal capacity or obtain technical support to prepare and package key infrastructure projects. This will continue in 2021 and private sector participation will be encouraged in these projects.

Two standalone *informal settlement upgrading grants* for provinces and municipalities will be introduced from 2021/22. These grants are made up of components previously within the *human settlements development grant* and the *urban settlements development grant* for provinces and municipalities respectively. In addition, the Municipal Systems Improvement Grant scope is extended to fund comprehensive institutional diagnostic assessments of the 21 district areas where the district municipality is a water service authority and the development of institutional improvement/ support plans that will inform all future capacity development programmes and municipal support initiatives to enhance the continued rollout of the rollout of the District Development Model (DDM).

Municipalities are reminded that all allocations included in their budgets must correspond to the allocations listed in the Division of Revenue Bill. All the budget documentation can be accessed from the National Treasury website by clicking on the link below:
<http://www.treasury.gov.za/documents/national%20budget/2021/>

3. 2021 Local Government Elections and the budget process

Municipalities are advised to refer to MFMA Circular No. 107 on risks related to the Local Government elections and issues to be considered in compiling the 2021/22 MTREF in addition to the information provided below.

3.1 Transitional processes - development and adoption of IDPs during the 2021 election year

The 2020/21 municipal financial year represents the last year of the current municipal councils' electoral term. Therefore, the next municipal election to usher in new councils is expected to take place between August and November 2021 in terms of the Section 24 (2) of the Municipal Structures Act, 2000 (Act No. 32 of 2000) (MSA).

It is acknowledged that the period within which the coming election's date is expected takes place after the start of a new financial year. This particular scenario poses a latent challenge in so far as adherence to legislated timeframes with regard to the adoption of the 5-year Integrated Development Plan (IDP) and the subsequent implementation.

Given the fact that the IDP and budget would need to be reviewed and adopted by 30 June 2021, the current council has an obligation to ensure that these stipulations are complied with. In this regard, the current council will be expected to continue reviewing the IDP and ensuring that it is adopted within the legislated timeframe.

Section 25 (3) of the MSA does allow the municipal council to adopt the IDP of the preceding council. However, should the incoming councils be unhappy with the priorities set out by the current council, in this case, municipal councils are advised to consider the existing adopted IDP and resolve to initiate or not to initiate an amendment procedure as guided by the MSA and the Municipal Performance and Planning Regulations (2001).

The Department of Cooperative Governance (DCoG), through the Chief Directorate: Development Planning, is rolling out the revised IDP guidelines to municipalities. These guidelines are aimed to, amongst others, guide municipalities with regards to the adoption of IDPs during an election year.

3.2 Hand-over reports for the newly elected councils

Each municipal manager, working together with the CFO and senior managers, is encouraged to prepare a hand-over report that can be tabled at the first meeting of the newly elected council. This hand-over report aims to provide the new councils important orientation information regarding the municipality, the state of its finances, service delivery and capital programme, as well as key issues that need to be addressed.

It is proposed that the hand-over report should include:

- An overview of the demographic and socio-economic characteristics of the municipality;
- An overview of the organisational structure of the municipality, with the names and numbers of senior managers;
- An overview of key municipal policies that councillors need to be aware of and where they can obtain the full text of such policies;
- An overview of issues that still need to be addressed in relation to the municipality's turnaround strategy;
- An overview of the municipality's financial health, with specific reference to:
 - Its cash and investments, and its funding of commitments (Table A8);
 - Cash coverage of normal operations (see Supporting Table SA10);

- Creditors outstanding for more than 30 days, along with reasons for delayed settlement;
- Current collection levels and debtors outstanding for more than 30 days; and
- Extent of existing loans and associated finance and redemption payments.
- The municipality's 2019/20 audit outcome and its strategy to address audit issues;
- An overview of the provision of basic services, including plans to address backlogs;
- An overview of the state of the municipality's assets, with particular reference to the asset management plan, and repairs and maintenance requirements;
- A list of the main infrastructure projects planned for the 2021/22 budget and MTREF;
- A list of key processes requiring council input over the next six months, e.g. revision of the IDP, approval of specific policies etc. and
- Any other information deemed to be important.

In addition to the hand-over report, each new councillor should be given the municipalities' revised IDP, the adopted 2021/22 MTREF budget, the mid-year budget and performance assessment report for 2020/21, and the latest monthly financial statement, and the annual report for 2019/20.

Municipal managers should submit their municipality's hand-over report to the relevant provincial department responsible for local government, to the Department of Co-operative Governance (DCoG) and National and Provincial Treasuries.

4. Municipal Standard Chart of Accounts (*mSCOA*)

4.1 Opening balances

It was noted that some municipalities are not transferring their opening balances consistently to the current year of transacting. Opening balances for the previous year must be transferred in the first month (M01) of the current year, and all adjustments made during the preparation of the annual financial statements in period 14 and 15 must be transferred through journals to the opening balances of the current year in the month that it becomes apparent. When municipalities are not doing this correctly and consistently, it compromises the credibility of the *mSCOA* data strings submitted.

Importantly, journals may only be passed in the core financial system and not in 3rd party sub-systems.

4.2 Surplus or deficit journals

The Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) and MBRR require that municipalities perform their month-end reconciliations at the end of every month before they submit their financial performance information to the National Treasury. Surplus or deficit journals must be passed monthly before a data string is generated to ensure that the financial system remains in balance. The monthly data strings reflected in the Statement of Financial position (table C6 of the regulated C Schedules) will not be in balance for those municipalities that are not doing this, and their *mSCOA* data strings will therefore not be accurate.

Municipalities must also reconcile their creditors and debtors and all month-end processes **before** they submit their monthly data strings to ensure that the data submitted to the National Treasury Local Government Database is credible.

4.3 Rollovers and repayment of unspent grants

Municipalities are required to use the correct posting levels and movement accounting when conditional grants are being receipted, recognised, rolled over, and unspent grants are repaid. The accounting for grants should be done in accordance with GRAP 23: Revenue from

exchange transactions (Taxes and Transfers). Refer to **Annexure A** of this Circular on the correct treatment of rollovers and repayment of unspent grants in *mSCOA*.

5. The revenue budget

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the municipality's financial sustainability. The Consumer Price Index (CPI) is forecasted to be within the lower limit of the 3 to 6 per cent target band; therefore, municipalities are required **to justify all increases in excess of the projected inflation target for 2021/22 MTREF** in their budget narratives and pay careful attention to the differential incidence of tariff increases across all consumer groups. It is noted that the tariff increases by Eskom and Water Boards are above inflation and should be considered as such while determining cost-reflective tariffs. In addition, municipalities should include a detail of their revenue growth assumptions for the different service charges in the budget narrative.

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

5.1 Eskom Bulk Tariff increases

The National Energy Regulator of South Africa (NERSA) is responsible for price determination of the bulk costs for electricity. In March, NERSA approved a municipal tariff increase of 6.9 per cent effective 1 July 2020 (1.2 per cent lower than the tariff increase in Multi-Year Price Determination (MYPD) 4 period due to differences in municipal and national financial years).

The equitable share formula uses the 9.9 per cent bulk tariff increase used when National Treasury calculated the baseline for this year in the 2020 MTEF period. Other (non-bulk) electricity costs are updated based on the National Treasury's inflation projections in the 2020 MTBPS. This is due to fiscal constraints and the fact that the court had not pronounced on the Eskom matter at the time that the budget was finalised.

The additional R10 billion that the courts have allowed Eskom to recover in the 2021/22 national financial year translates to a 15.6 per cent bulk increase over the national financial year. However, given that the increase only comes into effect in July for municipalities, NERSA typically allows a higher percentage increase so that Eskom can recover the additional allowable revenue from municipalities over 9 months before the national financial year ends. Therefore, the increase should be expected to be between 16 to 20 per cent. Municipalities can mitigate the negative impact of this increase by improving efficiencies on both the revenue collections and the spending side.

The outer two years of the 2021 MTEF use 8.9 per cent, which is an average annual tariff increase used for the NERSA's multi-year price determination period of 1 April 2019 to 31 March 2022. Moreover, the outer year is anticipated to be the first year of the MYPD 5 period, yet to be published.

6. Funding choices and management issues

Municipalities are under pressure to generate revenue as a result of the economic landscape, the COVID-19 pandemic, weak tariff setting and increases in key cost drivers to provide basic municipal services. Customers' ability to pay for services is declining, which means that less revenue will be collected.

In order to achieve financial sustainability, municipalities must demonstrate the political will to implement the changes required to improve their performance. Where municipalities consistently fail to deliver their mandates, the Constitution provides for provincial and/or national government to intervene.

6.1 Employee related costs

The *Salary and Wage Collective Agreement* for the period 01 July 2018 to 31 June 2020 has come to an end and a new agreement is under consultation, which we hope will take into account the current fiscal constraints faced by government. Therefore, in the absence of any information in this regard from the South African Local Government Bargaining Council (SALGBC), municipalities are advised to take into account their financial sustainability when considering salary increases. It has been observed over the previous years that salary increases were above inflation. In addition, municipalities that could not afford such increases did not apply for exemption as provided by SALGBC.

Given the current economic condition exacerbated by the COVID-19 pandemic, municipalities are urged to consider projecting increases to wage that would reflect their affordability. Some municipalities are already not able to afford the current wage cost and would indeed have to apply no more than a zero per cent increase in the 2021/22 MTREF and exercise the option for exemption for any negotiated increase above the level of their affordability.

Therefore, should accounting officers fail to consider salary increases within the ambit of the municipality's available resources and financial position, such failure will constitute an act of financial misconduct as defined in section 171 of the MFMA read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

6.2 Remuneration of councillors

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published annually between December and January by the Department of Cooperative Governance. It is anticipated that this salary determination will also take into account the fiscal constraints. Municipalities should also consider guidance provided above on salary increases for municipal officials during this process.

6.3 Payment of danger allowance to the employees

The work undertaken by the frontline staff in rendering services to communities must be appreciated whilst understanding the country's economic situation and the world resulting from the impact of COVID-19 pandemic. The SALGBC Circular No. 5 of 2020 provides advice to municipalities about the payment of danger allowance to employees working at the frontline to fight the COVID-19 pandemic.

The Circular provides that the council of the municipality must have an approved policy that should guide how the danger allowance should be paid, based on the affordability of the municipality. During this difficult financial situation posed by the COVID-19 pandemic, municipalities must consider the following:

1. Determine whether or not the municipality will afford the percentage increase in order to accommodate the Danger Allowance;
2. Assess the current status of the Employee Related Costs that form part of the municipality's budget in order to ascertain whether or not the inclusion of such allowance will not place the municipality's financial position in jeopardy in terms of the total Employee Related Costs as a percentage of the total expenditure;
3. Determine the credible funding source for the payment of Danger Allowance;

4. In this case the municipality must subject that change to “public participation processes” when dealing with the 2021/2022 MTREF based on the funding source; and
5. The municipality must also have a policy that operationalise the implementation of this kind of an allowance, only based on the determination/ assessment as per the aforementioned points.

6.4 Mayor’s discretionary funds and similar discretionary budget allocations

It has been observed that many municipal budgets contain sub-votes or allocations to “Mayoral Discretionary Funds”, “Special Projects”, “Special Events” or similar discretionary type funds. Municipalities must refer to section 12 of the MFMA in relation to setting up a relief, charitable, trust or other funds.

National Treasury regards these types of allocations as a bad practice because:

- It is not clear how they are aligned to the constitutional requirement that municipalities structure their budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community (see section 153(a) of the Constitution);
- They do not provide for the appropriation of funds for the purposes of a department or functional area of the municipality (see the definition of ‘vote’ in section 1 of the MFMA);
- They undermine the budget consultation processes since the intended use of the funds is not transparently reflected in the tabled budget; and
- There is a risk that they may be abused for personal gain or to improperly benefit another person or organisation.

Therefore, National Treasury discourages allocations of this nature. Good budget practice requires that a municipal budget should transparently indicate the purposes and areas where municipal funds (i.e. public funds) are to be allocated. These kinds of discretionary funds immediately raise public suspicions of impropriety and corruption. In terms of section 52(a) of the MFMA the Mayor “must provide general political guidance over the fiscal and financial affairs of the municipality”. The Mayor, therefore, provides direct input into the budget. If this is the case, why does the Mayor require a ‘discretionary / personal slush fund’?

Section 17(3)(b) of the MFMA requires that when an annual budget is tabled it must be accompanied by “measurable performance objectives ... for each vote in the budget”. What measurable performance objectives can be set in relation to these funds given that their use is at the discretion of the Mayor? This means the transparent and effective use of these funds cannot be monitored and assessed by the council and the public.

National Treasury notes that section 17(3)(j) of the MFMA requires that when an annual budget is tabled it must be accompanied by “particulars of any proposed allocations or grants by the municipality to ... (iv) any organisations or bodies referred to in section 67(1)”. The aim of this provision is to ensure that all proposed allocations or grants are presented transparently in the budget documentation that is tabled for public consultation and council approval, as well as for budget management and monitoring purposes. *Any allocations or grants made to organisations or bodies that are not reflected in a municipality’s budget or adjustments budget must be regarded as unauthorised expenditure because they are “(f) a grant by the municipality otherwise than in accordance with this Act”* (see definition of unauthorised expenditure in section 1 of the MFMA).

National Treasury further notes that section 67 of the MFMA only allows funds to be transferred to ‘an organisation or body’ and not to an individual. Any allocations or grants to individuals, *other than in terms of the municipality’s indigent policy or bursary scheme, must be regarded as*

irregular expenditure because they are expenditures not in accordance with a requirement of the MFMA.

National Treasury and provincial treasuries will exercise close oversight of all discretionary type allocations in municipal budgets. If there are any concerns about the use of these funds, section 74 of the MFMA will be used to request information in this regard and analyse it for consistency with the MFMA legal framework.

7. Conditional Grant Transfers to Municipalities

The annual Division of Revenue Act requires that municipalities must request for a rollover approval against any unspent conditional grants that were allocated through the Act, therefore this section provides guidance to municipalities with regard to the preparation for the 2020/21 unspent conditional grant and rollover process and should be referenced against previous annual budget circulars.

7.1 Criteria for the rollover of conditional grant funds

In terms of Section 22 of the Division of Revenue Act, 2020 (Act No.4 of 2020) (DoRA) in conjunction with the Division of Revenue Amendment Act, 2020 (Act No. 10 of 2020) (DoRAA) and the Division of Revenue Second Amendment Act, 2020 (Act No. 20 of 2020), the Act requires that any conditional allocation or a portion thereof that is not spent at the end of the 2020/21 financial year reverts to the National Revenue Fund, unless the rollover of the allocation is approved in terms of subsection (2). Furthermore, the receiving officer, provincial treasury and national transferring officer is required to prove to National Treasury that the unspent allocation is committed to identifiable projects, in which case the funds may be rolled over.

When requesting a rollover in terms of section 22(2) of the 2020 DoRA, municipalities must include the following information with their submission to National Treasury:

1. A formal letter, signed by the accounting officer addressed to the National Treasury requesting the rollover of unspent conditional grants in terms of section 22(2) of the 2020 DoRA;
2. A list of all the projects that are linked to the unspent conditional grants and a breakdown of how much was allocated and spent per project;
3. The following evidence indicating that work on each of the projects has commenced, as applicable to the specific rollover(s):
 - a) Proof that a contractor or service provider was appointed for delivery of the project before 31 March; or
 - b) Proof of project tender and tender submissions published and closed before 31 March with the appointment of contractor or service provider for delivery of service before 30 June in cases where additional funding was allocated during the course of the final year of the project;
 - c) Incorporation of the Appropriation Statement;
 - d) Evidence that all projects linked to an allocation will be fully utilised by 30 June 2022 (attach cash flow projection for the applicable grant).
4. A progress report (also in percentages) on the status of each project's implementation that includes an attached **legible implementation plan**;
5. The value of the committed project funding and the conditional allocation from the funding source;
6. Reasons why the grants were not fully spent during the year of original allocation per the DoRA;

7. Rollover of rollovers will not be considered therefore municipalities must not include previous year's unspent conditional grants as rollover request;
8. An indication of the time period within which the funds are to be spent if the rollover is approved; and
9. Proof that the Municipal Manager and Chief Financial Officer are permanently appointed.

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

If any of the above information is not provided or the application is received by National Treasury (Intergovernmental Relations Division) after 31 August 2021, the application will be declined.

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

1. Compliance with the in-year reporting requirements in terms of sections 71 and 72 of the MFMA and section 12 of the 2020 DoRA, **including the municipal manager and chief financial officer signing-off on the information** sent to National Treasury;
2. Submission of the pre-audited Annual Financial Statements to National Treasury by 31 August 2021;
3. Accurate disclosure of grant performance in the 2020/21 pre-audited Annual Financial Statements, (i.e. correct disclosure of grant receipts and spending in the notes to the AFS);
4. Despite the fact local government is required to comply to different norms and standards prescribed by different legislations, municipalities are expected to fully comply with the provisions of DoRA that relates to rollover processes and disclose conditional grant performance in the 2020/21 pre-audited Annual Financial Statements in order to verify grant expenditure; and
5. Cash available in the bank (net position including short term investments) as at 30 June 2021 is equivalent to the unspent amount at the end of the financial year. If the amount that is requested for rollover **is not entirely cash-backed**, such a rollover will not be approved. National Treasury will also not approve portions of rollover requests.

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

1. The entire 2020/21 allocation to the municipality, in cases whereby the rollover request is more than 50 per cent of the total allocation, National Treasury will approve the rollover amount up to 50 per cent of the 2020/21 allocation;
2. Rollover request of the same grant for the third consecutive time;
3. Funding for projects constituted through Regulation 32 of the Municipal Supply Chain Management Regulations (Gazette No.27636). Projects linked to additional funding and disasters are exempted; and
4. A portion of an allocation where the proof of commitment for the rollover application is linked to invoices that were issued before or on 31 May 2021.

7.2 Rollover request against the Covid-19 allocated through the Equitable Share

The Division of Revenue Amendment Act, 2020 (Act No 10 of 2020) made available to Local government an amount of R11 billion following the President's speech on 20 April 2020. The President pronounced that R20 billion would be made available to municipalities in order to provide emergency water supply, increase sanitation of public transport facilities, and provide

food and shelter for the homeless. The R20 billion consisted of an additional allocation of R11 billion, which was transferred through the Equitable Share, and the R9 billion was funded from the repurposed spending within conditional grants allocated to municipalities. This increased the 2020/21 municipal Equitable Share allocation from R74.7 billion to R85.7 billion.

The R11 billion added to the local government Equitable Share allowed municipalities to maintain existing services despite a temporary decline in revenue collections and also cover some additional expenses incurred in response to the pandemic, including the provision of temporary shelter for homeless people during the lockdown.

Although the R11 billion was allocated through an unconditional grant (Equitable Share), these are committed funds in response to the Covid-19 pandemic. Consequently, the municipalities are required to request a rollover from National Treasury of any unspent committed Covid-19 allocation to be rolled over into the 2021/22 financial year.

Municipalities are therefore required to provide the following information to National Treasury in order to prove that the unspent funds are committed and also provide approval to allow the unspent funds to be spent in the 2021/22 financial year.

1. Provide the contracts that are linked to the response of the Covid-19 pandemic in line with the provisions made in the 2020 DoRAA;
2. Reasons why the funds were not fully spent during the year of original allocation per the DoRAA;
3. Accurate disclosure of Covid-19 allocation expenditure in the 2020/21 pre-audited Annual Financial Statements, (i.e. correct disclosure of grant receipts and spending in the notes to the AFS); and
4. Any expenditure incurred against the unspent Covid-19 funds that was not approved for the rollover will be regarded as unauthorized expenditure.

7.3 Unspent conditional grant funds for 2020/21

The process to ensure the return of unspent conditional grants for the 2020/21 financial year will be managed in accordance with section 22 of the DoRA. In addition to the previous MFMA Circulars, the following practical arrangements will apply:

- Step 1: Municipalities must submit their June 2021 conditional grant expenditure reports according to section 71 of the MFMA reflecting all accrued expenditure on conditional grants and further ensure that expenditure reported to both National Treasury and national transferring officers reconcile;
- Step 2: When preparing the Annual Financial Statements, a municipality must determine the portion of each national conditional grant allocation that remained unspent as at 30 June 2021. These amounts MUST exclude all interest earned on conditional grants, retentions and VAT related to conditional grant spending that has been reclaimed from SARS, which must be disclosed separately; and
- Step 3: If the receiving officer wants to motivate in terms of section 22(2) of the 2020 DoRA that the unspent funds are committed to identifiable projects, the rollover application pack must be submitted to National Treasury by no later than 31 August 2021.

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

- Step 4: National Treasury will confirm in writing whether or not the municipality may retain any of the unspent funds as a rollover based on criteria outlined above by 22 October 2021;

- Step 5: National Treasury will communicate the unspent conditional grants amount by 08 November 2021. A municipality must return the remaining unspent conditional grant funds that are not subject to a specific repayment arrangement to the National Revenue Fund by 19 November 2021; and
- Step 6: Any unspent conditional grant funds that should have, but has not been repaid to the National Revenue Fund by 19 November 2021, and for which a municipality has not requested a repayment arrangement, will be offset against the municipality's 07 December 2021 equitable share allocation.

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

7.4 Importance of section 17 of the Division of Revenue Act

The purpose of this section is to provide further clarity on section 17 of DoRA in relation to the transfer of funds to the organ of state in order to implement projects on behalf of the municipalities.

Section 17 (3) of DoRA states that a receiving officer may not allocate any portion of a schedule 5 allocation to any other organ of state for the performance of a function, unless the receiving officer and the organ of the state agree on the obligation of both parties and a payment schedule, the receiving officer has notified the transferring officer, the relevant provincial treasury and National Treasury of the agreed payment schedule and:

- a. The allocation
 - i) Is approved in the budget for the receiving provincial department or municipality; or
 - ii) If not already approved;
 - aa) the receiving officer notifies the National Treasury that the purpose of the allocation is not to artificially inflate the expenditure estimates of the relevant municipality and indicates the reasons for the allocation; and
 - bb) the National Treasury approves the allocation; or
- b. The allocation is for the payment for goods or services procured in accordance with the procurement prescripts applicable to the relevant province or municipality and, if it is an advance payment, paragraph (a) (ii) applies with the necessary changes.

Further, section 17 (4) states that the receiving officer must submit a copy of the agreement envisaged in subsection (3) to the transferring officer and the National Treasury before payment is made.

This section requires municipalities to comply with section 17 (3) before any DoRA allocated funds are allocated to any organ of state, and the municipality should first seek approval from National Treasury.

Note that National Treasury considers the following when assessing the request from the municipality for approval:

1. If the municipality is benefitting and utilising from the five per cent from capital grants that may be utilised for Project Management Unit (PMU). In terms of the capital grant framework (i.e. MIG and IUDG and three per cent for the USDG), municipalities are allowed to utilise a certain per cent of the grant for PMU or capacity support in order to implement capital projects. Therefore, if municipalities are benefitting from this initiative, the PMU should be capacitated enough to implement capital project;
2. Municipalities that are benefitting from the added technical support from Municipal Infrastructure Support Agent (MISA) will not be granted approval because MISA would assist with providing support and develop technical capacity towards sustained

- accelerated municipal and service delivery. This implies that the municipality would be capacitated and be in a better position to implement capital project; and
3. If the request does not comply with the grant conditions, framework and if the transfer artificially inflates the expenditure estimates.

The following information must be submitted to National Treasury before approval is granted to municipalities to transfer funds to organs of the state:

1. In consultation with the relevant transferring officer municipalities must submit their request to National Treasury for approval;
2. Provide the time frames regarding the duration of this arrangement between the municipality and the organ of the state;
3. Provide the Service Level Agreement between the municipality and the organ of the state in consultation with the relevant transferring officer;
4. Provide the agreed payment schedule reflecting the disbursement of the funds;
5. Must provide the reasons why the municipality has taken such a decision;
7. If amongst the reasons for the request is related to capacity challenges, the municipality must therefore prove beyond reasonable doubt that there are capacity challenges and the reasons thereof; and
8. Upon approval, the municipality must submit the approved budget that includes the allocation.

Note that once the allocation has been approved, the payment for goods or services must be procured in accordance with or in compliance with the procurement prescripts applicable to the relevant municipality. If there is an agreement for an advancement, subsection (a) (ii) will apply in order to determine if the payment does not artificially inflate the expenditure estimates. Further, before funds are transferred, the national transferring officer and National Treasury must agree on the payment schedule.

Therefore, if any expenditure incurred which emanates from such an arrangement while there was non-compliance with section 17, grant conditions and framework, such expenditure will not be recognised by both National Treasury and relevant transferring officer and will be classified as unauthorised expenditure.

8. The Municipal Budget and Reporting Regulations

8.1 Service Level Standards

Municipalities are reminded to update the service level standards which must form part of their 2021/22 MTREF tabled budget documentation. A broad framework on the minimum service standards was issued with MFMA Circular No. 75. Therefore, the outline must be used as a guideline and be amended accordingly to align to the municipality's specific circumstances.

8.2 Assistance with the compilation of budgets

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

Province	Responsible NT officials	Tel. No.	Email
Eastern Cape	Matjatji Mashoeshoe	012-315 5553	Matjatji.Mashoeshoe@treasury.gov.za
Buffalo City	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
Free State	Cethekile Moshane	012-315 5079	Cethekile.moshane@treasury.gov.za

Gauteng	Kgomotso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za
Johannesburg and Tshwane	Kevin Bell	012-315 5725	Kevin.Bell@treasury.gov.za
	Willem Voigt	012-315 5830	WillemCordes.Voigt@treasury.gov.za
			Sifiso.Mabaso@treasury.gov.za
KwaZulu-Natal	Kgomotso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za
eThekweni	Mpati Rakgwale		Mpati.Rakgwale@treasury.gov.za
	Una Rautenbach	012-315 5700	Una.Rautenbach@treasury.gov.za
	Abigail Maila		Abigail.Maila@treasury.gov.za
Limpopo	Willem Voigt	012-315 5830	WillemCordes.Voigt@treasury.gov.za
	Sifiso Mabaso	012-315 5952	Sifiso.Mabaso@treasury.gov.za
Mpumalanga	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
Northern Cape	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
	Phumelele Gulukunqu	012 315 5539	Phumelele.Gulukunqu@treasury.gov.za
North West	Willem Voigt	012-315 5830	WillemCordes.Voigt@treasury.gov.za
	Makgabo Mabotja	012-315 5156	Makgabo.Mabotja@treasury.gov.za
Cape Town	Kgomotso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za
George	Willem Voigt and	012-315 5830	WillemCordes.Voigt@treasury.gov.za
	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
Technical issues with Excel formats	Kgomotoso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za

9. Budget process and submissions for the 2021/22 MTREF

9.1 Submitting budget documentation and A1 schedules for 2021/22 MTREF

To facilitate oversight of compliance with the MBRR, accounting officers are reminded that:

- Section 22(b)(i) of the MFMA requires that **immediately** after an annual budget is tabled in a municipal council, it must be submitted to the National Treasury and the relevant provincial treasury in electronic formats. If the annual budget is tabled to council on **31 March 2021**, the final date of submission of the electronic budget documents and corresponding mSCOA data strings is **Thursday, 01 April 2021**.

Section 24(3) of the MFMA, read together with regulation 20(1) of the MBRR, requires that municipalities must submit the approved annual budget to both National Treasury and the relevant provincial treasury **within ten working days** after the council has approved the annual budget. E.g. if the council approves the annual budget on **31 May 2021**, given the new timeframe for the evaluation of the municipal budgets, the adopted budget data strings and documentation must be submitted by the latest **Monday, 14 June 2020**.

Municipalities are no longer expected to submit hard copies of all required documents including budget-related, Integrated Development Plan, Service Delivery Budget and Implementation Plan, Annual Financial Statements and Annual Reports to National Treasury via post or courier services. Electronic copies must be submitted in pdf format to the LG Upload portal or lgdocuments@treasury.gov.za.

9.2 Consolidated budgets and reports

Municipalities with entities are reminded that they must prepare and submit MTREF budgets, section 71 reports, annual financial statements and annual reports for both the parent municipalities and consolidated documents that incorporates the entity information in terms of the MBRR.

9.3 Submission using LG Upload Portal

In MFMA Budget Circular No 107, it was indicated that budget-related documents and schedules must be uploaded by approved registered users using the LG Upload Portal at: <https://lguploadportal.treasury.gov.za/> and that National Treasury was planning to retire lgdocuments@treasury.gov.za from 01 July 2021 to ensure that there is a single collection point of municipal financial data. However, based on workflow licensing challenges on the LG Upload Portal, data string submissions will shortly be shifted to the Open Portal GoMuni while documents must still be submitted using lgdocuments@treasury.gov.za. The document submissions will also be shifted to GoMuni as soon as possible.

All municipalities and their entities had to prepare their MTREF budget directly on the mSCOA financial systems from 01 July 2017. Therefore, all MBRR schedule submissions must be submitted in **PDF format only**.

9.4 Publication of budgets on municipal websites

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

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

Contact



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Post Private Bag X115, Pretoria 0001

Phone 012 315 5009

Fax 012 395 6553

Website <http://www.treasury.gov.za/default.aspx>

JH Hattingh

Chief Director: Local Government Budget Analysis

08 March 2021

Annexure A: Treatment of Rollovers and repayment of unspent grants in mSCOA

Cash receipting of a conditional grant

The receiving of grants must be accounted for against (Dt) Bank and (Cr) Item Liabilities: Unspent grants: Capital: Monetary: Municipal Infrastructure Grant: Receipts as shown below:

— Municipal Infrastructure Grant(IL-001-007-002-001-002-005-002)

Opening Balance(IL-001-007-002-001-002-005-002-001)

Receipts(IL-001-007-002-001-002-005-002-002)

Recognising the revenue when the grant is spent

When the grant is spent in accordance with the conditions of the grant, a transaction must be passed against the (Dt) Item Liabilities: Transferred to Revenue/ Capital Expenditure and (Cr) Item Revenue: Non-Exchange Transactions: Transfers and subsidies: Capital: Monetary allocations: National Government: Municipal Infrastructure Grant as shown below:

Debit Item Liability: posting level

— Municipal Infrastructure Grant(IL-001-007-002-001-002-005-002)

Opening Balance(IL-001-007-002-001-002-005-002-001)

Receipts(IL-001-007-002-001-002-005-002-002)

Transferred to Revenue/Capital Expenditure(IL-001-007-002-001-002-005-002-003)

Credit revenue recognised: posting level

— Transfers and Subsidies(IR-003-005)

— Capital(IR-003-005-001)

+ Allocations In-kind(IR-003-005-001-001)

— Monetary Allocations(IR-003-005-001-002)

+ Departmental Agencies and Accounts(IR-003-005-001-002-001)

+ District Municipalities(IR-003-005-001-002-002)

+ Foreign Government and International Organisations(IR-003-005-001-002-003)

+ Households(IR-003-005-001-002-004)

— National Government(IR-003-005-001-002-005)

Integrated National Electrification Programme Grant(IR-003-005-001-002-005-001)

Municipal Infrastructure Grant(IR-003-005-001-002-005-002)

Rollovers

In the event that the full grant was not spent at the end of the financial year, the municipality must apply for a rollover as per the process stipulated in the Division of Revenue Act (DoRA). Until such approval has been granted by the National Treasury, a municipality may not continue to incur expenditure against the unspent conditional grant allocation. This does not mean that the municipality should stop or cancel ongoing projects, but Council approval must be obtained to fund the spending from own funding sources until rollover approval is granted by the National Treasury. Once the rollover has been approved by the National Treasury, the amount of the rollover must be ratified through an adjustments budget. The mSCOA chart makes provision for all the required transactions in this regard.

Roll over not approved/ Offset against Equitable share

In the event that the rollover is not approved by the National Treasury, the unspent grant funding must be paid back to the National Revenue Fund or alternatively be offset against the Equitable Share and the Liability must be reduced by:


- 1) Debiting Unspent Grant (Repayment) to reduce the liability that was still outstanding; and
- 2) Crediting Item Revenue Equitable Share to adjust the revenue in line with DoRA.

This is further illustrated below:

- 1) Debit Liability: posting level

 Municipal Infrastructure Grant(IL-001-007-002-001-002-005-002)
Opening Balance(IL-001-007-002-001-002-005-002-001)
Receipts(IL-001-007-002-001-002-005-002-002)
Transferred to Revenue/Capital Expenditure(IL-001-007-002-001-002-005-002-003)
 (Retired) Closing Balance(IL-001-007-002-001-002-005-002-004)
Re-payment of Unspent Grant(IL-001-007-002-001-002-005-002-005)

- 2) Credit Revenue: posting level

 National Revenue Fund(IR-003-005-002-002-006)
Fuel Levy (RSC Replacement Grant)(IR-003-005-002-002-006-001)
Equitable Share(IR-003-005-002-002-006-002)

Unauthorised, Irregular, Fruitless and Wasteful (UIFW) expenditure

If the municipality continues to spend against the conditional grant allocation, but rollover approval has not been granted by the National Treasury, this expenditure will be viewed as unauthorised expenditure.